

**STANDARD SHOPPING CENTER LEASE. BY AND BETWEEN CAL-PERL UPLAND 5, L.P.,
AS OWNER AND DIANE HUYNH AND DON HUYNH, JOINTLY AND SEVERELY, DBA
"PHO MAI", AS TENANT**

STANDARD SHOPPING CENTER LEASE

THIS LEASE is made and entered on the ____ day of November, 2010, by and between Cal-Perl Upland 5, L.P. ("Owner") and Diane Huynh and Don Huynh, jointly and severally, dba Pho Mai ("Tenant").

ARTICLE I BASIC LEASE PROVISIONS

Section 1.01. Commencement of Term, Rent and Common Area Expenses. The lease Term and Tenant's obligation to pay Minimum Rent shall commence upon the date ~~of this Lease~~ tenant receives a fully executed lease from landlord (the "Commencement Date"). Tenant's obligation to pay Additional Rent shall commence as specified in Section 4.01.

Section 1.02. Tenant's Trade Name. Pho Mai.

Section 1.03. Shopping Center. Known to Owner as MountainGreen Shopping Center located in the City of Upland, County of San Bernardino, State of California.

Section 1.04. Premises. Commonly known as 271 Mountain Ave, Upland, California.

Section 1.05. Floor Area. Approximately 2,525 square feet. Square feet to be verified by tenant.
Tenants common area percentage as it relates to 100% of the leasable space in the center
is _____ %

Section 1.06. Expiration of Term. ~~Sixty-six (66)~~ 120 months after the date of this Lease.

Section 1.07. Time to Complete Tenant's Work. One Hundred Eighty (180) days from commencement of the lease

Section 1.08. Rent Commencement Date. As defined in Section 1.01.	Month	Rent	\$/Sq. Ft./Month	Monthly Minimum Rent
Section 1.09. Minimum Rent	1-6		\$0.00 psf	\$0.00
	7-18		\$1.25 psf	\$3,156.25
	19-30		\$1.30 psf	\$3,282.50
	31-42		\$1.50 psf <u>overmarket inc</u>	\$3,787.50
	43-54		\$1.60 psf <u>overmarket inc</u>	\$4,040.00
55-60			\$1.70 psf <u>overmarket inc</u>	\$4,292.50

Upon Lease execution Tenant shall deliver to Owner advance payment for Minimum Rent and the Monthly Impound for Common Area Expenses in the amount of Four Thousand Two Hundred Sixteen and 75/100 Dollars (\$4,216.75).

Section 1.10. Percentage Rent Rate. None. **Section 1.11. Use of Premises.** Operation of a first class Vietnamese Restaurant. The

Premises shall be used solely for the use stated herein and for no other use or purpose. **Section 1.12.**

Contribution to Grand Opening Fund. \$0 (See Section 19.01). **Section 1.13. Estimated**

Section 1.17. Address For Notices to Tenant. Prior to opening:

Diane Huynh and Don Huynh 785 Sugar Maple Lane Corona, CA 92881

After opening:

Diane Huynh and Don Huynh 271
Mountain Avenue Upland, CA
91786

ARTICLE II PREMISES

Section 2.01. Leased Premises.

Owner hereby leases to Tenant, and Tenant hereby rents from Owner, those certain premises and improvements located in the Shopping Center, consisting of a store having floor area of approximately that square footage stated in Section 1.05 (the “Premises”). “Floor Area” means all areas designated by Owner for the exclusive use of Tenant measured from the outside of the exterior walls and the center of the interior demising walls. The boundaries and location of the Premises are depicted on the site plan of the Shopping Center, which is attached hereto as **Exhibit A** (the “Site Plan”) and shall be deemed to include the entryway to such store.

Section 2.02. Reservations.

Owner reserves the right at any time to make reasonable alterations or additions to and to build additional stories on the building in which the Premises are contained (the “Building”) and to construct other buildings, improvements, alterations or additions in the Shopping Center. These alterations and additions however shall not materially impede reasonable access or visibility to the Premises. Easements for light and air are not included in the Premises. Owner further reserves the right to go on the roof of the Premises for the purpose of effecting certain items of repair and maintenance as provided in this Lease.

Section 2.03. Right to Relocate.

~~The purpose of the Site Plan is to show the approximate location of the Premises. Owner reserves the right at any time to make changes to the various buildings, parking, and other common areas as shown on the Site Plan. Owner reserves the right from time to time to substitute for the Premises other premises (the “New Premises”) at the Shopping Center so long as (a) the New Premises are similar to the Premises in square footage; (b) Owner gives Tenant at least sixty (60) day’s notice before making such change; (c) Owner pays reasonable direct out of pocket expenses of Tenant in moving from the Premises to the New Premises, and (d) Owner improves the New Premises to a condition substantially similar to the Premises (exclusive of trade fixtures, personal property, inventory and equipment). Owner will not have any liability to Tenant for the loss or damage of Tenant’s property or business arising in connection with moving to the New Premises. At Owner’s request, Tenant will execute and deliver to Owner an amendment to the Lease confirming the change of the Premises and any other required changes.~~

Section 2.04. Conditions of Record.

Owner’s title is subject to: (a) the effect of any covenants, conditions, restrictions, easements, development agreements, mortgages or deeds of trust, ground leases, rights of way, and other matters or documents of record now or hereafter recorded against Owner’s title, (b) the effects of any zoning laws of the city, county and state where the Shopping Center is situated, and (c) general and special taxes and assessments not delinquent. Tenant agrees (i) that as to its leasehold estate it, and all persons in

ARTICLE III TERM

Section 3.01. Commencement of Term.

This Lease shall be effective upon the date of this Lease. The term of this Lease (the "Term") shall commence as specified in Section 1.01 and shall continue for the period specified in Section 1.06 unless sooner terminated in accordance with the provisions of this Lease. The number of months shall be computed from the date (the "Term Date") which is the first day of the Term plus any partial month if the Expiration of Term is not the last day of the month. As used in this Lease, "Lease Year" means the twelve (12) month period commencing on the Term Date, and each subsequent twelve (12) month period during the Term. Upon request of Owner, Tenant shall execute a written confirmation of the commencement of the Term and the Rent Commencement Date upon a form to be supplied by Owner.

ARTICLE IV RENT

Section 4.01. Rent Commencement Date.

Tenant's obligation to pay Minimum Rent under this Lease subject to section 1.09(Tenant's free rent) shall commence as set forth in Section 1.01 (the "Rent Commencement Date"). Tenant's obligation to pay the Monthly Impound for Common Area Expenses under this Lease shall commence ~~on the earlier to occur of (i) the date which is one~~ hundred eighty (180) days after the date of this Lease ~~or (ii) the date on which Tenant opens for business from the Premises~~. The period of time to complete Tenant's Work shall commence on the date of this Lease as set forth in section 1.01. Minimum Rent for any partial calendar month at the beginning or end of the Term shall be prorated on a per diem basis assuming a thirty (30) day month. The Minimum Rent shall be paid thereafter in equal monthly installments on or before the first day of each month in advance without notice, demand or offset. The Minimum Rent to be paid by Tenant during the Term of this Lease is set forth in Section 1.09.

Section 4.02. Adjustments to Minimum Rent

~~As set forth in Section 1.09.~~

~~As used in this Lease, "Index" means the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for Los Angeles/Riverside/Orange County Area, Subgroup "All Items", (1982-84 = 100). If at any time the Index does not exist in the format stated in the preceding sentence, Owner shall substitute any official index published by the Bureau of Labor Statistics or successor or similar substituted official index published by the Bureau of Labor Statistics, or successor or similar governmental agency, as may then be in existence and shall, in Owner's opinion, be most nearly equivalent thereto. As used in this Lease, (i) "Adjustment Date" means each anniversary of the Term Date; (ii) "Beginning Index" means the level of the Index for the two calendar months immediately preceding the Rent Commencement Date; and (iii) "Adjustment Index" means the level of the Index for the two calendar months immediately preceding the applicable Adjustment Date. As of each Adjustment Date, Minimum Rent shall be increased (but not decreased) (an "Adjustment") to an amount equal to the greater of (A) the Minimum Rent payable for the first Lease Year multiplied by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Beginning Index, or (B) one hundred three percent (103%) of the Minimum Rent payable for the calendar month immediately preceding the Adjustment Date ("Minimum Adjusted Rent"). Notwithstanding the foregoing, Minimum Rent on each Adjustment Date shall be not more than one hundred eight percent (108%) of the Minimum Rent in effect as of the day before the applicable Adjustment Date. If Owner is unable to calculate the Adjustment and provide it to Tenant prior to an Adjustment Date, Tenant shall pay the Minimum Adjusted Rent until the adjustment is calculated and, within ten (10) days after the calculation is made~~

Section 4.04. Gross Receipts Defined.

~~“Gross Receipts” means (a) the entire amount charged for the full price at the time of the initial transaction for all merchandise sold or delivered or services rendered by Tenant whether for cash or credit; (b) the gross amount received or charged by Tenant for merchandise sold or services rendered pursuant to orders received by telephone, mail, house to house, or by other canvassing, and attributable to the Premises whether or not filled elsewhere; and (c) all gross income of Tenant from any operation in, at, from or through the use of the Premises. Excluded from the calculation of “Gross Receipts” are (i) cash refunded or credit allowed on merchandise returned by customers;~~

~~(ii) sales taxes, excise taxes, other similar taxes; (iii) proceeds from sales of fixtures, equipment, or property which are not stock in trade; and (iv) sales to employees representing discounts or compensation benefits and for which Tenant realizes no monetary profit in an amount not to exceed two percent (2%) of Gross Receipts. The term “Tenant”, as used in this Section, includes the named Tenant and any subtenant, assignee, licensee, concessionaire, vending machine or any other person or firm conducting business in, at, from or through the use of the Premises.~~

Section 4.05. Additional Rent.

All other sums required to be paid by Tenant to Owner pursuant to this Lease in addition to Minimum Rent and Percentage Rent, whether or not designated as rent, shall be deemed to be “additional rent”. The term “Rent” as used in this Lease means Minimum Rent, Percentage Rent and additional rent, unless otherwise specified. Rent for any period which is for less than one (1) month shall be a prorated portion of the monthly rent installment based upon a thirty (30) day month.

Section 4.06. Late Payment.

If the Tenant fails to pay the Minimum Rent or any installment thereof or Percentage Rent, if any, or any other additional rent due under this Lease within five business (5) days after such Rent has become due, both Tenant and Owner agree that Owner will incur additional expenses consisting of extra collection efforts, handling costs and potential impairment of credit on loans which may be secured by this Lease. Both parties agree that should Tenant fail to pay its Rent, Owner is entitled to compensation for detriment caused by the failure, but that it is extremely difficult and impractical to ascertain the extent of the detriment. The parties therefore agree that should Tenant fail to pay any Rent due hereunder within five (5) business days after the same becomes due, Owner shall be entitled to recover from Tenant five percent (5%) of the amount past due as liquidated damages. Such past due amounts shall also bear interest at the maximum rate allowed by law from the date due until paid. Tenant further agrees to pay Owner any costs incurred by Owner in the collection of such past due Rent including but not limited to fees of an attorney and/or collection agency. Nothing herein contained shall limit any other remedy of Owner under this Lease. Owner shall also have the right to require Tenant to pay any past due sums by cashier’s check or money order.

Further, should Tenant fail to pay Rent or any other charges due hereunder in the time periods set forth herein, two (2) or more times during any calendar year of the Term, Owner may require Tenant to thereafter pay Rent in quarterly installments in advance for the balance of the Term.

ARTICLE V CONSTRUCTION OF LEASED PREMISES

Section 5.01. Tenant’s Obligations.

As used in this Lease, “Tenant's Work” means any work to be performed by Tenant as specified in **Exhibit B**, any permits, fees or applications for such work, or any work in addition to any of the items listed in **Exhibit B**. Tenant shall perform all of Tenant's Work at its sole cost and expense.

