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Note: Exhibits are provided as an external attachment to the Agenda Packet.

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EXHIBIT "A"

LEGAL DESCRIPTION

LEGAL DESCRIPTION

APN: 10007-701-01

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MONTCLAIR IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS: PARCEL(S) 1 THROUGH 6, INCLUSIVE, OF TRACT MAP NO. 20273, IN THE CITY OF MONTCLAIR, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 363, PAGES 54-57 OF MAPS, RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA.

EXHIBIT "B"

PROPERTY MANAGER JOB DESCRIPTION

Exhibit "B"
Property Manager Job Description

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Village at Montclair

Licensed Broker - Manager agrees to manage the Property upon the terms provided herein (including Section 2.4.2) and use commercially reasonable efforts to lease vacant space at rental rates approved by Owner. Manager represents and warrants to Owner that Manager is a licensed real estate broker in the state in which the Property is located and is in all other respects qualified to do business therein. Manager will deal at arm's length with all parties and at all times will serve Owner's best interests.

Collections - Manager will take all commercially reasonable steps to collect and enforce collection of all rentals and other charges due Owner from tenants of the Property in accordance with the terms of their tenancies and in accordance with the policies and procedures in effect on the Property.

Expenses - Manager will pay all expenses of the operation and management of the Property from the Operating Account and Manager is authorized to pay any and all amounts owed to Manager by Owner from such funds at any time without prior notice to Owner, provided such payments are in compliance with this Section 2.4. Any provision of this Agreement to the contrary notwithstanding, except for expenditures made and obligations incurred which were previously approved in writing by Owner or were in direct pursuance of, and in accordance with, a budget approved in writing by Owner, and as otherwise expressly permitted by Section 2.6 or Section 2.4.10 below, Manager will not have any authority to, and will not, make any expenditure or incur any obligation on behalf of Owner.

Property Standards - Subject to the direction of, and at the expense of Owner, Manager will cause the Property to be maintained according to appropriate standards of maintenance consistent with the character of like property including, but not limited to, cleaning, painting, decorating and other such maintenance and repair work as may be required from time to time. Manager will supervise all matters coming within the terms of this Agreement, but not as a general contractor unless approved in writing by Owner, including all repairs, decorations and/or alterations during the progress thereof and make final inspection of the completed work and approve bills for payment and, in that connection, will use commercially reasonable efforts to obtain the necessary receipts, releases, waivers, discharges and assurances to keep the buildings and the land (or interests therein) underlying the same free from mechanics' liens and other claims.

Advertise to Lease - Manager will, at the direction of, and at the expense of Owner as budgeted in accordance with Section 2.6, advertise the Property or any part thereof; display signs thereon, subject to Owner's prior right to approve the content, location and method of affixing such signs; accept rental or lease applications and offers to rent or lease provided such tenant meets the minimum credit quality standards prescribed by Owner from time to time; cause the credit and references of tenants to be investigated; consult with Owner regarding the terms thereof and prepare leases on a form approved by Owner; negotiate with tenants regarding any modifications in the terms of such leases and to enter into leases on a form approved by Owner on behalf of Owner; negotiate the renewal of existing tenancies and prepare appropriate documentation therefore; sign and serve in the name of Owner such notices as may be deemed necessary by Manager, and subject to Section 3.7 hereof, in such instance institute and prosecute actions to oust tenants and recover possession of the Property or any part thereof (at Owner's expense); and, further in such instance to file suit against and recover bad debts of tenants (at Owner's expense); and settle, compromise and release such actions or suits or reinstate such tenancies, on such terms as Manager deems reasonable.

Tenant Security Deposits - Manager will refund tenant security deposits at the termination of tenancies in accordance with and under the provision of applicable leases, or associated documents, any other controlling documents, or other provisions contained herein, or applicable law. Manager agrees and understands that, subject to applicable law and the terms of the tenant's lease, all tenant security deposits received by Manager in the course of its duties pursuant to this Agreement, will be deposited in the TSD Account for the benefit of Owner.

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Employment of Personnel - On the basis of the budget, job standards and wage rates previously approved by Owner, Manager will hire in the name of Manager, or an affiliate or a corporate nominee of Manager, supervise, train, pay and dismiss as may be necessary from time to time, all persons required for the proper operation and maintenance of the Property and its equipment, including where necessary a Property Manager to supervise the daily operations of the Property, all of whom will be bonded under a blanket fidelity insurance policy arranged by Manager at Manager's expense. It is expressly agreed and understood by Owner that all allocable portions of all salaries, wages, performance bonus, federal, state and local income and social security taxes, any business and occupations tax relating to the Property or the employee's hired by Manager in connection with the Property, medical and dental insurance, worker's compensation insurance and other payroll and other employee benefit expenses payable on account of such persons or employees will be operating expenses of the Property and fully reimbursable by Owner to Manager. The current burden rate for the Manager is 33% of gross wages. In the event of any dispute involving a collective bargaining agreement which may cover any employees of Manager, or of an affiliate or a corporate nominee of Manager, working at the Property, Owner in its sole and absolute discretion reserves the right to participate directly or through a nominee in any arbitration, mediation, or negotiations thereon and to expressly pre-approve any expenses or costs related thereto. Manager will also comply with all local, state and federal laws and regulations applicable to any employees, including minimum wage laws.

Contracts - Subject to the prior approval and direction of Owner, Manager will negotiate on behalf of, and execute in the name of, Owner contracts for the supply of electricity, gas, steam, fuel, water, telephone and other similar services. Manager may also negotiate and execute in the name of Owner, contracts for janitorial services as well as for routine maintenance, such as contracts for the maintenance of landscaping and disposal and pest control services. To the extent commercially available, all such contracts will contain termination for convenience provisions or be terminable by the Owner upon thirty (30) days written notice. Manager will also purchase on behalf of Owner such equipment, tools, appliances, materials and supplies as are necessary for the operation and maintenance of the Property in accordance with the foregoing. All such purchases and contracts will be in the name of the Property and at the expense of Owner in accordance with the budget provided for in Section 2.6.

Notwithstanding anything to the contrary in this Agreement, no condition, provision or term of this Agreement will be construed in such a manner so as to make Manager responsible for any construction, alteration, renovation or other modification to the Property or any particular improvements thereon. To the extent Manager assists Owner in connection with any construction, alteration, renovation or other modification to the Property, such assistance is advisory only. Accordingly, Manager will not have control over or charge of and will not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the work of contractors, since these are solely the contractor's responsibility under their respective contracts. The Manager will not be responsible for a contractor's failure to carry out the work in accordance with the respective contract documents. The Manager will not have control over or charge of acts or omissions of the contractors, subcontractors, or their agents or employees, or any other persons performing portions of any work not directly employed by the Manager. Any services of Manager involving the supervision of any construction, alteration, renovation or modification of the Property or any portion thereof will be governed by the provisions of Article 6.

Structural Changes - Manager will have no authority nor will it have any obligation to make any structural changes in the Property or make any other major alterations or additions in or to any building or equipment therein, notwithstanding any agreements in the preceding Section 2.4 or following hereafter, unless set forth in an Owner's Representative Agreement signed by Owner and Manager.

Budget - In order to plan and anticipate the cash requirements of the Property operations, Manager will submit to Owner for its approval an operating cash flow budget projection, excluding income tax considerations, within forty-five (45) days of execution hereof. Thereafter, Manager will prepare and submit for Owner's approval on or before November 15th of each year, a recommended annual fiscal year operating

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cash flow budget, estimating receipts and expenditures for the fiscal year. Said budgets will be prepared in a form and content reasonably acceptable to Owner. Submission of such budgets will be without warranty of its accuracy or attainability. If said submitted budget has not been approved by Owner by December 15th of the year preceding the year for which it is applicable, then the most recently approved budget will remain in effect until such time, if any, that the Owner approves a new budget; provided, however, that current utilities, the current management fee due and payable, real estate taxes and insurance may be paid as actual operating costs and expenses regardless of the budget allocations set forth on the most recently approved budget.

Books and Records - Manager will maintain accurate records of all funds received and disbursed in its capacity as Manager. Said records will be open to inspection by Owner at all reasonable times. Any audit required by Owner will be prepared at the expense of Owner by accountants of Owner's selection. After paying all properly authorized expenses of the Property pursuant to this Agreement, Manager will cause to be delivered to the persons, at their respective addresses, as identified below, a monthly statement of all receipts, disbursements and required operating reports for the reporting period, on or before the fifteenth (15th) day of the calendar month following the reporting period. Said statement and operating reports will be submitted in a form and content reasonably acceptable to Owner.

Compliance – Subject to the applicable approved budget, Manager will take such action as will be necessary to comply with any and all laws, ordinances, orders or requirements affecting the Property by any federal, state, county or municipal authority having jurisdiction thereover, and orders of the Board of Fire Underwriters or other similar bodies. Manager, however, will not take any such action as long as Owner is contesting, or has affirmed its intention to contest and promptly institutes proceedings contesting, any such order or requirement. Manager will promptly, and in no event later than seventy-two (72) hours from the time of their receipt, notify Owner in writing of all such orders and notices of requirements.

Confidentiality - Manager will use discretion in disclosing information about the Property to any vendor, contractor or any governmental authority of competent jurisdiction. Manager further agrees any conflicts of interest pertaining to this Agreement existing at the time of execution hereof or which may occur during the term of this Agreement, will be immediately disclosed in writing to Owner. Manager will use every reasonable means for the protection and enhancement of Owner's credit and reputation.

EXHIBIT "C"

RULES AND REGULATIONS

Community Rules and Regulations

This document is a part of the Residential Lease Agreement between the tenant and Landlord.

In order to maintain and promote the Community, and as a condition of residency, Landlord has established the following policies for the comfort and convenience of all Community Residents.

9. APPLIANCES. Use all appliances in the Residence in a safe manner and only as intended. Do not overload dishwashers and use only detergents made for automatic dishwashers. Turn on cold water before starting the garbage disposal, do not overload the disposal, and do not grind bones or other hard objects, rinds, sticky or stringy foods, or put an excessive volume of material in the garbage disposal. To avoid clogs for which you will be responsible, do not put paper towels, diapers, sanitary napkins, food, baby wipes, moist towelettes or wipes (even if advertised as flushable), cotton swabs, non-flushable clumping kitty litter, or other items that are not meant to be flushed in the toilets, and do not pour grease down the drain. You will be responsible for blockages you cause. If the Residence does not have a frost free refrigerator, defrost the refrigerator when there is approximately one inch of frost. Do not use sharp objects to defrost the freezer. If the Residence is equipped with a washer/dryer, clean the lint filter after every load and periodically inspect the dryer vent duct to ensure it has not become detached, blocked, kinked, or crushed.

You must obtain our written consent before installing any air conditioning unit (including portable air conditioning units), washer, dryer, refrigerator with water dispenser or icemaker, or other appliance. If we grant consent, it may be granted conditionally. Due to concerns about energy consumption, overloading the existing electrical supply, and damage to the Property, consent for appliance installation may be granted on conditions such as: (i) your agreement to allow us to install them (and to pay us the reasonable costs of installation); (ii) the use of specific types of hoses; (iii) maintenance of renter's liability insurance with coverage amounts that we will specify; (iv) utilization of drip trays and water leak detector/alarms; (v) your agreement to compensate us for any losses related to the use or presence of the appliance; and (vi) your agreement to pay for additional utilities consumed.

10. ASSIGNMENT, SUBLETTING AND TRANSFER BY RESIDENT. Your interest in the Residence and this Agreement may not be assigned, sublet or otherwise transferred. You may not advertise the Residence on Airbnb, Couchsurfing, Craigslist, or any other advertisement or listing service. Any assignment, subletting or transfer (whether by your voluntary act, operation of law, or otherwise), will be void, and we may elect to treat it as a non-curable breach of this Agreement.

11. ASSIGNMENT BY LANDLORD. During your tenancy, we may transfer or encumber our interest in the Property. You must look solely to our transferee for performance of our obligations relating to the period after the transfer. Your obligations under this Agreement will not otherwise be affected by any transfer. Your rights in the Residence are subject to and subordinate to any existing or future recorded deed of trust, easement, lien or encumbrance. If a lender forecloses on the Property, you agree to recognize the purchaser as the landlord under this Agreement if you are requested to do so.

12. AUTOMOBILE WASH AND REPAIR. If permitted on the Property (indicated in the Variable Lease Term section), automobile washing and oil changing may be done only in designated areas.

13. BALCONIES, PATIOS AND WINDOWS. Please do not shake or hang rugs, towels and clothing from windows. Do not put plants or other items on balcony or patio walls. If your balcony or patio is visible from outside your Residence, do not keep anything on it other than patio furniture. We reserve the right to prohibit, restrict and control the items on your balcony or patio.

14. BARBEQUE GRILLS. If allowed on the Property (indicated in the Variable Lease Term section), barbeque grills may be used only in designated areas, and only in compliance with applicable laws. Cities and counties that have adopted the California Fire Code prohibit charcoal burners and other open-flame cooking devices on combustible balconies or within 10 feet of combustible construction unless (1) the Property is a single family residence or duplex, (2) the buildings, balconies and decks are protected by an automatic sprinkler system, or (3) a liquefied-petroleum LP (which includes propane) gas fueled cooking device having a LP gas container of 1 pound or less is used.

15. BED BUGS AND PESTS.

Information about Bed Bugs

Bed bug Appearance: Bed bugs have six legs. Adult bed bugs have flat bodies about $\frac{1}{4}$ of an inch in length. Their color can vary from red and brown to copper colored. Young bed bugs are very small. Their bodies are about $\frac{1}{16}$ of an inch in length. They have almost no color. When a bed bug feeds, its body swells, may lengthen, and becomes bright red, sometimes making it appear to be a different insect. Bed bugs do not fly. They can either crawl or be carried from place to place on objects, people, or animals. Bed bugs can be hard to find and identify because they are tiny and try to stay hidden.

Landlord's Initials _____



Resident's Initials _____

Life Cycle and Reproduction: An average bed bug lives for about 10 months. Female bed bugs lay one to five eggs per day. Bed bugs grow to full adulthood in about 21 days. Bed bugs can survive for months without feeding.

Bed bug Bites: Because bed bugs usually feed at night, most people are bitten in their sleep and do not realize they were bitten. A person's reaction to insect bites is an immune response and so varies from person to person. Sometimes the red welts caused by the bites will not be noticed until many days after a person was bitten, if at all.

Common signs and symptoms of a possible bed bug infestation:

- Small red to reddish brown fecal spots on mattresses, box springs, bed frames, mattresses, linens, upholstery, or walls.
- Molted bed bug skins, white, sticky eggs, or empty eggshells.
- Very heavily infested areas may have a characteristically sweet odor.
- Red, itchy bite marks, especially on the legs, arms, and other body parts exposed while sleeping. However, some people do not show bed bug lesions on their bodies even though bed bugs may have fed on them.

For more information, see the Internet Web sites of the United States Environmental Protection Agency and the National Pest Management Association.

Please report suspected bed bug infestations to us by contacting the leasing office (if any) or the property manager identified on the first page of this Agreement.

During the day, bed bugs hide in crevices such as seams in mattresses and box springs, bed frame cracks, behind picture frames, and inside furniture and upholstery.

In the past, bed bug infestations were primarily associated with crowded and dilapidated housing. However, bed bug infestations are becoming more common and can be found even in first class hotel and living accommodations. The increase may be the result of increased human travel, movement of infested luggage and items, and changes in the pesticides available to control this pest. Bed bugs are transferred to new locations on people, their clothing, furniture, bedding, and luggage.

Bed bug treatment is challenging. It requires the full cooperation of the residents in affected units, professional treatments over several weeks, and treatment and/or discarding of furniture, clothing, and personal property. Because of the difficulty of bed bug extermination, and because of the risk that bed bugs could spread into other units, you agree that if bed bugs are found, you will immediately contact us, and will not attempt to personally exterminate bed bugs without professional assistance.

"Pests" include (but are not limited to) ants, bed bugs, cockroaches, fleas, mites, spiders, termites, mice, rats, other vermin and insects. We have inspected the Residence and are unaware of any pests in the Residence. At move-in, you will complete and sign a Move-In/Move-Out Statement documenting the condition of the Residence. If you fail to report defects in the Move-In/Move-Out Statement, it will be presumed that the Residence has been delivered in good condition and free of pests.

You agree to cooperate with our pest control efforts by:

- Keeping the Residence clean and uncluttered;
- Promptly advising us of any pest control needs, or any condition indicating a bed bug infestation in the Residence or Property (such as itchy welts on skin, bed bugs, blood spots (either brown or red) or bed bug excrement spots (brown or black) on bedding, furniture or other items, or a sweet odor). We are not responsible for any condition about which we are not aware and bed bugs require professional pest control treatment;
- Refraining from bringing bed bugs and other pests into the Residence and the Property, and inspecting all luggage, bedding, clothing, and personal property for bed bugs and other pests before move-in, returning home after traveling and/or bringing new items to the Residence. You will allow us to do the same upon request. If we have a concern about possible infestation, we may (but will not be obligated to) either prohibit you from bringing the item into the Residence and Property or require you to have the item professionally treated at your expense before the item is brought into the Residence or Property.
- Refraining from bringing into the Residence discarded furniture (found in or by a dumpster or elsewhere). Furniture may have been discarded because of a bed bug infestation;
- Providing us with access to Residence for our pest control assessments and pest control treatment;
- Cooperating with inspections to facilitate the detection and treatment of pests, including providing requested information that is necessary to facilitate the detection and treatment of pests.
- Following our instructions to prepare the Residence for pest control treatment and/or vacating the Residence when requested for our pest control efforts;
- Upon our request, promptly providing us with copies of all records, documents, sampling data and other materials relating to the condition of the Residence.

16. BICYCLES SKATEBOARDS, SCOOTERS, ROLLERBLADES AND SKATES. Pedestrians have the right of way on all sidewalks, walkways and other pedestrian areas throughout the Property. Bicycles, skateboards, scooters, roller blades/skates, self-balancing motorized boards, and other wheeled apparatus must be used with care, to avoid Property damage, injury and danger for others. Bicycles should be kept only in your Residence or in designated areas (if any) within the Property.

17. COMMON AREA AMENITIES. If the Residence is part of a multi-family residential complex, various services, equipment and facilities ("Common Area Amenities") may be provided for your use at your own risk. Common Area Amenities include all areas and facilities outside of the Residence, within the Property, that are provided and designated by us for the general non-exclusive use of Property residents. Common Area Amenities may include, but are not limited to meeting rooms and clubhouses, laundry facilities, exercise facilities, storerooms, swimming pools, spas, common entrances, lobbies, hallways, staircases, public restrooms, elevators, loading areas, trash/recycling areas, roads, sidewalks, walkways, and landscaped areas. Common Area Amenities are for the exclusive use of you and other Property residents and occupants. Common Area Amenities may not be used by Resident or Resident's Related Parties for business, commercial, fee-generating or fund-raising purposes unless we otherwise agree in advance and in writing (which we may grant or withhold in our sole discretion). Use of Common Area Amenities is subject to the restrictions described in rules or instructions at the Property. You may be required to carry and display identification to enter and/or utilize Common

Landlord's Initials _____



Resident's Initials _____

Area Amenities. If we allow guests to utilize Common Area Amenities, you may have no more than two guests (accompanied by you) unless we agree otherwise. We may restrict Common Area Amenity usage for repairs or renovations. We may restrict Common Area Amenity usage for private parties. You may not install or use any items (temporary or permanent) in common areas, including (but not limited to) cameras (still or video), drones, tents, tarps, jump houses, swimming pools, or sports equipment, unless we provide authorization. Do not leave any personal property in common areas; we may remove and dispose of any personal property left outside of the Residence. To the extent allowed by law, you agree to assume all risk of harm, and waive all claims against us and our Related Parties resulting from the Common Area Amenities, even if caused by the negligence of us or our Related Parties. To the extent allowed by law, use of the Common Area Amenities is at the sole risk of you and your Related Parties.

18. CONDOMINIUM/PLANNED UNIT DEVELOPMENT. If it is indicated in the Variable Lease Term section that the Residence is a unit in a development governed by a homeowner's association ("HOA"), you and your Related Parties must comply with all covenants, conditions and restrictions, bylaws, rules and regulations and decisions of the HOA. You must pay any fines or charges imposed by the HOA incurred because of the actions or inactions of you or your Related Parties.

19. CONDUCT AND COMPLIANCE WITH AGREEMENT, LAW AND RULES. You are responsible for your own actions, and the actions of your Related Parties. You and the others for which you are responsible:

- May not create a nuisance on the Residence or Property, and may not disturb other Property residents or neighbors with excessive noise (loud televisions, stereos, voices, etc.) or otherwise;
- Must comply with all Landlord rules, regulations and instructions (including posted signs and those specified in this Agreement), and all laws, statutes, ordinances, and requirements of all city, county, state, and federal authorities. We may periodically modify the rules and regulations by delivering a copy of the modifications to you or posting the rules and regulations at the Property;
- Must notify us in writing of any dangerous condition, deterioration or damage to the Residence and Property (including Common Area Amenities) so that we may make necessary repairs;
- Are responsible for damage to the Residence and Property caused by the action or inaction of you and your Related Parties. You agree to indemnify, defend (with counsel of our choice), and hold us (and if the unit is in an HOA, the HOA) harmless for any liability, costs (including reasonable attorney fees), or claims resulting from your breach of this Agreement or the negligence, violation of law, or willful misconduct of you or your Related Parties.

You are advised to consider the current and potential exposure to noise that you may experience from activities that occur within and in the vicinity of the Property. No representations are made as to the impact of current or existing noise levels on you or your Residence. Potential sources of noise affecting you may arise from automobile traffic, entry gates, roadways, highways and toll roads, emergency facilities, construction activity, church bells or chimes, aircraft overflights, equestrian, bicycle or pedestrian walkways and other noise sources. If the Residence is a unit in a multi-family complex, be aware that multi-family housing areas often have higher densities, and greater associated inconveniences than single family residences. If you are particularly sensitive to sound, or the activities of others, you may not be comfortable in multi-family housing and you should consider alternatives. Likewise, if your activities are likely to be disturbing to nearby neighbors in a multi-family living environment, multi-family housing may not be the right choice for you and you should consider alternatives before signing this Lease.

20. CONSTRUCTION. If specified above in the Variable Agreement Term section, construction is ongoing at the Property, and details are in the Variable Agreement Term section. There may be inconveniences associated with construction, and you agree that the Rent specified in the Variable Agreement Term section is fair and reasonable while construction is ongoing. You agree that any inconvenience caused by ongoing construction will not give you an offset to rental obligations, or be the basis for a complaint against us for rent relief, or any other claim, right, or remedy against us, including constructive eviction. Although an estimated completion date may be specified, we do not guarantee the construction completion date. We will require the construction to be done in a commercially workmanlike and reasonable manner, and the general hours of construction will be specified in the Variable Agreement Term section.

21. CONTINUING LIABILITY. If you vacate the Residence, or this Agreement is terminated, this will not relieve you of any obligation to pay or reimburse sums to us or to indemnify or hold harmless or defend us from any loss or claim, where the obligation arises during the term of this Agreement or before you vacate the Residence, unless we specifically agree otherwise in writing.

22. CRIME-FREE COMMUNITY. You and your Related Parties:

- May not engage in criminal activity on or near your Residence or the Property;
- May not permit your Residence or the Property to be used to facilitate criminal activity, regardless of whether the individual engaging in such activity is a member of your household, or a guest;
- May not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of a controlled substance as defined in Health & Safety Code §11350, et seq., at any locations, whether on or near your Residence, the Property or otherwise;
- "Criminal activity" is any activity in violation of laws, ordinances and requirements of city, county, state and federal authorities, including: prostitution (defined in Penal Code §647(b)); criminal street gang activity, (defined in Penal Code §186.20 et seq.); assault and battery, (prohibited in Penal Code §240); burglary, (prohibited in Penal Code §459); the unlawful use and discharge of firearms, (prohibited in Penal Code §245); sexual offenses, (prohibited in Penal Code §269 and 288), drug-related criminal activity, or any breach of this Agreement that otherwise jeopardizes the health, safety and welfare of us, other residents or occupants of the Property or neighbors or involving imminent or actual serious property damage. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 802]);

A single violation of any of the provisions above will be a material and non-curable breach of this Agreement and good cause for immediate termination of your tenancy. Unless otherwise provided by law, proof of violation will not require criminal conviction, but will be by a preponderance of the evidence.

23. DAMAGE TO RESIDENCE. If the Residence is significantly damaged or destroyed by fire, earthquake, accident or other casualty that renders the Residence uninhabitable for more than one week, we may terminate this Agreement by giving you written notice of our election to terminate. If the Agreement is not terminated, we will promptly repair the damage, and Rent will be reduced based on the extent to which the damage interferes with your use of Residence (unless we provide alternate housing). If you or your Related Parties cause the damage, there will be no Rent reduction and we will have no obligation to repair the damage.

24. DELAY IN POSSESSION. If we cannot deliver possession of the Residence to you on the Commencement Date for any reason, we will not be liable for the delay, nor will this affect this Agreement's validity, or extend the term of the Agreement. However, you will not be obligated to pay Rent or perform any other obligation under this Agreement (other than pay the amounts due specified in the Variable Lease Term section) until we tender possession of the Residence to you. If we have not tendered possession of the Residence to you within three days of the Commencement Date, you may cancel this Agreement any time before we tender possession of the Residence to you.

Landlord's Initials _____



Resident's Initials _____

25. DISABILITIES - REASONABLE ACCOMMODATION/MODIFICATION. Notwithstanding any other provision under this Agreement, upon prior written permission, we agree (1) to allow you to make reasonable modifications to the Residence and/or Common Area Amenities as required by law for people with disabilities; and (2) to provide reasonable accommodation as required by law to people with disabilities, including but not limited to (a) making changes or exceptions to rules, policies, procedures, or services and (b) allowing assistive animals. We reserve the right to seek verification of disability and disability-related need for any requested modification or accommodation.

26. EARLY TERMINATION OPTION. If indicated in the Variable Lease Term section, you have the option of amending this Agreement to terminate your tenancy before the Termination Date specified in the Variable Lease Term section. To exercise your Early Termination Option, you must deliver to us (1) a written notice stating that you have elected to exercise your Early Termination Option and identifying the Early Termination Date, and (2) the Early Termination Option Fee specified in the Variable Lease Term section, and (3) all Rent and additional Rent due through the Early Termination Date. When we acknowledge receiving the written notice and payment, the Termination Date will be deemed amended to the Early Termination Date. The Early Termination Date must be a date within the parameters described in the Variable Lease Term section. The Early Termination Option may be exercised only if you are not in default under this Agreement when you give notice of your exercise of the Early Termination Option. All remaining Agreement terms will remain in full force and effect.

If you provide the notice unaccompanied by the required payments, the Termination Date will not be changed.

If you do not properly exercise the Early Termination Option by following the procedure exactly as specified above, or choose not to exercise the Early Termination Option, but vacate your Residence before the Termination Date, all Agreement terms will remain binding (including the original Termination Date), and we will retain all legal remedies for non-compliance with this Agreement. If we know you have vacated the Residence before the end of the term, we have an obligation to try to rent the Residence to minimize lost Rent for which you will be responsible.

27. ENTRY. We and our Related Parties will have the right to enter the Residence as allowed by law. Law permits entry in case of emergency, to make necessary or agreed repairs, decoration, alterations or improvements, supply necessary or agreed services, to test smoke and carbon monoxide detectors, to exhibit the Residence to prospective or actual purchasers, mortgagees, residents, workmen or contractors, to make an inspection under subdivision (f) of Civil Code §1950.5, for purposes relating to water conservation and submetered water, when you have abandoned or surrendered the Residence and under a court order. Law also allows entry in additional situations, including (but not limited to) inspecting waterbeds and other water-filled furniture (Civil Code §1940.5(f)); inspecting your personal agricultural areas (Civil Code §1940.10(f)); inspecting balconies, decks and other exterior wood-based elevated elements, to inspect for and treat bed bugs (Civil Code §1954.604); and repairing, testing, and maintaining smoke detectors (Health & Safety Code §13113.7(d)(2)(A)) and carbon monoxide detectors (Health & Safety Code §17926.1(b)). Unless you have given us permission to enter, we will give you written notice at least 24 hours before entry unless entry is due to (1) an emergency, (2) surrender or abandonment of the Residence, or (3) we have agreed to a date and time within a one week time period when we will enter to make repairs. We are also not required to give you written notice to show the Residence to prospective or actual purchasers and instead can give you verbal 24 hour notice of entry, if within the previous 120 days from our verbal notice of entry we inform you in writing that the Property is for sale and that you may receive oral notice of our intent to enter. If we give you verbal notice of our intent to enter to show the Residence to purchasers, we will leave written evidence of our entry in the Residence.

