

GUARANTY OF LEASE

The undersigned, _____ (hereinafter "Guarantor"), executes this Guaranty of Lease this _____ day of _____, _____.

RECITALS

(A) _____ desires to enter into the Lease, as hereinafter described, as Tenant, and is hereinafter referred to as "Tenant."

(B) Guarantor has requested Varsity / College Properties, hereinafter referred to as "Landlord," enter into a Lease with Tenant for certain Demised Premises located at _____ in Bloomington, Monroe County, Indiana.

(C) Any capitalized terms not otherwise defined herein shall have the meanings ascribed in the Lease.

NOW, THEREFORE, to induce Landlord to enter into the Lease, the Guarantor hereby agrees:

1. Guarantor unconditionally guarantees to the Landlord, and the successors and assigns of Landlord, the full and punctual payment, performance and observance, by Tenant, of all the terms, covenants, and conditions of the Lease to be kept, paid, performed or observed by Tenant. This Guaranty of Lease shall include any liability of Tenant that shall accrue under the Lease for any period preceding, as well as any period following, the Original Term or any exercised extension of the Lease and shall also include Landlord's attorney's fees.

2. If, at any time, Tenant defaults in the performance or observance of any of the terms, covenants or conditions of the Lease to be kept, paid, performed or observed by Tenant, Guarantor will keep, pay, perform and observe the same, as the case may be, in place and stead of Tenant. The Guarantor waives notice of any breach or default by Tenant.

3. Any act of Landlord, or the successors, assigns or mortgagee of Landlord, consisting of a waiver of any of the terms or conditions of the Lease, or the giving of any consent to any manner or thing relating to the Lease, or the granting of any indulgences or extensions of time to Tenant, may be done without notice to Guarantor and without releasing the obligations of Guarantor hereunder.

4. The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of security given for the performance and observance of covenants, terms, or conditions of the Lease; nor by any modification of the Lease, but in case of any such modification, the liability of Guarantor shall be deemed modified in accordance with the terms of any such modification of the Lease.

5. To secure payment of rent and other liabilities of Guarantor hereunder, Guarantor hereby grants to Landlord a security interest in all of Guarantor's personal property and fixtures (whether now or hereinafter acquired) which are now or hereinafter located at the above stated property and in the proceeds thereon, including tort claims and insurance (all hereinafter collectively referred to as "Collateral"). Guarantor authorizes Landlord to file financing statements relating to the Collateral signed only to the Landlord. Upon the occurrence of an event of default, Landlord shall have all the remedies of a secured party available under Indiana law. These remedies include, without limitation, the right to take possession of the Collateral and for that purpose Landlord may enter upon any premises on which the Collateral, or any part of it, may be situated and removed and Guarantor shall hold Landlord harmless from any liability sustained therein, except through wanton or willful misbehavior. Landlord may require that Guarantor make the Collateral available to Landlord at a place to be designated by Landlord, which is reasonably convenient to both parties. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Landlord shall give Guarantor at least ten (10) days prior written notice of the time and place of any public sale thereof or of the time at which any disposition thereof is to be made. Expenses of retaking, holding, preparing for sale, sale and the like, shall include Landlord's reasonable attorneys' fees and legal expenses.

6. The liability of Guarantor hereunder shall in no way be affected by (a) the release or discharge of Tenant in any creditors', receivership, bankruptcy or other proceedings; (b) the impairment, limitation or modification of the liability of the Tenant or the estate of the Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's said liability under the Lease, resulting from the operation of any present or future provision of the National Bankruptcy Act or other statute or from the decision in any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Tenant; (e) any disability or other defense of Tenant, or (f) the cessation from any cause whatsoever of the liability of Tenant.

7. Until all the covenants, terms, and conditions of Lease to be kept, paid, performed or observed are fully kept, paid, performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payments or acts of performance by the Guarantor, in compliance with the obligations of the Guarantor hereunder; (b) waives any right to enforce any remedy which Guarantor now or hereafter shall have against Tenant by reason of any one or more payments or acts of performance in compliance with the obligations of the Guarantor hereunder; and (c) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to the Landlord under said Lease.

8. This Guaranty shall apply to the Lease, any extension or renewal thereof, and to any holdover term following the Original Term or any extension or renewal thereof.

9. This instrument may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and the Landlord.

IN WITNESS WHEREOF, Guarantor has hereunto set his hand as of the date first above written.

Guarantor Signature

Guarantor Address

Guarantor Phone Number

Guarantor Email Address