~~Tenant shall accept the Premises in its "AS IS" condition, with the exception of Owner's Work as set forth in Exhibit B, and Tenant waives any right or claim against the Owner for any cause directly or indirectly, arising out of the condition of the Premises, appurtenances thereto, the improvements thereon and the equipment thereof. Tenant shall save and hold harmless the Owner from liability as provided in this Lease. Owner shall not be liable for any latent or patent defects therein.~~

Section 5.03. Commencement of Construction and Completion.

Prior to commencement of Tenant's Work, if any, Tenant shall notify Owner in writing of the date Tenant will commence construction. Tenant's contractor shall commence the construction of Tenant's Work promptly upon possession of the Premises by Tenant and shall diligently pursue such construction to completion. ~~From the date of the Lease, Tenant shall complete construction within the time period described in Section 1.07 herein.~~ Tenant shall comply with all conditions of **Exhibit B**. Tenant shall record within ten (10) days of completion of Tenant's Work, a valid Notice of Completion and thereafter deliver to Owner prior to opening for business a certified copy of such Notice along with final lien releases for all contractors, subcontractors, materialmen and suppliers covering all improvements and work performed by Tenant and/or Tenant's contractor on the Premises.

Unless otherwise agreed to in writing by Owner, any work performed on the Premises in connection with the heating, ventilation, air-conditioning equipment ("HVAC"), any roof penetrations or automatic sprinklers shall be performed by Owner and/or Owner's contractor and paid for by Tenant, but shall be competitively bid. If Tenant does not use Owner's roofer and/or HVAC contractor or sprinkler contractor, Owner reserves the right to have Owner's contractor inspect Tenant's improvements at Tenant's expense and correct any defects at Tenant's expense. Until such time as any substandard work performed by Tenant or at Tenant's direction has been repaired by Owner's contractor, Tenant shall be responsible for any necessary repairs and/or service calls.

Prior to commencement of Tenant's Work or any alteration, addition or repair which involves the automatic fire sprinkler system servicing the Premises or the Building, Tenant shall notify Owner and submit to Owner for approval Fire Marshall Approved fire sprinkler drawings (which have previously been approved by all applicable governmental authorities) certifying that such work does not jeopardize the rating of the system. Tenant shall be responsible for all interruptions to fire monitoring systems and shall indemnify, protect, defend and hold Owner harmless from any and all liabilities, costs and expenses associated with such work.

Section 5.04. Delay In Possession.

Owner shall not be liable for failure to deliver possession of the Premises to Tenant. If Owner fails to deliver possession of the Premises on or before the expiration of ~~one thirty days(1) year~~ from the date of lease execution (subject to extension for any "Force Majeure" (defined in Section 25.06), "Tenant Delays" (defined in Section 25.06) or inability to obtain financing.), either party-tenant may terminate this Lease by giving thirty (30) days written notice to the other party. Thereafter, neither party shall have any further liability to the other in connection with this Lease.

ARTICLE VI RECORDS AND BOOKS OF ACCOUNT

Section 6.01. Tenant's Records.

~~Tenant shall maintain and keep on the Premises or at Tenant's principal office in California for a period of not less than three (3) years following the end of each year during the Term, adequate records which show Gross Receipts, inventories and receipts of merchandise at the Premises, and daily receipts~~

~~(c) computer printouts and computerized sales slips; (d) the originals of all mail orders at and to the Premises; (e) the original records of all telephone orders at and to the Premises; (f) settlement report sheets of transactions with subtenants, concessionaires and licensees; (g) the original records showing that merchandise returned by customers was purchased at the Premises by such customers; (h) memorandum receipts or other records of merchandise taken out on approval; (i) records of inventory purchases; (j) such other sales records, if any, which would normally be examined by an independent accountant pursuant to generally accepted auditing standards in performing an audit of Tenant's Gross Receipts; and (k) the records specified in (a) to (l) above for subtenants, assignees, concessionaires or licensees of Tenant.~~

~~Section 6.02. Reports by Tenant.~~

~~Tenant shall submit to Owner on or before the thirtieth (30th) day following each monthly period during the Term hereof (including the thirtieth (30th) day of the month following the end of the Term) at the place then fixed for the payment of rent, or at such other place designated by Owner, a written statement signed by Tenant, and certified by it to be true and correct, showing in reasonable, accurate detail, the amount of Gross Receipts for each preceding month and fractional month, if any.~~

~~Tenant shall submit to Owner on or before the thirtieth (30th) day following the end of each calendar year at the place then fixed for the payment for rent, a written statement signed by Tenant, and certified to be true and correct showing in reasonably accurate detail satisfactory in scope to Owner, the amount of Gross Receipts during the preceding calendar year. At Owner's option, the written statement shall be duly certified to Tenant and Owner by independent certified public accountants of recognized standing. The accounting statement referred to in this Section 6.02 shall be in such form and style and contain such details and breakdown as the Owner may reasonably require.~~

~~If Tenant fails to timely submit to Owner either the monthly or annual written statement described in this Section 6.02, Tenant shall pay to Owner, as additional rent and without limiting any other remedy Owner may have against Tenant under this Lease as a result for this breach, a \$100.00 (increased on January 1 of each year of the Term according to increases in the Index) charge for each and every month that Tenant fails to timely submit such written statement. Alternatively, Owner shall have the right, upon five (5) days' written notice, to audit Tenant's records at Tenant's expense.~~

~~Section 6.03. Annual Balance Sheet.~~

~~Tenant shall provide Owner, whenever reasonably requested by Owner, a current annual balance sheet for Tenant's business at the Premises, either certified by Tenant or if Tenant is a corporation, by Tenant's chief financial officer, to be true and correct or accompanied by a report of an independent certified public accountant.~~

~~ARTICLE VII-AUDIT~~

~~Section 7.01. Right to Examine Books.~~

~~The acceptance by Owner of payments of Percentage Rent shall be without prejudice to Owner's right to examine Tenant's books and records concerning Gross Receipts from the Premises.~~

~~Section 7.02. Audit.~~

~~As its option, Owner may cause, at any reasonable time and upon five (5) days prior written~~

ARTICLE VIII TAXES

Section 8.01. Real Property Taxes.

Tenant agrees to pay its pro rata share of all general and special real property taxes and assessments and governmental levies and charges of any and every kind, nature and sort whatsoever, ordinary and extraordinary, foreseen and unforeseen, and substitutes therefore or supplements thereto, including the cost to Owner of any appeals or contests of any taxes or assessments (except any inheritance, estate, succession, transfer or gift tax imposed on Owner or any income tax specifically payable by Owner as a separate tax-paying entity without regard to Owner's income source as arising from or out of the Shopping Center) (collectively "Real Property Taxes") which may be levied or assessed by any lawful authority against the Shopping Center applicable to the period from the commencement of the Term until the expiration or sooner termination of this Lease. Tenants pro rata share shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings located within the Shopping Center (including the Premises). Notwithstanding the foregoing provisions, if the Real Property Taxes are not levied and assessed against the entire Shopping Center by means of a single tax bill (i.e., if the Shopping Center is separated into two (2) or more separate tax parcels for purposes of levying and assessing the Real Property Taxes), then, at Owner's option, Tenant shall pay Tenant's pro rata share of all Real Property Taxes which may be levied or assessed by any lawful authority against the land and improvements of the separate tax parcel on which the Building containing the Premises is located. Tenant's pro rata share under such circumstances shall be apportioned according to the floor area of the Premises as it relates to the total leasable floor area of the Building or buildings situated in the separate parcel in which the Premises are located. If any anchor tenant(s) lease requires Owner to obtain a separate assessment for that anchor tenant(s) building, then Tenant's pro rata share shall be computed based on its square footage to the total square footage included in the parcel, excluding the square footage of said anchor tenant(s), and shall be apportioned based on the remaining tax assessment, excluding said anchor tenant(s) assessment.

All Real Property Taxes for the tax year in which the Term commences and for the tax year in which this Lease terminates shall be apportioned and adjusted so that Tenant shall not be responsible for taxes and assessments for a period of time occurring prior to the time the Term commences or subsequent to the Term.

The amount to be paid pursuant to the provisions of this Section 8.01 shall be paid monthly in advance without demand or offset as estimated by Owner based on the most recent tax bills and estimates of appraised or re-appraised values (if reappraisal is to occur), commencing with the month (or partial month on a prorated basis if such be the case) that the Term commences. The estimated monthly impound for common area expenses is shown in Section 1.16. This amount is estimated as of the date the Lease is signed and may be increased ~~upon~~ 12 months after the commencement of the Term and is subject to adjustment in accordance with Section 12.05(a).

If at any time during the Term, a tax, fee or excise is levied or assessed by any political body against Owner on account of rent payable to Owner hereunder, the square footage of the Premises, the act of entering into this Lease or the occupancy of Tenant or any other tax however described or any tax based on or measured by expenditures made by Tenant on behalf of Owner including the so-called value added tax, such tax, fee or excise shall be considered "Real Property Taxes" for purposes of this Section 8.01, and shall be payable in full by Tenant. At Owner's option, such taxes, fees or excises shall be payable monthly in advance on an estimated basis as provided in this Section 8.01 or, at Owner's option, shall be payable within ten (10) days after Tenant's receipt of the tax bill therefor from Owner.

Section 8.03. Personal Property Taxes.

Tenant shall pay prior to delinquency all federal, municipal, county or state taxes, charges, assessments and fees assessed during the Term against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the Premises by Tenant.

ARTICLE IX SECURITY DEPOSIT

Section 9.01. Amount of Deposit.

Upon signing this Lease, Tenant shall deposit with Owner the sum set forth in Section 1.14 herein ("Security Deposit"). This Security Deposit shall be held by Owner, without liability for interest, as partial security for the full and faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be performed by Tenant including, without limitation, those relating to the payment of rent, repairing the Premises (other than normal wear and tear) and cleaning the Premises upon termination of the Term. Owner may commingle the Security Deposit and shall not be required to keep it separate from its general funds.

Section 9.02. Use and Return of Deposit.

In the event of the failure of Tenant to abide by any of the terms, covenants and conditions of this Lease, then Owner, at its option, may use any amount of the Security Deposit to compensate Owner for any loss or damage sustained or suffered due to such failure by Tenant. The entire Security Deposit, or any portion thereof, may also be applied by Owner to the payment of overdue rent or other sums due and payable to Owner by Tenant hereunder. In this event, Tenant, upon the written demand of Owner, shall immediately remit to Owner a sufficient amount in the form of a cashier's check to restore the Security Deposit to the original sum deposited. Failure to do so within five (5) business days after such demand shall constitute a material breach of this Lease. Should Tenant comply with all of the terms, covenants and conditions of this Lease and promptly pay when due all of the Rent and all other sums payable by Tenant to Owner, the Security Deposit will be returned to Tenant in accordance with applicable law.

Section 9.03. Transfer of Security Deposit.

Owner shall deliver the Security Deposit to the purchaser of Owner's interest in the Premises, in the event that such interest is sold, and upon delivery, Owner shall be discharged from any further liability with respect to repayment of the Security Deposit to Tenant.

ARTICLE X CONDUCT OF BUSINESS BY TENANT

Section 10.01. Use of Premises.

Tenant shall use the Premises solely for the use and under the trade name specified in Sections 1.02 and 1.11, respectively, herein, and for no other purpose.

Tenant shall not (a) do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other occupants of the Shopping Center or injure or annoy them, (b) cause, maintain or permit any nuisance in, on or about the Premises, (c) use or allow the Premises to be used for any unlawful purpose, (d) commit or allow to be committed any waste in or upon the Premises, (e) display or allow carts, pallets or similar items owned by or within the control of Tenant or Tenants merchandise to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises, (f) install any exterior lighting, amplifiers or similar devices, or use in or about

Premises or Tenant's use of the Premises, including, without limitation, the obligation at Tenant's cost to alter, maintain or improve the

Premises and/or the Common Area, Common Facilities and Common Utility Facilities in compliance with and conformity with all laws relating to the condition, use or occupancy of the Premises during the Term (including the Americans With Disabilities Act). Tenant shall also comply with the requirements of any insurance organization or company necessary for the maintenance of the fire and public liability insurance described in this Lease covering the Building and its appurtenances. If

Tenant's use of the Premises results in a rate increase for the Building or the Shopping Center, Tenant shall pay within ten (10) days of billing from Owner, as additional rent, a sum equal to the additional premium caused by such rate increase.