28. ESTOPPEL CERTIFICATES. Within five (5) days of our written request, you must execute and deliver to us a written statement certifying that this Agreement is unmodified and in full force and effect (or if modified, describing the modification). Your statement will include any other details we request. Any prospective Property purchaser or encumbrancer may rely upon your written statement. If you fail to deliver a statement within the specified time, it will be conclusively presumed that (1) this Agreement is unmodified and in full force and effect, except as we otherwise indicate, (2) there are no uncured defaults in our performance, and (3) any other details specified by us originally requested of you.

29. FURNITURE MOVING. We may designate times and methods for moving furniture, and other household goods to or from the Residence. We will not be liable for any loss resulting from the unavailability of elevator service to move furniture or other household goods, or otherwise to move into or out of the Residence.

30. GARBAGE. You must dispose of all garbage, waste and recyclable materials in designated containers and/or designated areas and in accordance with applicable law and our instructions. Unless we indicate otherwise, you may not dispose of large items in Property garbage containers and/or areas. All boxes must be broken down and crushed before placing them in the appropriate container. You may not dispose of hazardous waste in Property garbage containers or on the Property. Information about disposal and recycling options for household hazardous waste is available at: <http://www.dtsc.ca.gov/HazardousWaste/UniversalWaste/HHW.cfm>.

31. GUESTS. You may have overnight guests for no more than 7 nights in any month, and no more than two overnight guests at a time unless we provide specific approval. You must obtain our prior written consent to change Residents or add additional Occupants within the Residence.

32. HARASSMENT. Resident and Resident's Related Parties may not abuse, harass (sexually or otherwise) or threaten Landlord or Landlord's Related Parties, and others at the Property. Violation of this Agreement provision is a breach of this agreement and grounds for termination of Resident's tenancy. Resident and Resident's Related Parties may not unreasonably interfere with management functions.

33. INSURANCE: LANDLORD AND LANDLORD'S RELATED PARTIES DO NOT INSURE YOUR PERSONAL PROPERTY. If indicated in the Variable Lease Term section, you are required to maintain a renter's insurance policy throughout your tenancy. **Even if you are not required to maintain renter's insurance, we strongly recommend that you purchase a renter's insurance policy to protect yourself against personal injury and property damage, including losses from theft, fire, smoke, water damage, and vandalism.**

If renter's insurance is required (as specified in the Variable Lease Term section) you must maintain a renter's insurance policy (at your cost) protecting you against claims for bodily injury, personal injury and property damage arising out of your use, occupancy or maintenance of the Residence, including liability to Landlord for damage to Landlord's property for the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, and water damage. You may not do anything or allow any action that invalidates the policy. The renter's insurance may be issued by any company of your choice, provided that the carrier is licensed or admitted to transact business in California, and maintains during the policy term a "General Policyholders Rating" of at least a B+, V, in the most current issue of "Best's Insurance Guide." We must be listed as an "additional insured" (if this type of coverage is available from the insurance company) or as an "interested party" (if your insurance company will not name us as an "additional insured") under the insurance policy. Before the Commencement Date, you must deliver to us a certified copy of the insurance policy or certificates of insurance evidencing the existence and amounts of the required insurance. No policy may be canceled or modified except after thirty days prior written notice to us (ten days for nonpayment). At least thirty days before the expiration of the policy, you must furnish us with evidence of renewal. The policy must be on an occurrence basis and have personal liability coverage in an amount specified in the Variable Lease Term section, with a deductible of no more than the amount specified in the Variable Lease Term section. You will be liable for the deductible amount if an insured loss occurs. The policy must contain a waiver of subrogation. The policy may not contain any intra-insured exclusions as between insured persons or organizations. The policy limits will not

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limit your liability. Any insurance maintained by us and our Related Parties is only for the benefit of us and our Related Parties and you will not be named as an additional insured. You must pay any increase in insurance premiums held by us and our Related Parties for the Property resulting from the actions, omissions, use or occupancy of the Residence by you and your Related Parties. This insurance is meant to protect both you and us, by potentially providing you with a potential recovery source (other than us) if you suffer a loss, and by potentially providing us with a recovery source if you damage the Residence and/or Property. Therefore, your failure to maintain renters insurance is a material breach of this Agreement.

34. KEYS AND OPENING DEVICES. Because we may need access to the Residence in case of an emergency, you may not change any locks or install additional security devices in the Residence without our consent. If permission is granted, you may not later remove locks or the additional security devices without our consent.

35. LANDSCAPING. Landscaping will be maintained and watered by the parties as specified in the Variable Lease Term section.

36. LAUNDRY FACILITIES. If laundry facilities are available at the Property, the laundry facilities are for the exclusive use by Property residents. Clothes, laundry baskets, and detergents should not be left unattended in the laundry areas. Remove laundry as soon as the machine shuts off and dispose of lint, empty containers, and softening sheets in a trash can. No dye or flammable solutions are permitted.

37. LIABILITY. We will not be liable for any damage or injury to you or others, or to any property, occurring on the Property, except as otherwise provided by law. See the "Common Area Amenities" paragraph above regarding liability for Common Area Amenities. We and our Related Parties do not insure your personal property. Even if renter's insurance is not required, we strongly recommend that you purchase a renter's insurance policy to protect against personal injury and property damage, including losses from theft, fire, smoke, water damage, and vandalism. To the extent allowed by law, you (on behalf of yourself and the Resident Related Parties) assume all risk of harm or damage to any person or property, and waive all claims against us and the Landlord Related Parties relating to participation in activities, events, services and programs offered or sponsored by us or the Landlord Related Parties.

38. MAINTENANCE, ALTERATIONS, AND RESIDENCE CONDITION. At the beginning of the tenancy, the parties will complete and sign an Inventory/Move In/Move Out form documenting the condition of the Residence and an inventory of appliances, furniture, and furnishings. If you fail to report any defects on the Inventory/Move In/Move Out form, it will be conclusively presumed that the Residence and Personal Property are in good condition. You must maintain the Residence in a clean, healthy, safe and sanitary condition. Excessive items may not be stored or accumulate inside the Residence. Don't block windows or doors; they must be able to be fully opened. Maintain clear pathways into and through every room in the Residence. Do not place combustible materials near combustion sources such as the stove, oven, heater and/or water heater. Kitchen appliances and fixtures, bathroom fixtures, and every room in the Residence must be able to be used for their intended purposes. You may not paint, wall paper, add adhesive shelf liner, or make other alterations to the Residence without our prior written consent. We will supply the Residence with functioning light bulbs before you take possession of the Residence. You must replace nonfunctional light bulbs at your expense. You acknowledge that we have not made any promises to make any changes to the Property except as specified in this Agreement. You must maintain a temperature of at least 55°F in the Residence to prevent the pipes from freezing. We reserve the right to prohibit or restrict items visible from the exterior of the Residence (e.g. in your windows, window sills, doors, and on your balcony or patio) for safety purposes and to ensure a first class appearance.

39. MAINTENANCE REQUEST. Except in cases of emergency, all requests for repairs, and all notices regarding the condition of the Property must be made to us in writing. This will ensure that we receive and properly process your request or notice. Notations on the Inventory/Move In/Move Out form documenting the condition of the Residence do not constitute a request for repairs; you must complete a separate written request for maintenance.

40. MANAGEMENT. The Property Manager identified in the Variable Lease Term section is authorized to manage the Residence on our behalf and is authorized to act on our behalf to receive service of process, notices, and demands. However, the Property Manager is not a party to this Agreement, and should not be named as a party in any action you bring alleging a breach of this Agreement.

41. MILITARY – EARLY TERMINATION. You may terminate this Agreement before the Termination Date specified on page 1 if:

- (i) You become a member of the Armed Forces of the United States after you enter into the Agreement; or
- (ii) You are or become a member of the Armed Forces of the United States and receive:
 - Orders for a permanent change of station; or
 - Orders to deploy for a period of at least 90 days.

You must give us written notice of termination, and the new termination date must be at least 30 days after the first date on which the next rental payment is due. (For example, if you served the notice on September 15th, your tenancy would terminate on October 31.) You must furnish to us proof to establish you qualify for this limited exception. Proof may consist of any official military orders, or any notification, certification, or verification from the service member's commanding officer regarding the service member's current or future military duty status. Military permission for base housing does not constitute a permanent change-of-station order.

42. MOLD. Mold consists of naturally occurring microscopic organisms. Mold breaks down and feeds on organic matter in the environment. When moldy materials are damaged or disturbed, mold spores and other materials may be released into the air. Exposure can occur through inhalation or direct contact. Most molds are not harmful to most people, but it is believed that certain types and amounts of mold may lead to adverse health effects in some people.

A certain amount of mold exists in every home. Controlling moisture and proper housekeeping are necessary to limit mold growth. We have inspected the Residence and are not aware of any mold problems or existing conditions that may contribute to mold growth in the Residence. You agree to maintain the Residence to prevent mold growth. You agree to:

KEEP THE RESIDENCE CLEAN

- Maintain good housekeeping practices and regularly dust, vacuum and mop to keep the Residence free of dirt and debris that can contribute to mold growth
- Use household cleaners on hard surfaces
- Remove garbage regularly and remove moldy or rotting items promptly from the Residence (whether food, wet clothing, or other materials)

CONTROL MOISTURE IN THE RESIDENCE AND INCREASE AIR CIRCULATION

- Use hood vents when cooking
- Use exhaust fans when bathing/showering until moisture is removed from the bathroom

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- Hang shower curtains inside the bathtub when showering or securely close shower doors.
- Leave bathroom and shower doors open after use
- Use air conditioning, heating and fans as necessary to keep air circulating throughout the Residence
- Water all indoor plants outdoors
- Close windows and doors (when appropriate) to prevent rain and other outdoor water from coming inside the Residence
- Open windows when appropriate to increase air circulation
- Wipe up visible moisture
- If there is a washer in the Residence, periodically check the washer hose
- If a dryer is installed in the Residence, ensure that the vent is properly connected and clear of any obstructions and clean the lint screen regularly
- Ensure good air circulation in closets, cupboards and shelves by periodically keeping them open, not stacking items tightly, and/or using products to control moisture

PERIODICALLY INSPECT THE RESIDENCE FOR MOISTURE AND MOLD

The most reliable methods for identifying elevated amounts of mold are (1) smell and (2) routine visual inspections for mold or signs of moisture and water damage. You agree to inspect the property (both visually and by smell) for mold growth inside the Residence at least once per month. The inspection will include but is not limited to:

- Window frames, baseboards, walls and carpets
- The ceiling
- Any damp material made of cellulose (such as wallpaper, books, papers, and newspapers)
- Appliances (including washers/dryers/dishwashers and refrigerators)
- Around all plumbing fixtures (toilets, bathtubs, showers, sinks and below sinks)
- Areas with limited air circulation such as closets, shelves and cupboards
- Personal property

YOU AGREE TO PROMPTLY REPORT TO US IN WRITING:

- Visible or suspected mold you do not clean as explained below. Mold may range in color from orange to green, brown, and/or black. There is often a musty odor present.
- Overflows or leaks around showers/bath/sink/toilet/washers/refrigerator/air conditioners
- Plumbing problems
- Discoloration of walls, baseboards, doors, window frames, ceilings
- Loose, missing or failing grout or caulk around tubs, showers, sinks, faucets, countertops
- Clothes dryer vent leaks
- Any non-operational windows, doors, fans, heating or air conditioning units
- Any evidence of leaks or excessive moisture in the Residence or on the Property
- Any maintenance needed at the Property

YOU AGREE THAT YOU WILL NOT:

- Bring any personal property into the Residence that may contain high levels of mold, especially "soft possessions" such as couches, chairs, mattresses, and pillows
- Stack items against walls in a manner that decreases air circulation and may lead to mold
- Maintain an excessive number of indoor plants
- Maintain a fish tank or other water filled container without our written consent

If a small amount of mold has grown on a non-porous surface such as ceramic tile, Formica, vinyl flooring, metal, or plastic, and the mold is not due to an ongoing leak or moisture problem, you agree to clean the areas with soap (or detergent) and a small amount of water, let the surface dry, and then within 24 hours apply a non-staining cleaner such as Lysol Disinfectant®, Pine-Sol Disinfectant®, Tilex Mildew Remover®, or Clorox Cleanup®. Because Tilex Mildew Remover® and Clorox Cleanup® contain bleach (which may discolor some materials), they may not be appropriate cleaners if discoloration could be a problem.

You agree to comply with all instructions and requirements necessary to prepare the Residence and/or Property for investigation and remediation, to control water intrusion, to control mold growth, or to make repairs. Storage, cleaning, removal, or replacement of contaminated or potentially contaminated personal property will be your responsibility unless the elevated mold growth was the result of our negligence, intentional wrongdoing or violation of law. We are not responsible for any condition about which we are not aware. You agree to provide us with copies of all records, documents, sampling data and other material relating to any water leak, excessive moisture, mold conditions in the Residence or Property as soon as you obtain them. Violation of this section will be a material breach of this Agreement.

43. MOVE-OUT OBLIGATIONS. At termination of this Agreement, you must (a) give us all of your keys and other opening devices to the Residence, including any common areas; (b) surrender the Residence to us empty of all personal property and persons; (c) vacate all parking and storage spaces, if any; (d) deliver the Residence to us in the same condition as received, reasonable wear and tear excepted; (e) clean the Residence to the level of cleanliness as received; (f) and give us written notice of your forwarding address. At termination of the tenancy, we reserve the right to remove any improvements that you installed, whether or not we authorized the improvements, at your expense.

44. MULTIPLE RESIDENTS. If there is more than one Resident under this Agreement, each Resident is jointly and severally liable for all rental obligations. Violation of this Agreement by any Resident or Resident's Related Parties is deemed a violation by all Residents. Requests and notices from us to any Resident will constitute notice to all Residents and Occupants. Any notices from, consents by or actions taken by any Resident are deemed a notice from, consent by, or action of all Residents. All demonstrations, inspections and explanations made by us to one of the Residents will be binding on all Residents as if made to each of them. Any Resident or Occupant who has permanently moved out according to another Resident may, at our option and discretion, no longer be entitled to occupancy of or keys to the Residence. However, the termination of that person's right of occupancy will not release that person from any and all obligations under this Agreement or any renewal, unless we agree otherwise in writing.

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45. NO RELEASE. You will not be released from this Agreement on the grounds of voluntary or involuntary school withdrawal or transfer, business transfer, layoff or termination, marriage, divorce, marriage reconciliation, loss of co-Residents, bad health, or any other reason unless we agree otherwise in writing or unless the Military – Early Termination section above applies. We may grant or withhold consent to a release in our sole discretion.

46. OCCUPANTS. The Residence may be occupied only by the Resident(s) and all other authorized Occupants specified above in the Variable Lease Term section.

47. PARKING/GARAGE/VEHICLES. If parking spaces or garages are assigned, you may park on the Property only in the garage or parking space(s) specified in the Variable Lease Term section. Parking spaces and garages may not be used for operation of a business or as an extension of the living area of the Residence. We reserve the right to temporarily or permanently change your parking space(s) or garage and to assign another to you with 5 days' prior notice to you. We may issue parking stickers or other devices to control parking. If issued, you must use the parking control devices. If specified in the Variable Lease Term section, monthly Garage/Parking Rent is charged for this privilege. Parking spaces (if any) may be used only for parking passenger automobiles or light utility vehicles. If a parking space or garage has been assigned to you, you must park in it to maximize parking for others. If an exclusive-use garage has been designated for your use, you may use your garage secondarily for storage, but only if it doesn't interfere with your ability to park in the garage. Garage doors must be kept closed and locked unless you are entering or exiting the garage. Vehicles not kept in compliance with applicable rules, regulations and law are subject to towing at the vehicle owner's expense. A vehicle may be towed if it: (A) has flat tires or other condition rendering it inoperable; (B) is leaking fluids; (C) for non-assigned parking spaces, has not been moved in more than 96 hours; (D) takes up more than one parking space; (E) belongs to a Resident or Occupant who has surrendered or abandoned the Residence; (F) is parked in a marked accessible space without the legally required Disabled Person Plate or Placard insignia; (G) blocks another vehicle from exiting; (H) is parked in a fire lane or designated "no parking" or "restricted parking" area; (I) is parked in a space reserved for other residents; (J) is not properly parked in a designated area; (K) blocks access to a garbage area, entrance, driveway, other parking spaces, or other area; (L) cannot lawfully be operated as a vehicle on the road; (M) has a malfunctioning alarm or has an alarm which is not silenced within 10 minutes; (N) is parked in a designated visitor or office parking space; or (O) any other reason allowed by law. Gasoline, fuels or other explosive materials may not be stored anywhere on the Property. You will be responsible for oil stains and other damage caused by your vehicles and the vehicles of your Related Parties. Parking is at the risk of the vehicle owner or operator. We will have no liability for damage to or loss of any vehicle or any personal property contained within a vehicle or a garage. Parking spaces may not be available for guests or they may be limited in number and location. Tandem parking will be permitted only with our prior written consent. You may install an electric vehicle charging station only with our advanced written consent, which will be granted or withheld in our sole discretion, except as otherwise provided by law. Operate your vehicle safely and limit your vehicle's speed to 5 miles per hour within the Property. You must immediately vacate and remove all vehicles from the Property (a) if you do not pay parking or garage fees (if any) when due; (b) after service of any notice allowed by law; and (c) at the earlier of the Termination Date or the date that you vacate the Residence. Unless otherwise agreed by us, Garage/Parking Rent will be due during the entire term of your tenancy.

48. PETS. You may not feed stray or wild animals. You may not have any pets at the Residence or on the Property without our prior written consent, which we may withhold in our sole discretion. This prohibition applies to all pets, including "visiting" pets. We grant you permission to keep any pets listed above in the Variable Lease Term section as an "Authorized Pet." If any pets are authorized you agree to follow the following rules for your pet(s):

- Pets may not cause any disturbance that might reasonably annoy neighbors including making noise, creating odors, or leaving waste on the Property.
- Any damage caused by a pet will be your responsibility and you will be charged to repair it. This includes (but is not limited to) window coverings, carpet cleaning or replacement, damage to walls, flooring, screens and common area landscape.
- Pick up after your pet(s) and properly dispose of all waste. Kitty litter must be placed in a bag before placing it in the trash.
- Use a stain and odor-removing product with enzymes (such as Nature's Miracle) as necessary, and maintain the Residence in a sanitary, odor-free condition. You can determine where the stain and odor-removing product with enzymes must be used by viewing the Residence with a black light.
- If your pet is a cat, keep a scratching post.
- Pets must be licensed and vaccinated in accordance with local laws. You must provide proof if we request it.
- Comply with all local laws and regulations relating to the pets.
- Take action to avoid pest infestations (fleas, etc.) in the Residence and Property.
- You must confine your pet if we or our Related Parties need access to the Residence.
- Pets must remain inside the Residence unless they are under direct control of a responsible person at all times. Dogs must be on a leash when outside of the Residence. You agree to defend, indemnify and save us harmless from all loss, claim, damage or liability relating to your pets.
- You represent to us that the pet is housebroken, has no vicious tendencies or history of threatening or causing harm to persons by biting, scratching, chewing or otherwise.
- Pets are not allowed in pool areas, clubhouses, business office, laundry rooms, business center or fitness centers. Pets may not be bathed or groomed in the laundry room sinks, pools, or pool area.
- Permission to have a pet may be revoked at any time with three days' notice for cause, or with thirty days' notice without cause. You will be asked to remove any pet that bothers others or constitutes a problem (potential or actual) to neighbors or others, as determined in our sole discretion. If you fail to remove your pet after being requested to do so, this will be a material breach of the Agreement, allowing us to terminate your tenancy.

49. POOL/SPA. If the Property has a pool or spa, you may use them only during posted hours. Children under the age of fourteen (14) must have adult supervision in the pool and spa. You may not serve or eat food in or around the pool area at any time without our consent. Drinks must be served in unbreakable containers, and no alcoholic drinks are allowed in the pool area. For safety reasons, people should not use the pool and/or spa alone, should not dive into the pool (unless off of a diving board) or spa, and no intoxicated persons may use the pool or spa. Be considerate of others. Don't be excessively noisy or rowdy or wear excessively revealing clothing. Please shower before using the pool and spa. Do not use inner tubes, rafts or any other personal items or objects in the pool if they disturb others (with the exception of personal flotation devices for persons who cannot swim). Incontinent people using the pool or spa must use waterproof pants. Use the pool safety equipment only in case of emergency. **NO LIFEGUARD WILL BE ON DUTY.** People use the pool and spa at their own risk. We will not be responsible for accident or injury, or articles that are lost, damaged or stolen.

50. POSTED SIGNS AND INSTRUCTIONS FROM LANDLORD. You must obey all posted signs on the Property and instructions from us.

51. POSTING FLYERS. Flyers may be posted only in designated areas, if any. If flyers are allowed to be posted, we may remove any commercial or offensive material, or material not in keeping with the nature of the Property, as determined in our sole discretion.

52. REPRESENTATIONS OF RESIDENT. You warrant that all statements in your rental application and other documents submitted by you to us (whether previously or in the future) are accurate. If they are not, this will be a non-curable breach of this Agreement and we may terminate your tenancy.

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53. SATELLITE DISHES. You may install a satellite dish for personal, private use under the following conditions:

- The satellite dish must be one meter or less in diameter;
- The satellite dish may only be installed in the Residence in areas within your exclusive control. No part of the satellite dish may extend beyond a balcony or patio railing. The satellite dish may not be installed in common areas, including but not limited to the roof, outside walls, window sills, common balconies, hallways or stairways. Note that allowable locations may not provide an optimal signal, or any signal. We do not warrant that the Residence will provide a suitable location for receiving a satellite signal.
- You may not make physical modifications to the Property and may not cause physical or structural damage to the Property. No holes may be drilled through exterior walls or the roof.
- You must install, maintain and remove the satellite dish in a manner consistent with industry standards and you will be liable for any damage or injury caused by the installation, maintenance or removal of the satellite dish.
- You must move the satellite dish at your expense, upon our request, for Residence or Property maintenance or repairs.

54. SECURITY. The Property is not a full security property and we do not guarantee or warrant your personal security or safety. We are not responsible for obtaining criminal-history checks on any residents, occupants, guests or contractors in the Property. We have no duty to provide security services or devices other than the duty to provide (a) an operable dead bolt lock on each main swinging entry door of the Residence and (b) operable window security or locking devices for windows designed to be opened (except for louvered windows, casement windows and windows more than 12 feet vertically or 6 feet horizontally from the ground, a roof, or other platform). After you take possession of the Residence, we will have no obligation or duty to inspect, test or repair any lock or other security device unless you request us to do so in writing. Any cautionary measures that we take (whether applicant screening, security devices or courtesy patrol services) which may presently exist or later be installed on the Property are neither a guarantee nor warranty against criminal acts of others on the Property or otherwise. Your personal safety and security are your personal responsibility. If criminal activity occurs, contact the appropriate law enforcement agency. We may (but are not obligated to) grant permission for residents to install security devices (such as video doorbells) that may capture Property images and sounds.

55. SIGNS. We retain the right to place For Sale/For Rent signs on the Residence.

56. SMOKE AND CARBON MONOXIDE DETECTION. The Residence is equipped with a functioning smoke detection device(s) and may be equipped with a functioning carbon monoxide detector. You must test the device(s) weekly and immediately report any repair needs to us.

57. SMOKE FREE AREAS. The parties want to reduce or eliminate (i) the irritation and known health effects of secondhand smoke; (ii) the increased maintenance, cleaning and redecorating costs from smoking, and (iii) the increased risk of fire and insurance costs associated with smoking. "Smoking" means inhaling, exhaling, breathing, or carrying any lighted cigar, cigarette, e-cigarette, or other similar lighted product (whether tobacco, marijuana, or any other substance) in any manner or in any form. You and your Related Parties may not smoke anywhere in the designated smoke-free areas, described in the Variable Lease Term section. You must inform your Related Parties of the no-smoking policy. Other residents of the Property are third-party beneficiaries of this Agreement provision (your smoke-free obligations and restrictions are made to benefit other Property residents as well as to us.) A resident may sue another resident for an injunction to prohibit smoking or for damages, but may not evict another resident. We will have the right, but not the obligation, to enforce your smoke-free obligations. A material breach of your smoke-free obligations will be a material breach of this Agreement and grounds for immediate termination of this Agreement and your tenancy. Neither we nor our Related Parties guarantee or warranty the smoke-free condition of the designated smoke-free areas or the health of you or your Related Parties. We make no implied or express warranties that the Residence or Property will have higher air quality standards than any other areas. The success of our efforts to make the designated areas smoke-free depend on voluntary compliance by you and others. We reserve the right to change or eliminate our smoke-free policy in the future. You acknowledge that current residents may not be under the same smoke-free restrictions.

58. STORAGE. If specified above in the Variable Lease Term section, a separate storage area is provided to you. If specified, monthly Storage Rent is charged for this privilege. Storage space may be used only for storage of non-perishable personal property, expressly excluding (a) any potentially dangerous, flammable, hazardous or toxic property or materials, and (b) any firearms or ammunition. We reserve the right to assign to you another storage space with 5 days' prior notice to you. You must vacate and remove stored property (a) if you do not pay storage fees (if any) when due; (b) after service of any notice allowed by law; and (c) at the earlier of the Termination Date or the date you vacate the Residence. Unless we otherwise agree, the Storage Rent will be due during the entire term of your tenancy. If you do not remove stored property from the storage space when required, the remaining stored property may be deemed abandoned and we may dispose of it as allowed by law.

59. TELEPHONES. We will comply with California law by providing at least one usable telephone jack and maintaining the telephone wiring inside the Residence in good working condition. There may be multiple telephone service providers in the area where the Residence is located. Providers may vary in the services provided and fees charged for connection and/or other charges in service. Some service providers may charge fees of \$120.00 or more to change telephone service from another company to their own. We make no representation regarding which service provider, if any, provided service to prior tenants. Our obligation to maintain inside wiring does not include liability for fees to cross-connect to activate service. You are responsible to arrange all service connections and pay any and all fees associated with the service.

60. TEMPORARY RELOCATION. You agree, at our demand, to temporarily vacate the Residence for a reasonable period and for reasonable purpose, including fumigation, Residence testing/inspection, or repairs. You must comply with all instructions necessary to prepare the Residence for fumigation, testing/inspection or repair. If you must vacate, you will be entitled only to an abatement of Rent equal to the per diem Rent for the period that you are required to vacate the Residence, and only if you must vacate for more than 12 hours, and only if you did not cause or exacerbate the condition requiring you to vacate, and only if we do not provide you with alternate housing.

61. USE. The Residence may be used as a personal residence only and not for any business or commercial use (except child care as specified by law). However, you may maintain a personal home office if the home office use does not involve (1) people coming to the Residence for business purposes, or (2) selling goods or services from the Residence. You may not conduct any auction, garage sale, yard sale or similar activities in the Residence or in the Common Areas.

62. UTILITIES. Details about utilities, (including information about who is responsible for the cost of each utility), are specified in the Variable Lease Term section. If it is specified that you will contract directly with the utility provider, you must do so before move-in to avoid an interruption of services. If electricity, natural gas, water or sewer services have been discontinued, occupancy of the Residence is hazardous and will be a breach of this Agreement. Billing statements provided by us or by our billing service must be paid by the due date specified on the billing statement. If you don't pay utility-related charges when they are due, we may discontinue providing the utility to you (if allowed by law), and your failure will be a material breach of this Agreement. We reserve the right to change utility billing service providers. If we do, you will be notified in writing. You will be responsible for utilities designated as being your responsibility consumed during your

Landlord's Initials _____



Resident's Initials _____

occupancy beginning on the date of delivery of possession until we reacquire possession of the Residence. If you breach this Agreement by vacating the Residence before the end of the term, you will also be responsible for utility-related charges until the earlier of the Termination Date or until the Residence is re-rented. The due date for Basic Rent and the due date for utility-related charges may not coincide. You must comply with all utility conservation efforts (whether implemented by governmental agencies, water providers or us) and if you fail to do so, this will be a material violation of this Agreement allowing us to terminate your tenancy. You will be responsible for any fines or charges we incur because of your failure. You must pay charges for utilities you consume, even if they have not been invoiced before you vacate the Residence. Any obligation that remains unpaid, including amounts that have not yet been invoiced when we reacquire possession, may be deducted from your Security Deposit. If actual amounts have not been determined before we provide an accounting of your Security Deposit, we may estimate the amount until actual numbers become available. Any billings based on submeter readings will itemize the beginning and ending meter readings, the rate charged to you, and all categories of information that appear within the utility's standard billing format to us. We reserve the right to modify the method by which utilities are provided to the Residence or billed to you during your tenancy. If we are billed for utility services which are your responsibility, you must repay us for the charges within 10 days of our demand for payment. You may not disturb, tamper, adjust, or disconnect any submetering device or system. We may estimate your consumption if your submeter is broken or does not transmit a meter reading or if we have not received invoices from the utility provider in time to prepare your invoice. We are not liable for claims arising from utility service outages, interruptions, or fluctuations in utilities provided to your Residence not reasonably within our control. Common area utilities are for our use only; you may not use them for your personal use.

63. WINDOW COVERINGS. If we provide window coverings, you must use them. If we do not provide window coverings, any window treatments you install must appear white to the outside. Do not use sheets, blankets, foil, etc., in place of draperies or blinds. Do not place objects on a window sill which are visible from the outside.

64. WATERBEDS AND AQUARIUMS. Waterbeds are permitted only with our written permission which will be provided in accordance with California law. Permission may be conditioned on insurance protecting us, an increase in the security deposit equal to one-half month's Base Rent, and installation and maintenance in accordance with industry standards. You must also obtain our permission to have an aquarium of more than 5 gallons.

Landlord's Initials _____



Resident's Initials _____

EXHIBIT "D"

RESIDENTIAL LEASE/RENTAL AGREEMENT

RESIDENTIAL LEASE/RENTAL AGREEMENT

DATED

A. VARIABLE LEASE TERMS:

RESIDENCE DESCRIPTION : <input type="checkbox"/> (If checked) A single family residence <input type="checkbox"/> (If checked) Part of a multi-family residential complex known as														
UNIT NUMBER:		UNIT TYPE:		UNIT ADDRESS:										
COUNTY:		CITY:		California		ZIP:								
TERM:														
COMMENCEMENT DATE:		<input type="checkbox"/> (If checked) Resident has been granted an EARLY TERMINATION OPTION . To exercise this option, Resident must pay an Early Termination Option Fee of \$ _____ and give notice of Resident's election to exercise the option at least _____ days before the Early Termination Date. The Early Termination Date must be between _____ and _____. Landlord may require Resident to sign additional documentation if Resident elects to exercise Resident's early termination option.			<input type="checkbox"/> (If checked) After the Termination Date, this Agreement will continue on a month-to-month basis until terminated as specified elsewhere in this Agreement.									
RESIDENT(S):														
NAME:		NAME:		NAME:										
NAME:		NAME:		NAME:										
LIST OF ALL OCCUPANTS (Do not list any Residents from above):														
NAME:		NAME:												
NAME:		NAME:												
GUARANTOR(S) :														
LANDLORD NAME:														
PROPERTY MANAGER: _____ <i>Name, address and telephone number</i>														
MONTHLY RENT:														
Base Rent: \$	<input type="checkbox"/> (If checked) LICENSE FOR GARAGE/PARKING SPACE NO.: Monthly Garage/Parking Rent: \$ _____	<input type="checkbox"/> (If checked) LICENSE FOR STORAGE SPACE NO.: Monthly Storage Space Rent: \$ _____	<input type="checkbox"/> (If checked) Monthly Appliance Rent: \$ _____	<input type="checkbox"/> (If checked) Monthly Pet Rent: \$ _____	<input type="checkbox"/> (If checked) Other monthly charge describe: \$ _____	Total Monthly Rent \$								
<input type="checkbox"/> (If checked) RENT CONCESSIONS: Resident is granted a \$0.00 per month reduction in the monthly Base Rent for the period from _____ to _____. The monthly Base Rent identified above is the amount due before application of the rent concession.														
LATE CHARGE (Applied if payments have not been received within _____ days of their due date):					SECURITY DEPOSIT: \$									
PAYMENT INSTRUCTIONS:														
<input type="checkbox"/> All amounts due Landlord are payable to _____ [name of person or entity, street address and telephone number]. Payment must be made by: <input type="checkbox"/> Money Order <input type="checkbox"/> Cashiers Check <input type="checkbox"/> Cash <input type="checkbox"/> Personal Check- No personal checks will be accepted after the _____ day of the month or in response to a notice to pay rent or quit or a notice to perform covenant or quit requiring payment. The normal hours available to make payments in person are from _____ to _____, on all non-holiday <input type="checkbox"/> Weekdays, _____ to _____ on Saturdays, and _____ to _____ on Sundays. <input type="checkbox"/> (If checked) A twenty-four hour, seven days a week rent payment drop box is available at the address above.			<input type="checkbox"/> (If checked) All amounts due Landlord must be deposited by Resident in Landlord's account at _____ [name and street address of the financial institution within five miles of the Residence], Account No. _____.		<input type="checkbox"/> (If checked) Landlord may, but is not required, to accept payments electronically or by credit card, either directly or through a third party payment service system. Residents interested in these payment methods should request information about Landlord's current electronic and credit card payment acceptance policy from the management office. See the Payment Detail section below.									
MISCELLANEOUS INFORMATION:														
PETS: <input type="checkbox"/> are not authorized. <input type="checkbox"/> (If checked) The following pets are authorized:			<input type="checkbox"/> (If checked) ATTORNEY'S FEE CAP: \$ _____		LANDSCAPE WATERING by: <input type="checkbox"/> Landlord <input type="checkbox"/> Resident	LANDSCAPE MAINTENANCE by: <input type="checkbox"/> Landlord <input type="checkbox"/> Resident								
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Pet Name</th> <th>Type</th> <th>Description</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>							Pet Name	Type	Description					
Pet Name	Type	Description												

Landlord's Initials _____



Resident's Initials _____

ACCESS CONTROL DEVICES: Mailbox No. _____ Keys to mail facilities. Rekeyed? <input type="checkbox"/> Yes <input type="checkbox"/> No Key(s) to the Residence. Rekeyed? <input type="checkbox"/> Yes <input type="checkbox"/> No Garage/gate openers. Codes reset? <input type="checkbox"/> Yes <input type="checkbox"/> No Key(s)/openers to common area(s). Other: _____	HOMEOWNERS ASSOCIATION: <input type="checkbox"/> (If checked) The Residence is a unit in a development governed by a homeowner's association. Name of HOA: _____ <input type="checkbox"/> (If checked) Copies of HOA rules and regulations are available for Resident's review at _____ <input type="checkbox"/> (If checked) Copies of HOA rules and regulations have been provided to Resident.		
AUTOMOBILES <input type="checkbox"/> may <input type="checkbox"/> may not be washed on the Property. OIL CHANGING AND AUTOMOBILE REPAIRS <input type="checkbox"/> are <input type="checkbox"/> are not allowed on the Property. BAR-B-QUE GRILLS <input type="checkbox"/> are <input type="checkbox"/> are not allowed.	<input type="checkbox"/> (If checked) You are required to obtain and maintain RENTER'S INSURANCE with minimum liability of per occurrence and a maximum deductible of \$ _____.	MARIJUANA: <input type="checkbox"/> (If checked) Unless otherwise specified below, you may not possess, plant, cultivate, harvest, transport, dry or process, marijuana or cannabis products in the Residence or Property. <input type="checkbox"/> (If checked) You may possess processed marijuana and cannabis products (ready for immediate consumption), but only as allowed by law.	DESIGNATED SMOKE-FREE AREAS: <input type="checkbox"/> The Residence <input type="checkbox"/> All Common Areas <input type="checkbox"/> The Residence balcony/patio <input type="checkbox"/> _____

DISCLOSURES AND PROPERTY INFORMATION:
☐ (If checked) **LEAD DISCLOSURES APPLY:** If indicated, the Residence was built before 1978 when lead based paint was still in use. The Lead Based Paint Disclosure section of this Agreement will apply, and a copy of the pamphlet *Protect Your Family From Lead In Your Home* has been provided to Resident.
 Landlord knowledge of lead-based paint and/or lead-based paint hazards in the Residence or Property:
☐ (If checked) Landlord has no knowledge of any lead-based paint and/or lead-based paint hazards in the Residence or Property.
☐ (If checked) Landlord is aware of the following lead-based paint and/or lead-based paint hazards in the Residence or Property: _____
 Reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Residence or Property:
☐ (If checked) Landlord has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Residence or Property.
☐ (If checked) Available reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Residence or Property are as follows: _____
 Copies of the reports or records identified are available for Resident's review at _____
⚠ WARNING: Lead is a chemical known to the state of California to cause cancer, birth defects and other reproductive harm. For more information go to www.P65Warnings.ca.gov.

☐ (If checked) **ASBESTOS DISCLOSURES APPLY:** If indicated, the Residence was built before 1981 when asbestos was still used in construction, and the Asbestos section of this Agreement will apply.
 Landlord knowledge of asbestos hazards in the Residence or Property:
☐ (If checked) Landlord has no knowledge of any asbestos hazards in the Residence or Property, but because of the age of the Property, Resident should review the asbestos section of this Agreement.
☐ (If checked) Landlord is aware of the following asbestos hazards in the Residence or Property: _____
 Reports or records pertaining to asbestos hazards in the Residence or Property:
☐ (If checked) Landlord is not aware of any reports or records pertaining to asbestos hazards in the Residence or Property.
☐ (If checked) Available reports or records pertaining to asbestos hazards in the Residence or Property are as follows: _____
 Copies of the reports or records identified are available for Resident's review at _____
⚠ WARNING: Asbestos is a chemical known to the state of California to cause cancer. For more information go to www.P65Warnings.ca.gov.

Resident may obtain information about hazards, including flood hazards, that may affect the Property from the Office of Emergency Services at <http://myhazards.caloes.ca.gov/>. Landlord's owner's insurance does not cover the loss of Resident's personal possessions and it is recommended that Resident consider purchasing renter's insurance and flood insurance to insure Resident's possessions from loss due to fire, flood, or other risk of loss.
☐ (If checked) **FLOOD DISCLOSURES APPLY:** If indicated, the Residence is located in a special flood hazard area or an area of potential flooding. Landlord is not required to provide additional information concerning the flood hazards to the property and the information provided in this section is deemed adequate to inform Resident.

⚠ PROPOSITION 65 WARNING: YOU MAY BE EXPOSED AT THE PROPERTY TO CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER, BIRTH DEFECTS, AND OTHER REPRODUCTIVE HARM. THESE CHEMICALS MAY BE CONTAINED IN EMISSIONS AND FUMES FROM BUILDING MATERIALS (SUCH AS INSULATION, PRESSED WOOD MATERIALS, FINISHES, ADHESIVES, PAINT CHIPS AND DUST, PLUMBING MATERIALS, AND IMPORTED VINYL MINIBLINDS MANUFACTURED BEFORE 1997), PRODUCTS AND MATERIALS USED TO MAINTAIN THE PROPERTY, AND EMISSIONS, FUMES, AND SMOKE FROM RESIDENT AND GUEST ACTIVITIES, INCLUDING BUT NOT LIMITED TO THE USE OF MOTOR VEHICLES, ENCLOSED PARKING FACILITIES, BARBECUES, FIREPLACES, UNVENTED GAS SPACE HEATERS, AND SMOKING. THESE CHEMICALS MAY INCLUDE, BUT ARE NOT LIMITED TO ASBESTOS, LEAD, CARBON MONOXIDE, FORMALDEHYDE, TOBACCO SMOKE, NICOTINE, GASOLINE AND DIESEL ENGINE EXHAUST. TALK TO YOUR LANDLORD OR THE BUILDING OWNER ABOUT HOW AND WHEN YOU COULD BE EXPOSED TO THESE CHEMICALS IN YOUR BUILDING. FOR ADDITIONAL INFORMATION GO TO WWW.P65WARNINGS.CA.GOV/APARTMENTS. FOR MORE INFORMATION GO TO WWW.P65WARNINGS.CA.GOV, WWW.P65WARNINGS.CA.GOV/PLACES/ENCLOSED-PARKING-FACILITIES (IF THE PROPERTY HAS AN ENCLOSED GARAGE) AND WWW.P65WARNINGS.CA.GOV/PLACES/DESIGNATED-SMOKING-AREAS (IF SMOKING OCCURS ON THE PROPERTY).

Landlord's Initials _____



Resident's Initials _____

PEST CONTROL: ☐ (If checked) Pesticides are periodically applied to ☐ the Residence ☐ units near the Residence ☐ common areas. They are applied by ☐ a registered structural pest control company ☐ Landlord or Landlord's agents.

The pesticides are meant to control the following pest(s): . The approximate date, time and frequency of the pesticide treatment is . The approximate date, time and frequency of the pesticide application is subject to change. The pesticide(s) name, brand and active ingredient: or ☐ as specified in a separate pesticide notice.

State law requires that you be given the following information. CAUTION--PESTICIDES ARE TOXIC CHEMICALS.

Structural Pest Control Companies are registered and regulated by the Structural Pest Control Board, and apply pesticides which are registered and approved for use by the California Department of Pesticide Regulation and the United States Environmental Protection Agency. Registration is granted when the state finds that based on existing scientific evidence there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits.

The California Department of Pesticide Regulation and the United States Environmental Protection Agency allow the unlicensed use of certain pesticides based on existing scientific evidence that there are no appreciable risks if proper use conditions are followed or that the risks are outweighed by the benefits.

The degree of risk depends upon the degree of exposure, so exposure should be minimized.

If within 24 hours following application, you experience symptoms similar to common seasonal illness comparable to the flu, immediately contact

- your physician or the California Poison Control System (1-800-222-1222), and
- if the pesticide was applied by a pest control company, also contact the pest control company.

(Modify this statement, based on the pesticides applied, to include any other symptoms of overexposure, which are not typical of influenza.)

For further information, contact any of the following:

- (if pesticide is applied by a pest control company) the pest control company, telephone number: or ☐ as specified in a separate pesticide notice
- for Health Questions--the County Health Department, telephone number: or ☐ as specified in a separate pesticide notice
- for Application Information--the County Agricultural Commissioner, telephone number: or ☐ as specified in a separate pesticide notice
- for Regulatory Information:
 - o the Structural Pest Control Board, 2005 Evergreen St # 1500, Sacramento, CA 95815 (916) 561-8708 (if pesticide is applied by a pest control company)

the Department of Pesticide Regulation (916-324-4100) (if the pesticide is not applied by a pest control company)

☐ (If checked) **ONGOING CONSTRUCTION.** If indicated, there is ongoing construction in the Property consisting of: . The **estimated** date of completion of construction is . Construction will normally be limited to the following days of the week: and the following hours: to .

☐ (If checked) Information provided to Resident regarding the Property may refer to amenities for which construction may not yet be completed including the following:

☐ (If checked) **CONDOMINIUM CONVERSION.** The Residence has been approved for sale to the public as a condominium project. You may be given additional documents about this.

Additional notices, disclosures and terms:

UTILITIES:

Utility/ Service	Utility's Customer of Record	Charged to Resident?	Calculation Method for Charges to Resident	Common Areas (If Any)
Gas	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from utility <input type="checkbox"/> Submetering <input type="checkbox"/> None – Landlord expense	Are separately metered and are not charged to Resident
Electricity	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from utility <input type="checkbox"/> Submetering <input type="checkbox"/> None – Landlord expense	Are are separately metered and are not charged to Resident
Water	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from utility <input type="checkbox"/> Submetering <input type="checkbox"/> See separate Submetered Water Addendum <input type="checkbox"/> None – Landlord expense <input type="checkbox"/> Formula <ul style="list-style-type: none"> <input type="checkbox"/> Square footage <input type="checkbox"/> Authorized occupant method <input type="checkbox"/> Factored occupancy method <input type="checkbox"/> Dividing the bill equally among all occupied units in the Property 	<input type="checkbox"/> Are separately metered and are not charged to Resident <input type="checkbox"/> Are not separately metered <input type="checkbox"/> Charges to be divided among residents includes common area water charges <input type="checkbox"/> A deduction of % for estimated common area charges is made before calculating Resident's bill
Sewer	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from utility <input type="checkbox"/> Submetering <input type="checkbox"/> See separate Submetered Water Addendum <input type="checkbox"/> None – Landlord expense <input type="checkbox"/> Formula <ul style="list-style-type: none"> <input type="checkbox"/> Square footage <input type="checkbox"/> Authorized occupant method <input type="checkbox"/> Factored occupancy method <input type="checkbox"/> Dividing the bill equally among all occupied units in the Property 	<input type="checkbox"/> Are billed separately to the property owner and are not charged to Resident <input type="checkbox"/> Are not billed separately <input type="checkbox"/> Charges to be divided among residents includes common area sewer costs <input type="checkbox"/> A deduction of % for estimated common area charges is made before calculating Resident's bill

Landlord's Initials _____



Resident's Initials _____

Trash/ Recycling	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from waste disposal company <input type="checkbox"/> Submetering <input type="checkbox"/> None – Landlord expense <input type="checkbox"/> Formula <div style="margin-left: 20px;"> <input type="checkbox"/> Square footage <input type="checkbox"/> Authorized occupant method <input type="checkbox"/> Factored occupancy method <input type="checkbox"/> Dividing the bill equally among all occupied units in the Property </div>	<input type="checkbox"/> Are billed separately to the property owner and are not charged to Resident <input type="checkbox"/> Are not separately billed <input type="checkbox"/> Charges to be divided among residents includes the cost to dispose of trash and recycling generated in the common areas <input type="checkbox"/> A deduction of _____ % for estimated common area charges is made before calculating Resident's bill
Cable	<input type="checkbox"/> Landlord <input type="checkbox"/> Resident	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Direct billing from utility <input type="checkbox"/> Flat fee of \$ _____ per month <input type="checkbox"/> Fees as specified on the attached schedule of fees, subject to change with 30 days' advance notice <input type="checkbox"/> Formula -Dividing the bill equally among all occupied units in the Property <input type="checkbox"/> None – Landlord expense	

Landlord and Resident agree that it is impractical or extremely difficult to determine the exact amount of the utilities consumed by Resident (and/or in the common areas), but that the methods used to determine Resident's share described above are reasonably accurate estimates. Resident acknowledges that under the billing method described above Resident may be paying for trash/recycling, water and sewer usage in the common areas or in other residential units. Resident further acknowledges and understands that the amount of the monthly bill will fluctuate, depending on actual usage and actual billings from the utility providers.

If formula methods are used to calculate Resident's share for water, all water related charges assessed to Landlord may be used to calculate the amount charged to Resident. These may include (but are not limited to) water related charges contained on tax bills, and all charges contained on the local water provider's bills to Landlord.

☐ (If checked) **Central Boiler:** "Water" charges include charges for gas or electricity used to heat hot water in addition to the cost of the water.

If either submetering or formula methods are used to calculate Resident's share for sewer, all sewer related charges assessed to Landlord may be used to calculate the amount charged to Resident. These may include (but not limited to) sewer related charges contained on tax bills, and all charges contained on the local sewer provider's bills to Landlord.

If Resident is responsible for trash/recycling charges, all trash and recycling related charges assessed to the Landlord may be used to calculate the amount charged to each Resident. These may include (but are not limited to), trash/recycling related charges contained on tax bills, and all charges contained on utility bills received from the local trash/recycling providers.

Submetered Utilities: Billings based on submeter readings (if any) will itemize the beginning and ending meter readings, the rate charged to Resident, and all categories of information that appear within the utility's standard billing format to the Landlord. Billing amounts based on submeter readings will be determined by:

- ☐ Dividing the total fixed charges equally among the total number of submetered consumers which do not receive a separate master bill, plus adding Resident's share (determined from the submeter readings) of the variable charges at the same rate charged in the master bill. *(Use this option if the Property is located in the City of San Diego, and water is submetered).*
- ☐ Dividing the total master bill according to submeter readings.

If the Premises are submetered, Resident agrees to allow Landlord, or a billing service provider Landlord designates, access to the Premises to install, repair, remove and read submeters. If the unit is located in the City of San Diego, all submeter billing will be in compliance with Chapter 6, Article 7, Division 6, Sections 67.0601 through 67.0608 of the San Diego Municipal Code.

☐ (If checked) **Formula Billing Used:** Utilities billed to the Property are allocated between all Property residents as indicated above. Resident's percentage is calculated based on:

☐ (If checked) **Square footage:** The approximate square footage of Resident's unit as compared to the total square footage of all occupied units within the Property. Resident's share is _____ % if all units are occupied.

☐ (If checked) **Authorized occupant method:** The number of authorized occupants residing in Resident's unit as compared to all authorized occupants in all units in the Property as of the first day of the month. Resident represents that all occupants that will reside in Resident's unit are identified in this Agreement. Resident agrees to immediately notify Landlord at any change in the number of occupants.

☐ (If checked) **Factored occupancy method:** Resident's share is calculated using a formula that compares the "factored occupancy" figure for the number of authorized occupants residing in Resident's unit as compared to the total "factored occupancy" figure for all authorized occupants in all units in the Property as of the first day of the month. Factored occupancy is based on the premises that multiple people in a single unit generally use less utilities than the same number of single people living in separate units. It applies a ratio to the number of occupants as follows:

- 1 person = Factored occupancy of 1
- 2 people = Factored occupancy of 1.6
- 3 people = Factored occupancy of 1.9
- 4 people = Factored occupancy of 2.2
- 5 people = Factored occupancy of 2.5

Resident represents that all occupants that will reside in Resident's unit are identified in this Agreement. Resident agrees to immediately notify Landlord at any change in the number of Occupants.

☐ (If checked) **Dividing the bill equally among all occupied units in the Property:** Resident's share is _____ % of the bill if all units are occupied.

Landlord's Initials _____



Resident's Initials _____

Landlord and Resident agree that it is impractical or extremely difficult to determine the exact amount of the utilities consumed by Resident (and/or in the common areas), but that the methods used to determine Resident's share described above are reasonably accurate estimates. However, if during the tenancy Landlord believes that Resident's utility consumption is disproportionate to the charge to Resident as specified above, Landlord reserves the right to modify the method used to charge Resident, in Landlord's reasonable discretion.

Trash/Recycling Charges. Trash/recycling charges include the cost of Landlord or Property Management employees to clean trash and recycling chutes, bins, containers, and trash areas, collect trash/recycling bins from enclosures, compact and sort the trash and recycling, and return the bins to the trash/recycling enclosures.

☐ (If checked) **Utility Billing Service:** Landlord currently uses the services of _____ ("Utility Billing Company") to bill for _____ [list Utilities.] Landlord reserves the right to change utility billing service providers at any time. If Landlord changes the utility billing service during Resident's tenancy, Resident will be notified. The Utility Billing Company is not the utility provider.

☐ (If checked) **Landlord Billing.** Landlord bills utilities to Resident. The payment instructions on page 1 apply to utility billings as well as to any other payments due from Resident to Landlord, except as modified below.

Utility Billing Statements. Resident will receive monthly billing statements. Residents will generally receive bills on approximately the _____ day of the month (i.e. utilities consumed in January will be billing on approximately _____). Billing statements are payable within _____ days of the statement date. The due date for Base Rent and utility charges may not coincide. Resident's failure to pay the utility charges by their due date will be considered a material breach of the Agreement, grounds for termination of the tenancy, and if allowed by law, we may discontinue providing the utilities to you. Utility billings will be prorated as necessary.

☐ (If checked) **Resident's Meter Includes Utilities Consumed in Common Areas.** Resident's ☐ gas ☐ electric ☐ water meter or submeter measures utilities consumed in both the Residence and in the following common area: _____. Resident will be responsible for these utilities.

☐ **Each bill will include a monthly service fee of \$ _____** The service fee represents the reasonable value of services provided by Landlord or the utility billing company to allocate the utility costs to the responsible parties, provide billing to Resident, and process payments. The monthly service charge is subject to change upon sixty days written notice of increase sent by first class mail to the Residence.

Utility Late Fees. Landlord and Resident agree that the actual cost to Landlord and/or the Utility Billing Company when Resident fails to pay the utility bill on time is difficult or impossible to ascertain, but the parties agree that Landlord and/or the Utility Billing Company will incur certain costs, such as additional bookkeeping and administrative charges, additional charges, costs in printing and mailing late notices, and lost opportunity costs of the payment. Accordingly, Landlord and Resident agree that if the utility payment is not paid by the due date, then Resident will incur a utility late fee of \$ _____.

Resident Questions and Concerns Regarding Utility Billings. Resident concerns and questions regarding utility billings may be addressed to _____ (list name, address, phone number, days of week and hours available).

INITIAL AMOUNTS DUE:

The following initial amounts are due under this Agreement as specified:

Category	Total Due	Payment Received to Date by Landlord	Balance Due	Balance Date Due
Security Deposit	\$ _____	\$ _____	\$ _____	
Base Rent from _____ (date) through _____ (date) If any concessions have been granted to Resident for any portion of this time period, the amount above is the Base Rent due after application of the concession amount.	\$ _____	\$ _____	\$ _____	
Other _____ (describe)	\$ _____	\$ _____	\$ _____	
Other _____ (describe)	\$ _____	\$ _____	\$ _____	
Other _____ (describe)	\$ _____	\$ _____	\$ _____	
Total	\$ _____	\$ _____	\$ _____	

The payments described above must be made by: ☒ Money Order ☒ Cashiers Check ☐ Cash ☐ Personal Check ☐

AGREEMENT ADDENDA AND OTHER WRITTEN MATERIALS PROVIDED TO RESIDENT:

<input type="checkbox"/> Inventory/Move-In Move Out form	<input type="checkbox"/> Pesticide Notice	<input type="checkbox"/> Protect Your Family from Lead pamphlet
<input type="checkbox"/> Guarantee	<input type="checkbox"/> Asbestos records and reports	<input type="checkbox"/> Lead records and reports
<input type="checkbox"/> Emergency procedures and information. (If the Residence is in a Property two or more stories, and contains 3 or more Residences, where the front door opens into an interior hallway or an interior lobby area)	HOA documents: <input type="checkbox"/> CC & R's <input type="checkbox"/> Rules and Regulations <input type="checkbox"/>	<input type="checkbox"/> Proposition 65 Brochure
<input type="checkbox"/> Submetered Water Addendum	<input type="checkbox"/>	<input type="checkbox"/>

Created on _____ by Leasing Agent:

B. DEFINITIONS: Each capitalized term in this Agreement has the definition specified below unless otherwise defined in this Agreement.

AGREEMENT: This Residential Lease/Rental Agreement.

LANDLORD'S RELATED PARTIES: The Property Manager and the respective officers, directors, members, managers, partners, shareholders, employees,

Landlord's Initials _____



Resident's Initials _____

affiliates, agents and representatives of both Landlord and Property Manager.

RESIDENT'S RELATED PARTIES: Other Co-Residents, Occupants, members of your household, your family, guests, agents and others under your control.

RESIDENCE: The Residence is identified in the Variable Lease Term section, and includes all appliances, furniture and fixtures that we provide to you ("Personal Property.") The appliances and furniture are described in the Inventory/Move-In Move-Out form.

PROPERTY: If the Residence is a unit in a multi-family complex, the Residence and the complex are collectively referred to as "the Property." If the residence is a single family residence, "the Property" refers to the Residence alone.

C. PRIMARY AGREEMENT TERMS:

1. **PARTIES.** This Agreement is entered into between Landlord and Resident(s). Landlord may be identified in this Agreement as "we" or "us." Resident(s) may collectively be referred to in this Agreement as "you."

2. **AGREEMENT.** You rent the Residence from us.

3. **TERM.** The Agreement term will begin on the Commencement Date and continue until the Termination Date. Note that this Agreement contains provisions that could alter the Term.

- If the Variable Lease Term section is not checked to indicate an automatic continuance of the Agreement on a month-to-month basis after the Termination Date, you must vacate the Residence by the Termination Date (unless you and Landlord agree in writing to extend the term).
- If the Variable Lease Term section is is checked to indicate an automatic continuance of the Agreement on a month-to-month basis after the Termination Date, the Agreement will continue after the Termination Date until either party terminates the Agreement by giving the other party at least thirty (30) days' written notice, or as otherwise specified by law.