Section 10.02. Operation of Business.

Tenant shall open for business in the Premises no later than the Rent Commencement Date and shall thereafter operate continuously for business to the public in the Premises. Tenant shall operate one hundred percent (100%) of the Premises during the entire Term with due diligence and efficiency so as to maximize the Gross Receipts which may be produced by Tenant's business therein. Tenant shall carry at all times in the Premises a stock of merchandise of such size, character and quality as shall be reasonably designed to produce the maximum return to Owner and Tenant. Tenant shall conduct its business in the Premises during the usual and customary days and hours for such type of business, or during times designated by Owner for other tenants at the Shopping Center. In the latter event, Owner will notify Tenant in writing of the designated Shopping Center days and hours. Tenant's obligation to continuously operate its business in the Premises shall not apply if the Premises should be closed and the business of Tenant temporarily discontinued therein for not more than three (3) days out of respect to the memory of any deceased officer or employee of Tenant, or the relative of any such officer or employee or force majeure. Tenant shall install and maintain at all times displays of merchandise in the display windows (if any) of the Premises. Tenant shall keep the display windows and signs, if any, in the Premises well lighted during the hours from sundown to 11:00 p.m.

~~In the event Tenant fails to take possession of the Premises or to open for business fully fixtured, stocked and staffed by the Rent Commencement Date, or fails to fully operate its business in the Premises at any time during the term in accordance with this Section 10.02, then Owner, in addition to any and all remedies otherwise provided in this Lease, shall have the right to collect a sum equal to the greater of (i) twice the Minimum Rent per day, or (ii) in addition to other rent specified in this Lease, \$100.00 for each and every day after the Rent Commencement Date that Tenant shall fail to be open for business in the Premises in accordance with the terms of this Lease. In the event such failure to operate results from Tenant's acts or omissions and continues for a period of forty five (45) days after the Rent Commencement Date, Owner shall have the right to terminate this Lease by providing Tenant written notice. This additional rent is intended to compensate Owner for loss of Rent that may have been earned during the period Tenant is not open for business, for damages suffered by the Owner to the Shopping Center as a whole by reason of Tenant's not being open and for additional costs and expenses that Owner may incur by reason of increased administrative expenses and security costs for the Shopping Center. Tenant acknowledges and agrees that Owner is executing this Lease in reliance on Tenant's covenant and obligation to continuously operate its business in the Premises in accordance with this Lease and that such obligation and covenant to the Owner is a material element of consideration inducing Owner to execute this Lease. The foregoing provision for additional rent shall not apply during any temporary closure for a maximum of three (3) days as set forth above, due to "Force Majeure" as defined in Section 10.03, or due to casualty damage or condemnation (in which either event Tenant shall recommence the conduct of its business in accordance with the terms of this Lease within the time periods specified in this Lease after restoration and redelivery of the Premises to the Tenant).~~

Section 10.03. Competition.

Section 10.04. Storage, Office Space.

Tenant shall warehouse, store and/or stock in the Premises only such goods, wares and merchandise as Tenant intends to offer for retail sale at, in, from or upon the Premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant, if any, not located in the Shopping Center. Tenant shall use for office, clerical or other non-selling purposes only such space in the Premises as is from time to time reasonably required for Tenant's business in the Premises.

Section 10.05. Compliance with Environmental Laws.

Tenant at all times and in all respects shall comply with all federal, state and local laws, ordinances and regulations ("Hazardous Materials Laws") relating to industrial hygiene, environmental protection or the use, generation, manufacture, storage, disposal or transportation of any hazardous, toxic, contaminated or polluting materials, substances or wastes, including, without limitation, oil or other petroleum products, flammable explosives, asbestos, or any "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" regulated under any Hazardous Material Law (collectively, "Hazardous Materials"). Tenant, at its own expense, shall procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for Tenant's use of the Premises. In all respects, Tenant shall handle, treat, deal with, manage and dispose of any and all Hazardous Materials in total conformity with all applicable Hazardous Materials Laws and prudent industry practices. Upon expiration or earlier termination of the term of the Lease, Tenant shall cause all Hazardous Materials to be removed from the Premises and transported for use, storage or disposal in accordance and compliance with all applicable Hazardous Materials Laws. If Tenant fails to do so, Owner may remove such Hazardous Materials at Tenant's expense. Upon expiration or earlier termination of the Term, Tenant shall cause all Hazardous Materials to be removed from the Premises and transported for use, storage or disposal in accordance with and compliance with all applicable Hazardous Materials Laws. Tenant shall not take any remedial action in response to the presence of any Hazardous Materials in or about the Premises or any building, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Materials in any way connected with the Premises or any building, without first notifying Owner of Tenant's intention to do so and affording Owner ample opportunity to appear, intervene or otherwise appropriately assert and protect Owner's interest with respect thereto.

Tenant shall immediately notify Owner in writing of: (i) any enforcement, cleanup, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant, the Premises or any building relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises or any building, including any complaints, notices, warnings or asserted violations in connection therewith. Tenant shall also supply to Owner as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises, any building or Tenant's use thereof. Tenant shall promptly deliver to Owner copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Premises.

Tenant shall indemnify, defend (by counsel reasonably acceptable to Owner), protect, and hold Owner and each of Owner's partners, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses or expenses (including attorneys' fees), or death of or injury to any person or damage to any property whatsoever,

If ~~at any time it reasonably appears to Owner that~~ Tenant is not maintaining sufficient insurance or other means of financial capacity to enable Tenant to fulfill its obligations to Owner in connection with this Section 10.05, whether or not then accrued, liquidated, conditional or contingent, Tenant shall procure and thereafter maintain in full force and effect such insurance or other form of financial assurance, with or from companies or persons and in forms reasonably acceptable to Owner, as Owner may from time to time reasonably request.

ARTICLE XI MAINTENANCE AND REPAIRS

Section 11.01. Owner's Maintenance Obligations.

Owner on behalf of Tenant and the other occupants of the Building shall maintain in good condition and repair the foundations, structural portions, roofs, exterior surfaces and walls of the Building, exclusive of doors, door frames, door checks, windows, window frames, and store fronts, which shall be maintained, repaired and replaced by Tenant. Tenant acknowledges that the cost of Owner's maintenance obligations referenced in the preceding sentence, ~~excluding~~ including the costs to maintain the structural portions of walls, structural portions of the roof and foundation of the Building, shall be prorated and paid by Tenant as Common Area Expenses (defined in Section 12.04); provided however if any repairs or replacements are necessitated by the negligence or willful acts of Tenant ~~or anyone claiming under Tenant or~~ by reason of Tenant's failure to observe or perform any provisions contained in this Lease or caused by alterations, additions or improvements made by Tenant or anyone claiming under Tenant, the cost of such repairs and replacements shall be solely borne by Tenant. Notwithstanding anything to the contrary contained in this Lease, Owner shall not be liable for failure to make repairs required to be made by Owner under the provisions of this Lease unless Tenant has previously notified Owner in writing of the need for such repairs and Owner has failed to commence and complete the repairs within a reasonable period of time following receipt of Tenant's written notification. Tenant waives any right to offset against any rent due hereunder and agrees not to assert as an affirmative defense in any judicial proceeding or arbitration brought by Owner against Tenant of claims made under this Lease and any law permitting Tenant to make repairs at Owner's expense.

Section 11.02. Owner's Right of Entry.

Owner, its agents, contractors, employees and assigns may enter the Premises at all reasonable times with reasonable notice excepting emergencies (a) to examine the Premises; (b) to perform any obligation of, or exercise any right or remedy of Owner under this Lease; (c) to make repairs, alterations, improvements or additions to the Premises, the Building or to other portions of the Shopping Center as Owner deems necessary; (d) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (e) to show prospective tenants the Premises during the last six (6) months of the Term; (f) to post leasing signs, but not on the premises, unless the premises has been vacated during the last six (6) months of the Term and (g) to perform work that Owner reasonably deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence to make, and diligently pursue to completion, its required repairs as provided herein.

Section 11.03. Tenant's Maintenance Obligations.

Tenant, at its sole cost and expense, shall keep the Premises (including the storefronts and all other areas not required to be maintained by Owner in Section 11.01) in first class order, condition and repair and shall make all repairs and replacements necessary to keep the Premises in such condition. All replacements shall be of a quality equal to or exceeding that of the original. Should Tenant fail to make these repairs and replacements or otherwise so maintain the Premises for a period of ~~three~~ ten

equipment, and bill Tenant for the cost of same. The sum so billed to Tenant shall become immediately due to Owner as additional rent.

Tenant, at its own expense, shall comply with all requirements for the installation and periodic maintenance of fire extinguishers or automatic dry chemical extinguishing systems, if any, located in the Premises.

Section 11.04. Plate Glass.

Tenant shall promptly replace, at its expense, any and all plate and other glass damaged or broken from any cause whatsoever (except Owner's direct act) in and about the Premises. Tenant shall have the option either to insure this risk or self-insure.

ARTICLE XII COMMON AREA

Section 12.01. Definition of Common Area.

The term "Common Area" as used in this Lease means all areas within the exterior boundaries of the Shopping Center now or later made available for the general use of Owner and other persons entitled to occupy floor area in the Shopping Center including without limitation, the exterior surface, walls and nonstructural portions of roofs. Without limiting this definition, Owner may include in the Common Area those portions of the Shopping Center presently or later sold or leased until the commencement of construction of building(s) thereon, at which time such areas shall be withdrawn from the Common Area. Common Area shall not include (a) the entryway to a tenant's premises, (b) any improvements installed by a tenant outside of its premises, whether with or without Owner's knowledge or consent, or (c) any areas or facilities that could be considered as Common Area except that they are included in the description of premises leased to a tenant or are exclusively for the use of and are the responsibility of a tenant.

Section 12.02. Maintenance and Use of Common Area.

The manner in which the Common Area shall be maintained shall be solely determined by Owner. If any owner or tenant of any portion of the Shopping Center maintains its own Common Area in accordance with written agreement, Owner shall have the right in its sole discretion to allow any owner or tenant to so maintain its own Common Area and be excluded from participation in the payment of Common Area Expenses as provided below. Owner shall not have any responsibility for the maintenance of that portion of the Common Area required to be maintained by another owner or tenant and Tenant hereby waives any claims or damages arising out at any failure of such owner or tenant to so maintain its portion of the Common Area.

The use and occupancy by Tenant of the Premises shall include the right to use the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Shopping Center), in common with Owner and other owners and tenants of the Shopping Center and their customers and invitees, subject to such reasonable, non-discriminatory rules and regulations concerning the use of the Common Area as may be established by Owner from time to time. Written notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant fifteen (15) days prior to their effective date. Tenant agrees to promptly comply with all such rules and regulations upon receipt of written notice from Owner. Owner shall have no liability if any owner or tenant does not comply with such rules and regulations.

Tenant and Tenant's employees and agents shall not solicit business in the Common Areas, nor shall Tenant distribute any handbills or other advertising matter on automobiles parked in the Common Area.

Section 12.03. Control of and Changes to Common Area.

Owner shall have the reasonable, sole and exclusive control of the Common Area. Owner's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) cause Tenant to remove or restrain persons from any unauthorized use of the Common Area if they are using the Common Area by reason of Tenant's presence in the Shopping Center; (c) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (d) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (e) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription, or for any other reason deemed sufficient in Owner's judgment; and (f) reasonably change the shape and size of the Common Area, add, eliminate or change the location of improvements to the Common Area, including, without limitation, buildings, lighting, parking areas, roadways and curb cuts, and construct buildings on the Common Area, so long as said changes do not materially impair Tenant's business. Owner may determine the nature, size and extent of the Common Area and whether portions of the same shall be surface, underground or multiple-deck; as well as make changes to the Common Area from time to time which in Owner's opinion are deemed desirable for the Shopping Center. Owner's right in this Section 12.03 may be shared in common with other owners of the Shopping Center.

Section 12.04. Common Area Expenses.

The term "Common Area Expenses" as used in this Lease means all costs and expenses incurred by Owner in (a) operating, managing, policing, insuring, replacing, repairing and maintaining the Common Area and, if applicable, the security offices, management offices, merchant association offices, postal services, non-profit community buildings and child care centers located in the Shopping Center from time to time (the "Common Facilities"), (b) maintaining, repairing and replacing the exterior surface, walls and nonstructural portion of the roofs of the buildings from time to time constituting the Shopping Center, including the Building; and (c) operating, insuring, repairing, replacing and maintaining the Common Utility Facilities. "Common Utility Facilities" are defined to include but are not limited to, sanitary sewer lines and systems, gas lines and systems, water lines and systems, fire protection lines and systems, electric power, telephone and communication lines and systems, and storm drainage and retention facilities not exclusively serving the premises of any tenant or store located in the Shopping Center. Common Area Expenses shall include, without limitation, the following: expenses for maintenance, landscaping, re-paving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal, security, fire protection and similar items; cost, installation and removal of seasonal decorations; non-refundable contributions toward one or more reserves for replacements other than equipment; rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, State or local governmental agency; costs of any improvements made by Owner to the Shopping Center for the purpose of reducing recurring expenses or utility costs and from which Tenant can expect a reasonable benefit or that are required by any governmental law, ordinance, regulation or mandate subsequent to the original construction of the Shopping Center; expenses related to the Common Utility Facilities; real and personal property taxes and assessments on the improvements and land comprising the Common Area and Common Facilities; Owner Carried Insurance (defined in Section 16.02) and any additional coverages obtained by Owner on the Shopping Center; and a sum payable to Owner for administration and overhead in an amount equal to fifteen percent (15%) of the Common Area Expenses for the applicable year.

Section 12.05. Proration of Common Area Expenses.

Portions of the Shopping Center may be owned or leased from time to time by various persons or entities occupying freestanding facilities or other facilities containing a substantial amount of floor area and designated by Owner as "Other Stores". The contribution, if any, of the Other Stores toward the

(b) Within one hundred twenty (120) days following the end of each calendar year of the Term, or, at Owner's option, its fiscal year, Owner shall endeavor to furnish Tenant with a detailed and itemized statement covering the calendar or fiscal year (as the case may be) just expired, showing the actual Common Area Expenses for that year, the amount of Tenant's share of Common Area Expenses for said calendar or fiscal year and the Monthly Impound payments made by Tenant during that year. If Tenant's share of the Common Area Expenses exceeds Tenant's prior Monthly Impound payments, Tenant shall pay Owner the deficiency within ~~ten-thirty(1030)~~ days after receipt of the annual statement. If Tenant's Monthly Impound payments for the calendar or fiscal year exceed Tenant's actual share of Common Area Expenses, and provided Tenant is not in arrears as to the payment of any Rent, Tenant may offset the excess against the next Monthly Impound due Owner.

(c) Common Area Expenses may be broken down by Owner into expenses related to the maintenance of all Common Areas exclusive of the Building and other buildings and those expenses related to the operation, management, maintenance, replacement and repair of the Building and other buildings. Tenant's share of the Common Area Expenses related to the Building or buildings shall be determined by multiplying the amount of such expenses by a fraction, the numerator of which is the number of square feet of floor area in the Premises and the denominator of which is the number of square feet of leasable floor area in the Building or buildings, ~~as of the commencement of the applicable calendar year or fiscal year (as the case may be) or, at Owner's option, pursuant to such other fair or equitable manner as determined by Owner.~~ Tenant's share of the Common Area Expenses exclusive of those related to the Building or other buildings if they are also separately identified and billed to tenants, shall be determined by multiplying the Common Area Expenses that remain after applying the contributions, if any, from the Other Stores, by a fraction the numerator of which is the number of square feet of floor area in the Premises and the denominator of which is the number of square feet of leasable floor area in the Shopping Center as of the commencement of the applicable calendar year or fiscal year (as the case may be), exclusive of a floor area occupied by Other Store(s) and expenses pertaining thereto; or, at Owner's option, pursuant to such other fair or equitable manner as determined by Owner.

(d) Notwithstanding anything contained in this Section 12.05 to the contrary, tenants or owners in the Shopping Center with Owner's approval that maintain, repair and replace the roofs located above their stores or the exterior surfaces of their stores, or for any other item that requires a tenant or owner to assume direct responsibility for, shall not be included in the proration of Common Area Expenses relative to other roofs or exterior surfaces or other items in the Shopping Center and the Floor Area of their stores shall be excluded from the calculations made pursuant to Section 12.05(c) with respect to the remaining tenants. Common area expenses shall not increase by more than 5% per annum.

Section 12.06. Parking.

Tenant and its employees shall park their vehicles only in those portions of the Common Area from time to time designated for such purpose by Owner. Owner, at Tenant's expense, shall have the right to tow improperly parked vehicles of Tenant or Tenant's employees after a second violation improper parking. Tenant shall reimburse Owner upon demand for any such towing costs. Owner shall have the right to adopt and implement such parking programs as may be necessary to alleviate parking problems during peak traffic periods, including requiring the use of off-site parking. ~~Tenant shall pay to Owner its proportionate share of the cost of any such off-site parking program based on the ratio of the floor area of the Premises to the total floor area of the premises of all tenants in the Shopping Center required to participate in such program.~~

Tenant shall furnish Owner with a list of its employees and the license numbers of their vehicles within fifteen (15) days after Tenant opens for business in the Premises. Tenant shall be responsible for

supplying such utility service to Tenant. In no event shall Owner be liable for any interruption or failure in the supply of any such utilities to the Premises. Tenant agrees to reimburse Owner within ten (10) days of billing for fixture charges and/or water tariffs, if applicable, which are charged by local utility companies. Owner will notify Tenant of this charge as soon as it becomes known. This charge will increase or decrease with current charges being charged Owner by the local utility company, and will be due as additional rent. Tenant shall be responsible for sewer hook-up fees associated with Tenant's use of the Premises other than the fees for a standard retail shell.

ARTICLE XIV ALTERATIONS AND SIGNS

Section 14.01. Installation.

Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, floor covering, interior lighting, plumbing fixtures, shades or awnings or make any changes to the storefront of the Premises without Owner's prior written consent. Concurrently with the request for approval, Tenant shall deliver to Owner two (2) sets of complete plans and specifications for such work prepared by a licensed architect and if applicable, engineer. If required by Owner, Tenant shall also provide security for the lien free completion of such work in the form of a payment and performance bond or other security satisfactory to Owner.

Section 14.02. Removal by Tenant.

All alterations, decorations, fixtures, additions and improvements made by Tenant, or made by Owner on Tenant's behalf by agreement under this Lease, whether temporary or permanent in character, and whether or not affixed to the Premises (except furnishings, trade fixtures and equipment installed by Tenant, including, but not limited to machines, display cases and signs) shall remain the property of Owner and shall not be removed from the Premises without Owner's prior written consent. ~~During the Term, Tenant shall not remove any of its trade fixtures or other personal property, without the immediate replacement thereof with comparable fixtures or property. Upon expiration of this Lease, or any renewal term thereof, at Owner's option, Tenant shall remove all such alterations, decorations, additions, and improvements, and restore the Premises. If upon the expiration of this Lease, Tenant fails to remove such alterations, decorations, additions and improvements and restore the Premises, Tenant shall promptly reimburse Owner for the cost of removal and restoration.~~

Section 14.03. Liens.

Tenant shall keep the Premises free from any kinds of liens arising out of work performed or materials furnished. Tenant and shall promptly pay all contractors and materialmen used by Tenant to improve the Premises, so as to minimize the possibility of a lien attaching thereto. If any such lien be made or filed, Tenant shall bond against or discharge the same within ten (10) days after written request by Owner.

Tenant shall indemnify, defend, protect and hold Owner, any ground lessor, the Premises and the Shopping Center and every part thereof free and harmless from and against any and all liability, damage, claims, demands, suits, actions or expense (including attorneys' fees) arising out of any work done on or about the Premises by Tenant or, at Tenant's direction, including Tenant's employees, representatives, successors, contractors, subcontractors, materialmen and assigns.

Section 14.04. Signs, Awnings and Canopies.

Tenant shall not place or suffer to be placed or maintained any sign, awning, canopy, or advertising matter on the roof or on any exterior surface, door, wall or window or within 48 inches of any windows or doors of the Premises or the Building without Owner's prior written consent. If Owner consents, Tenant shall maintain such sign, awning, canopy, decoration, lettering or advertising matter in good condition and repair at all times.

Tenant shall, at Tenant's sole cost, to obtain a canopy type sign and any other signs as required by Owner in strict conformance with Owner's Sign Criteria as set forth on **Exhibit C** attached hereto ("Sign Criteria") as to design, material, color, location, size and letter style and, if requested by Owner, from the source designated by Owner. Tenant's sign shall be installed prior to Tenant's opening for business and shall thereafter be maintained by Tenant at its own expense. If Tenant fails to maintain such sign, Owner may do so and Tenant shall reimburse Owner for such cost plus a twenty percent (20%) overhead fee. If, without Owner's prior written consent, Tenant installs a sign that does not conform to the Sign Criteria, and if Tenant does not remove said sign within ten (10) days of Owner's written demand, Owner may have Tenant's sign removed and stored at Tenant's expense. The removal and storage costs shall bear interest until paid at the maximum rate allowed by law.

Owner reserves the right to revise the Sign Criteria, at any time. Within ninety (90) days of Owner's request, Tenant shall remove Tenant's existing sign, patch the fascia, and install a new sign, at Tenant's sole cost and expense, in accordance with Owner's then current Sign Criteria.

ARTICLE XV SURRENDER OF PREMISES

Section 15.01. Surrender of Premises.

At the expiration of the tenancy hereby created, Tenant shall surrender the Premises in a first class, clean condition in accordance with the requirements of Section 14.02 herein, except for reasonable wear and tear and damage by unavoidable casualty to the extent covered by Owner Carried Insurance. Tenant shall remove all of its trade fixtures ~~and any alterations or improvements if required~~ as provided in Section 14.02 before surrendering the Premises to Owner and shall repair any damage to the Premises or Building caused thereby. Tenant shall also remove its sign and patch the fascia. Tenant's covenants shall survive the expiration or other termination of this Lease.

If the Premises were occupied by other tenants prior to the commencement of the Term, Tenant, upon Owners written request at the expiration of the Term, shall remove all or a portion of, as designated by Owner, the interior improvements made by the prior tenants, and deliver the Premises in a condition acceptable to Owner.

Following removal of all ~~improvements-trade fixtures~~ as required by Section 15.01, Owner shall conduct an inspection of the Premises to confirm Tenant's compliance with this Section. Tenant shall send written notice to Owner five (5) days prior to Owner's inspection. Owner's inspection shall occur no later than the last day of the Term. During the inspection, Tenant shall surrender all keys for the Premises to Owner and shall inform Owner of all combinations on locks, safes and vaults, if any, in the Premises.

~~Tenant shall also provide Owner with a written statement, at Tenant's sole expense, from a reputable company licensed and experienced in HVAC repair and maintenance approved by Owner certifying the HVAC equipment serving the Premises was inspected and serviced, if necessary, within the last thirty (30) days of the Term and is in good working order. If Tenant fails to provide the statement, Owner may order an inspection of the HVAC at Tenant's expense.~~

ARTICLE XVI INSURANCE AND INDEMNITY

Section 16.01. Tenant's Liability and Personal Property Insurance.

During the Term, Tenant, at its expense, shall keep in full force and effect a policy of commercial

Coverage”, including sprinkler damage, if any, vandalism and malicious mischief. Tenant shall also maintain Worker’s

Compensation Insurance with a limit no less than the amount required by law and business interruption insurance to cover revenues for a period of twelve (12) months.

During any construction in the Premises, Tenant shall cause its contractor to obtain a policy of general liability insurance in the same form as required of Tenant, a policy of builder's risk insurance providing coverage for the expected value of Tenant's Work when completed and Worker's Compensation as required by law.