If the Variable Lease Term section is is checked to indicate an automatic continuance of the Agreement on a month-to-month basis after the Termination Date, and if you would like to vacate on the Termination Date, you must give at least thirty (30) days' advance written notice of intent to terminate on the Termination Date.

D. PAYMENTS:

4. **RENT.** You must pay us the Base Rent amount specified in the Variable Lease Term section. Certain additional amounts due to us are also specified in the Variable Lease Term section. All additional amounts due under this Agreement will be deemed Additional Rent. Collectively, Base Rent and Additional Rent are referred to as "Rent." We reserve our right under Civil Code §1479 to apply any payments we receive to any amounts due (whether Rent, Late Charges or any other Additional Rent amount) in any manner we choose. Unless otherwise specified in this Agreement, all amounts are payable in advance, on the first day of each calendar month, without demand, setoff or deduction. The daily value of the Residence will be calculated based on a 30-day month.

5. **PAYMENT DETAIL.** Payment instructions (including forms of payment accepted, to whom payments are to be made, and the address where payments are to be made), are specified in the Variable Lease Term section. Any payments made by mail or placed in a drop box are made at your risk and must be received by us by the due date. You will incur a \$25.00 charge for the first dishonored check and \$35.00 for any subsequent dishonored check. After receiving any dishonored payment (whether under this Agreement or any other), we reserve the right to require all further payments made by you or on your behalf to be made by money order, certified check or cashier's check. If a third party tenders a payment on your behalf, we reserve the right to require an acknowledgment from the third party as specified in Civil Code §1947.3(a)(3).

We may, but are not required, to accept payments electronically or by credit card, either directly or through a third party payment service system. If you are interested in these payment methods, request information about our current electronic and credit card payment acceptance policy from the management office. We reserve the right at any time to change our electronic and credit card payment policies and/or procedures, the third party payment service system and/or to cease accepting electronic or credit card payments. It is your responsibility before any payment is due to verify whether we are currently accepting payments electronically or by credit card, the proper procedure, and to arrange with us or any third party payment service system to pay electronically or by credit card. A third party payment service system may charge a fee for this service to you and will have specific requirements and procedures you must follow. If any electronic or credit card payment to us or the third party payment service system, or if any payment tendered on your behalf by a third party, is reversed, not honored, or results in a "charge back," you will be responsible for Late Charges and any additional cost to us or the payment service system, and we will retain all rights and remedies, including the right to terminate your tenancy.

If you provide a check as payment, you authorize us either to use information from the check to make a one-time electronic fund transfer from the account or to process the payment as a check transaction. When we use information from the check to make an electronic fund transfer, funds may be withdrawn from the account as soon as the same day we receive the payment, and you will not receive the check back from your financial institution.

Use of drop boxes is at your risk. You can reduce the risk of theft of your payment by using electronic payment methods (if we accept electronic payments), or by mailing or personally delivering payments as directed. All checks and money orders must be made payable as specified on the first page of this Agreement. Do not leave the name of the payee blank on checks or money orders; you will not receive a payment credit if the check or money order is stolen and cashed by another party.

6. **SECURITY DEPOSIT.** We will hold the Security Deposit in compliance with California Civil Code §1950.5. We will fully refund it to you if you comply with all of your rental obligations. Unless required by law, we will not hold the Security Deposit in trust, deposit it in a segregated account, invest it in an interest-bearing account, nor pay you any interest on the Security Deposit. If you do not comply with all of your rental obligations, we may use the security deposit to:

- Compensate us for your payment default; or breach of any other obligation under this Agreement, including the cost of recovering possession of the Residence, rental commissions, advertising expenses and other costs incurred because of your breach of the Agreement and the Rent and other amounts due through the end of the Agreement term, (including Rent due up through the date you vacate the Residence, Rent due through the date of judgment, and Rent due after the date of judgment through the end of the original Agreement term) and any other amount necessary to compensate us for your breach of the Agreement, minus amounts we reasonably could have avoided;
- Clean the Residence at the termination of the tenancy, if not returned to us at the same level of cleanliness as received;
- Remedy future defaults by you in any obligation to restore, replace or return personal property or appurtenances, exclusive of ordinary wear and tear; or

Landlord's Initials _____



Resident's Initials _____

- Repair damages to the Residence and Property, exclusive of ordinary wear and tear, caused by you or your Related Parties. Damage or deterioration of the Residence is not ordinary wear and tear if it could have been prevented by good maintenance practices by you, or if you failed to notify us of a maintenance issue in a timely fashion in writing so that we could prevent the damage or deterioration.

You may not use the Security Deposit in lieu of last month's Rent or other amounts due under this Agreement. If we apply any portion of your Security Deposit to amounts due during the term of this Agreement, you must replenish the full amount applied within three days of our demand.

If we know you intend to vacate the Residence, we will give you written notice of your right to a pre-move out inspection as required by law. This inspection allows you to identify and correct any deficiencies in the Residence to avoid Security Deposit deductions. If you notify us that you want the inspection, we will inspect the Residence (no earlier than two weeks before termination of the tenancy) and provide you with an itemized statement specifying repairs or cleaning to be made at your expense. Except as otherwise specified in this Agreement, you may make these repairs yourself, or clean the Residence yourself, before you move out to avoid these deductions from your Security Deposit. You have the right to be present during the inspection.

Within 21 days after you return possession of the Residence to us, we will refund amounts due to you from the Security Deposit, plus an accounting of how we have used any portion of the Security Deposit that we have retained. If the Security Deposit is insufficient to satisfy the total charges, we will send to you an itemized bill payable on demand. Any Security Deposit refund may be paid by one check jointly payable to all Residents but delivered to only one Resident at the last known address of any Resident. The refund and deductions will be calculated without regard to who paid the Security Deposit or whose conduct resulted in any deductions.

7. LATE CHARGES AND DEFAULT INTEREST. You will be obligated to pay to us the Late Charge if you fail to pay any amount due under this Agreement within the time specified in the Variable Lease Term section. You agree it would be impractical or extremely difficult to fix the actual damage to us and that the Late Charge is a reasonable estimate of the actual damages that the parties reasonably believe would occur as a result of late payment. In addition to the Late Charge, interest will accrue on any unpaid amount at the legal rate of ten percent (10%) per year beginning on the date on which the delinquent amount was due. Late Charges and interest due are in addition to, and not in lieu of, our other remedies.

8. FAILURE TO MAKE ALL PAYMENTS DUE BEFORE THE COMMENCEMENT DATE. If you fail to make all payments specified in the section entitled "Initial Amounts Due" before the specified date:

- We have no obligation to give you possession of the Residence; and
- We may rescind this Agreement and keep any portion of funds that you have paid (if any) necessary to compensate us for your breach of this Agreement.

E. ADDITIONAL AGREEMENT TERMS:

9. APPLIANCES. Use all appliances in the Residence in a safe manner and only as intended. Do not overload dishwashers and use only detergents made for automatic dishwashers. Turn on cold water before starting the garbage disposal, do not overload the disposal, and do not grind bones or other hard objects, rinds, sticky or stringy foods, or put an excessive volume of material in the garbage disposal. To avoid clogs for which you will be responsible, do not put paper towels, diapers, sanitary napkins, food, baby wipes, moist towelettes or wipes (even if advertised as flushable), cotton swabs, non-flushable clumping kitty litter, or other items that are not meant to be flushed in the toilets, and do not pour grease down the drain. You will be responsible for blockages you cause. If the Residence does not have a frost free refrigerator, defrost the refrigerator when there is approximately one inch of frost. Do not use sharp objects to defrost the freezer. If the Residence is equipped with a washer/dryer, clean the lint filter after every load and periodically inspect the dryer vent duct to ensure it has not become detached, blocked, kinked, or crushed.

You must obtain our written consent before installing any air conditioning unit (including portable air conditioning units), washer, dryer, refrigerator with water dispenser or icemaker, or other appliance. If we grant consent, it may be granted conditionally. Due to concerns about energy consumption, overloading the existing electrical supply, and damage to the Property, consent for appliance installation may be granted on conditions such as: (i) your agreement to allow us to install them (and to pay us the reasonable costs of installation); (ii) the use of specific types of hoses; (iii) maintenance of renter's liability insurance with coverage amounts that we will specify; (iv) utilization of drip trays and water leak detector/alarms; (v) your agreement to compensate us for any losses related to the use or presence of the appliance; and (vi) your agreement to pay for additional utilities consumed.

10. ASSIGNMENT, SUBLETTING AND TRANSFER BY RESIDENT. Your interest in the Residence and this Agreement may not be assigned, sublet or otherwise transferred. You may not advertise the Residence on Airbnb, Couchsurfing, Craigslist, or any other advertisement or listing service. Any assignment, subletting or transfer (whether by your voluntary act, operation of law, or otherwise), will be void, and we may elect to treat it as a non-curable breach of this Agreement.

11. ASSIGNMENT BY LANDLORD. During your tenancy, we may transfer or encumber our interest in the Property. You must look solely to our transferee for performance of our obligations relating to the period after the transfer. Your obligations under this Agreement will not otherwise be affected by any transfer. Your rights in the Residence are subject to and subordinate to any existing or future recorded deed of trust, easement, lien or encumbrance. If a lender forecloses on the Property, you agree to recognize the purchaser as the landlord under this Agreement if you are requested to do so.

12. AUTOMOBILE WASH AND REPAIR. If permitted on the Property (indicated in the Variable Lease Term section), automobile washing and oil changing may be done only in designated areas.

13. BALCONIES, PATIOS AND WINDOWS. Please do not shake or hang rugs, towels and clothing from windows. Do not put plants or other items on balcony or patio walls. If your balcony or patio is visible from outside your Residence, do not keep anything on it other than patio furniture. We reserve the right to prohibit, restrict and control the items on your balcony or patio.

14. BARBEQUE GRILLS. If allowed on the Property (indicated in the Variable Lease Term section), barbeque grills may be used only in designated areas, and only in compliance with applicable laws. Cities and counties that have adopted the California Fire Code prohibit charcoal burners and other open-flame cooking devices on combustible balconies or within 10 feet of combustible construction unless (1) the Property is a single family residence or duplex, (2) the buildings, balconies and decks are protected by an automatic sprinkler system, or (3) a liquefied-petroleum LP (which includes propane) gas fueled cooking device having a LP gas container of 1 pound or less is used.

15. BED BUGS AND PESTS.

Information about Bed Bugs

Bed bug Appearance: Bed bugs have six legs. Adult bed bugs have flat bodies about $\frac{1}{4}$ of an inch in length. Their color can vary from red and brown to copper colored. Young bed bugs are very small. Their bodies are about $\frac{1}{16}$ of an inch in length. They have almost no color. When a bed bug feeds, its body swells, may lengthen, and becomes bright red, sometimes making it appear to be a different insect. Bed bugs do not fly. They can either crawl or be carried from place to place on objects, people, or animals. Bed bugs can be hard to find and identify because they are tiny and try to stay hidden.

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Life Cycle and Reproduction: An average bed bug lives for about 10 months. Female bed bugs lay one to five eggs per day. Bed bugs grow to full adulthood in about 21 days. Bed bugs can survive for months without feeding.

Bed bug Bites: Because bed bugs usually feed at night, most people are bitten in their sleep and do not realize they were bitten. A person's reaction to insect bites is an immune response and so varies from person to person. Sometimes the red welts caused by the bites will not be noticed until many days after a person was bitten, if at all.

Common signs and symptoms of a possible bed bug infestation:

- Small red to reddish brown fecal spots on mattresses, box springs, bed frames, mattresses, linens, upholstery, or walls.
- Molted bed bug skins, white, sticky eggs, or empty eggshells.
- Very heavily infested areas may have a characteristically sweet odor.
- Red, itchy bite marks, especially on the legs, arms, and other body parts exposed while sleeping. However, some people do not show bed bug lesions on their bodies even though bed bugs may have fed on them.

For more information, see the Internet Web sites of the United States Environmental Protection Agency and the National Pest Management Association.

Please report suspected bed bug infestations to us by contacting the leasing office (if any) or the property manager identified on the first page of this Agreement.

During the day, bed bugs hide in crevices such as seams in mattresses and box springs, bed frame cracks, behind picture frames, and inside furniture and upholstery.

In the past, bed bug infestations were primarily associated with crowded and dilapidated housing. However, bed bug infestations are becoming more common and can be found even in first class hotel and living accommodations. The increase may be the result of increased human travel, movement of infested luggage and items, and changes in the pesticides available to control this pest. Bed bugs are transferred to new locations on people, their clothing, furniture, bedding, and luggage.

Bed bug treatment is challenging. It requires the full cooperation of the residents in affected units, professional treatments over several weeks, and treatment and/or discarding of furniture, clothing, and personal property. Because of the difficulty of bed bug extermination, and because of the risk that bed bugs could spread into other units, you agree that if bed bugs are found, you will immediately contact us, and will not attempt to personally exterminate bed bugs without professional assistance.

"Pests" include (but are not limited to) ants, bed bugs, cockroaches, fleas, mites, spiders, termites, mice, rats, other vermin and insects. We have inspected the Residence and are unaware of any pests in the Residence. At move-in, you will complete and sign a Move-In/Move-Out Statement documenting the condition of the Residence. If you fail to report defects in the Move-In/Move-Out Statement, it will be presumed that the Residence has been delivered in good condition and free of pests.

You agree to cooperate with our pest control efforts by:

- Keeping the Residence clean and uncluttered;
- Promptly advising us of any pest control needs, or any condition indicating a bed bug infestation in the Residence or Property (such as itchy welts on skin, bed bugs, blood spots (either brown or red) or bed bug excrement spots (brown or black) on bedding, furniture or other items, or a sweet odor). We are not responsible for any condition about which we are not aware and bed bugs require professional pest control treatment;
- Refraining from bringing bed bugs and other pests into the Residence and the Property, and inspecting all luggage, bedding, clothing, and personal property for bed bugs and other pests before move-in, returning home after traveling and/or bringing new items to the Residence. You will allow us to do the same upon request. If we have a concern about possible infestation, we may (but will not be obligated to) either prohibit you from bringing the item into the Residence and Property or require you to have the item professionally treated at your expense before the item is brought into the Residence or Property.
- Refraining from bringing into the Residence discarded furniture (found in or by a dumpster or elsewhere). Furniture may have been discarded because of a bed bug infestation;
- Providing us with access to Residence for our pest control assessments and pest control treatment;
- Cooperating with inspections to facilitate the detection and treatment of pests, including providing requested information that is necessary to facilitate the detection and treatment of pests.
- Following our instructions to prepare the Residence for pest control treatment and/or vacating the Residence when requested for our pest control efforts;
- Upon our request, promptly providing us with copies of all records, documents, sampling data and other materials relating to the condition of the Residence.

16. BICYCLES SKATEBOARDS, SCOOTERS, ROLLERBLADES AND SKATES. Pedestrians have the right of way on all sidewalks, walkways and other pedestrian areas throughout the Property. Bicycles, skateboards, scooters, roller blades/skates, self-balancing motorized boards, and other wheeled apparatus must be used with care, to avoid Property damage, injury and danger for others. Bicycles should be kept only in your Residence or in designated areas (if any) within the Property.

17. COMMON AREA AMENITIES. If the Residence is part of a multi-family residential complex, various services, equipment and facilities ("Common Area Amenities") may be provided for your use at your own risk. Common Area Amenities include all areas and facilities outside of the Residence, within the Property, that are provided and designated by us for the general non-exclusive use of Property residents. Common Area Amenities may include, but are not limited to meeting rooms and clubhouses, laundry facilities, exercise facilities, storerooms, swimming pools, spas, common entrances, lobbies, hallways, staircases, public restrooms, elevators, loading areas, trash/recycling areas, roads, sidewalks, walkways, and landscaped areas. Common Area Amenities are for the exclusive use of you and other Property residents and occupants. Common Area Amenities may not be used by Resident or Resident's Related Parties for business, commercial, fee-generating or fund-raising purposes unless we otherwise agree in advance and in writing (which we may grant or withhold in our sole discretion). Use of Common Area Amenities is subject to the restrictions described in rules or instructions at the Property. You may be required to carry and display identification to enter and/or utilize Common

Landlord's Initials _____



Resident's Initials _____

Area Amenities. If we allow guests to utilize Common Area Amenities, you may have no more than two guests (accompanied by you) unless we agree otherwise. We may restrict Common Area Amenity usage for repairs or renovations. We may restrict Common Area Amenity usage for private parties. You may not install or use any items (temporary or permanent) in common areas, including (but not limited to) cameras (still or video), drones, tents, tarps, jump houses, swimming pools, or sports equipment, unless we provide authorization. Do not leave any personal property in common areas; we may remove and dispose of any personal property left outside of the Residence. To the extent allowed by law, you agree to assume all risk of harm, and waive all claims against us and our Related Parties resulting from the Common Area Amenities, even if caused by the negligence of us or our Related Parties. To the extent allowed by law, use of the Common Area Amenities is at the sole risk of you and your Related Parties.

18. CONDOMINIUM/PLANNED UNIT DEVELOPMENT. If it is indicated in the Variable Lease Term section that the Residence is a unit in a development governed by a homeowner's association ("HOA"), you and your Related Parties must comply with all covenants, conditions and restrictions, bylaws, rules and regulations and decisions of the HOA. You must pay any fines or charges imposed by the HOA incurred because of the actions or inactions of you or your Related Parties.

19. CONDUCT AND COMPLIANCE WITH AGREEMENT, LAW AND RULES. You are responsible for your own actions, and the actions of your Related Parties. You and the others for which you are responsible:

- May not create a nuisance on the Residence or Property, and may not disturb other Property residents or neighbors with excessive noise (loud televisions, stereos, voices, etc.) or otherwise;
- Must comply with all Landlord rules, regulations and instructions (including posted signs and those specified in this Agreement), and all laws, statutes, ordinances, and requirements of all city, county, state, and federal authorities. We may periodically modify the rules and regulations by delivering a copy of the modifications to you or posting the rules and regulations at the Property;
- Must notify us in writing of any dangerous condition, deterioration or damage to the Residence and Property (including Common Area Amenities) so that we may make necessary repairs;
- Are responsible for damage to the Residence and Property caused by the action or inaction of you and your Related Parties. You agree to indemnify, defend (with counsel of our choice), and hold us (and if the unit is in an HOA, the HOA) harmless for any liability, costs (including reasonable attorney fees), or claims resulting from your breach of this Agreement or the negligence, violation of law, or willful misconduct of you or your Related Parties.

You are advised to consider the current and potential exposure to noise that you may experience from activities that occur within and in the vicinity of the Property. No representations are made as to the impact of current or existing noise levels on you or your Residence. Potential sources of noise affecting you may arise from automobile traffic, entry gates, roadways, highways and toll roads, emergency facilities, construction activity, church bells or chimes, aircraft overflights, equestrian, bicycle or pedestrian walkways and other noise sources. If the Residence is a unit in a multi-family complex, be aware that multi-family housing areas often have higher densities, and greater associated inconveniences than single family residences. If you are particularly sensitive to sound, or the activities of others, you may not be comfortable in multi-family housing and you should consider alternatives. Likewise, if your activities are likely to be disturbing to nearby neighbors in a multi-family living environment, multi-family housing may not be the right choice for you and you should consider alternatives before signing this Lease.

20. CONSTRUCTION. If specified above in the Variable Agreement Term section, construction is ongoing at the Property, and details are in the Variable Agreement Term section. There may be inconveniences associated with construction, and you agree that the Rent specified in the Variable Agreement Term section is fair and reasonable while construction is ongoing. You agree that any inconvenience caused by ongoing construction will not give you an offset to rental obligations, or be the basis for a complaint against us for rent relief, or any other claim, right, or remedy against us, including constructive eviction. Although an estimated completion date may be specified, we do not guarantee the construction completion date. We will require the construction to be done in a commercially workmanlike and reasonable manner, and the general hours of construction will be specified in the Variable Agreement Term section.

21. CONTINUING LIABILITY. If you vacate the Residence, or this Agreement is terminated, this will not relieve you of any obligation to pay or reimburse sums to us or to indemnify or hold harmless or defend us from any loss or claim, where the obligation arises during the term of this Agreement or before you vacate the Residence, unless we specifically agree otherwise in writing.

22. CRIME-FREE COMMUNITY. You and your Related Parties:

- May not engage in criminal activity on or near your Residence or the Property;
- May not permit your Residence or the Property to be used to facilitate criminal activity, regardless of whether the individual engaging in such activity is a member of your household, or a guest;
- May not engage in the unlawful manufacturing, selling, using, storing, keeping, or giving of a controlled substance as defined in Health & Safety Code §11350, et seq., at any locations, whether on or near your Residence, the Property or otherwise;
- "Criminal activity" is any activity in violation of laws, ordinances and requirements of city, county, state and federal authorities, including: prostitution (defined in Penal Code §647(b)); criminal street gang activity, (defined in Penal Code §186.20 et seq.); assault and battery, (prohibited in Penal Code §240); burglary, (prohibited in Penal Code §459); the unlawful use and discharge of firearms, (prohibited in Penal Code §245); sexual offenses, (prohibited in Penal Code §269 and 288), drug-related criminal activity, or any breach of this Agreement that otherwise jeopardizes the health, safety and welfare of us, other residents or occupants of the Property or neighbors or involving imminent or actual serious property damage. "Drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use of a controlled substance (as defined in Section 102 of the Controlled Substance Act [21 U.S.C. 802]);

A single violation of any of the provisions above will be a material and non-curable breach of this Agreement and good cause for immediate termination of your tenancy. Unless otherwise provided by law, proof of violation will not require criminal conviction, but will be by a preponderance of the evidence.

23. DAMAGE TO RESIDENCE. If the Residence is significantly damaged or destroyed by fire, earthquake, accident or other casualty that renders the Residence uninhabitable for more than one week, we may terminate this Agreement by giving you written notice of our election to terminate. If the Agreement is not terminated, we will promptly repair the damage, and Rent will be reduced based on the extent to which the damage interferes with your use of Residence (unless we provide alternate housing). If you or your Related Parties cause the damage, there will be no Rent reduction and we will have no obligation to repair the damage.

24. DELAY IN POSSESSION. If we cannot deliver possession of the Residence to you on the Commencement Date for any reason, we will not be liable for the delay, nor will this affect this Agreement's validity, or extend the term of the Agreement. However, you will not be obligated to pay Rent or perform any other obligation under this Agreement (other than pay the amounts due specified in the Variable Lease Term section) until we tender possession of the Residence to you. If we have not tendered possession of the Residence to you within three days of the Commencement Date, you may cancel this Agreement any time before we tender possession of the Residence to you.

Landlord's Initials _____



Resident's Initials _____

25. DISABILITIES - REASONABLE ACCOMMODATION/MODIFICATION. Notwithstanding any other provision under this Agreement, upon prior written permission, we agree (1) to allow you to make reasonable modifications to the Residence and/or Common Area Amenities as required by law for people with disabilities; and (2) to provide reasonable accommodation as required by law to people with disabilities, including but not limited to (a) making changes or exceptions to rules, policies, procedures, or services and (b) allowing assistive animals. We reserve the right to seek verification of disability and disability-related need for any requested modification or accommodation.

26. EARLY TERMINATION OPTION. If indicated in the Variable Lease Term section, you have the option of amending this Agreement to terminate your tenancy before the Termination Date specified in the Variable Lease Term section. To exercise your Early Termination Option, you must deliver to us (1) a written notice stating that you have elected to exercise your Early Termination Option and identifying the Early Termination Date, and (2) the Early Termination Option Fee specified in the Variable Lease Term section, and (3) all Rent and additional Rent due through the Early Termination Date. When we acknowledge receiving the written notice and payment, the Termination Date will be deemed amended to the Early Termination Date. The Early Termination Date must be a date within the parameters described in the Variable Lease Term section. The Early Termination Option may be exercised only if you are not in default under this Agreement when you give notice of your exercise of the Early Termination Option. All remaining Agreement terms will remain in full force and effect.

If you provide the notice unaccompanied by the required payments, the Termination Date will not be changed.

If you do not properly exercise the Early Termination Option by following the procedure exactly as specified above, or choose not to exercise the Early Termination Option, but vacate your Residence before the Termination Date, all Agreement terms will remain binding (including the original Termination Date), and we will retain all legal remedies for non-compliance with this Agreement. If we know you have vacated the Residence before the end of the term, we have an obligation to try to rent the Residence to minimize lost Rent for which you will be responsible.

27. ENTRY. We and our Related Parties will have the right to enter the Residence as allowed by law. Law permits entry in case of emergency, to make necessary or agreed repairs, decoration, alterations or improvements, supply necessary or agreed services, to test smoke and carbon monoxide detectors, to exhibit the Residence to prospective or actual purchasers, mortgagees, residents, workmen or contractors, to make an inspection under subdivision (f) of Civil Code §1950.5, for purposes relating to water conservation and submetered water, when you have abandoned or surrendered the Residence and under a court order. Law also allows entry in additional situations, including (but not limited to) inspecting waterbeds and other water-filled furniture (Civil Code §1940.5(f)); inspecting your personal agricultural areas (Civil Code §1940.10(f)); inspecting balconies, decks and other exterior wood-based elevated elements, to inspect for and treat bed bugs (Civil Code §1954.604); and repairing, testing, and maintaining smoke detectors (Health & Safety Code §13113.7(d)(2)(A)) and carbon monoxide detectors (Health & Safety Code §17926.1(b)). Unless you have given us permission to enter, we will give you written notice at least 24 hours before entry unless entry is due to (1) an emergency, (2) surrender or abandonment of the Residence, or (3) we have agreed to a date and time within a one week time period when we will enter to make repairs. We are also not required to give you written notice to show the Residence to prospective or actual purchasers and instead can give you verbal 24 hour notice of entry, if within the previous 120 days from our verbal notice of entry we inform you in writing that the Property is for sale and that you may receive oral notice of our intent to enter. If we give you verbal notice of our intent to enter to show the Residence to purchasers, we will leave written evidence of our entry in the Residence.

28. ESTOPPEL CERTIFICATES. Within five (5) days of our written request, you must execute and deliver to us a written statement certifying that this Agreement is unmodified and in full force and effect (or if modified, describing the modification). Your statement will include any other details we request. Any prospective Property purchaser or encumbrancer may rely upon your written statement. If you fail to deliver a statement within the specified time, it will be conclusively presumed that (1) this Agreement is unmodified and in full force and effect, except as we otherwise indicate, (2) there are no uncured defaults in our performance, and (3) any other details specified by us originally requested of you.

29. FURNITURE MOVING. We may designate times and methods for moving furniture, and other household goods to or from the Residence. We will not be liable for any loss resulting from the unavailability of elevator service to move furniture or other household goods, or otherwise to move into or out of the Residence.

30. GARBAGE. You must dispose of all garbage, waste and recyclable materials in designated containers and/or designated areas and in accordance with applicable law and our instructions. Unless we indicate otherwise, you may not dispose of large items in Property garbage containers and/or areas. All boxes must be broken down and crushed before placing them in the appropriate container. You may not dispose of hazardous waste in Property garbage containers or on the Property. Information about disposal and recycling options for household hazardous waste is available at: <http://www.dtsc.ca.gov/HazardousWaste/UniversalWaste/HHW.cfm>.

31. GUESTS. You may have overnight guests for no more than 7 nights in any month, and no more than two overnight guests at a time unless we provide specific approval. You must obtain our prior written consent to change Residents or add additional Occupants within the Residence.

32. HARASSMENT. Resident and Resident's Related Parties may not abuse, harass (sexually or otherwise) or threaten Landlord or Landlord's Related Parties, and others at the Property. Violation of this Agreement provision is a breach of this agreement and grounds for termination of Resident's tenancy. Resident and Resident's Related Parties may not unreasonably interfere with management functions.