All policies shall name Owner, property manager, Owner's lender and any person, firms or corporations designated by Owner as additional insureds. No additional insured shall be liable for any payment for premiums. All additional insureds shall be entitled to recovery for any loss occasioned to them, their servants, agents or employees by reason of negligence of Tenant, its officers, agents or employees. All policies shall contain a clause that the insurer will not cancel or change such coverage without first giving Owner thirty (30) days' prior written notice. All insurance required hereunder shall be issued by an insurance company or companies approved by Owner, licensed to do business in California and having a rating of A/X or better as rated in the most current available "Best's Key Rating Guide". Tenant shall deliver to Owner a copy of the policy or certificate of insurance (and of all endorsements thereto) prior to Tenant's occupancy of the Premises and as a condition to Tenant's entry onto the Premises, and thereafter at least ten (10) days prior to the expiration of any existing policy. All policies shall be written as primary policies, not contributing with and not in excess of coverage which Owner may carry. Owner may increase the limits of liability required hereunder in the exercise of Owner's reasonable judgment.

If this Lease is cancelled by reason of damage or destruction and Tenant is relieved of its obligation to rebuild, any insurance proceeds for damages to the Premises, including all fixtures and leasehold improvements, will belong to Owner, free and clear of any claims by Tenant.

Section 16.02. Owner Carried Insurance.

Owner shall, subject to reimbursement as provided herein, maintain public liability, fire with extended coverage insurance with a vandalism and malicious mischief endorsement, rental loss insurance, or any other insurance coverages deemed necessary by Owner or Owner's lender (collectively, "Owner Carried Insurance") throughout the Term, in amounts from time to time deemed reasonably necessary by Owner or Owner's lender. The Owner Carried Insurance may be obtained through a blanket policy or other form of pooled insurance coverage covering not only the Shopping Center, but other property owned by Owner or its affiliates. The fire and extended coverage insurance shall be in an amount equal to at least ninety percent (90%) of the replacement value of the Premises and/or the Building. Owner shall only insure Owner's Work. Tenant must insure Tenant's Work and any tenant improvements existing in the Premises at the time Tenant took possession of the Premises and not part of Owner's Work. During the Term, Tenant hereby agrees to reimburse Owner as part of the Common Area Expenses for Tenant's pro rata share of any Owner Carried Insurance attributable to the Common Area, the Building or the Premises. In determining Tenant's pro rata share of the premiums for Owner Carried Insurance, the schedule issued by the organization making the insurance rate on the improvements, areas and/or risks covered, showing the various components of such rates, shall be conclusive evidence of the charges which make up the insurance rate and the pro rata share to be charged to the Premises. If such a schedule cannot be obtained, then Tenant's pro rata share shall be a proportion of the premiums for such Owner Carried Insurance based on the ratio of the square footage of the floor area of the Premises to the total square footage of the floor area of all building space covered by such Owner Carried Insurance.

Section 16.03. Indemnification.

reasonable attorneys' fees incurred or paid by Owner in connection with such litigation; provided, however, Tenant shall not be liable for any such damage to the extent and in the proportion such damage is ultimately determined to be attributable to the gross negligence or willful misconduct of Owner, its agents or employees, unless covered by insurance required to be carried by Tenant. Owner may, at its option, require Tenant to assume Owner's defense in any action covered by this Section 16.03 through counsel satisfactory to Owner.

Section 16.04. Boiler, HVAC and Evaporative Cooler Insurance.

If required by Owner, Tenant, at its sole expense, shall procure and maintain in full force and effect for the Term, boiler and machinery insurance on all air-conditioning equipment, evaporative coolers, boilers, and other pressure vessels and systems, whether fired or unfired, located in the Premises. If such objects and the damage that may be caused by them or result from them are not covered by Tenant's extended coverage insurance required pursuant to Section 16.01, then such boiler insurance shall be in an amount satisfactory to Owner and equal to one hundred percent (100%) of the replacement value of such equipment.

Section 16.05. Waiver of Subrogation.

Tenant hereby waives its rights of recovery against Owner, its successors, assigns, directors, agents and representatives in connection with any loss or damage caused to Tenant's property and covered by any property insurance policies of Tenant. Tenant hereby waives on behalf of its carriers any right of subrogation it may have against Owner and shall notify its carrier of the waiver contained herein.

Section 16.06. Waiver of Loss and Damage.

Owner, except for its negligence or willful misconduct shall not be liable for any damage to property of Tenant, or of others, located in, on or about the Premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise. Owner, except for its negligence or willful misconduct shall not be liable to Tenant, Tenant's employees or representatives for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliances or plumbing works or from the roof, street or sub-surface or from any other places or by dampness or by any other cause of whatsoever nature. Owner shall not be liable to Tenant, Tenant's employees or representatives for any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Shopping Center, or the public, or caused by operations in construction of any private, public or quasi public work. Owner shall not be liable for any unknown latent defects in the Premises or in the Building. All property of Tenant kept or stored on the Premises shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Owner harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers, unless such damage shall be caused by the willful act or gross negligence of Owner. Owner shall not be liable in any circumstances for any consequential damages of any kind or nature whatsoever, including, without limitation, any claimed loss of profit or business.

Section 16.07. Notice by Tenant.

Tenant shall give immediate notice to Owner in case of fire or accidents in the Premises or in the Building or of any damage or defects in the Premises, the Building or any fixtures or equipment therein.

Section 16.08. Survival; No Release of Insurers.

Tenant's indemnification obligation under Section 16.03 shall survive the expiration or earlier

ARTICLE XVII ESTOPPEL CERTIFICATE, ATTORNMENT, SUBORDINATION, MORTGAGEE PROTECTION CLAUSE

Section 17.01. Estoppel Certificate.

Within ten (10) days after Owner's written request, Tenant shall deliver in recordable form a certificate to any proposed mortgagee, ground lessor or purchaser, or to Owner, certifying that this Lease is in full force and effect, that there does not exist nor has there existed any toxic materials or hazardous waste in, on or about the Premises, that no more than one (1) month's rent has been paid in advance, the essential terms of the Lease, that there are no defenses or offsets thereto, or stating those claimed by Tenant, and any other information that may be requested. Failure by Tenant to execute said certificate or letter shall be considered a material default by Tenant under this Lease. If Tenant fails to timely execute the estoppel certificate, ~~Tenant shall pay Owner on demand a late fee of \$500.00 per day. Further, if Tenant fails to deliver such certificate or tenant estoppel letter within such ten (10) day period,~~ Tenant hereby irrevocably appoints Owner as Tenant's attorney in fact for the purpose of completing, executing and delivering the same on behalf of Tenant.

Section 17.02. Attornment.

Tenant shall, in the event any proceedings are brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by the Owner covering the Premises, or in the event of a termination of any ground lease covering the Building or Premises, attorn to the purchaser, mortgagee or ground lessor upon any such foreclosure or sale or termination of ground lease and recognize such purchaser, mortgagee or ground lessor as the Owner under this Lease, provided that any purchaser, mortgagee or ground lessor shall recognize this Lease as remaining in full force and effect so long as Tenant is not in default hereunder.

Section 17.03. Subordination.

Upon the written request of Owner, and provided such mortgagee or ground lessor confirms in writing the nondisturbance provisions of Section 17.02 above, Tenant will immediately subordinate its rights hereunder to the lien of any mortgage or mortgages or the lien resulting from any other method of financing or refinancing, or any ground lease now or hereafter in force covering the land and the Building or upon any buildings hereafter placed upon the land of which the Premises are a part, and to all advances made or hereunder to be made upon the security thereof. This Section 17.03 shall be self-operative and no further instrument of subordination shall be required unless requested by Owner, Owner's mortgages or ground lessor. Tenant shall execute subordination agreements at any time within ten (10) days after Owner's written request without compensation being made therefore. However, if Owner so elects, this Lease shall be deemed prior in lien to any mortgage, deed of trust or other encumbrances or ground lease upon or including the Premises, regardless of date of recording and Tenant will execute a statement in writing to such effect at Owner's request. Tenant's failure to timely execute and return any required agreement under this Section shall constitute a material default under this Lease. Further, if Tenant fails to deliver any required agreement under this Section within such ten (10) day period, Tenant irrevocably appoints Owner as Tenant's attorney-in-fact for the purpose of executing and delivering the same on behalf of Tenant.

Section 17.04. Mortgagee Protection Clause.

Tenant agrees to give any mortgagees, trust deed holders and/or ground lessor, by registered mail, a copy of any notice of default served upon the Owner, provided that prior to such notice Tenant has been notified in writing (by way of notice of assignment of lease, otherwise), of the addresses of such

Section 17.05. Owner Subordination Form.

Upon request by Tenant, Owner shall execute an owner's subordination and consent to financing for Tenant's fixturing on the Premises in a form to be supplied by Owner. ~~Tenant shall pay Owner One Hundred Fifty Dollars (\$150.00) (increased on January 1 of each year of the Term according to increases in the Index) for each form signed by Owner.~~

ARTICLE XVIII ASSIGNMENT AND SUBLETTING

Section 18.01. Consent Required.

Except as provided in Sections 18.02 and 18.03 herein, Tenant shall not assign this Lease in whole or in part, nor sublet all or any part of the Premises, without the prior written consent of Owner, which consent shall not be unreasonably withheld or delayed. It is agreed that Owner will not be acting unreasonably in refusing to consent to an assignment or sublease if, in Owner's reasonable business judgment, (a) the quality of the merchandising operation of the proposed assignee or subtenant is not equal to that of the Tenant, (b) the use of the Premises will change, (c) such assignee or subtenant may adversely affect the business of other tenants or the tenant mix in the Shopping Center, (d) the net worth of such assignee or subtenant is ~~less than that of Tenant at time of execution of this Lease, not adequate to fulfill the financial obligations of this lease.~~

(e) the proposed assignee or subtenant lacks sufficient working capital to operate the business, (f) the proposed assignee or subtenant does not, in Owner's reasonable judgment, have sufficient business experience (including substantial experience in comparable retail centers) to successfully operate a retail establishment in the Premises in the manner contemplated in this Lease; (g) the business of the proposed assignee or subtenant is substantially similar to the business of another tenant currently leasing a portion of the Shopping Center, conflicts with the permitted uses set forth in this Lease, or would violate the use rights of another tenant of the Shopping Center (or a prospective tenant of the Shopping Center with which Owner is then negotiating); (h) the business of the proposed assignee or subtenant is not, in Owner's reasonable judgment, a business that is likely to attract patrons to the Shopping Center, based on the demographics and clientele of the Shopping Center, or the business or reputation of the proposed assignee or subtenant is inconsistent with the image of the Shopping Center; ~~(i) the proposed assignee or subtenant would in Owner's reasonable judgment be unlikely to generate revenues in sufficient amounts to sustain the level of Percentage Rent obligations then being incurred by Tenant; or (j) the proposed assignee or subtenant is currently a tenant of the Shopping Center.~~

The consent by Owner to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. If this Lease is assigned by Tenant, or if the Premises or any part thereof are sublet or occupied by any person or entity other than Tenant, Owner may collect Rent from the assignee, subtenant or occupant, and apply the net amount collected to the Rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver on the part of Owner, or the acceptance of the assignee, subtenant or occupant as tenant, or a release of Tenant from the further performance by Tenant of covenants on the part of Tenant herein contained. Irrespective of any assignment or sublease, Tenant shall remain fully liable under this Lease and shall not be released from performing any of the terms, covenants and conditions of this Lease. If Tenant assigns this Lease or sublets the Premises, any rent paid to Tenant, (except those funds received by Tenant from a buyer of Tenant's business either up front and/or in an installment sale) in addition to the Rent payable to Owner as set forth in this Lease shall be paid by Tenant 50% of to Owner as additional rent.

If Tenant is a corporation, limited liability company, unincorporated association or partnership, the transfer, assignment or hypothecation of any stock or interest in such corporation, association or

Section 18.02. Concessionaires.

Tenant may grant concessions for the operation of one or more departments of the business which Tenant operates on the Premises as required by Section 10.01; provided however that (a) each such concession may be allowed only upon receipt by Tenant of the prior written consent of the Owner, which consent shall not be unreasonably withheld, and shall be subject to, all the terms and provisions of this Lease; (b) the Gross Receipts, as defined in Section 4.04 hereof, from the operation of each such concession shall be deemed to be a part of the Gross Receipts of Tenant for the purpose of determining the Percentage Rent payable to Owner; (c) all of the provisions hereof applying to the business of Tenant including the provisions concerning reports and audits shall apply to each such concession; and (d) at least seventy-five percent (75%) of the sales floor area of the Premises shall at all times be devoted solely to the business operated by Tenant.

Section 18.03. Involuntary Assignment.

No interest of Tenant in this Lease shall be assignable by operation of law (including, without limitation, the transfer of this Lease by testacy or intestacy). Each of the following acts shall be considered an involuntary assignment: (a) If Tenant is or becomes bankrupt or insolvent, makes an assignment for the benefit of creditors, or institutes a proceeding under the Bankruptcy Act in which Tenant is bankrupt; or, if Tenant is a partnership or consists of more than one person or entity, and any partner of the partnership or other person or entity is or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors; (b) if a writ of attachment or execution is levied on this Lease; or (c) if, in any proceeding or action to which Tenant is a party, a receiver is appointed with authority to take possession of the Premises. An involuntary assignment shall constitute a default by Tenant, and Owner shall have the right to elect to terminate this Lease, in which case this Lease shall not be treated as an asset of Tenant.

Section 18.04. No Extension of Term.

No assignee, ~~even if unless~~ consented to by Owner, shall be entitled to exercise any right to renew or extend the term of the Lease, if any.

ARTICLE XIX ADVERTISING AND PROMOTION FUND

Section 19.01. Contribution to Fund.

~~In the event Owner desires to further promote the Shopping Center through advertisements and other promotional events, Tenant shall pay to Owner as additional rent a contribution to the Shopping Center advertising fund ("Advertising Fund") based on Tenant's pro rata share. The funds in the Advertising Fund may be used by Owner, in its sole discretion, to advertise the Shopping Center and to promote the Shopping Center with events, activities and promotions in the Common Areas and elsewhere. Such events, activities and promotional programs may include, without limitation, marketing that targets specific customer groups. Tenant shall participate in such events, activities and promotions as reasonably requested by Owner.~~

ARTICLE XX DESTRUCTION OF PREMISES

Section 20.01. Total or Partial Destruction.

If the Premises shall be damaged by fire, the elements or other casualty insured against under the provisions of Section 16.02 but are not thereby rendered untenable in whole or in part, Owner, at its own expense, shall cause such damage to be repaired as soon as reasonably practical, and any Rent or

damage may commence such repair or reconstructed work or may elect to terminate this Lease on the expiration of sixty (60) days following delivery of written notice

to Tenant of Owner's election not to repair or restore such damage. ~~Nothing in this section shall be~~

|

~~construed to permit the abatement in whole or in part of any Percentage Rent, but the computation of Percentage Rent shall be based upon the revised Minimum Rent as the same may be abated pursuant to this Section 20.01.~~ Any repair by Owner shall be to Owner's then-current leasehold construction specifications for Owner's Work and shall not include repair of any tenant improvements in the Premises existing at the time Tenant took possession and not part of Owner's Work.

Section 20.02. Partial Destruction of Shopping Center.

In the event that fifty percent (50%) or more of the leasable area of the Shopping Center shall be damaged or destroyed by fire or other cause, notwithstanding that the Premises may be unaffected by such fire or other cause, Owner shall have the right, to be exercised by written notice delivered to Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this Lease. Upon the giving of such notice to Tenant, the Term shall expire by lapse of time upon the third (3rd) day after such notice is given, and Tenant shall vacate the Premises and surrender the same to Owner in the condition pursuant to Section 15.01 herein.

Section 20.03. Proceeds.

All proceeds from the insurance required to be kept under Section 16.02 shall be delivered to and constitute the property of Owner and the proceeds of all property insurance covering Tenant's leasehold improvements which would constitute the property of Owner upon termination of the Lease shall also be paid to Owner. Tenant shall be entitled to retain the proceeds of its insurance carried pursuant to Section 16.01 covering its trade fixtures, merchandise, signs and other personal property which it would be entitled to remove upon the expiration of the Lease.

Section 20.04. Waiver of Termination.

~~Tenant hereby waives any statutory rights which it may have to terminate the Lease in the event of the partial or total destruction of the Premises, it being agreed that the provisions of this Article XX shall control.~~

ARTICLE XXI EMINENT DOMAIN

Section 21.01. Total Condemnation.

If the whole of the Premises shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding and all rentals shall be paid up to that date.

Section 21.02. Total Parking Area.

If the entire portion of the Common Area used for parking in the Shopping Center ("Parking Area") shall be acquired for any public or quasi-public use or purpose or taken by eminent domain, then the Term shall cease and terminate as of the date possession or title is given to such condemning authority in such proceeding unless Owner shall provide other parking facilities substantially equal to the previously existing ratio between the Parking Area and the Premises within ninety (90) days from the date of such taking. In the event that Owner shall provide such other parking facilities, then this Lease shall continue in full force and effect without abatement of Rent or other charges.

Section 21.03. Partial Condemnation.

If any part of the Premises shall be acquired or taken by eminent domain for any public or quasi-

render the Premises unsuitable for the operation of Tenant's business, then Owner shall promptly restore the Premises to the extent of the condemnation proceeds to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect and the Minimum Rent shall be equitably reduced based on the percentage of floor area of the Premises lost in the taking.

Section 21.04. Allocation of Award.

Except as provided below, in the event of any condemnation or taking as herein provided, whether whole or partial, Tenant shall not be entitled to any part of the award, as damages or otherwise, for such condemnation and Owner is to receive the full amount of such award. Tenant expressly waives any right or claim to any part thereof, including the right or claim for the value of the unexpired portion of the Term or diminution in value of Tenant's leasehold interest, or for the value of any option to extend the Term or renew this Lease. Tenant shall, however, have the right, provided such award shall not diminish Owner's award, to claim and recover from the condemning authority, but not from Owner, such compensation as may be separately awarded or recoverable by Tenant in Tenant's own right on account of any and all damages to Tenant's business by reason of the condemnation and for or on account of any cost or loss to which Tenant might incur in removing Tenant's merchandise, furniture, fixtures and equipment from the Premises.

ARTICLE XXII DEFAULT

Section 22.01. Tenant's Default.

The occurrence of any of the following shall constitute a default by Tenant: (a) failure to pay rent when due, (b) abandonment and/or vacation of the Premises without payment of rent; (c) failure to operate in the Premises for ten (10) consecutive days; (d) failure to perform any non-monetary provision of this Lease, if the failure to perform is not cured within thirty (30) days after notice has been given to Tenant; provided that if the non-monetary default cannot reasonably be cured within thirty (30) days, Tenant shall not be in default of this Lease if Tenant commences to cure the default within the thirty (30)-day period and diligently and in good faith continues to cure the default; (e) failure to timely deliver an estoppel certificate as required by Section 17.01, and (f) any use by Tenant in or about the Premises of any hazardous substance, including perchloroethylene or related substances and specifically including, without limitation, any violation of Sections 1.11 or 10.05 herein.

Notices given under this Section 22.01 shall not be deemed a forfeiture or a termination of this Lease unless Owner so elects in the notice. Notices given under this Section 22.01 shall be in lieu of and not in addition to any statutory notice required by law.

Section 22.02. Owner's Remedies.

Owner shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

Without waiving Owner's right to terminate this Lease later, Owner can continue this Lease in full force and effect after Tenant's default, and the Lease will continue in effect and in that event (a) Owner may enforce all rights and remedies under this Lease and under the provisions of Section 1951.4 of the California Civil Code, as amended or as superseded by any successor statute, including the right to recover the rent and all other charges due hereunder as such rent and other charges become due hereunder, and (b) Tenant may assign its interest in this Lease with Owner's prior written consent, which shall not be unreasonably withheld, as provided in Section 18.01 herein;

If Owner elects to relet the Premises, as provided in this Section 22.02, rent that Owner receives from reletting shall be applied first to the payment of any indebtedness from Tenant to Owner for other than Rent due from Tenant; second, to all costs, including maintenance, incurred by Owner in reletting; and third, to rent due and unpaid under this Lease. After deducting the payments referred to in this Section, any sum remaining from the rent Owner receives from reletting shall be held by Owner and applied in payment of future rent as rent becomes due under this Lease. In no event shall Tenant be entitled to any additional rent received by Owner. If, on the date rent is due under this Lease, the rent received from the reletting is less than the rent due on that date, Tenant shall pay to Owner, in addition to the remaining rent due, all costs, including maintenance, Owner incurred in reletting that remain after applying the rent received from the reletting as provided in this Section 22.02.

Owner can terminate Tenant's right to possession of the Premises at any time. No act by Owner other than giving notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Owner's initiative to protect Owners interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Owner has the right to recover from Tenant: (a) the worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this Lease; plus (b) the worth, at the time of the award, of the amount by which the unpaid Rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of Rent that Tenant proves could have been reasonably avoided; plus (c) the worth, at the time of the award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of the loss of Rent that Owner proves could have been reasonably avoided; plus (d) any other amount necessary to compensate Owner for all detriment proximately caused by Tenant's default or which in the ordinary course of things would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Owner (A) in retaking possession of the Premises, (B) in maintaining, repairing, preserving, restoring, replacing, cleaning, altering or rehabilitating the Premises or any portion thereof, including such acts for reletting to a new tenant or tenants, (C) for leasing commissions, or (D) for any other costs necessary or appropriate to relet the Premises, plus (v) at Owner's election, such other amounts and remedies in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of California including, without limitation, the remedies provided by California Civil Code Section 1951.2, as amended or as superseded by any successor statute. The "worth, at the time of the award", as used in (a) and (b) of this Section 22.02, is to be computed by allowing interest at the maximum nonusurious rate permitted by law. "The worth, at the time of the award", as referred to in (c) of this Section 22.02, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%).

Section 22.03. Appointment of Receiver.

If Tenant is in default of this Lease, Owner shall have the right to have a receiver appointed to collect Rent and conduct Tenants business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Owner to terminate this Lease.

Section 22.04. Owner's Right to Cure Tenant's Default.

Owner, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Owner at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Owner shall be due immediately from Tenant to Owner at the time the sum is paid, and if paid at a later date shall bear interest at the maximum nonusurious rate permitted by law from the date the sum is paid by Owner until Owner is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

Section 22.06. Default by Owner.

If Owner fails to perform any of the covenants or conditions required on its part to be performed pursuant to this Lease, where such failure continues for a period of thirty (30) days after receipt of written notice specifying the nature and extent of such default in detail (provided, however, that if such default is of a nature that it cannot reasonably be cured within such thirty (30)day period, Owner shall have such additional time as may be required to effect such cure provided Owner commences the cure within such thirty (30)-day period), Owner shall be liable to Tenant for all damages sustained as a direct result of such breach, subject to the additional rights of any mortgagees of Owner as provided in Section 17.04 herein. In no event shall Tenant have the right to terminate this Lease as a result of Owner's default and Tenant's remedies shall be limited to damages and/or an injunction. Owner's liability shall be limited to Owner's interest in the Shopping Center. Neither Owner nor any of its partners shall be personally liable. Tenant shall have no right to satisfy any judgment which it may have against Owner from any other assets of Owner or from any other assets of any partner, venturer or shareholder of Owner. The foregoing limitations shall also apply to any successor to Owner's interest in the Premises.

ARTICLE XXIII SUCCESSORS; SALE OF PREMISES

Section 23.01. Successors and Assigns.

Except as provided in Section 18.04, all rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of said parties; and if there shall be more than one tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee of Tenant unless the assignment to such assignee has been approved by Owner in writing as provided in Section 18.01 hereof.

Section 23.02. Sale of Premises.

In the event Owner shall sell, convey, transfer or exchange the Premises, the Shopping Center or the Building, Tenant agrees to recognize and attorn to the purchaser or transferee, as the Owner hereunder and Owner shall be and is hereby relieved and released from any liability under any and all of its covenants and obligations under the Lease arising out of any act, occurrence or event arising after such sale, conveyance, transfer or exchange.

ARTICLE XXIV QUIET ENJOYMENT

Section 24.01. Owner's Covenant.