33. INSURANCE: LANDLORD AND LANDLORD'S RELATED PARTIES DO NOT INSURE YOUR PERSONAL PROPERTY. If indicated in the Variable Lease Term section, you are required to maintain a renter's insurance policy throughout your tenancy. **Even if you are not required to maintain renter's insurance, we strongly recommend that you purchase a renter's insurance policy to protect yourself against personal injury and property damage, including losses from theft, fire, smoke, water damage, and vandalism.**

If renter's insurance is required (as specified in the Variable Lease Term section) you must maintain a renter's insurance policy (at your cost) protecting you against claims for bodily injury, personal injury and property damage arising out of your use, occupancy or maintenance of the Residence, including liability to Landlord for damage to Landlord's property for the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, and water damage. You may not do anything or allow any action that invalidates the policy. The renter's insurance may be issued by any company of your choice, provided that the carrier is licensed or admitted to transact business in California, and maintains during the policy term a "General Policyholders Rating" of at least a B+, V, in the most current issue of "Best's Insurance Guide." We must be listed as an "additional insured" (if this type of coverage is available from the insurance company) or as an "interested party" (if your insurance company will not name us as an "additional insured") under the insurance policy. Before the Commencement Date, you must deliver to us a certified copy of the insurance policy or certificates of insurance evidencing the existence and amounts of the required insurance. No policy may be canceled or modified except after thirty days prior written notice to us (ten days for nonpayment). At least thirty days before the expiration of the policy, you must furnish us with evidence of renewal. The policy must be on an occurrence basis and have personal liability coverage in an amount specified in the Variable Lease Term section, with a deductible of no more than the amount specified in the Variable Lease Term section. You will be liable for the deductible amount if an insured loss occurs. The policy must contain a waiver of subrogation. The policy may not contain any intra-insured exclusions as between insured persons or organizations. The policy limits will not

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limit your liability. Any insurance maintained by us and our Related Parties is only for the benefit of us and our Related Parties and you will not be named as an additional insured. You must pay any increase in insurance premiums held by us and our Related Parties for the Property resulting from the actions, omissions, use or occupancy of the Residence by you and your Related Parties. This insurance is meant to protect both you and us, by potentially providing you with a potential recovery source (other than us) if you suffer a loss, and by potentially providing us with a recovery source if you damage the Residence and/or Property. Therefore, your failure to maintain renters insurance is a material breach of this Agreement.

34. KEYS AND OPENING DEVICES. Because we may need access to the Residence in case of an emergency, you may not change any locks or install additional security devices in the Residence without our consent. If permission is granted, you may not later remove locks or the additional security devices without our consent.

35. LANDSCAPING. Landscaping will be maintained and watered by the parties as specified in the Variable Lease Term section.

36. LAUNDRY FACILITIES. If laundry facilities are available at the Property, the laundry facilities are for the exclusive use by Property residents. Clothes, laundry baskets, and detergents should not be left unattended in the laundry areas. Remove laundry as soon as the machine shuts off and dispose of lint, empty containers, and softening sheets in a trash can. No dye or flammable solutions are permitted.

37. LIABILITY. We will not be liable for any damage or injury to you or others, or to any property, occurring on the Property, except as otherwise provided by law. See the "Common Area Amenities" paragraph above regarding liability for Common Area Amenities. We and our Related Parties do not insure your personal property. Even if renter's insurance is not required, we strongly recommend that you purchase a renter's insurance policy to protect against personal injury and property damage, including losses from theft, fire, smoke, water damage, and vandalism. To the extent allowed by law, you (on behalf of yourself and the Resident Related Parties) assume all risk of harm or damage to any person or property, and waive all claims against us and the Landlord Related Parties relating to participation in activities, events, services and programs offered or sponsored by us or the Landlord Related Parties.

38. MAINTENANCE, ALTERATIONS, AND RESIDENCE CONDITION. At the beginning of the tenancy, the parties will complete and sign an Inventory/Move In/Move Out form documenting the condition of the Residence and an inventory of appliances, furniture, and furnishings. If you fail to report any defects on the Inventory/Move In/Move Out form, it will be conclusively presumed that the Residence and Personal Property are in good condition. You must maintain the Residence in a clean, healthy, safe and sanitary condition. Excessive items may not be stored or accumulate inside the Residence. Don't block windows or doors; they must be able to be fully opened. Maintain clear pathways into and through every room in the Residence. Do not place combustible materials near combustion sources such as the stove, oven, heater and/or water heater. Kitchen appliances and fixtures, bathroom fixtures, and every room in the Residence must be able to be used for their intended purposes. You may not paint, wall paper, add adhesive shelf liner, or make other alterations to the Residence without our prior written consent. We will supply the Residence with functioning light bulbs before you take possession of the Residence. You must replace nonfunctional light bulbs at your expense. You acknowledge that we have not made any promises to make any changes to the Property except as specified in this Agreement. You must maintain a temperature of at least 55°F in the Residence to prevent the pipes from freezing. We reserve the right to prohibit or restrict items visible from the exterior of the Residence (e.g. in your windows, window sills, doors, and on your balcony or patio) for safety purposes and to ensure a first class appearance.

39. MAINTENANCE REQUEST. Except in cases of emergency, all requests for repairs, and all notices regarding the condition of the Property must be made to us in writing. This will ensure that we receive and properly process your request or notice. Notations on the Inventory/Move In/Move Out form documenting the condition of the Residence do not constitute a request for repairs; you must complete a separate written request for maintenance.

40. MANAGEMENT. The Property Manager identified in the Variable Lease Term section is authorized to manage the Residence on our behalf and is authorized to act on our behalf to receive service of process, notices, and demands. However, the Property Manager is not a party to this Agreement, and should not be named as a party in any action you bring alleging a breach of this Agreement.

41. MILITARY – EARLY TERMINATION. You may terminate this Agreement before the Termination Date specified on page 1 if:

- (i) You become a member of the Armed Forces of the United States after you enter into the Agreement; or
- (ii) You are or become a member of the Armed Forces of the United States and receive:
 - Orders for a permanent change of station; or
 - Orders to deploy for a period of at least 90 days.

You must give us written notice of termination, and the new termination date must be at least 30 days after the first date on which the next rental payment is due. (For example, if you served the notice on September 15th, your tenancy would terminate on October 31.) You must furnish to us proof to establish you qualify for this limited exception. Proof may consist of any official military orders, or any notification, certification, or verification from the service member's commanding officer regarding the service member's current or future military duty status. Military permission for base housing does not constitute a permanent change-of-station order.

42. MOLD. Mold consists of naturally occurring microscopic organisms. Mold breaks down and feeds on organic matter in the environment. When moldy materials are damaged or disturbed, mold spores and other materials may be released into the air. Exposure can occur through inhalation or direct contact. Most molds are not harmful to most people, but it is believed that certain types and amounts of mold may lead to adverse health effects in some people.

A certain amount of mold exists in every home. Controlling moisture and proper housekeeping are necessary to limit mold growth. We have inspected the Residence and are not aware of any mold problems or existing conditions that may contribute to mold growth in the Residence. You agree to maintain the Residence to prevent mold growth. You agree to:

KEEP THE RESIDENCE CLEAN

- Maintain good housekeeping practices and regularly dust, vacuum and mop to keep the Residence free of dirt and debris that can contribute to mold growth
- Use household cleaners on hard surfaces
- Remove garbage regularly and remove moldy or rotting items promptly from the Residence (whether food, wet clothing, or other materials)

CONTROL MOISTURE IN THE RESIDENCE AND INCREASE AIR CIRCULATION

- Use hood vents when cooking
- Use exhaust fans when bathing/showering until moisture is removed from the bathroom

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- Hang shower curtains inside the bathtub when showering or securely close shower doors.
- Leave bathroom and shower doors open after use
- Use air conditioning, heating and fans as necessary to keep air circulating throughout the Residence
- Water all indoor plants outdoors
- Close windows and doors (when appropriate) to prevent rain and other outdoor water from coming inside the Residence
- Open windows when appropriate to increase air circulation
- Wipe up visible moisture
- If there is a washer in the Residence, periodically check the washer hose
- If a dryer is installed in the Residence, ensure that the vent is properly connected and clear of any obstructions and clean the lint screen regularly
- Ensure good air circulation in closets, cupboards and shelves by periodically keeping them open, not stacking items tightly, and/or using products to control moisture

PERIODICALLY INSPECT THE RESIDENCE FOR MOISTURE AND MOLD

The most reliable methods for identifying elevated amounts of mold are (1) smell and (2) routine visual inspections for mold or signs of moisture and water damage. You agree to inspect the property (both visually and by smell) for mold growth inside the Residence at least once per month. The inspection will include but is not limited to:

- Window frames, baseboards, walls and carpets
- The ceiling
- Any damp material made of cellulose (such as wallpaper, books, papers, and newspapers)
- Appliances (including washers/dryers/dishwashers and refrigerators)
- Around all plumbing fixtures (toilets, bathtubs, showers, sinks and below sinks)
- Areas with limited air circulation such as closets, shelves and cupboards
- Personal property

YOU AGREE TO PROMPTLY REPORT TO US IN WRITING:

- Visible or suspected mold you do not clean as explained below. Mold may range in color from orange to green, brown, and/or black. There is often a musty odor present.
- Overflows or leaks around showers/bath/sink/toilet/washers/refrigerator/air conditioners
- Plumbing problems
- Discoloration of walls, baseboards, doors, window frames, ceilings
- Loose, missing or failing grout or caulk around tubs, showers, sinks, faucets, countertops
- Clothes dryer vent leaks
- Any non-operational windows, doors, fans, heating or air conditioning units
- Any evidence of leaks or excessive moisture in the Residence or on the Property
- Any maintenance needed at the Property

YOU AGREE THAT YOU WILL NOT:

- Bring any personal property into the Residence that may contain high levels of mold, especially "soft possessions" such as couches, chairs, mattresses, and pillows
- Stack items against walls in a manner that decreases air circulation and may lead to mold
- Maintain an excessive number of indoor plants
- Maintain a fish tank or other water filled container without our written consent

If a small amount of mold has grown on a non-porous surface such as ceramic tile, Formica, vinyl flooring, metal, or plastic, and the mold is not due to an ongoing leak or moisture problem, you agree to clean the areas with soap (or detergent) and a small amount of water, let the surface dry, and then within 24 hours apply a non-staining cleaner such as Lysol Disinfectant®, Pine-Sol Disinfectant®, Tilex Mildew Remover®, or Clorox Cleanup®. Because Tilex Mildew Remover® and Clorox Cleanup® contain bleach (which may discolor some materials), they may not be appropriate cleaners if discoloration could be a problem.

You agree to comply with all instructions and requirements necessary to prepare the Residence and/or Property for investigation and remediation, to control water intrusion, to control mold growth, or to make repairs. Storage, cleaning, removal, or replacement of contaminated or potentially contaminated personal property will be your responsibility unless the elevated mold growth was the result of our negligence, intentional wrongdoing or violation of law. We are not responsible for any condition about which we are not aware. You agree to provide us with copies of all records, documents, sampling data and other material relating to any water leak, excessive moisture, mold conditions in the Residence or Property as soon as you obtain them. Violation of this section will be a material breach of this Agreement.

43. MOVE-OUT OBLIGATIONS. At termination of this Agreement, you must (a) give us all of your keys and other opening devices to the Residence, including any common areas; (b) surrender the Residence to us empty of all personal property and persons; (c) vacate all parking and storage spaces, if any; (d) deliver the Residence to us in the same condition as received, reasonable wear and tear excepted; (e) clean the Residence to the level of cleanliness as received; (f) and give us written notice of your forwarding address. At termination of the tenancy, we reserve the right to remove any improvements that you installed, whether or not we authorized the improvements, at your expense.

44. MULTIPLE RESIDENTS. If there is more than one Resident under this Agreement, each Resident is jointly and severally liable for all rental obligations. Violation of this Agreement by any Resident or Resident's Related Parties is deemed a violation by all Residents. Requests and notices from us to any Resident will constitute notice to all Residents and Occupants. Any notices from, consents by or actions taken by any Resident are deemed a notice from, consent by, or action of all Residents. All demonstrations, inspections and explanations made by us to one of the Residents will be binding on all Residents as if made to each of them. Any Resident or Occupant who has permanently moved out according to another Resident may, at our option and discretion, no longer be entitled to occupancy of or keys to the Residence. However, the termination of that person's right of occupancy will not release that person from any and all obligations under this Agreement or any renewal, unless we agree otherwise in writing.

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45. NO RELEASE. You will not be released from this Agreement on the grounds of voluntary or involuntary school withdrawal or transfer, business transfer, layoff or termination, marriage, divorce, marriage reconciliation, loss of co-Residents, bad health, or any other reason unless we agree otherwise in writing or unless the Military – Early Termination section above applies. We may grant or withhold consent to a release in our sole discretion.

46. OCCUPANTS. The Residence may be occupied only by the Resident(s) and all other authorized Occupants specified above in the Variable Lease Term section.

47. PARKING/GARAGE/VEHICLES. If parking spaces or garages are assigned, you may park on the Property only in the garage or parking space(s) specified in the Variable Lease Term section. Parking spaces and garages may not be used for operation of a business or as an extension of the living area of the Residence. We reserve the right to temporarily or permanently change your parking space(s) or garage and to assign another to you with 5 days' prior notice to you. We may issue parking stickers or other devices to control parking. If issued, you must use the parking control devices. If specified in the Variable Lease Term section, monthly Garage/Parking Rent is charged for this privilege. Parking spaces (if any) may be used only for parking passenger automobiles or light utility vehicles. If a parking space or garage has been assigned to you, you must park in it to maximize parking for others. If an exclusive-use garage has been designated for your use, you may use your garage secondarily for storage, but only if it doesn't interfere with your ability to park in the garage. Garage doors must be kept closed and locked unless you are entering or exiting the garage. Vehicles not kept in compliance with applicable rules, regulations and law are subject to towing at the vehicle owner's expense. A vehicle may be towed if it: (A) has flat tires or other condition rendering it inoperable; (B) is leaking fluids; (C) for non-assigned parking spaces, has not been moved in more than 96 hours; (D) takes up more than one parking space; (E) belongs to a Resident or Occupant who has surrendered or abandoned the Residence; (F) is parked in a marked accessible space without the legally required Disabled Person Plate or Placard insignia; (G) blocks another vehicle from exiting; (H) is parked in a fire lane or designated "no parking" or "restricted parking" area; (I) is parked in a space reserved for other residents; (J) is not properly parked in a designated area; (K) blocks access to a garbage area, entrance, driveway, other parking spaces, or other area; (L) cannot lawfully be operated as a vehicle on the road; (M) has a malfunctioning alarm or has an alarm which is not silenced within 10 minutes; (N) is parked in a designated visitor or office parking space; or (O) any other reason allowed by law. Gasoline, fuels or other explosive materials may not be stored anywhere on the Property. You will be responsible for oil stains and other damage caused by your vehicles and the vehicles of your Related Parties. Parking is at the risk of the vehicle owner or operator. We will have no liability for damage to or loss of any vehicle or any personal property contained within a vehicle or a garage. Parking spaces may not be available for guests or they may be limited in number and location. Tandem parking will be permitted only with our prior written consent. You may install an electric vehicle charging station only with our advanced written consent, which will be granted or withheld in our sole discretion, except as otherwise provided by law. Operate your vehicle safely and limit your vehicle's speed to 5 miles per hour within the Property. You must immediately vacate and remove all vehicles from the Property (a) if you do not pay parking or garage fees (if any) when due; (b) after service of any notice allowed by law; and (c) at the earlier of the Termination Date or the date that you vacate the Residence. Unless otherwise agreed by us, Garage/Parking Rent will be due during the entire term of your tenancy.

48. PETS. You may not feed stray or wild animals. You may not have any pets at the Residence or on the Property without our prior written consent, which we may withhold in our sole discretion. This prohibition applies to all pets, including "visiting" pets. We grant you permission to keep any pets listed above in the Variable Lease Term section as an "Authorized Pet." If any pets are authorized you agree to follow the following rules for your pet(s):

- Pets may not cause any disturbance that might reasonably annoy neighbors including making noise, creating odors, or leaving waste on the Property.
- Any damage caused by a pet will be your responsibility and you will be charged to repair it. This includes (but is not limited to) window coverings, carpet cleaning or replacement, damage to walls, flooring, screens and common area landscape.
- Pick up after your pet(s) and properly dispose of all waste. Kitty litter must be placed in a bag before placing it in the trash.
- Use a stain and odor-removing product with enzymes (such as Nature's Miracle) as necessary, and maintain the Residence in a sanitary, odor-free condition. You can determine where the stain and odor-removing product with enzymes must be used by viewing the Residence with a black light.
- If your pet is a cat, keep a scratching post.
- Pets must be licensed and vaccinated in accordance with local laws. You must provide proof if we request it.
- Comply with all local laws and regulations relating to the pets.
- Take action to avoid pest infestations (fleas, etc.) in the Residence and Property.
- You must confine your pet if we or our Related Parties need access to the Residence.
- Pets must remain inside the Residence unless they are under direct control of a responsible person at all times. Dogs must be on a leash when outside of the Residence. You agree to defend, indemnify and save us harmless from all loss, claim, damage or liability relating to your pets.
- You represent to us that the pet is housebroken, has no vicious tendencies or history of threatening or causing harm to persons by biting, scratching, chewing or otherwise.
- Pets are not allowed in pool areas, clubhouses, business office, laundry rooms, business center or fitness centers. Pets may not be bathed or groomed in the laundry room sinks, pools, or pool area.
- Permission to have a pet may be revoked at any time with three days' notice for cause, or with thirty days' notice without cause. You will be asked to remove any pet that bothers others or constitutes a problem (potential or actual) to neighbors or others, as determined in our sole discretion. If you fail to remove your pet after being requested to do so, this will be a material breach of the Agreement, allowing us to terminate your tenancy.

49. POOL/SPA. If the Property has a pool or spa, you may use them only during posted hours. Children under the age of fourteen (14) must have adult supervision in the pool and spa. You may not serve or eat food in or around the pool area at any time without our consent. Drinks must be served in unbreakable containers, and no alcoholic drinks are allowed in the pool area. For safety reasons, people should not use the pool and/or spa alone, should not dive into the pool (unless off of a diving board) or spa, and no intoxicated persons may use the pool or spa. Be considerate of others. Don't be excessively noisy or rowdy or wear excessively revealing clothing. Please shower before using the pool and spa. Do not use inner tubes, rafts or any other personal items or objects in the pool if they disturb others (with the exception of personal flotation devices for persons who cannot swim). Incontinent people using the pool or spa must use waterproof pants. Use the pool safety equipment only in case of emergency. **NO LIFEGUARD WILL BE ON DUTY.** People use the pool and spa at their own risk. We will not be responsible for accident or injury, or articles that are lost, damaged or stolen.

50. POSTED SIGNS AND INSTRUCTIONS FROM LANDLORD. You must obey all posted signs on the Property and instructions from us.

51. POSTING FLYERS. Flyers may be posted only in designated areas, if any. If flyers are allowed to be posted, we may remove any commercial or offensive material, or material not in keeping with the nature of the Property, as determined in our sole discretion.

52. REPRESENTATIONS OF RESIDENT. You warrant that all statements in your rental application and other documents submitted by you to us (whether previously or in the future) are accurate. If they are not, this will be a non-curable breach of this Agreement and we may terminate your tenancy.

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53. SATELLITE DISHES. You may install a satellite dish for personal, private use under the following conditions:

- The satellite dish must be one meter or less in diameter;
- The satellite dish may only be installed in the Residence in areas within your exclusive control. No part of the satellite dish may extend beyond a balcony or patio railing. The satellite dish may not be installed in common areas, including but not limited to the roof, outside walls, window sills, common balconies, hallways or stairways. Note that allowable locations may not provide an optimal signal, or any signal. We do not warrant that the Residence will provide a suitable location for receiving a satellite signal.
- You may not make physical modifications to the Property and may not cause physical or structural damage to the Property. No holes may be drilled through exterior walls or the roof.
- You must install, maintain and remove the satellite dish in a manner consistent with industry standards and you will be liable for any damage or injury caused by the installation, maintenance or removal of the satellite dish.
- You must move the satellite dish at your expense, upon our request, for Residence or Property maintenance or repairs.

54. SECURITY. The Property is not a full security property and we do not guarantee or warrant your personal security or safety. We are not responsible for obtaining criminal-history checks on any residents, occupants, guests or contractors in the Property. We have no duty to provide security services or devices other than the duty to provide (a) an operable dead bolt lock on each main swinging entry door of the Residence and (b) operable window security or locking devices for windows designed to be opened (except for louvered windows, casement windows and windows more than 12 feet vertically or 6 feet horizontally from the ground, a roof, or other platform). After you take possession of the Residence, we will have no obligation or duty to inspect, test or repair any lock or other security device unless you request us to do so in writing. Any cautionary measures that we take (whether applicant screening, security devices or courtesy patrol services) which may presently exist or later be installed on the Property are neither a guarantee nor warranty against criminal acts of others on the Property or otherwise. Your personal safety and security are your personal responsibility. If criminal activity occurs, contact the appropriate law enforcement agency. We may (but are not obligated to) grant permission for residents to install security devices (such as video doorbells) that may capture Property images and sounds.

55. SIGNS. We retain the right to place For Sale/For Rent signs on the Residence.

56. SMOKE AND CARBON MONOXIDE DETECTION. The Residence is equipped with a functioning smoke detection device(s) and may be equipped with a functioning carbon monoxide detector. You must test the device(s) weekly and immediately report any repair needs to us.

57. SMOKE FREE AREAS. The parties want to reduce or eliminate (i) the irritation and known health effects of secondhand smoke; (ii) the increased maintenance, cleaning and redecorating costs from smoking, and (iii) the increased risk of fire and insurance costs associated with smoking. "Smoking" means inhaling, exhaling, breathing, or carrying any lighted cigar, cigarette, e-cigarette, or other similar lighted product (whether tobacco, marijuana, or any other substance) in any manner or in any form. You and your Related Parties may not smoke anywhere in the designated smoke-free areas, described in the Variable Lease Term section. You must inform your Related Parties of the no-smoking policy. Other residents of the Property are third-party beneficiaries of this Agreement provision (your smoke-free obligations and restrictions are made to benefit other Property residents as well as to us.) A resident may sue another resident for an injunction to prohibit smoking or for damages, but may not evict another resident. We will have the right, but not the obligation, to enforce your smoke-free obligations. A material breach of your smoke-free obligations will be a material breach of this Agreement and grounds for immediate termination of this Agreement and your tenancy. Neither we nor our Related Parties guarantee or warranty the smoke-free condition of the designated smoke-free areas or the health of you or your Related Parties. We make no implied or express warranties that the Residence or Property will have higher air quality standards than any other areas. The success of our efforts to make the designated areas smoke-free depend on voluntary compliance by you and others. We reserve the right to change or eliminate our smoke-free policy in the future. You acknowledge that current residents may not be under the same smoke-free restrictions.

58. STORAGE. If specified above in the Variable Lease Term section, a separate storage area is provided to you. If specified, monthly Storage Rent is charged for this privilege. Storage space may be used only for storage of non-perishable personal property, expressly excluding (a) any potentially dangerous, flammable, hazardous or toxic property or materials, and (b) any firearms or ammunition. We reserve the right to assign to you another storage space with 5 days' prior notice to you. You must vacate and remove stored property (a) if you do not pay storage fees (if any) when due; (b) after service of any notice allowed by law; and (c) at the earlier of the Termination Date or the date you vacate the Residence. Unless we otherwise agree, the Storage Rent will be due during the entire term of your tenancy. If you do not remove stored property from the storage space when required, the remaining stored property may be deemed abandoned and we may dispose of it as allowed by law.

59. TELEPHONES. We will comply with California law by providing at least one usable telephone jack and maintaining the telephone wiring inside the Residence in good working condition. There may be multiple telephone service providers in the area where the Residence is located. Providers may vary in the services provided and fees charged for connection and/or other charges in service. Some service providers may charge fees of \$120.00 or more to change telephone service from another company to their own. We make no representation regarding which service provider, if any, provided service to prior tenants. Our obligation to maintain inside wiring does not include liability for fees to cross-connect to activate service. You are responsible to arrange all service connections and pay any and all fees associated with the service.

60. TEMPORARY RELOCATION. You agree, at our demand, to temporarily vacate the Residence for a reasonable period and for reasonable purpose, including fumigation, Residence testing/inspection, or repairs. You must comply with all instructions necessary to prepare the Residence for fumigation, testing/inspection or repair. If you must vacate, you will be entitled only to an abatement of Rent equal to the per diem Rent for the period that you are required to vacate the Residence, and only if you must vacate for more than 12 hours, and only if you did not cause or exacerbate the condition requiring you to vacate, and only if we do not provide you with alternate housing.

61. USE. The Residence may be used as a personal residence only and not for any business or commercial use (except child care as specified by law). However, you may maintain a personal home office if the home office use does not involve (1) people coming to the Residence for business purposes, or (2) selling goods or services from the Residence. You may not conduct any auction, garage sale, yard sale or similar activities in the Residence or in the Common Areas.

62. UTILITIES. Details about utilities, (including information about who is responsible for the cost of each utility), are specified in the Variable Lease Term section. If it is specified that you will contract directly with the utility provider, you must do so before move-in to avoid an interruption of services. If electricity, natural gas, water or sewer services have been discontinued, occupancy of the Residence is hazardous and will be a breach of this Agreement. Billing statements provided by us or by our billing service must be paid by the due date specified on the billing statement. If you don't pay utility-related charges when they are due, we may discontinue providing the utility to you (if allowed by law), and your failure will be a material breach of this Agreement. We reserve the right to change utility billing service providers. If we do, you will be notified in writing. You will be responsible for utilities designated as being your responsibility consumed during your

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occupancy beginning on the date of delivery of possession until we reacquire possession of the Residence. If you breach this Agreement by vacating the Residence before the end of the term, you will also be responsible for utility-related charges until the earlier of the Termination Date or until the Residence is re-rented. The due date for Basic Rent and the due date for utility-related charges may not coincide. You must comply with all utility conservation efforts (whether implemented by governmental agencies, water providers or us) and if you fail to do so, this will be a material violation of this Agreement allowing us to terminate your tenancy. You will be responsible for any fines or charges we incur because of your failure. You must pay charges for utilities you consume, even if they have not been invoiced before you vacate the Residence. Any obligation that remains unpaid, including amounts that have not yet been invoiced when we reacquire possession, may be deducted from your Security Deposit. If actual amounts have not been determined before we provide an accounting of your Security Deposit, we may estimate the amount until actual numbers become available. Any billings based on submeter readings will itemize the beginning and ending meter readings, the rate charged to you, and all categories of information that appear within the utility's standard billing format to us. We reserve the right to modify the method by which utilities are provided to the Residence or billed to you during your tenancy. If we are billed for utility services which are your responsibility, you must repay us for the charges within 10 days of our demand for payment. You may not disturb, tamper, adjust, or disconnect any submetering device or system. We may estimate your consumption if your submeter is broken or does not transmit a meter reading or if we have not received invoices from the utility provider in time to prepare your invoice. We are not liable for claims arising from utility service outages, interruptions, or fluctuations in utilities provided to your Residence not reasonably within our control. Common area utilities are for our use only; you may not use them for your personal use.

63. WINDOW COVERINGS. If we provide window coverings, you must use them. If we do not provide window coverings, any window treatments you install must appear white to the outside. Do not use sheets, blankets, foil, etc., in place of draperies or blinds. Do not place objects on a window sill which are visible from the outside.

64. WATERBEDS AND AQUARIUMS. Waterbeds are permitted only with our written permission which will be provided in accordance with California law. Permission may be conditioned on insurance protecting us, an increase in the security deposit equal to one-half month's Base Rent, and installation and maintenance in accordance with industry standards. You must also obtain our permission to have an aquarium of more than 5 gallons.

F. DISCLOSURES AND NOTICES:

65. ASBESTOS. Asbestos is known to cause cancer. Any knowledge or records we have of asbestos in the Residence or Property is specified in the Variable Lease Term section of this Agreement. Disturbing or damaging asbestos containing materials may increase the potential exposure to asbestos. Do not pierce or damage asbestos containing material. Notify us immediately in writing if there is any damage to or deterioration of the asbestos containing materials.

66. LEAD WARNING INFORMATION. If indicated in the Variable Lease Term section, the Residence was built prior to 1978. Housing built before 1978 may contain lead-based paint. Lead from lead-based paint, paint chips and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Residents must also receive a federally approved pamphlet on lead poisoning prevention.

Knowledge we have of lead-based paint and/or lead-based paint hazards in the Residence or Property is specified in the Variable Lease Term section. Available reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Residence or Property are identified. Your signature on this Agreement is your acknowledgment that you have been provided a copy of the pamphlet *Protect Your Family From Lead In Your Home* and that the reports or records have been made available for your review.

67. REGISTERED SEX OFFENDERS NOTICE. Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

G. BREACHES AND REMEDIES:

68. RESIDENT DEFAULT. Your right to remain in possession of the Residence is conditioned on your timely and full performance of each of your obligations under this Agreement and applicable law. You will be in material default under the Agreement:

- If you abandon or vacate the Residence;
- If you fail to pay Rent, or any other charge required to be paid by you, as and when due;
- If you breach any other obligation under this Agreement or applicable law;
- If you have supplied any false or misleading information to us on a rental application or otherwise. This type of default is non-curable.

69. REMEDIES. If you default, we may elect to terminate your rights under this Agreement, and recover from you all damages we incur as a result of the default, including the cost of recovering possession of the Residence, rental commissions, advertising expenses and other costs incurred because of your breach of the Agreement and the Rent and other amounts due through the end of the Agreement term, (including Rent due up through the date you vacate the Residence, Rent due through the date of judgment, and Rent due after the date of judgment through the end of the original Agreement term) and any other amount necessary to compensate us for your breach of the Agreement, minus amounts we reasonably could have avoided.

70. CUMULATIVE REMEDIES. All remedies specified in this Agreement for noncompliance are cumulative.

71. CREDIT. A negative report reflecting on your credit record may be submitted to credit-reporting agencies if you fail to fulfill the terms of your obligations under this Agreement.

72. DAMAGES FOR FAILURE TO VACATE. If you fail to completely vacate the Residence when required, you will be liable for all resulting losses suffered by us including but not limited to, future resident losses, lost Rent, legal costs and other expenses.

73. ATTORNEY FEES. In any legal action brought by either party to enforce this Agreement or relating to the Residence, the prevailing party will be entitled to all costs incurred in connection with that action, including reasonable attorney fees, expert witness and consultant fees, and costs and expenses. If an Attorney's Fee

Landlord's Initials _____



Resident's Initials _____

Cap is specified in the Variable Lease Term section, attorney's fees awarded by a court may not exceed that amount. You must pay all collection-agency fees we incur if you fail to pay all sums due within 10 days after we mail you your security deposit accounting or other demand for payment.

H. AGREEMENT INTERPRETATION:

74. AGREEMENT. The submission of this Agreement to you for examination and/or execution does not constitute an option or offer. This Agreement will not be effective until signed and delivered by all parties or until we deliver possession of the Residence to you, whichever occurs first.

75. AMENDMENT. This Agreement may not be amended or altered except by a written agreement, signed by you and us.

76. CONSTRUCTION. The singular form will include plural, and visa versa. This Agreement will not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it.

77. INTEGRATION. This Agreement and the documents referenced in it constitute the entire agreement between the parties, which supersedes all prior and contemporaneous negotiations, agreements, promises and representations.

78. PARTIAL INVALIDITY. If any portion of this Agreement is unenforceable or invalid, that portion will have no effect, but all the remaining provisions of this Agreement will remain in full force.

79. SUCCESSORS AND ASSIGNS. This Agreement is binding upon and inures to the benefit of the heirs, assigns, successors, executors, and administrators of you and us.

80. TIME IS OF THE ESSENCE. Time is of the essence as to each obligation to be performed under this Agreement.

81. VERBAL REPRESENTATIONS. You agree that we have not made any oral promises, representations, or agreements not contained within this written Agreement.

82. WAIVER. Our failure to enforce any term of this Agreement will not be deemed a waiver, nor will acceptance of a partial payment be deemed a waiver of our right to the full amount due. Waiver may not be established by course of conduct. No waiver will exist unless written and signed by the parties.

If the lead hazard section of this Agreement is marked as being applicable, by signing below, the parties acknowledge that they have read the lead-based paint and lead based paint hazard information in this Agreement and certify, to the best of the parties' knowledge, that the information provided is true and correct.

Note that this Agreement may automatically continue as a tenancy from month-to-month after the Termination Date. See paragraph C3 above.

Date: _____	Resident
Date: _____	Resident
Date: _____	Resident
Date: _____	Resident
Date: _____	Resident
Date: _____	Landlord

Landlord's Initials _____



Resident's Initials _____

EXHIBIT "E"

COMMERCIAL LEASE/RENTAL AGREEMENT

RETAIL LEASE

FOR

AS LANDLORD

AND

_____,
AS TENANT

The submission of this document for examination does not constitute an option or offer to lease space at the Center. This document shall have no binding effect on the parties unless executed by Landlord and the executed copy is delivered to Tenant.

RETAIL LEASE

This Retail Lease (this “Lease”) is made this ____ day of _____, 20____ (the “Effective Date”) by and between **CRP/VP Montclair Village Owner, LLC**, a Delaware limited liability company (“Landlord”) and _____, a _____ (“Tenant”).

1. BASIC LEASE PROVISIONS:

- 1.1

Center Name:

Village at Montclair

Address:

_____ Arrow Highway

Montclair, CA 91763

as more particularly depicted in **Schedule 2**.
- 1.2

Unit/Suite No.:

- 1.3

Premises: _____ square feet of Net Rentable Area (defined below) as reflected on the site plan attached hereto as **Schedule 2** (the “Site Plan”).
- 1.4

Commencement Date: The date of mutual execution and delivery of this Lease.
- 1.5

Rent Commencement Date: The earlier to occur of (i) _____, 20____, or (ii) _____ days after substantial completion of the Work as set forth in the Construction Rider attached hereto as **Schedule 3** and made a part hereof or (iii) when Tenant opens for business in the Premises.
- 1.6

Expiration Date: _____, 20____ [or if the Commencement Date falls on a day other than the first of the month, then _____ full months after the first calendar day of the month following the Commencement Date].
- 1.7

Tenant’s Percentage Share: A fraction of which the numerator is the Net Rentable Area (defined below) contained within the Premises and the denominator is the total square feet of Net Rentable Area in the Center [OR—of the building within the Center in which the Premises is located]. However, Tenant’s Percentage Share shall vary each time that either the Net Rentable Area of the Premises changes and/or the Net Rentable Area of the Center [or the building within the Center in which the Premises is located] changes in the same manner as determined above.
- 1.8

Security Deposit: \$_____. (See **Paragraph 23**).
- 1.9

Base Rent:

Lease Year	Monthly Base Rent/SF	Annual Base Rent	Monthly Base Rent
------------	----------------------	------------------	-------------------
- 1.10

Operating Expenses Rent: Tenant’s Percentage Share of Operating Expenses [over the Base Year]. The estimated monthly charge for Operating Expenses Rent during the first calendar year of the Term (or portion thereof) is \$_____. (See **Paragraph 6**).
- 1.11

Base Year: Calendar year 20__.
- 1.12

Percentage Rent: ____% of Gross Sales (defined below) [over the Breakpoint (defined in Section 5.2)]. (See **Subparagraph 5.2**).
- 1.13

Permitted Trade Name(s): _____. (See **Subparagraph 7.4**).
- 1.14

Guarantor(s): _____. (See **Schedule 4**).

1.15 Address for Payment of Rent and Notices:

All forms of payment shall be made payable to:	Tenant:
CRP/VP Montclair Village Owner, LLC	After Commencement Date:
For payment:	_____

CRP/VP Montclair Village Owner, LLC	Attn: _____
4340 Von Karman Ave, Suite 110	Telephone: (____) ____ - _____
Newport Beach, California 92660	
For notices:	Before Commencement Date:
CRP/VP Montclair Village Owner, LLC	_____
4340 Von Karman Avenue, Suite 110	_____
Newport Beach, California 92660	_____
Attn: Don Henry	Attn: _____
With copy of notices:	Telephone: (____) ____ - _____
Cox, Castle & Nicholson, LLP	
2029 Century Park East, Suite 2100	
Los Angeles, California 90067	
Attn: Dan Villalpando	

1.16 Broker: Landlord’s Broker is _____ and Tenant’s Broker is _____.
(See **Paragraph 39**).

1.17 Permitted Use: Tenant shall use the Premises solely for _____.
Permitted usage must be consistent with City of Montclair zoning ordinance.

1.18 Minimum Hours of Operation:

Monday - Friday:	10:00 AM – 9:00 PM
Saturday:	10:00 AM – 6:00 PM
Sunday:	11:00 AM – 6:00 PM

1.19 Minimum Hours of Illumination (of Exterior Windows of the Premises):

Monday - Friday:	10:00 AM – 9:00 PM
Saturday:	10:00 AM – 6:00 PM
Sunday:	11:00 AM – 6:00 PM

[Delete if no Renewal Option]

1.20 Renewal Option(s): Tenant shall have the right, subject to the terms and conditions of Subparagraph ____ below to renew its tenancy of the Premises for ____ renewal option(s) (each a “**Renewal Option**” and collectively the “**Renewal Options**”) for a period of ____ months [**per Renewal Option**].

2. DEFINITIONS: Unless the context otherwise specifies or requires, the following terms will have the meanings set forth below:

- 2.1 Common Areas: All areas and facilities outside the Premises and within the exterior boundaries of the Center that are not leased to other tenants and that are provided and designated by Landlord, in its sole discretion from time to time, for the general use and convenience of Tenant and other tenants of the Center and their authorized representatives, employees, invitees and the general public. Common Areas include, but are not limited to, areas within and outside of the buildings in the Center, such as pedestrian walkways, patios, landscaped areas, sidewalks, service corridors, elevators, restrooms, stairways, decorative walls, plazas, mall throughways, loading areas, parking areas and roads.
- 2.2 Gross Sales: The gross sum of the actual sales prices of all goods, wares and merchandise sold, leased, licensed, or delivered and the actual charges for all services performed by Tenant or by any subtenant, licensee or concessionaire in, at, from or

arising out of the use of the Premises, whether for wholesale, retail, cash, credit, or trade-ins or otherwise, without reserve or deduction for inability or failure to collect. Gross Sales shall include, without limitation, sales and services (a) where the orders therefor originate in, at, from, or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place, (b) made or performed by mail, telephone, telegraph, facsimile, e-mail, computer or internet orders received at or delivered for the Premises, and (c) which Tenant or any subtenant, licensee, concessionaire or other person in the normal and customary course of its business would credit or attribute to its operations at the Premises or any part thereof. Any sums deposited with and forfeited to Tenant shall be included in Gross Sales. Each installment or credit sale or lease contract shall be treated as a sale or lease for the full price in the month during which such sale is made, regardless of whether or when Tenant receives payment therefor. No franchise or capital stock tax and no income or similar tax based on income or profits shall be deducted from Gross Sales. No deductions from Gross Sales shall be made for any amounts not originally included in Tenant's Gross Sales (including returns of internet purchases).

The following shall not be included in Gross Sales: (i) any exchange of merchandise between stores of Tenant where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at, or from the Premises, or for the purpose of depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises, (ii) returns to shippers or manufacturers, (iii) cash or credit refunds to customers on transactions (not to exceed the actual selling price of the item returned) otherwise included in Gross Sales, but only to the extent such transactions were included in Gross Sales initially, (iv) sales of trade fixtures, machinery and equipment after use thereof in the conduct of Tenant's business, (v) amounts collected and paid by Tenant to any government for any sales, use or excise tax, and (vi) the amount of any discount on sales to employees. The foregoing provisions notwithstanding, it is expressly acknowledged and agreed that no returns of merchandise ordered via computer or internet shall cause a reduction in Gross Sales unless the sale of such merchandise was previously included in Gross Sales for the Premises, and then only to the extent of the actual selling price of the item returned.

- 2.3 Lease Year: Each period of twelve (12) consecutive months within the Term. The first Lease Year shall commence on the Rent Commencement Date. If the Rent Commencement Date is the first day of a calendar month, the first Lease Year shall end on the day immediately preceding the day which is the first anniversary of the Rent Commencement Date. If the Rent Commencement Date is not the first day of a calendar month, the first Lease Year shall end on the last day of the month in which the first anniversary of the Rent Commencement Date occurs. The second Lease Year shall commence on the day immediately following the last day of the first Lease Year and each subsequent Lease Year shall commence on the anniversary of the first day of the second Lease Year.
- 2.4 Net Rentable Area: All floor area within the Premises measured at floor level from the midpoint of all demising walls to the exterior surface of all exterior walls and exterior glass separating the Premises from the Common Areas (without deduction for columns or projections necessary to the Center or Premises) plus Tenant's Percentage Share of the Common Areas.
- 2.5 Operating Expenses: All costs of operating, servicing, administering, repairing and maintaining the Center (excluding costs paid directly by Tenant and other tenants in the Center or otherwise reimbursable and actually reimbursed to Landlord), the landscaping of, and improvements within, Common Areas and the parking lot within and/or adjacent to the Center (provided such adjacent parking lot serves the Center). All costs of operating, servicing, administering, repairing and maintaining the Center including any and all reasonable and necessary costs of operation, maintenance and repairs performed by or at the direction of Landlord to maintain the Center in a condition that is consistent with similarly situated centers in the metropolitan center in which the Center is located. For example, Operating Expenses shall include, but shall not be limited to: (a) wages, salaries, fringe benefits and payroll burden for employees on-site utilized in the day to day operation of the Center; (b) Landlord's Insurance (defined below), including any amounts that would be charged as premiums if Landlord self-insures any of the insurance risks; (c) liability disclaimers; (d) water, sewer, heating, air conditioning, ventilating and all other utility charges (other than with respect to utilities separately metered and paid directly by Tenant or other tenants); (e) Taxes (defined below), including, but not limited to, the good faith, reasonable cost of contesting the validity or amount of such Taxes (regardless of whether such efforts succeed or not); (f) janitorial services; (g) access

control; (h) window cleaning; (i) elevator maintenance, if applicable; (j) fire detection and security services; (k) landscaping costs; (l) all costs of snow and ice removal; (m) trash, rubbish, garbage and other refuse removal; (n) pest control; (o) painting; (p) facade maintenance; (q) lighting; (r) exterior and partition (demising) wall repairs; (s) roof repairs; (t) maintenance of all steam, water and other water retention and discharging piping, lakes, culverts, fountains, pumps, weirs, lift stations, catch basins and other areas and facilities, whether or not on-site; (u) canal embankment and related maintenance; (v) maintenance, repair and repainting of sidewalks and general resurfacing and maintenance of parking areas; (w) sanitary control; (x) depreciation of any and all capital items used in any of such maintenance and repair activities; (y) repair, maintenance and replacement of signage located in the Center; (z) management fees; (aa) the costs (amortized together with a reasonable finance charge) of any capital improvements that are: (i) made to the Center by Landlord primarily for the purpose of reducing Operating Expenses (regardless of whether such reduction occurs or not); or (ii) made to the Center by Landlord to comply with any Legal Requirements (defined below) that was not required of Landlord on the Commencement Date; and (bb) the costs of supplies, materials and tools used for any of the above.

Operating Expenses shall not include: (a) depreciation on the Center or any Common Areas; (b) costs of space planning, tenant improvements, marketing expenses, finder's fees and real estate broker commissions; (c) any and all expenses for which Landlord is reimbursed (either by an insurer, condemnor, tenant or other person or entity), but only to the extent of such reimbursement; (d) that portion of the salaries for on or off site personnel to the extent any of them work for other projects owned by Landlord or the Center's managing agent; (e) costs in connection with services or benefits of a type which are not otherwise Operating Expenses and are not available to Tenant, but are available to another tenant or occupant, or which are performed by another tenant or occupant at such tenant or occupant's sole cost; (f) mark-ups on utilities in excess of Landlord's costs therefor; (g) Landlord's general overhead and administrative expenses not directly allocable to the operation of the Center; (h) attorneys' fees and cost related to negotiating or enforcing any tenant lease, or resolving disputes with any lender of Landlord or obtaining any financing for the Center; (i) cost of capital improvements unless expressly provided for in the foregoing paragraph; (j) interest on debt or amortization payments on any mortgage/deed of trust, or rent on any ground lease; and (k) federal and state taxes on income, death, estate or inheritance; or franchise taxes.

[USE PARAGRAPH 2.6 ONLY IF LANDLORD IS PERFORMING ANY IMPROVEMENTS TO THE PREMISES – OTHERWISE MARK “PURPOSEFULLY OMITTED”]

- 2.6 Ready for Occupancy: The Premises shall be “Ready for Occupancy” as of the date on which the earlier of the following shall have occurred: (a) Landlord shall have substantially completed all work to be performed by it pursuant to **Schedule 3** attached hereto, or (ii) the date on which Tenant opens for business in the Premises.
- 2.7 Taxes: All real and personal property taxes, assessments (whether they be general or special), sewer rents, rates and charges, transit taxes, taxes based upon the receipt of Rent and any other federal, state or local government charge, general, special, ordinary or extraordinary (but not including income or estate taxes), which may now or hereafter be levied or assessed against the land upon which the Center stands or the Center for such year or the furniture, fixtures, machinery, equipment, apparatus, systems and appurtenances used in connection with the Center for the operation thereof (“**Taxes**”).
- 2.8 Environmental Law: shall mean any law, statute, ordinance or regulation pertaining to health, industrial hygiene or the environment including, without limitation, CERCLA (Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended), RCRA (Resources Conservation and Recovery Act of 1976) and SARA (Superfund Amendments and Reauthorization Act of 1986).
- 2.9 Hazardous Substance: shall mean any substance, material or waste which is or becomes designated, classified or regulated as being “toxic” or “hazardous” or a “pollutant”, which is or becomes similarly designated, classified or regulated, under any Environmental Law, including without limitation, Section 25501(o) of the California Health and Safety Code, including asbestos, petroleum and petroleum products, or which becomes hazardous to the health and welfare of any occupants in the Center.
- 2.10 Legal Requirements: shall mean any and all statutes, ordinances and requirements of all local, municipal, state and federal authorities now in force, or which may hereafter be in force, pertaining to the Premises and/or the Center occasioned by or affecting the use

thereof by Tenant, including, but not limited to, the Americans with Disabilities Act; as amended from time to time.

- 2.11 Schedules: shall mean the Schedules attached hereto and incorporated herein by reference. This Lease contains the following Schedules:

Schedule 1	[Reserved]
Schedule 2	Site Plan
Schedule 3	Construction Rider
Schedule 4	Guaranty of Lease [Mark “Intentionally omitted” if no §50]
Schedule 5	Tenant Acceptance Letter
Schedule 6	Rules and Regulations
Schedule 7	Prohibited Uses/Exclusive Uses
Schedule 8	Permitted Exceptions [Mark “Intentionally Omitted” if language not added to §7.5]
Schedule 9	Sign Criteria [Mark “Intentionally omitted” if §9.2 is changed]
Schedule 10	Pylon Sign [Mark “Intentionally omitted” if no §9.3]
Schedule 11	Letter of Credit form [Delete if Letter of Credit language not added to §23]
Schedule 12	Past Energy Usage Report [Delete if not applicable]

- 2.12 Term: shall mean the period of Tenant’s occupancy of the Premises pursuant to the terms and conditions of this Lease. It shall commence as of the Commencement Date and end as of the Expiration Date, unless sooner terminated as provided herein or extended pursuant to the terms of this Lease.

3. PREMISES:

- 3.1 Lease of Premises: Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, for the Term and subject to the agreements, covenants, conditions and provisions set forth in this Lease, to which Landlord and Tenant hereby mutually agree, the Premises (the “**Premises**”) described in **Paragraphs 1.1 and 1.2** above. Landlord and Tenant shall have the right during the first ninety (90) days following the Commencement Date (as hereinafter defined) to cause the Net Rentable Area in the Premises to be re-measured by a licensed architect. Upon determination of the actual Net Rentable Area of the Premises in the manner set forth above, Base Rent and all other charges payable by Tenant under this Lease which are determined with reference to the Net Rentable Area of the Premises shall be adjusted accordingly. Upon occupancy of the Premises by Tenant, Tenant shall promptly execute and deliver to Landlord the Tenant Acceptance Letter attached hereto as **Schedule 5**. If Landlord is unable to deliver possession of the Premises **[IF LANDLORD IS CONSTRUCTING IMPROVEMENTS ADD--- Ready for Occupancy,]** on the Commencement Date, Landlord shall not be liable for any damage caused thereby, nor shall this Lease be void or voidable, but Tenant shall not be liable for any Rent and the Rent Commencement Date shall be delayed for the same number of days the Commencement Date is delayed, which Commencement Date shall not occur until possession is delivered **[IF LANDLORD IS CONSTRUCTING IMPROVEMENTS ADD Ready for Occupancy]**, at which time the Term shall commence and the Expiration Date shall be extended so as to give effect to the full stated Term. **[IF LANDLORD IS CONSTRUCTING IMPROVEMENTS ADD – Notwithstanding the foregoing, if the delay in delivering the Premises is due to a Tenant Delay as defined in Schedule 3, the Commencement Date and the Expiration Date shall be adjusted in accordance with the provisions of Schedule 3.] [DELETE IF NO BLACKOUT PERIOD - Notwithstanding anything contained in this Subparagraph 3.1, if the Commencement Date falls between November 15 of any calendar year and January 2 of the immediately following calendar year (the “Blackout Period”), then Tenant shall have the right, at Tenant’s option by written notice delivered to Landlord within ten (10) business days after Landlord tenders the Premises to Tenant, to delay the Commencement Date until expiration of the Blackout Period, in which case the Commencement Date shall be January 2 of such following calendar year for all purposes under this Lease; provided however, if Tenant opens to the public for business at any time during such Blackout Period, then the Commencement Date shall be the date on which Tenant opened for business.]** By opening for business, Tenant shall be deemed to have accepted the Premises, **[IF LANDLORD IS CONSTRUCTING IMPROVEMENTS ADD --- acknowledged that the Premises are “Ready for Occupancy” hereunder, and agreed that the obligations of Landlord under Schedule 3 have been fully performed.]**

- 3.2 **Center:** The Premises are a part of the Center. Landlord may increase, reduce or change the number, dimensions or locations of the walks, buildings, mall areas, parking and other Common Areas and other improvements located in the Center in any manner that Landlord, in its sole discretion, shall deem proper. Landlord further reserves the right to make alterations and/or additions to and to build or cause to be built additional stories on the building in which the Premises are situated and to add any buildings adjoining the Premises or elsewhere in the Center. Without limiting the generality of the foregoing, Landlord reserves the right to, in its sole discretion, at all times, and from time to time throughout the Term, without incurring any liability to Tenant and without it constituting an eviction: (a) install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through the Premises and serving other parts of the Center, (b) add additional tenants, retail shops, buildings, parking facilities anywhere in the Center (as may be expanded in accordance with this subparagraph), (c) to renovate the Center (such renovation shall include, but not be limited to, the right to erect scaffolding, alter the configuration of all interior and exterior portions of the Common Areas); (d) change the size and layout of the Center; (e) build and/or demolish structures and buildings, expand and/or alter the parking facilities, relocate existing buildings and structures; and (f) and install or move columns, pipes, and utility lines. Landlord shall use reasonable efforts (which shall not include any obligation to employ labor at overtime rates) to avoid unreasonable disruption of Tenant's business during such renovation, except in the case of an emergency. Once Landlord commences any such renovation, Landlord shall diligently pursue such renovation to completion. Any addition or reduction of the Net Rentable Area of the Center resulting from Landlord's actions provided for above, shall result in recalculating Tenant's Percentage Share in accordance with **Paragraph 1** above.

Furthermore, Landlord shall have the right to change the Center's name without notice, to change the Center's street address upon ninety (90) days' prior notice, to grant to any person or entity the exclusive right to conduct any business or render any service in or to the Center, provided such exclusive right shall not operate to prohibit Tenant from using the Premises for the purpose set forth in **Paragraph 7**, to retain at all times master keys or passkeys to the Premises, and to place such signs, notices or displays as Landlord reasonably deems necessary or desirable upon the roof and exterior of the Center.

- 3.3 **Relocation of Tenant:** Landlord expressly reserves the right after the execution and during the term of this Lease, or any extension or renewal thereof, at its sole cost and expense, to remove Tenant from the Premises and relocate Tenant to some other space of Landlord's choosing of approximately the same size within the Center, which other space shall be decorated by Landlord at Landlord's expense and Landlord may in its discretion use such decorations and materials from the existing Premises or other materials, so that the space in which Tenant is relocated is comparable in its interior design and decoration to the Premises from which Tenant is removed. Tenant, by the execution of this Lease, acknowledges the foregoing right of Landlord, and no rights granted in this Lease to Tenant, including, but not limited to, the right of peaceful and quiet enjoyment, shall be deemed to have been breached or interfered with by reason of Landlord's exercise of the right of relocation reserved in this **Paragraph**. Landlord's sole obligation for costs and expenses of removal and relocation shall be the actual cost of relocating and decorating the space in which Tenant is relocated and the reasonable costs of moving Tenant actually incurred in connection with same, and Tenant agrees that Landlord's exercise of its election to remove and relocate Tenant shall not terminate this Lease or release Tenant, in whole or in part, from Tenant's obligation to pay the Rent and perform the covenants and agreements hereunder for the full Term.

4. COMMON AREAS:

- 4.1 **Tenant's Right to Use Common Areas:** Landlord grants Tenant and its authorized representatives and invitees the non-exclusive right to use the Common Areas with others who are entitled to use the Common Areas subject to Landlord's rights as set forth in this Lease.
- 4.2 **Landlord's Control:** In addition to the rights Landlord maintains concerning the Center described in **Paragraph 3.2**, Landlord has the right to: (a) establish and enforce reasonable rules and regulations applicable to tenants of the Center concerning the maintenance, management, use and operation of the Common Areas, the initial rules and regulations are attached to this Lease as **Schedule 6**; (b) close, if necessary, any of the Common Areas to prevent dedication of any of the Common Areas or the accrual of any rights of any person or of the public to the Common Areas; (c) close temporarily any of the Common Areas for maintenance purposes or for health and safety purposes (e.g. bomb threat, hurricane); (d) select a person, firm or corporation, which may be an entity

related to Landlord, to maintain and operate any of the Common Areas; and (e) designate other lands outside the exterior boundaries of the Center to become part of the Common Areas. Notwithstanding the provisions of this Paragraph, in exercising its rights hereunder, Landlord shall provide Tenant with a means of reasonable access to and from the Premises.

5. BASE/PERCENTAGE RENT:

5.1 Base Rent: Tenant will pay to Landlord as Rent for the use and occupancy of the Premises at the times and in the manner provided below, Base Rent in the amount specified in **Paragraph 1** payable in U.S. funds, in advance starting on the Rent Commencement Date and on or before the first day of each and every successive calendar month thereafter during the Term without demand, setoff or deduction. The obligation of Tenant to pay all Rent and other sums hereunder provided to be paid by Tenant and the obligation of Tenant to perform Tenant's other covenants and duties hereunder constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when an abatement thereof or reduction therein is hereinabove expressly provided for and not otherwise. Tenant waives and relinquishes all rights which Tenant might have to claim any nature of lien against or withhold, or deduct from or offset against any Rent and other sums provided hereunder to be paid Landlord by Tenant. Tenant waives and relinquishes any right to assert, either as a claim or as a defense, that Landlord is bound to perform or is liable for the nonperformance of any implied covenant or implied duty of Landlord not expressly herein set forth.

5.2 Percentage Rent: Payments of Percentage Rent shall be determined and payable within 15 days after the end of the first calendar month in which the Gross Sales of Tenant exceed the Breakpoint during each calendar year, and thereafter within 15 days after the end of each calendar month during and at the end of each calendar year. The amount payable at such times shall be the Percentage Rent rate set out in Paragraph 1 times Gross Sales for the calendar year to the end of the calendar month being reported in excess of the Breakpoint, less any amounts of Percentage Rent for the Lease Year previously paid by Tenant to Landlord. For purposes of determining Percentage Rent, the "**Breakpoint**" shall be the natural break, which is the quotient of the Base Rent for the applicable Lease Year divided by the percentage rate set forth in **Paragraph 1**.

Payments of Annual Percentage Rental during a year in which Tenant does not lease the Premises for a complete calendar year (i.e., first and last years of this Lease) shall be calculated and payable within 15 days after the end of the first calendar month in which Gross Sales of Tenant exceed the Interim Breakpoint (as defined below) for the then current calendar year. The "**Interim Break Point**" shall be calculated by dividing the Breakpoint by 12 and multiplying by the number of calendar months which Tenant shall lease the Premises in the then current Lease Year. The amount payable at such times shall be the Percentage Rent rate set out in **Paragraph 1** times the Gross Sales for the Lease Year to the end of the calendar month being reported in excess of the Interim Break Point, less any amounts of Percentage Rent previously paid for in the Lease Year.