Upon timely payment by Tenant of the Rent, and upon the observance and performance of all of the covenants, terms and conditions on Tenant's part to be observed and performed hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term without unreasonable hindrance or interruption by Owner or any other person or persons lawfully or equitably claiming by, through or under the Owner, subject, nevertheless, to the terms and conditions of this Lease.

ARTICLE XXV MISCELLANEOUS

Section 25.01. Index.

Wherever in this Lease there is a reference to an increase according to the increase in the Index, the sum to be increased shall be increased to an amount equal to the product of the sum to be increased multiplied by a fraction, the numerator of which is the level of the Index for the calendar month

Section 25.03. Accord and Satisfaction.

No payment by Tenant or receipt by Owner of a lesser amount than the Rent herein stipulated shall be deemed to be other than on account of the earliest stipulated Rent nor shall any endorsement or statement on any check or any letter accompanying any check or payment as Rent be deemed an accord and satisfaction, and Owner may accept such check or payment without prejudice to Owner's right to recover the balance of such Rent or pursue any other remedy in this Lease.

Section 25.04. Entire Agreement.

This Lease and the Exhibits attached hereto and forming a part hereof, set forth all the representations, covenants, promises, agreements, conditions and understandings between Owner and Tenant concerning the Premises and there are no representations, covenants, promises, agreements, conditions or understandings, either oral or written, between them other than are herein set forth. Any subsequent alteration, amendment, change or addition to this Lease must be in writing, signed by Owner and Tenant.

Section 25.05. No Partnership.

Owner does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Tenant by reason of this Lease. The provisions of this Lease relating to the Percentage Rent payable hereunder are included solely for the purposes of providing a method whereby Rent is to be measured and ascertained.

Section 25.06. Force Majeure and Tenant Delays.

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium, riots, insurrection, war or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease (but excluding delays due to financial inability) ("Force Majeure"), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section 25.06 shall not operate or excuse Tenant from the prompt payment of Minimum Rent, Percentage Rent, additional rent or any other payments required by the terms of this Lease.

As used in this Lease, "Tenant Delays" shall mean any delay in the completion of Owner's Work resulting from any or all of the following: (a) Tenant's failure to timely perform any of its obligations pursuant to this Lease or the Construction Agreement attached to this Lease as **Exhibit B** (the "Construction Agreement"), including any failure to complete, on or before the due date therefor, any action item which is Tenant's responsibility pursuant to any schedule delivered by Owner to Tenant pursuant to this Lease or the Construction Agreement; (b) Tenant's changes to the plans for Owner's Work, if any; (c) Tenant's request for materials, finishes, or installations which are not readily available or which are incompatible with the standards for the Building; (d) any delay of Tenant in making payment to Owner for Tenant's share of any costs in excess of the cost of the Tenant Improvements as described in the plans; or (e) any other act or failure to act by Tenant, Tenant's employees, agents, architects, independent contractors, consultants and/or any other person performing or required to perform services on behalf of Tenant.

Section 25.07. Holding Over.

Section 25.08. Notices.

All notices hereunder must be served personally or by certified or registered mail, postage prepaid, addressed to Tenant at the address specified in Section 1.17 and to Owner at the address given below or at such other address as Owner or Tenant may designate by written notice pursuant to this Section 25.08. Notices shall be deemed duly given (a) when personally delivered or on the date of first attempted delivery as shown on the return receipt if delivered personally or by Federal Express or other courier; or (b) forty-eight (48) hours after deposited in the United States registered or certified mail, return receipt request, postage prepaid.

Owner: Cal-Perl Upland 5, L.P.
c/o DMP Properties
610 Newport Center Drive, Suite 660
Newport Beach, CA 92660

Section 25.09. Captions and Section Numbers.

The captions, section numbers, article numbers, and index appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope or intent of such sections or articles of this Lease nor in any way affect this Lease.

Section 25.10. Tenant Defined, Use of Pronoun.

The word "Tenant" means each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this Lease may be given by or to anyone thereof, and shall have the same force and effect as if given by or to all thereof. The persons signing as Tenant shall be jointly and severally liable. The use of the neuter singular pronoun to refer to Owner or Tenant shall be deemed a proper reference even though Owner or Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Owner or Tenant and to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

Section 25.11. Partial Invalidity.

If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Lease shall be valid and enforced to the fullest extent permitted by law.

Section 25.12. No Option.

The submission of this Lease for examination does not constitute a reservation of or option for the Premises and this Lease becomes effective as a Lease only upon execution and delivery thereof by Owner to Tenant.

Section 25.13. Recording.

Section 25.15. Rights Cumulative.

The rights and remedies of Owner specified in this Lease shall be cumulative and in addition to any other rights and remedies provided by law.

Section 25.16. Authority.

If Tenant is a corporation, limited liability company or partnership, each individual executing this Lease on behalf of such entity represents or warrants that he or she is duly authorized to execute and deliver this Lease on behalf of such entity and that such entity shall be bound by all the terms and provisions hereof.

Section 25.17. Mortgage Changes.

Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by the holder of any mortgage or deed of trust covering Owner's interest in the Premises so long as such changes do not materially alter the economic terms of this Lease or otherwise materially diminish the rights or materially increase the obligations of Tenant hereunder.

Section 25.18. Time of the Essence.

Time is of the essence in each and every provision of this Lease except for delivery of possession of the Premises as set forth herein.

Section 25.19. Confidentiality

Tenant acknowledges and agrees that the terms of this Lease are confidential and constitute proprietary information of Owner. Disclosure of the terms could adversely affect the ability of Owner to negotiate other leases and impair Owner's relationship with other tenants. Accordingly, Tenant agrees that it, and its partners, officers, directors, employees, agents and attorneys, shall not intentionally and voluntarily disclose the terms and conditions of this Lease to any newspaper or other publication or any other tenant or apparent prospective tenant of the Building or other portion of the Shopping Center, or real estate agent, either directly or indirectly, without the prior written consent of Owner, provided, however, that Tenant may disclose the terms to prospective subtenants or assignees under this Lease.

Section 25.20. Lease Rider.

A Lease Rider consisting of two pages is attached hereto and made a part hereof.

Owner and Tenant, intending to be legally bound, have signed this Lease as of the day and year on Page 1.

OWNER: CAL-PERL UPLAND 5, L.P.

By: Perlmutter Family LLC,
General Partner

By: Dan M. Perlmutter, Trustee of the Manager

TENANT:

Diane Huvnh

**RIDER
TO STANDARD SHOPPING CENTER LEASE**

This Rider to Standard Shopping Center Lease ("**Rider**") is made as of November ____, 2010, between Cal-Perl Upland, L.P. ("**Owner**"), and Diane Huynh and Don Huynh, jointly and severally, dba "Pho Mai" ("**Tenant**"). This Rider is attached to and constitutes a part of that certain Standard Shopping Center Lease of even date herewith ("**Lease**") between Owner and Tenant. If there is any inconsistency between the provisions of this Rider and the other provisions of the Lease, the provisions of this Rider shall control.

1. **Terms.** Unless otherwise expressly provided herein, the capitalized terms in this Rider shall have the same meanings as any similarly capitalized terms defined in the Lease.
2. **Option to Extend.** Owner hereby grants to Tenant One (1) option to extend the Term for a period of Five (5) years (the "**Extension Term**"), commencing when the Term expires, upon each and all of the following terms and conditions:
 - (a) Tenant gives to Owner, and Owner receives, written notice of the exercise ("**Notice of Exercise**") of the option to extend the Lease no earlier than Nine (9) months and no later than Six (6) months prior to the expiration of the Term. If the Notice of Exercise is not so given and received, this option shall automatically lapse.
 - (b) Tenant shall not be in uncured default on the date Owner receives the Notice of Exercise and on the first day of the Extension Term.
 - (c) All of the terms and conditions of the Lease, except where specifically modified by this option, shall apply.
3. **Adjustment of Monthly Minimum Rent Upon Exercise of Option.** Upon proper exercise of this option with respect to any Extension Term, the word "Term" shall be deemed to include such Extension Term. The Minimum Rent payable on the first day of each month of the first year of the Extension Term shall be the fair market rent for the Premises as determined by Owner, but in any event not less than the prior month's rent plus a three percent (3%) increase.
4. **No Assignment.** Tenant's Option to Extend is personal to the original Tenant executing this Lease and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the original Tenant.
5. **Proration of Monthly Minimum Rent.** Upon exercise of the Option to Extend, Monthly Basic Rent for any partial month at the beginning of the Extension Term shall be prorated on a per diem basis from the first day of the Extension Term to the last day of the month during which the Extension Term commences. Such prorated portion shall be paid on the first day of the Extension Term.
6. **Owner Contribution.** Within thirty (30) days following Tenant opening for business and upon substantial completion of all of Tenant's Work ~~to the reasonable satisfaction of Owner~~, Owner shall reimburse Tenant an amount not to exceed Thirty Seven Thousand Eight Hundred Seventy Five and no/100's Dollars (\$37,875.00) towards the cost of the installation of Tenant improvements, trade fixtures and a grease interceptor (the "Owner Contribution"), provided that (a) Tenant first received Owner's written approval of construction estimate(s) prior to commencement of such work, Owner shall have five (5) days to approve estimates, silence shall be deemed approval; (b) Tenant has submitted final invoices for reimbursement; (c) Work was completed in compliance with all applicable codes; (d) Tenant is not in uncured default of the Lease (or if Tenant is in default, Tenant

Owner harmless from any costs, fees, claims or liabilities associated with any brokerage fees claimed on behalf of Tenant other than those payable by owner to Terry Bortnick of Argent Retail Advisors..

9. **Right to Sign Panel.** Tenant shall have the right to install one monument sign panel on the 7th Street monument sign, the location of the panel shall be at the Owner's sole discretion. The production and installation of such panel shall be performed by Owner's sign contractor and in accordance with Owner's Sign Criteria **Exhibit C** and shall be at Tenant's sole cost and expense. Should Tenant fail to complete installation of such sign within thirty (30) days of opening for business, such privilege shall thereupon be null and void.

OWNER: CAL-PERL UPLAND 5, L.P.

By: Perlmutter Family LLC,
General Partner

By: Dan M. Perlmutter, Trustee of the Manager

TENANT:

Diane Huynh

Don Huynh

EXHBIT A SITE PLAN

MountainGreen Shopping Center
NWC Mountain Ave. between 7th & 8th Street • Upland, CA

8th Street

PREMISES

Sinclair Avenue

Mountain Avenue



7th Street

EXHIBIT B

CONSTRUCTION AGREEMENT

I. PLANS.

Prior to Tenant, or anyone on behalf of Tenant, commencing any work in the Premises, Tenant, at its expense, shall submit to Owner for its approval two (2) sets of fully dimensioned scale drawings, plans and specifications prepared by a licensed architect and if applicable, engineer. The drawings shall indicate the specific requirements of Tenant's space, clearly outlining the Premises in such detail as Owner may require, including types of materials and colors, interior partitions, reflected ceiling plan, roof plan showing locations of proposed equipment and penetrations, if applicable, and plumbing, fire sprinkler, mechanical and electrical plans prepared by a licensed electrical engineer setting forth all electric requirements of Tenant, all in conformity with the description of Owners Work and of Tenant's Work herein and in strict compliance with applicable codes. Owner shall have ~~thirty-five~~ (3015) days from receipt of these drawings to approve or disapprove them. If Owner has not notified Tenant in writing of its approval or disapproval within the ~~thirty-five~~ (3015) day period, these drawings shall be deemed ~~dis~~ approved by Owner. If Owner disapproves such plans, Tenant shall, within ten (10) days of receipt of Owner's notice of disapproval, revise and resubmit such plans to Owner, correcting or altering such disapproved items.

II. OWNER'S WORK

None. Owner shall deliver the Premises to Tenant and Tenant shall accept the Premises in its "AS IS, WHERE IS" condition. Owner warrants that upon delivery of the Premises to Tenant the existing plumbing, electrical and Lennox 4 ton HVAC system shall be in good working condition and Owner will transfer all HVAC warranties, if any, to Tenant, provided, however, that any deficiencies in the condition of such systems shall be conclusively deemed to be accepted by Tenant ~~upon the earlier to occur of Tenant's Work commencing within the Premises or~~ if Tenant has not notified Owner in writing of any such deficiencies within seven (7) days of delivery of possession.