5.3 Monthly Statements: Within fifteen (15) days after the end of each month following the Rent Commencement Date, Tenant will furnish to Landlord a statement in writing certified by Tenant to be correct, showing Gross Sales during such month.

5.4 Books and Records/Audit Rights: Each statement of Gross Sales furnished by Tenant will be certified as correct by Tenant and will show the computations of Gross Sales for Tenant and each of its subtenants, licensees and concessionaires separately. The business of Tenant and any subtenant, licensee or concessionaire on the Premises shall be operated so that a duplicate dated sales slip, dated invoice or dated cash register receipt, serially numbered, shall be issued with each transaction, whether for cash, credit or exchange and Tenant shall utilize, or cause to be utilized, cash registers that record the cumulative dollar amount of all transactions and that may not be reset or such other devices for recording sales transactions as Landlord may in its sole discretion approve. Tenant will keep and maintain on the Premises or at its headquarters elsewhere in the State in which the Center is located full, complete and appropriate books of account and records of the Gross Sales and business relating to the Premises in accordance with sound accounting practice, which books and records will be available for inspection by Landlord, its auditors or other authorized representatives during normal business hours. If at any time during the term hereof, said books and records prove inadequate in the reasonable judgment of Landlord to record Gross Sales in the detail required in this Lease, Tenant will, upon the request of Landlord, procure and maintain such books and records as will be of a character and form adequate for said purposes. Copies of all sales and other

excise tax reports that Tenant, its subtenants and concessionaires may be required to furnish to any governmental agency will at all reasonable times be open for inspection by Landlord at the offices of such agency. Landlord will have the right to audit and examine the books and records of Tenant, its subtenants, licensees and concessionaires as are necessary for a proper determination of the amount of Gross Sales and all such books and records will be held available for such purpose.

- 5.5 Retention of Records/Cost of Audit: Tenant, its subtenants, its licensees and concessionaires will preserve records on which any statement of Gross Sales is based for a period of three (3) years after such statement is rendered. Landlord will pay the costs of the audit unless the audit discloses that Tenant has understated Gross Sales by two percent (2%) or more, in which case Tenant will pay all of Landlord's costs of the audit together with all Additional Rent shown to be due from Tenant to Landlord. If any audit discloses that Tenant has understated Gross Sales by five percent (5%) or more, or if any two (2) out of three (3) consecutive annual audits understate Gross Sales by three percent (3%) or more, Landlord may terminate this Lease and in addition to Landlord's remedies for Tenant's breach of its obligations under this Lease, Tenant will remain liable for the deficiency and costs of audit as provided herein. If at any time Tenant causes an audit of Tenant's business to be made by a certified public accountant or a public accountant, Tenant will, without cost or expense to Landlord, cause such accountant to furnish to Landlord within thirty (30) days after completion of such audit, with a copy of said audit and with a certificate of Gross Sales for the period covered by such audit.
- 5.6 Yearly Statement/Adjustment: Within thirty (30) days after the end of each Lease Year, Tenant will furnish to Landlord a statement in writing certified to be correct showing the total Gross Sales by months made in, on or from the Premises during the preceding Lease Year at which time an adjustment will be made between Landlord and Tenant so that the total Percentage Rent paid for each Lease Year will be a sum equal to the percentage set forth in **Paragraph 1**.
- 5.7 Additional Rent: All sums of money as shall become due and payable by Tenant to Landlord under this Lease, including, without limitation, sales and/or use and/or excise taxes imposed or levied against any Rent or any other charge or payment required hereunder to be made by Tenant to Landlord and Tenant's Percentage Share of Operating Expenses, shall be Additional Rent which Tenant shall be obligated to pay. Landlord shall have the same remedies for default in the payment of additional rent as are available to Landlord in the case of a default in the payment of Base Rent and Percentage Rent. All charges to Tenant by Landlord accruing under this Lease, shall be considered as "**Additional Rent**" and be collectible in the same manner as all other components of Rent hereunder. Base Rent, Percentage Rent, Additional Rent and all other sums payable by Tenant to Landlord hereunder shall be collectively referred to herein as "**Rent**."
- 5.8 Tenant's Efforts: It is acknowledged by the parties hereto that part consideration for the leasing of the Premises to Tenant is payment of Percentage Rent based on Tenant's sales from the Premises. The parties therefore agree that in the event, during the entire Term hereof, either Tenant or any person, firm, or corporation who or which controls or is controlled by Tenant, shall directly or indirectly, either individually or as a partner or stockholder or otherwise, own, operate, or become financially interested in any similar or competing business within a radius of _____ miles from the outside boundary of the Center (which Tenant acknowledges is a reasonable area), except those businesses of Tenant presently in operation [**specifically** _____] then, in such event, the sales of any such business within the restricted radius which would be Gross Sales as if the sales had been conducted from the Premises, shall be included in the Gross Sales of Tenant, and the Percentage Rent hereunder shall be computed upon the aggregate of the Gross Sales from the Premises and such other business and shall be paid by Tenant to Landlord as Percentage Rent.
- 5.9 Taxes Payable by Tenant: Tenant shall be directly responsible for taxes upon, measured by or reasonably attributable to the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Premises or by the cost or value of any leasehold improvements made in or to the Premises by or for Tenant other than the initial improvements to be installed at Landlord's expense regardless of whether title to such improvements is in Tenant or Landlord.
- 5.10 Late Fee / Default Interest. Any installment of Rent not paid when due and payable shall bear interest at eighteen percent (18%) or the highest rate permitted by law per annum from the date due until paid and shall be subject to a late charge in the amount equal to five percent (5%) of the amount due. In the event any check, bank draft or negotiable

instrument given for any payment under this Lease shall be dishonored at any time for any reason whatsoever not attributable to Landlord, Landlord shall be entitled, in addition to any other remedy that may be available, to an administrative charge of Two Hundred Fifty Dollars (\$250.00). No late fee, default interest or the like chargeable by Landlord hereunder shall exceed those charges permitted by the applicable Legal Requirements.

- 5.11 First Month's Rent. The Base Rent installment and the estimated monthly charge for Operating Expenses Rent due for the first full calendar month and any partial month occurring at the beginning of the Term and the Security Deposit, if applicable, shall be delivered to Landlord by Tenant with the delivery of this Lease to Landlord for execution.

6. OPERATING EXPENSES:

- 6.1 Operating Expenses Rent: **[CHOOSE ONLY ONE OF THE FOLLOWING TWO SENTENCES:]** In addition to Base Rent and Percentage Rent, Tenant shall pay Tenant's Percentage Share, as specified in Paragraph 1, of the Operating Expenses paid or incurred by Landlord in such year **“(“Operating Expenses Rent”“).]** **OR [INCLUDE THIS SENTENCE IF THIS IS A BASE YEAR LEASE: In addition to Base Rent and Percentage Rent, Tenant shall pay Tenant's Percentage Share, as specified in Paragraph 1 of the Operating Expenses paid or incurred by Landlord in such year in excess of the Operating Expenses for the Base Year (“Operating Expenses Rent”).]** In addition to Operating Expenses Rent, Tenant shall also pay to Landlord an administrative charge equal to fifteen percent (15%) of the Operating Expenses Rent, to be paid concurrently and in the same manner with Tenant's payment of Operating Expenses Rent. If the Center consists of more than one building, Landlord reserves the right to contract for services and/or utilities on a building wide or Center wide basis. In such instance, Tenant's Percentage Share for such services, utilities or other costs shall be calculated based upon the Net Rentable Area of the building in which the Premises is located compared to the Net Rentable Area of the Center or vice versa.

[DELETE IF NO CAP ON OPERATING EXPENSES - Notwithstanding anything contained herein to the contrary, Tenant's Proportionate Share of Controllable Costs payable by Tenant hereunder shall not increase more than ____% per year of the Term, as determined on a cumulative, compounding basis. “Controllable Costs” means all Operating Expenses other than: (i) Landlord's insurance costs and expenses for all types of insurance carried by Landlord applicable to the Center; (ii) Landlord's utility costs and expenses including, but not limited to, those for electricity, gas, steam, other fuels and forms of power or energy, water charges, sewer and waste disposal, heating and air conditioning; (iii) Taxes, (iv) costs of any security and/or (v) increases to Operating Expenses occasioned by changes to any applicable law which become effective subsequent to the Commencement Date, including, without limitation, increases in the federal or state mandated minimum hourly wage rates.]

- 6.2 Payment: During December of each calendar year or as soon thereafter as practicable, Landlord shall provide Tenant with a written notice of its estimate of Operating Expenses Rent for the ensuing calendar year. On or before the first day of each month during the ensuing calendar year, Tenant will pay to Landlord 1/12th of such estimated amounts, provided that if such notice is not given in December, Tenant will continue to pay on the basis of the prior year's estimate until the month after such notice is given. If at any time or times it appears to Landlord that the amounts payable for Operating Expenses Rent for the current calendar year will vary from its estimate by more than ten percent (10%), Landlord, by written notice to Tenant, will revise its estimate for such year, and subsequent payments by Tenant for such year will be in an amount so that by the end of such year Tenant will have paid a total sum equal to such revised estimate.
- 6.3 Statement: Within one hundred twenty (120) days after the close of each calendar year or as soon after such 120-day period as practicable, Landlord will deliver to Tenant a statement of amounts of Operating Expenses Rent payable under this Lease for such calendar year. If such statement shows an amount owing by Tenant that is more than the estimated payments for such calendar year previously made by Tenant, Tenant will pay the deficiency to Landlord within thirty (30) days after delivery of the statement. If the total of the estimated monthly installments paid by Tenant during any calendar year exceeds the actual expense adjustment amount due from Tenant for such calendar year and provided Tenant is not in default hereunder, such excess shall, at Landlord's option, be either credited against payments next due hereunder or refunded by Landlord to Tenant, or if such adjustment occurs at the expiration of the Term, Landlord shall refund

Tenant's overpayment within thirty (30) days after Tenant vacates the Premises in full accordance with this Lease.

- 6.4 Gross Up. **[INCLUDE THIS PROVISION IF THIS IS A BASE YEAR LEASE: (including the Base Year for purposes of determining Base Year Operating Expenses)]** Notwithstanding any provision of this Paragraph to the contrary, if the building in which the Premises is located (in the event that Operating Expenses Rent is determined by the Net Rentable Area of such building as provided above) or the Center (as applicable), is less than ninety-five percent (95%) leased and/or occupied during any calendar year an adjustment shall be made so that Operating Expenses Rent shall be computed for such year as though ninety-five percent (95%) of the building or Center, as appropriate, had been leased and occupied during the entire Lease Year.
- 6.5 Proration: If for any reason other than the default of Tenant, this Lease terminates on a day other than the last day of a calendar year, the amount of Operating Expenses Rent payable by Tenant applicable to the calendar year in which such termination occurs will be prorated on the basis which the number of days from the commencement of such calendar year to and including such termination date bears to 365.

7. USE OF PREMISES:

- 7.1 Quiet Enjoyment: Tenant shall, and may peacefully have, hold, and enjoy the Premises, subject to the other terms hereof, provided that Tenant timely pays the Rent within any applicable notice and grace period, and timely performs all of Tenant's covenants and agreements herein contained. This covenant and all other covenants of Landlord shall be binding upon Landlord and its successors only with respect to breaches occurring during its or their respective periods of ownership of Landlord's interest hereunder.
- 7.2 Use Restrictions: Tenant will use and occupy the Premises for the Permitted Use specified in **Paragraph 1** and for no other use or purpose. Tenant shall comply with the Rules and Regulations set forth in **Schedule 6** hereto. Furthermore, Tenant shall not suffer or permit the Premises or any part of them to be used in any manner, or suffer or permit anything to be done in or brought into or kept in the Premises, which would in any way: (a) violate any Legal Requirements; (b) cause injury to the Center or any part thereof; (c) constitute a public or private nuisance; (d) alter the appearance of the exterior of the Center or of any portion of the interior other than the Premises pursuant to the provisions of this Lease; (e) involve the use, generation, storage or disposal of Hazardous Substances, or (f) use any portion of the Premises for purposes which will increase the existing rate of insurance upon the Center, or cause cancellation of insurance policies covering the Center. If Landlord's rates increase because of Tenant's activities, Tenant shall pay the difference to Landlord within ten (10) days of demand.

In addition Tenant agrees to use and maintain the Premises in compliance with all Legal Requirements from time to time in force which shall affect (a) Tenant's use of the Premises, (b) the manner or conduct of Tenant's business or operation of Tenant's installations, equipment or other property therein, (c) any cause or condition created by or at the instance of Tenant, and Tenant shall pay all the costs, expenses, fines, penalties and damages which may be imposed upon Landlord by reason of or arising out of Tenant's failure to fully and promptly comply with and observe such laws or which Landlord may incur as a result of Tenant's breach of the above covenants. Tenant shall give prompt notice to Landlord of any notice Tenant receives of the violation of any Legal Requirements with respect to the Premises or the use or occupancy thereof. If Landlord shall be required under this Lease or pursuant to any Legal Requirements to take measures to comply with such Legal Requirements affecting the Premises, Landlord may, at Landlord's option, elect to terminate this Lease by giving not less than thirty (30) days' notice thereof to Tenant unless Tenant shall give evidence satisfactory to Landlord within fifteen (15) days after the giving by Landlord of such notice of termination, that Tenant has commenced steps reasonably calculated to comply with Laws and Regulations at Tenant's sole cost and expense. Furthermore, all personal property placed or moved into the Premises shall be at the risk of Tenant or other owner and Landlord shall not be liable for any damage to personal property, or to Tenant, arising from the bursting or leaking of water pipes or otherwise from any act or omission of any cotenant or occupant of the Center or of any other person.

- 7.3 Continuous Operation: Tenant will not leave the Premises unoccupied or vacant and will continuously conduct and carry on in the Premises the type of business for which the Premises are leased. Tenant will keep in stock in the Premises a full and ample line of merchandise for the purposes of carrying on the business permitted under this Lease.

Tenant will maintain an adequate sales force to properly serve all customers and operate Tenant's business in an efficient and diligent manner. Tenant agrees to be continuously open for business during the hours set forth below, except when Tenant is prevented from doing so by strikes, lockouts or other causes beyond the reasonable control of Tenant. Tenant will also have its window displays, exterior advertising displays adequately illuminated during the hours set forth in **Paragraph 1**. Landlord may at any time and from time to time modify the Center hours and/or designate additional Center hours. Landlord, in its sole discretion, shall have the right to reduce or eliminate operating hours on any or all of the following holidays: New Year's Eve, New Year's Day, Easter Sunday, Thanksgiving Eve, Thanksgiving Day, Christmas Eve, Christmas Day, Labor Day, Memorial Day, and the Fourth of July. If Tenant shall request Landlord's approval of the opening of the Premises for business for periods exceeding those specified above and Landlord shall approve such request, Tenant shall pay for any additional costs incurred by Landlord in connection with Tenant's opening the Premises for business during such additional hours, including but not limited to, any additional amounts of Landlord's costs for heating, ventilating and air-conditioning the Common Areas and the Premises, and additional utilities furnished to the Premises by Landlord.

- 7.4 Trade Name; Tenant's Name: Tenant shall have the right to change its trade name under this Lease from time to time and at any time to any trade name used by substantially all of Tenant's retail stores in the United States subject to Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord shall have the right to refer to Tenant's trade name in any marketing or advertising programs or special promotions for the Center.
- 7.5 Prohibited Uses: In addition, and not by way of limitation of the restrictions on Tenant's use of the Premises set forth herein, Tenant shall not use or permit the use of the Premises in any manner that violates any of the uses listed on **Schedule 7** labeled "Prohibited Uses" or any exclusives now existing or from time to time granted by Landlord to other tenants in the Center. Additionally, Tenant acknowledges and agrees that it shall be subject to and shall comply with the terms and conditions of (i) that certain Operation and Easement Agreement recorded in the public records of Riverside County, California as Instrument No. 156782, as modified by Instrument Nos. 259041, 274852, 141301, 2002-410325, 2003-705441, 235484 and 2014-0194857, which restrictions are covenants running with the land and contain certain restrictions, conditions and requirements applicable against the Center and the Premises, and (ii) any other documents and instruments recorded against the Center (collectively, the "**Agreements**").
- 7.6 Restaurant Operations: Tenant shall provide its own janitorial service for the Premises. All of Tenant's refuse and other waste materials, segregated by category of waste in accordance with such reasonable regulations as Landlord may from time to time adopt, shall be removed by Tenant from the Premises for the disposal by Landlord's trash collectors or in accordance with such other arrangements as Tenant shall make consistent with procedures in effect as of the date hereof (provided such alternate procedures are approved, in advance by Landlord). All kitchen ventilating equipment shall be operated and maintained by Tenant per applicable code to prevent the emission of obnoxious or offensive odors and smoke (other than Tenant's normal and reasonable cooking odors and smoke) from the Premises. Tenant shall maintain in good operating condition and repair the filter and exhaust elements of the heat, ventilating and air conditioning equipment. Tenant shall cause to be installed in the Premises a grease trap and shall maintain, in good operating condition and repair, said grease trap and other equipment installed in the Premises for kitchen waste disposal. If Landlord determines in its commercially reasonable judgment that such equipment is not being properly maintained, Landlord shall notify Tenant in writing of the same specifying the equipment that is not being maintained and Tenant shall commence to maintain said equipment to good operating order; provided, however, that if Tenant does not commence the required maintenance and/or repair within ten (10) days after its receipt (or refusal) of Landlord's notice then Landlord may retain the services of a maintenance company to perform such maintenance and Tenant shall immediately reimburse Landlord, as Additional Rent, the reasonable costs so incurred by Landlord upon demand. Tenant shall also maintain all sanitary waste lines and facilities exclusively serving the Premises and beyond the Premises to the point of intersection with common waste lines, and Landlord shall maintain such lines from the point of intersection to the sewer main. Tenant shall conduct its business on the Premises in a commercially reasonable and first-class manner to insure the maximum in cleanliness and health standards as required by law. If the Premises may be used for the sale of alcoholic beverages, Tenant's liability insurance shall include dram shop or liquor liability coverage. **[IF APPLICABLE]**

8. PARKING:

- 8.1 Tenant's Parking Rights: Within the Common Areas, Landlord will provide parking areas with necessary access for the non-exclusive use by Tenant and its customers, employees and invitees. Only automobiles and pickup trucks will be permitted on the parking areas. Landlord reserves the right to establish parking charges with appropriate provisions for parking ticket validation by Tenant.
- 8.2 Landlord's Control Over Parking: Tenant and its authorized representatives will park their cars only in areas specifically designated for that purpose by Landlord. Within five (5) days after written request by Landlord, Tenant will furnish to Landlord the license numbers assigned to its cars and the cars of all of its authorized representatives. If Tenant or its authorized representatives fail to park their cars in the designated parking areas, Landlord may charge Tenant, as and for liquidated damages Thirty Dollars (\$30) per each day or partial day for each car parked in area other than those designated. Tenant will not park or permit the parking of any vehicles adjacent to loading areas so as to interfere in any way with the use of such areas. Landlord shall have the right, in Landlord's sole discretion, to designate parking spaces for the exclusive use of a particular tenant or particular tenants. Landlord will have the right to institute reasonable procedures and/or methods to enforce the terms of this Paragraph.

9. SIGNS:

- 9.1 Exterior Signage: Subject to Tenant: (i) complying with all applicable Legal Requirements and the Sign Criteria (as hereinafter defined), (ii) obtaining all necessary approvals, permits and consents from the applicable governmental authorities (including, without limitation, the City of Temecula), and (iii) obtaining Landlord's prior reasonable approval to the plans and specifications, Tenant shall have the right to install one (1) sign on the exterior of the front entrance of the Premises ("**Exterior Signage**") as soon as practically possible after the Commencement Date. The cost of design, fabrication, installation, removal and governmental approvals (collectively, "**Signage Costs**") for the Exterior Signage shall be at Tenant's sole cost and expense. Landlord shall review and approve the plans and specifications for the Exterior Signage prior to submission to any governmental authority and shall also have the right to approve any changes to the plans and specifications. The Exterior Signage shall not create any structural issues for the Center and shall be of a design, color scheme and type consistent with the appearance of the Center as determined by Landlord and all signs, decorations and advertising media shall conform to the sign criteria attached as **Schedule 9**. Landlord may designate a uniform type of sign for the Center to be installed and paid for by Tenant. Landlord shall reasonably cooperate with Tenant in connection with Tenant obtaining any necessary permits, approvals and consents for the Exterior Signage; however, Tenant shall reimburse Landlord for any reasonable costs incurred by Landlord in connection with such cooperation. Tenant shall be responsible for maintaining, repairing and insuring the Exterior Signage throughout the Term and any extension thereof. Tenant shall, at its sole cost and expense, also be responsible for removing the Exterior Signage upon termination of the Term and restoring any damage caused by the removal of the same. If Tenant fails to timely remove the Exterior Signage, Landlord shall have the right, but not the obligation to remove the same, restore any damage caused thereby, and charge Tenant, as Additional Rent hereunder, the cost of the removal and the restoration plus a ten percent (10%) administrative fee. Tenant's inability to obtain the necessary permits, approvals or consents for the Exterior Signage shall not entitle Tenant to terminate this Lease, seek a reduction in Rent or obtain any other concessions from Landlord. The parties acknowledge that Tenant's ability to install the Exterior Signage is at Tenant's sole risk. The obligations of Tenant under this Paragraph shall survive any expiration or termination hereof.
- 9.2 Exterior Appearance/Signage Criteria: In addition, Tenant shall not, without Landlord's prior written consent make any changes to or paint the store front; or install any exterior lighting, decorations or paintings; or erect or install any other signs, banners, window or door lettering, placards, decorations or advertising media of any type visible from the exterior or interior of the Premises. All signs, decorations and advertising media shall conform to the sign criteria attached as **Schedule 9** (the "**Sign Criteria**"). Landlord may designate a uniform type of sign for the Center to be installed and paid for by Tenant. For all Tenant signs, at the end of the Term or upon termination of Tenant's right to possess the Premises, or upon the removal or alteration of a sign for any reason, Tenant shall repair, paint, and/or replace the building fascia surface where signs are attached.

[DELETE IF NO PYLON SIGN OR NOT APPLICABLE]

- 9.3 Pylon and Monument Signs, Future Signs: In the event Landlord elects to install a pylon or monument sign during the Term, Tenant shall have the right to place signage identifying Tenant on a panel of such Center pylon sign in the location depicted on Schedule 10. Landlord shall construct, install and maintain such pylon and/or monument sign and Tenant shall pay a pro rata share, with other tenants whose sign panel is on such pylon or monument sign, of Landlord's cost to construct, install and maintain such sign. During the Term of this Lease, subject to complying with the requirements associated with size and placement of Tenant's sign Landlord shall install, maintain, and, at Tenant's request, remove and replace Tenant's signage on any such monument or pylon signs at Tenant's cost and expense. In the event Landlord is unable to complete such work on the monument or pylon signs within the time frame proposed by Tenant's approved contractor, Tenant shall be permitted to have its contractor perform the work provided Tenant indemnifies Landlord against any and all claims, losses and liabilities arising out of such work. During the Term of this Lease, Landlord shall at all times provide and maintain the electrical lines, connections, wiring and electrical service to the pylon and/or monument signs which are intended to be lighted. Tenant shall pay its prorata share of construction, maintenance and utilities based upon the size of its panel and the total square footage of all panels on the pylon sign to Landlord each month along with Tenant's payment of Operating Expenses.

10. ASSIGNMENT, SUBLETTING AND ENCUMBRANCE:

- 10.1 Prohibition. Tenant shall not assign this Lease or sublet ("**Transfer**") any portion of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld, provided Tenant is not in default under this Lease at the time of such request. The parties agree that it shall be reasonable for Landlord, among other things to withhold consent if (i) Landlord is not satisfied with the financial condition, identity, reputation or business character of the proposed assignee or sublessee ("**Transferee**"), (ii) if Landlord or its agents have shown any space in the Center to or attempted to negotiate lease terms with such proposed Transferee regarding other available space in the Center within the preceding six months, or (iii) if such proposed Transferee desires to change the Permitted Use or if the intended use would violate (1) the list of Prohibited Uses set forth on **Schedule 7** attached hereto; or (2) any exclusives now existing or from time to time granted by Landlord to other tenants in the Center. Any change in the majority ownership, interest or control of Tenant, if Tenant is a corporation, partnership, limited liability company or other similar type entity, shall constitute an assignment for purposes of this Paragraph. Notwithstanding any consent by Landlord, Tenant and Guarantor(s), if any, shall remain jointly and severally liable (along with each approved Transferee, which shall automatically become liable for all obligations of Tenant hereunder with respect to that portion of the Premises so transferred), and Landlord shall be permitted to enforce the provisions of this Lease directly against Tenant, Guarantor, if applicable, or any Transferee without proceeding in any way against any other party. In the event of an assignment, contemporaneously with the granting of Landlord's consent, Tenant shall cause the assignee to expressly assume in writing and agree to perform all of the covenants, duties and obligations of Tenant hereunder and such assignee shall be jointly and severally liable therefore along with Tenant. No usage of the Premises different from the Permitted Use shall be permitted, and all other terms and provisions of this Lease shall continue to apply after such assignment or sublease. Tenant hereby waives the provisions of Section 1995.310 of the California Civil Code, or any similar or successor laws, now or hereinafter in effect, and all other remedies, including, without limitation, any right at law or in equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable Legal Requirements, on behalf of the proposed Transferee.

Furthermore, Tenant shall not permit any leasehold, inventory or other financing that may encumber Tenant's rights under this Lease or any personal property or FF&E of Tenant located in the Premises, without first obtaining the prior written consent of Landlord. Landlord may condition such consent upon the lender of tenant entering into an agreement with Landlord regarding conditions for removal of such personal property and/or FF&E and other reasonable Landlord protections.

- 10.2 Consent Process. If Landlord's consent to a Transfer is required hereunder, Landlord may, at its option: (i) approve such Transfer (subject to **Paragraph 10.1** above regarding liability under this Lease); (ii) negotiate directly with the proposed Transferee and, in the event Landlord is able to reach agreement with such proposed Transferee, upon execution of a lease with such Transferee, terminate this Lease (in part or in whole, as appropriate) upon thirty (30) days' notice; (iii) recapture the Premises or applicable portion thereof, as appropriate, from Tenant and terminate this Lease (in part or in whole, as appropriate)

upon thirty (30) days' notice in which case Landlord shall be permitted to lease the Premises to any third party; or (iv) if Landlord should fail to notify Tenant in writing of its decision within a 30-day period after Landlord is notified in writing of the proposed Transfer, Landlord shall be deemed to have refused to consent to such Transfer, and to have elected to keep this Lease in full force and effect. If Landlord consents to any Transfer, Tenant shall pay to Landlord, on demand as additional Rent, an administrative fee of One Thousand Dollars (\$1,000.00) and will reimburse Landlord for all reasonable attorneys' fees and costs associated with Landlord's consent to the Transfer.

- 10.3 No Profit. All cash or other consideration received by Tenant as the proceeds of any Transfer of Tenant's interest in this Lease and/or the Premises, whether consented to by Landlord or not, shall be paid to Landlord, notwithstanding the fact that such proceeds exceed the Rent due hereunder, unless retention of such funds is in violation of any Governmental Requirements or Landlord agrees to the contrary in writing, and Tenant hereby assigns all rights it might have or ever acquire in any such proceeds to Landlord. This covenant and assignment shall benefit Landlord and its successors in ownership of the Center and shall bind Tenant and Tenant's heirs, executors, administrators, personal representatives, successors and assigns. Any assignee, sublessee or purchaser of Tenant's interest in this Lease, by occupying the Premises and/or assuming Tenant's obligations hereunder, shall be deemed to have assumed liability to Landlord for all amounts paid to persons other than Landlord in consideration of any such sale, assignment or subletting, in violation of the provisions hereof.