III. TENANT'S WORK.

A. GENERAL REQUIREMENTS:

1. Tenant shall submit to Owner, by certified or registered mail, at least five (5) days prior to the commencement of construction, the following information:
 - a. The names, addresses and license class and number of all contractors and subcontractors Tenant intends to engage in the construction of the Premises.
 - b. The date on which Tenant's construction work will commence, together with the estimated date of completion of

Tenant's construction work and fixturation, and the date on which Tenant expects to be ready to open for business in the Premises.

c. Evidence of builder's all risk general liability and worker's

1 All contractors engaged by Tenant shall be bondable, licensed contractors. Possessing good labor relations, capable of performing quality workmanship and working in harmony with Owners contractors and other contractors on the job. All work shall be coordinated with the general project work of the Shopping Center.

2 Construction shall comply in all respect with applicable Federal, State, County and City statutes, ordinances, regulations, laws and codes. All required building and other permits in connection with the construction and completion of the Premises shall be obtained and paid for by Tenant.

3 Tenant shall apply and pay for all utility meters, hook-up fees and services.

4 Tenant shall cause its contractor to provide warranties for not less than one (1) year against defects in workmanship, materials and equipment.

5 Tenant's Work shall be subject to the inspection of Owner and its supervisory personnel.

B. DESCRIPTION OF TENANT'S WORK.

The work to be done by Owner in satisfying its obligation to construct the Premises, if any, shall be limited to only that described in the foregoing paragraph II as "Owner's Work" All other items of work not therein specified shall be performed by Tenant at Tenant's expense in accordance with Tenant's final plans and specifications as approved by Owner and shall be deemed "Tenant's Work". Tenant's Work shall include, but shall not be limited to, the purchase and/or installation and/or performance of the following (including all architectural and engineering fees, permits and special assessments, taxes or fees relating to Tenant's Work):

1 All interior partitions and curtain walls within the Premises.

2 Such extra or special work that may be required for the installation of
Tenant's fixtures and furnishings.

3. Light coves and hung or furred ceilings. Any changes to the ceiling
system shall be subject to Owner's prior written approval.

4. Furring of masonry walls, columns and other construction to provide finished store space.

5. All interior painting, decorating, wall covering, paneling and any other furnishing material and application.

6. All floor coverings and floor finishes including base and preparation of surface to receive the same.

7. All store fixtures, furnishings and accessories.

8. Hot water heater, water treatment systems and drinking fountains with plumbing thereto connected to facilities provided by Owner, if required.

9. All water and sewer connections if required in excess of Owner's Work including all related governmental or other fees related to said connections and motors.

improvements including dry chemical fire protection system if required by code, portable extinguishers per the Fire Marshall's requirement or ADT service if required by insurance underwriters. Tenant shall notify Owner in writing three (3) days prior to commencing any modification to monitored fire sprinkler system.

11. Internal communications and security/alarm systems.
12. Elevators, dumbwaiters, chutes, conveyors and pneumatic tubes and their shafts, doom and other components, including electrical hookup and service, if any.
13. All show window finishes including window display furring, fixturing, or special requirements.
14. Any special reinforcing, raised areas or depressions in concrete floor.
15. In addition to the HVAC equipment to be provided by Owner as set forth above, special heating, cooling or ventilating equipment, including that required by local codes or otherwise for show windows, dressing rooms, toilet rooms and stock rooms, provided that all duct work shall be concealed or treated in a manner which receives prior approval of Owner. Relocations, adjustments to, additions or deletions of roof platforms and roof penetrations from those provided by Owner shall be performed by Owner at Tenant's expense.
16. Telephone conduit, cabinets and outlets within the Premises as required by the telephone company including wiring from the terminal board. All telephone service and equipment shall be installed and thereafter maintained and used at the expense of Tenant
17. Gas connection and distribution from point of connection designated
at Owner's drawings, if any.
18. All electrical work and equipment, including lighting, not expressly stated herein as being provided by Owner, including meters, separate circuits and time clocks for interior show window and/or ceiling lighting, special lighting fixtures, additional electrical or power outlets, or increased electrical service due to Tenant's use and operations.
19. Installation, wiring and connection of power of Tenant sign(s), both exterior and interior. All exterior signs shall be designed, constructed and located pursuant to the requirements and specifications set forth in Owner's Sign Criteria **Exhibit C** attached to this Lease.
20. Tenant to make application for all utility services and pay for water, gas and/or electrical motor including any installation or hookup fees.
21. Tenant to make application for and obtain sign and construction permits and pay any fees related thereto.
22. All other items and requirements not specifically included under Owner's Work and any work directly or indirectly offered to as Tenant's work herein.
23. The following work items, if required, shall be done by Owner for
Tenant at Tenant's expense:
 - (a) Design and construction of any additions, deletions, relocations or changes to the roof platforms for

system, if any, to accommodate Tenant's space configuration or, at Owner's option, shall be completed by Tenant in accordance with Owner's and governing agencies' criteria.

24. All changes to the Premises, Shopping Center and/or Common Areas required by governmental authorities in connection with Tenant's Work or occupancy of the Premises, including, but not limited to, The Americans With Disabilities Act, provided such changes are approved by Owner in writing.

C. OWNER'S RIGHT TO PERFORM WORK.

Owner shall have the right but not the obligation to perform, on behalf of and for the account of Tenant, subject to reimbursement of the cost thereof by Tenant, any and all of the Tenant's Work which Owner determines, in its sole discretion, should be performed immediately and on an emergency basis for the best interest of the Shopping Center, including without limitation, work which pertains to structural components, mechanical, sprinkler and general utility systems, roofing and removal of unduly accumulated construction material and debris.

D. TEMPORARY FACILITIES DURING CONSTRUCTION.

1 Tenant shall provide and pay for all temporary utility facilities, and the removal of debris, as necessary and required in connection with the construction of the Premises. Tenant's contractors' construction material, including without limitation, tools, equipment and debris shall be confined to the Premises and in areas which may be designated for such purposes by Owner. In no event shall any material or debris be stored on the sidewalks or service and exit corridors or in the parking lot.

2 During construction, Tenant shall maintain such barricades, fences or other measures as may be necessary to insure the security of the Premises and to prevent unauthorized persons from entering the Premises or any persons suffering any injury.

E. AS-BUILT DRAWINGS.

Tenant shall cause reproducible "As-Built Drawings" to be delivered to Owner and/or Owner's representative no later than thirty (30) days after the completion of the Tenant's Work or any alterations, additions or improvements permitted by Owner in accordance with the terms of this Lease. In the event these drawings are not received by such date, Owner may, at its election, cause said drawings to be obtained and Tenant shall pay to Owner, as additional rental, the cost of producing these drawings.

F. Notwithstanding anything to the contrary contained in this lease, Owner shall not unreasonably withhold or delay its approval on all construction related items. Owner acknowledges that time is of the essence for Tenant to complete all construction and open for business within 6 months of mutual lease execution and delivery of lease to Tenant.

EXHIBIT C
SIGN CRITERIA

**EXHIBIT "C" SIGN CRITERIA
GENERAL REQUIREMENTS:**

- 1 Each tenant shall submit to the property manager for approval before fabrication for copies (blueprints) of detailed drawings indicating the location, size, layout, design and color of the proposed signage including all lettering and/or graphics.
- 2 All tenants signs shall have permits by the City of Upland and the installation shall be provided by and paid for by the tenant at their expense.
- 3 All signs shall have written approval of the Landlord or its agents prior to fabrication, and shall not deviate from the approved plans.
- 4 All signs must be approved by all governmental agencies having jurisdiction prior to fabrication.
- 5 Owner retains the right to remove, at tenant's expense, upon seven (7) days written notice any sign installed contrary to this criteria.
- 6 Tenant shall not install nor employ any wall cabinet signs, projecting signs, roof signs, animated or audible attention-attracting device.
- 7 No projections above or below the sign panel will be permitted, and the sign will fit within the lineal percentage that the storefront allows as indicated on section detail on page 4 of this criteria.
- 8 Electrical service to all tenants signs will be connected to the tenant's meter or the house meter (***SUBJECT TO LANDLORDS SOLE DISCRETION***) at tenants expense.
- 9 All illuminated signs must bear the U.L. label and the installation must comply with the building and electrical codes.
- 10 Absolutely no exposed fasteners, i.e., bolts, screws, angle, connectors are allowed.
- 11 No labels shall be permitted unless required by local City ordinances and with the exception of U.L. labels.
- 12 All penetrations of the building shall be in a watertight condition and shall be patched to match the color of the building.
- 13 Sign letters shall attach to a shallow built raceway/wireway with a depth of no more than 5" and an overall height of 6" and painted to match the color of the building band.

NOTE: Color match of raceway strictly enforced.

1. All tenant signs will be of fabricated 24-gauge sheet metal or aluminum with a sealed finish to prevent rust on signage.
2. Maximum letter height allowed is 22" (inches), with tenant allowed two lines of copy, not to exceed 22" (inches).

GENERAL SPECIFICATIONS:

1. Tenant signs shall be applied directly to the fascia as indicated in the general layout shown on

frontage of each tenant's storefront. Sign shall center on the storefront side-to-side and top to bottom, unless otherwise approved by the Landlord or its agents.

- 1 Signs will follow the letter styles indicated in this criterion unless the tenant is a national retail business.
- 2 All signs will be individually illuminated channel letters with neon tube illuminated (white) with 30 m.a., transformers with a dedicated circuit with no more than a 20amp rating. Sign will have an on-site disconnect switch at the sign location and a switch located in each tenant's store. It is the discretion of the tenant to use a timer or photocell.
- 3 Vinyl applied letters/graphics may be applied to the glass front of each tenant store and will not exceed a maximum of 25 square feet in area.
- 4 Tenant will not use any banners, show cards, or temporary advertising material on the building without prior approval of the Landlord and the local City ordinances.
- 5 Tenant shall be responsible for maintenance of all signage and its installation.

CONSTRUCTION REQUIREMENTS:

- 1 All signs to be fabricated with a minimum of 24-guage sheet metal or comparable thickness of aluminum. Trimcap to be painted with high grade automotive enamel (DARK BRONZE) and pre-sealed with rustproof primer. Returns are to be BLACK, and the channel lettering is to be **RED # 2283**. **Color match of lettering strictly enforced.** If you have landlord approval to use yellow in your sign, the number is **YELLOW # 2037**.
- 2 Faces of signs to be acrylic plastic (roh and haas) at 1/8th high thickness with a _" trim cap, and to have drain holes no smaller than _" in diameter per each letter.
- 3 All penetrations into the building shall be sealed so as to be in a watertight condition, and shall be patched to match the existing building color.
- 4 All fabrication and installation to be done by a licensed and bonded C-45 electrical sign contractor. NO EXCEPTIONS
- 5 Tenant's sign contractor and the tenant will be responsible for any damage to the building.
- 6 Landlord will retain the right to refuse any work being performed by any contractor the Tenant hired if, in the Landlords opinion, the contractor is not performing in a professional and knowledgeable manner.

MAJOR TENANTS:

1. Provisions of this exhibit, except as otherwise expressly provided, shall not be applicable to the identification signs of an occupant designated by the Landlord as a "Major Tenant" that may be located in the Shopping Center. It is understood and agreed that these occupants may have their usual identification signs on their buildings, as the same exist from time to time on similar buildings operated by them in the State of California. There shall be no rooftop signs that are flashing, moving, or audible, and provided said sign is architecturally compatible and has been approved by the Landlord or its agent.

SPECIAL REQUIREMENTS

1. There may be some unusual circumstances which may require the tenant to mount or place their sign outside the boundaries or the outline requirements set herein, such as building construction that does not allow a proper installation or visibility that would impair potential clients to notice the place of business. In such cases, it will be the decision of the Landlord to take into consideration the reasons for a Tenant's request for changes and all necessary drawings will be submitted to the Landlord for this special requirement request.

IMPORTANT: A qualified sign designer/draftsman or an architect who is knowledgeable in electrical sign specifications will perform all sign drawings. Such drawing (s) will be submitted to United Property Management Services, with (3) copies for approval.