11. MAINTENANCE, REPAIRS, ALTERATIONS:

- 11.1 Tenant's Obligations: At Tenant's sole cost, Tenant will comply with all Legal Requirements. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the Premises shall, at the option of Landlord, be deemed a breach thereof. **[IF LANDLORD IS CONSTRUCTING IMPROVEMENTS ADD -- except as may be contained on Schedule 3,]** Tenant has agreed to accept the Premises in its "AS IS" condition without any representation or warranty of any kind. Upon entry into the Premises, Tenant acknowledges that the Premises are in good order and repair. Tenant shall, at its own expense and at all times, maintain the Premises in good and safe condition, including plate glass, electrical wiring, plumbing and HVAC installations and any other systems or equipment upon the Premises and shall surrender the same, at termination hereof, in as good condition as received, normal wear and tear excepted. As part of its air conditioning maintenance obligation, Tenant shall enter into an annual contract with an air conditioning repair firm which is fully licensed to repair air conditioning units in the State in which the Center is located. No later than thirty (30) days prior to the Commencement Date and annually thereafter, Tenant shall deliver to Landlord a copy of the air conditioning maintenance contract and proof that the annual premium for such contract has been paid. Such air conditioning maintenance firm shall (i) regularly service the air conditioning unit(s), changing belts, filters and other parts as required, (ii) perform emergency and extraordinary repairs on the air conditioning units, and (iii) keep a detailed record of all services performed at the Premises and prepare a yearly report to be furnished to Landlord promptly at the end of each calendar year.

In addition, Tenant, at Tenant's expense, shall be responsible for all repairs required to the Premises, except those set forth in **Paragraph 11.5** that are the responsibility of Landlord, the cost of which are included in Operating Expenses.

- 11.2 Limitations: Tenant may not make any improvements or alterations to the Premises without the prior written consent of Landlord. Notwithstanding the foregoing, Tenant may make any improvements or alterations to the Premises if they are nonstructural, do not affect any building system, cost less than Five Thousand Dollars (\$5,000) (in the aggregate), cannot be seen from the exterior of the Premises, and otherwise comply with all Legal Requirements and the following provisions of this Paragraph. Prior to the commencement of any repair, improvement, or alteration, Tenant shall give Landlord at least two (2) business days written notice in order that Landlord may post appropriate notices to avoid any liability for liens. All repairs, improvements or alterations will be made by a licensed and insured contractor consented to by Landlord and performed in a good and workmanlike manner. All materials used shall be of a quality comparable to or better than those in the Premises and shall be in accordance with plans and specifications approved by Landlord.

Tenant will not place or suffer to be placed or maintained on the exterior of the Premises or in any part of the Center any sign, advertising matter or any other thing of any kind, and will not place or maintain any decoration, letter or advertising matter on the glass of

any window or door of the Premises or interior sign visible from outside the Premises without first obtaining Landlord's prior written approval. Tenant will, at its sole cost and expense, maintain such sign, decoration, lettering, advertising matter or other thing as may be permitted hereunder in good condition and repair at all times. Under no circumstances shall Tenant be permitted to place hand-lettered advertising on the exterior of the Premises or any glass of any window or door of the Premises.

Tenant will not paint or decorate any part of the exterior of the Premises, or any part of the interior visible from the exterior thereof, without first obtaining Landlord's written approval. Tenant will install and maintain at all times, subject to the other provisions of this Paragraph, displays of merchandise in the windows (if any) of the Premises. All articles, and the arrangement, style, color and general appearance thereof, in the interior of the Premises including, without limitation, window displays, advertising matter, signs, merchandise and store fixtures, shall be in keeping with the character and standards of the improvements within the Center, as determined by Landlord. Landlord reserves the right to require Tenant to correct any nonconformity at Tenant's sole cost.

Before commencing any improvements or alterations to the Premises, Tenant shall give Landlord at least ten (10) days' prior written notice of the proposed commencement of such improvements or alterations (to, among other things, afford Landlord an opportunity to post appropriate notices of non-responsibility pursuant to California Civil Code §3094 or any successor statute). Immediately upon completion of any improvements or alterations to the Premises, Tenant shall, upon Landlord's request, cooperate with Landlord in effecting the recordation of a notice of completion in the office of the recorder in Riverside County, in accordance with California Civil Code § 3093 or any successor statute.

11.3 Liens: Tenant will pay all costs of construction done by it or caused to be done by it on the Premises as permitted by this Lease. Tenant will keep the Center free and clear of all construction, mechanic's, materialman's, laborer's and supplier's liens, resulting from construction done by or for Tenant. The interest of Landlord in the Premises and the Center shall not be subject to liens for improvements made by Tenant. Any lien filed by any contractor, materialman, laborer or supplier performing work for Tenant shall attach only to Tenant's interest in the Premises. Tenant agrees to indemnify, defend and hold harmless Landlord from and against any and all costs and liabilities (including attorneys' fees and expenses) and any and all construction, mechanic's, materialman's, laborer's or supplier's liens arising out of or pertaining to any improvements or construction done by Tenant. All persons and entities contracting or otherwise dealing with Tenant relative to the Premises or the Center are hereby placed on notice of the provisions of this Paragraph, and Tenant shall further notify in writing such persons or entities of the provisions of this Paragraph prior to commencement of any Tenant work in the Premises. If any construction, mechanic's, materialman's, laborer's or supplier's lien is ever claimed, fixed or asserted against the Premises or any other portion of the Center in connection with any such Tenant work, Tenant shall, within ten (10) days after receipt by Tenant of notice of such lien, discharge same as a lien either by payment or by posting of any bond as permitted by law. Notwithstanding the foregoing, upon written request by Landlord, Tenant shall promptly (but in no event later than ten (10) days following receipt of such request) cause any such lien to be released by posting a bond in accordance with California Civil Code §3143 or any successor statute. If Tenant shall fail to discharge any such lien, whether valid or not, within ten (10) days after receipt of notice from Landlord, Landlord shall have the right, but not the obligation, to discharge such lien on behalf of Tenant and all costs and expenses incurred by Landlord associated with the discharge of the lien, including, without limitation, attorneys' fees, shall constitute Additional Rent hereunder and shall be immediately due and payable by Tenant.

11.4 Surrender of Premises: On the last day of the Term hereof or on any earlier termination, Tenant shall surrender the Premises to Landlord in the same condition as when received, ordinary wear, tear and casualty excepted, and clear and free of debris. Tenant shall repair any damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, furnishings and equipment. Any of Tenant's property remaining in the Premises after the expiration or earlier termination of this Lease shall be deemed abandoned by Tenant, and Landlord, in addition to all other rights and remedies it may have, shall have the right to keep in place and use all of such property in the Premises and/or remove any or all of such property from the Premises, which may then be disposed of, or stored at the cost of and for the account of Tenant. Landlord shall not be responsible for the care or safekeeping of any such property and Tenant waives any claim

against Landlord relating thereto. The provisions of this subparagraph shall survive the expiration or earlier termination of this Lease.

11.5 **Landlord Repairs.** Landlord will maintain the roof (exclusive of flashing around the rooftop air conditioning unit), foundations, and exterior walls of the Premises (except those exterior walls which contain an entrance to or exit from the Premises) and utility lines (other than those exclusively serving the Premises) outside the exterior walls of the Premises, the Common Areas and Parking Facilities; provided that in each case Landlord shall have received prior written notice of the necessity of such repairs from Tenant. Notwithstanding the foregoing, if any such repair is required by reason of Tenant's failure to comply with any of Tenant's obligations in this Lease or the negligence of Tenant or any of Tenant's agents, concessionaires, officers, employees, licensees, customers, burglar or vandal, or other person using the Premises with or without the consent of Tenant or anyone authorized by Tenant, or the result of Tenant's acts or the installation of its equipment and property, Tenant shall, at its expense, promptly make such repairs. Tenant shall promptly give Landlord written notice of any damage to the Premises requiring repair by Landlord. Landlord shall not be liable for any damages resulting from its failure to make repairs. In no event shall Landlord be liable for any damages resulting from any such repairs if the same are necessitated due to the acts or omissions of Tenant, its agents, employees or contractors. Except as expressly set out in this Lease, Landlord shall have no obligation to repair, maintain, alter, replace, or modify the Premises or any part thereof, or any plumbing, heating, electrical, air conditioning, or other mechanical installation therein, or serving same. Tenant hereby grants to Landlord such licenses and easements in and over the Premises or any portion or portions thereof as shall be reasonably appropriate for the installation or maintenance of mains, conduits, pipes, or other facilities to serve the Center or any part thereof. Landlord will have the right to enter the Premises at any reasonable time to inspect the condition thereof, to make necessary repairs or improvements. Tenant hereby waives any and all rights (a) under and benefits of subsection 1 of Section 1932, and Sections 1941 and 1942 of the California Civil Code, or any similar or successor laws now or hereinafter in effect, and/or (b) to make repairs at the expense of Landlord, or to deduct the cost thereof from Rent.

11.6 **Trash:** Tenant shall keep any garbage, trash, rubbish or other refuse in containers (safe from rodents and other vermin) within the interior of the Premises, and shall deposit such trash, on a daily basis, in designated receptacles provided by Landlord or Landlord's trash removal agent, or trash receptacle or receptacles to be provided by Tenant at Landlord's direction and pursuant to Landlord's specifications, hereinafter collectively referred to as the "trash receptacles". Landlord shall arrange for the collection of trash from the trash receptacles, and Tenant shall pay a portion of the costs thereof as provided in this Subparagraph. At Landlord's option, Tenant's share of trash removal expense ("**Trash Removal Charge**") shall be calculated by (i) multiplying such Landlord's trash removal costs by Tenant's Percentage Share (multiplied by 3 if Tenant uses the Premises for restaurant, nightclub, or food service operations – the cost of trash removal for restaurants, nightclubs, and food service operations being greater than that for retail operations, Landlord will allocate such costs between these types of tenants so as to take such increased costs into account; for this purpose, the cost of trash removal for restaurants, nightclubs and food service operations is stipulated to be 3 times greater than the cost for retail operations), or (ii) estimating the tonnage of trash generated by Tenant. Tenant's Trash Removal Charge shall be payable to Landlord as Additional Rent (either as a portion of Tenant's Percentage Share of Operating Expenses or as a separate assessment, as determined by Landlord). In addition, Tenant shall comply with all laws, ordinances, regulations and rules regarding recycling of trash, including any rules and regulations of Landlord with respect thereto. Tenant shall pay the costs associated with recycling in conformity with Tenant's share of trash removal set forth above.

12. **ENTRY AND INSPECTION:** Tenant shall permit Landlord or Landlord's agents to enter upon the Premises at reasonable times upon verbal notice for the purpose of inspecting the same, performing any services required of Landlord hereunder and showing the Premises to potential and existing mortgagees and purchasers and prospective tenants of other space in the Center. Notwithstanding the foregoing, Landlord is not required to give notice to Tenant if Landlord must enter the Premises because of an emergency or for the provision of janitorial services. Tenant will permit Landlord at any time within one hundred eighty (180) days prior to the expiration of this Lease, to place upon the Premises any usual "To Let" or "For Lease" signs, and permit potential tenants to inspect the Premises.

13. **INDEMNIFICATION:**

- 13.1 Tenant agrees to and shall indemnify, defend and hold Landlord harmless from and against any and all claims, demands, losses, damages, costs and expenses (including attorneys' fees and expenses) or death of or injury to any person or damage to any property whatsoever arising out of Tenant's acts or omissions, or relating to Tenant's breach or default under this Lease, including, but not limited to, Tenant's use or occupancy of the Premises or caused by Tenant or its agents, employees or invitees unless caused by the gross negligence of Landlord. Landlord shall not be liable to Tenant for any damage by or from any act or negligence of any co-tenant or other occupant of the Center or by any owner or occupant of adjoining or contiguous property. Tenant agrees to pay for all damage to the Center as well as all damage to tenants or occupants thereof caused by misuse or neglect of said Premises, its apparatus or appurtenances or the Common Areas or the Center, by Tenant or Tenant's employees, agents and invitees. The provisions of this **Paragraph 13.1** shall survive the expiration or earlier termination of this Lease.
- 13.2 Release. Tenant for itself and its heirs, legal representatives, successors and assigns (the "**Releasing Parties**"), does hereby fully and forever release, remise, acquit and discharge Citivest Commercial Investments, LLC, Advisors Asset Services California, Inc., Coldwell Bank Commercial Advisors, Landlord and all its property management agent(s), and their respective partners, managers, members, officers, directors, employees, agents, attorneys, affiliates, subsidiaries, parents, heirs, legal representatives, successors and assigns (the "**Released Parties**"), and each of them, of and from any and all claims, demands, debts, obligations, liabilities, bonds, notes, guaranties, controversies, agreements, actions, causes of action, suits, damages (including direct, special, consequential, remote, foreseeable, unforeseeable, and punitive damages), legal fees and other responsibilities of any nature or kind whatsoever, at law, in equity, or otherwise, liquidated or unliquidated, known or unknown, sounding in tort, in contract, or under any other legal theory, or arising under statute or under any other law or regulation, and whether contingent or matured (specifically including, without limitation, damage and liabilities allegedly arising as a result of the Released Parties' own negligence, gross negligence, willful misconduct, misfeasance, malfeasance or fault of any nature or kind) which the Releasing Parties, or any of them, now have or has or could have against or involving the released parties, or any of them, heretofore having arisen, or arising hereafter, out of or in any way in connection with any act or omission or alleged act or omission of any of the Released Parties in connection with this Lease, the termination of this Lease, publication of any information relating to any dispute with Tenant (if any), threats of legal action to obtain possession of the Premises or otherwise, and the negotiation and execution of this Lease. The provisions of this **Paragraph 13.2** shall survive the termination of this Lease.

14. TENANT'S INSURANCE: At all times during the term of this Lease, Tenant shall, at its sole expense, procure and maintain the following types of insurance coverage:

- 14.1 Commercial General Liability: Commercial general liability insurance, including bodily injury and property damage liability, products and completed operations, personal and advertising injury liability, and fire damage liability against any and all damages and liability, including attorneys' fees and expenses, on account of or arising out of injuries to or the death of any person or damage to property, however occasioned, in, on or about the Premises in amounts not less than Two Million Dollars (\$2,000,000) per occurrence, Three Million Dollars (\$3,000,000) annual aggregate, and Five Hundred Thousand Dollars (\$500,000) in fire damage liability;
- 14.2 Plate Glass: Insurance on all plate or tempered glass in or enclosing the Premises, for the replacement cost of such glass;
- 14.3 Personal Property: Insurance on an "all risks" basis covering 100% of the replacement cost value of property at the Premises including, without limitation, leasehold improvements, trade fixtures, merchandise, furnishings, equipment, goods and inventory;
- 14.4 Boiler & Machinery: Where applicable, insurance covering central heating, air conditioning and ventilating systems, refrigeration equipment, machinery and electrical equipment, boilers and other high pressure piping and machinery, and other similar apparatus installed in the Premises, including business income loss;
- 14.5 Business Income: (a) Business interruption insurance for a period of not less than twelve (12) months from the date of fire or casualty; and (b) Loss of rents insurance to cover rental loss of Landlord for a period of not less than twelve (12) months from the date of

fire or casualty caused by Tenant or Tenant's invitees, contractors, agents or employees, naming Landlord as loss payee;

- 14.6 Employer's Liability/Workers' Compensation: Employer's liability insurance with limits not less than One Million Dollars (\$1,000,000), and workers' compensation insurance providing statutory state benefits for all persons employed by Tenant in connection with the Premises as required by applicable law;
- 14.7 Sprinkler Leakage: Insurance covering damage from leakage of sprinkler systems now or hereafter installed in the Premises in an amount not less than the current replacement cost covering Tenant's leasehold improvements, trade fixtures, merchandise, furnishings, equipment, goods and inventory;
- 14.8 Flood, Earthquake & Water Damage: Insurance covering damage from earthquakes, floods and other water damage in an amount not less than the current replacement cost covering Tenant's leasehold improvements, trade fixtures, merchandise, furnishings, equipment, goods and inventory; and
- 14.9 Other Insurance: Such other insurance and in such amounts as may be required by Landlord against other insurable hazards as at the time are commonly insured against by prudent owners of comparable centers in the area in which the Center is located.
- 14.10 Form of Insurance/Companies: All insurance provided for in **Paragraph 14** hereof shall be in a form satisfactory to Landlord and carried with insurance companies reasonably acceptable to Landlord that are licensed or authorized to do business in the State in which the Center is located, are in good standing with the Department of Insurance in the State in which the Center is located and have a current rating issued by A.M. Best Company of not less than A:VII, and/or whose claim paying ability is rated no lower than A by Standard & Poor's Ratings Service and A2 by Moody's Investors Service. Insurance coverage shall be written as primary policy coverage and not contributing with or excess of any coverage, which Landlord may carry, and Citivest Commercial Investments, LLC, Advisors Asset Services California, Inc., Coldwell Bank Commercial Advisors, Landlord, and Landlord's managing agent shall be named as Additional Insureds with respect to Commercial General Liability and Automobile Liability, including any Umbrella or Excess policies. Tenant shall furnish Landlord at the inception of this Lease (i) a Certificate of Insurance evidencing that all such insurance is in effect and that Landlord will be given at least thirty (30) days prior written notice of cancellation or non-renewal, and (ii) proof that premiums have been paid by Tenant. Not later than fifteen (15) days prior to the expiration of any insurance policy, evidence of renewals or replacements of such policy shall be delivered to Landlord, together with proof of payment of the associated premiums. In the event Tenant shall fail to procure any contract of insurance required under the terms hereof or any renewal of or replacement for any contract of insurance that is expiring or has been canceled, Landlord may, but shall not be obligated to, procure such insurance on behalf of Tenant and the cost thereof shall be payable to Landlord as additional Rent within ten (10) days following written demand therefor.
- 14.11 Subrogation: Landlord and Tenant shall each obtain from their respective insurers under all policies of property insurance maintained by either of them at any time during the term hereof insuring or covering the Premises, a waiver of all rights of subrogation which the insurer of one party might otherwise have, if at all, against the other party.

15. LANDLORD'S INSURANCE:

- 15.1 All Risk: Landlord (or its principals naming Landlord as an additional insured) shall, as part of the Operating Expenses, maintain fire and extended coverage insurance on the Center and the Premises (which may include vandalism and malicious mischief coverage) and such endorsements as Landlord may require or is otherwise reasonably consistent with other similarly situated centers) in an amount not less than the full replacement value thereof (which may be exclusive of foundations), or in such amounts as any mortgagee of Landlord shall require, with such deductibles as shall be determined by Landlord from time to time. Landlord (or its principals naming Landlord as an additional insured) reserves the right to self-insure the Center. Landlord (or its principals naming Landlord as an additional insured) also reserves the right to provide the insurance required hereunder as part of a blanket policy (collectively, "**Landlord's Insurance**"). All insurance obtained by Landlord in connection with the Center shall be passed through to the tenants of the Center, including Tenant, as part of the Operating Expenses, and payments for losses thereunder shall be made solely to Landlord or Landlord's mortgagee

as their interests shall appear. In the event of self-insurance, the premium cost equivalency of such policy or policies shall be a part of the Operating Expenses. In the event of blanket insurance, Landlord shall reasonably allocate the portion of the blanket premium to the Operating Expenses for the Center.

- 15.2 Liability: Landlord shall, as part of the Operating Expenses, maintain a policy or policies of commercial general liability insurance with respect to the Common Areas and the activities thereon in such amounts as Landlord or any mortgagee of Landlord may require. In the event of self-insurance (as referenced above), the premium cost equivalency of such policy or policies shall be part of the Operating Expenses.
- 15.3 Other: Landlord may purchase insurance for windstorm, flood, plate glass, sign, automobile, sinkhole, business income, Rent loss, liquor liability, terrorism, earthquake and such other insurance that Landlord or any mortgagee of Landlord may require in their sole discretion and with such deductibles as Landlord may desire. The costs of all such insurance shall be part of the Operating Expenses. Landlord may hereafter raise or lower such coverage in such amounts as may from time to time be prudent to Landlord within its sole discretion or as Landlord's mortgagee may require.

16. UTILITIES AND SERVICES:

- 16.1 Standards: Landlord will provide, at points in or near the Premises, the facilities necessary to enable Tenant to obtain for the Premises water, electricity, telephone and sanitary sewer service. Tenant shall not at any time over burden or exceed the capacity of the mains, feeders, ducts, conduits, or other facilities by which such utilities are supplied to, distributed in or serve the Premises. If Tenant desires to install any equipment which shall require additional utility facilities or utility facilities of a greater capacity than the facilities provided by Landlord, such installation shall be subject to Landlord's prior written approval of Tenant's plans and specifications therefor. If Landlord approves such installation and if Landlord provides such additional facilities to accommodate Tenant's installation, Tenant agrees to pay Landlord, on demand, the cost for providing such additional utility facilities or utility facilities of greater capacity.

Landlord shall have the option to supply such utilities to the Premises. If Landlord shall elect to supply such utilities to the Premises, Tenant will purchase its requirements for such service tendered by Landlord, and Tenant will pay Landlord, within ten (10) days after mailing by Landlord to Tenant of statements therefor, at the applicable rates determined by Landlord from time to time which Landlord agrees shall not be in excess of the public utility rates for the same service, if applicable. If Landlord so elects to supply such utilities, Tenant shall execute and deliver to Landlord, within ten (10) days after request therefor, any documentation reasonably required by Landlord to effect such change in the method of furnishing of such utilities.

- 16.2 Temporary Interruption: Landlord reserves the right, without any liability to Tenant and without affecting Tenant's covenants and obligations hereunder, to stop or interrupt or reduce any of the services listed in this Paragraph or to stop or interrupt or reduce any other services, required of Landlord under this Lease, whenever and for so long as may be necessary, by reason of (i) accidents, emergencies, strikes or the occurrence of any of other Events of Force Majeure, (ii) the making of repairs or changes which Landlord is required by law or is permitted by this Lease to make or in good faith deems necessary, (iii) difficulty or excessive expense in securing proper supplies of fuel, steam, water, electricity, or (iv) any other cause beyond Landlord's reasonable control, whether similar or dissimilar to the foregoing. Landlord does not warrant that the services provided for in this Lease will be free from interruption or stoppage resulting from the above causes, and specifically no reduction, interruption or stoppage of any such services for any reason, shall ever be construed as an eviction of Tenant nor shall the same cause any abatement of the Rent payable hereunder or in any manner or for any purpose relieve Tenant from any of Tenant's obligations hereunder, and in any event, Landlord shall not be liable for any loss, cost or damage, direct or consequential, of any nature arising in connection with interruption or stoppage of any of such services or for any damage to persons or property resulting therefrom; provided, however, Landlord agrees to use reasonable diligence to resume the service or to cause the same to be resumed. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Paragraph.

- 16.3 **Security:** Landlord shall have no obligation to provide any security whatsoever for the Premises, the Center and/or Tenant's business therein. Tenant does hereby acknowledge and agree that it shall provide and be solely responsible for its own security, at Tenant's sole cost and expense, as may be required for the operation of Tenant's business within the Premises and Landlord shall have no liability to any Tenant and its employees, agents or invitees for losses due to theft or burglary, or for damages done by unauthorized persons in the Premises, any parking facility, or the Center or for any injury, trauma or other harm to any person, and neither shall Landlord be required to insure against any such losses. Tenant shall be responsible for all repairs and replacements of damage and/or destruction of the Premises necessitated by burglary or attempted burglary, or any other illegal or forcible entry into the Premises. Notwithstanding the foregoing, Tenant acknowledges and agrees Landlord may, but will not be required to, adopt and provide security services for the Center from time to time. Tenant shall cooperate fully in any efforts of Landlord to maintain security in the Center and shall follow all rules and regulations promulgated by Landlord with respect thereto. However, any security services that are voluntarily undertaken by Landlord may be changed or discontinued from time to time in Landlord's sole and absolute discretion, without liability to any Tenant and its employees, agents or invitees. Tenant or any of its employees, agents or invitees waive any claims it may have against Landlord arising out of any security services provided by Landlord, or the inadequacy or absence thereof, specifically including Landlord's negligence with respect to the providing or failure to provide such services.
- 16.4 **Release of Landlord:** Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage which may be occasioned by or through the acts or omissions of persons occupying space adjoining, adjacent to or connecting with the Premises or any other part of the Center, or otherwise, or for any loss or damage resulting to Tenant, or those claiming by, through or under Tenant, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, and water, gas, sewer or steam pipes or from theft or burglary. To the maximum extent permitted by law, Tenant agrees to use and occupy the Premises and to use such other portions of the Center as Tenant is herein given the right to use, at Tenant's own risk.
17. **CONDEMNATION:** If the whole or substantially the whole of the Center or Premises should be taken for any public or quasi-public use, by right of eminent domain or otherwise or should be sold in lieu of condemnation, then this Lease shall terminate as of the date when physical possession of the Center and/or Premises is taken by the condemning authority. If less than the whole or substantially the whole of the Center or the Premises is thus taken or sold, Landlord (whether or not the Premises are affected thereby) may, at its option, terminate this Lease by giving written notice thereof to Tenant; in which event this Lease shall terminate as of the date when physical possession of such portion of the Center or the Premises is taken by condemning authority. If this Lease is terminated upon any such taking or sale, and if the Premises are affected, the Base Rent payable hereunder shall be diminished by an equitable amount, and Landlord shall, to the extent Landlord deems feasible, restore the Center and, if affected, the Premises to substantially their former condition, but such work shall not exceed the scope of the work done by Landlord in originally constructing the Center and installing the any work, if constructed by Landlord pursuant to **Schedule 3** in the Premises, nor shall Landlord in any event be required to spend for such work an amount in excess of the amount received by Landlord as compensation for such taking. All amounts awarded upon a taking of any part or all of the Center or Premises shall belong to Landlord, provided that Tenant shall not be entitled to and expressly waives all claims to any such compensation. All sums which may be payable on account of any condemnation shall belong solely to Landlord, and Tenant shall not be entitled to any part thereof, provided however, that Tenant shall be entitled to retain any sum awarded to it for its trade fixtures or moving expenses, provided that such Tenant award shall not reduce Landlord's award. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor laws.
18. **TRADE FIXTURES:** Any and all improvements made to the Premises during the Term hereof shall, unless Landlord requests their removal, belong to Landlord without compensation, allowance or credit to Tenant, except movable trade fixtures of Tenant which can be removed without defacing the Premises or any portion of the Center. Tenant shall be directly responsible for taxes upon, measured by or reasonably attributable to the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Premises or by the cost or value of any leasehold improvements made in or to the Premises by or for Tenant other than the initial improvements to be installed at Landlord's expense regardless of whether title to such improvements is in Tenant or Landlord.

19. DESTRUCTION OF PREMISES:

- 19.1 Termination or Repair. If the Premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give prompt written notice thereof to Landlord if Landlord does not otherwise have actual knowledge thereof. In case the Center shall be so damaged that substantial alteration or reconstruction of the Center shall, in Landlord's sole opinion, be required (whether or not the Premises shall have been damaged by such casualty), or in the event any mortgagee of Landlord's interest in the Center should require that the insurance proceeds payable as a result of a casualty be applied to the payment of the mortgage debt, or in the event of any material uninsured loss to the Center, Landlord may, at its option, terminate this Lease by notifying Tenant in writing of such termination within ninety (90) days after the date of such casualty. If Landlord does not elect to terminate this Lease, Landlord shall commence and proceed with reasonable diligence to restore the Center and any work constructed by Landlord pursuant to **Schedule 3**, if any; except that Landlord's obligation to restore shall not require Landlord to spend for such work an amount in excess of the insurance proceeds actually received by Landlord as a result of the casualty. Notwithstanding anything to the contrary contained in this Paragraph, Landlord shall not have any obligation whatsoever to repair, reconstruct, or restore the Premises when the damage resulting from any casualty contained under this Paragraph occurs during the last twenty-four (24) months of the Term.
- 19.2 Abatement of Rent. Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting in any way from such casualty damage or the repair thereof; except that, subject to the previous provisions of this Lease and of the next sentence, Landlord shall allow Tenant a fair diminution of Rent during the time and to the extent the Premises are unfit for occupancy and Tenant fails to open for business in the Premises or damaged portion thereof. If the Premises or any other portion of the Center be damaged by fire or other casualty resulting from the fault or negligence of Tenant or any of Tenant's agents, contractors, employees, or invitees, the Rent hereunder shall not be diminished during the repair of such damage, and, additionally, Tenant shall be liable to Landlord for the cost of the repair and restoration of the Center caused thereby to the extent such cost and expense is not covered by insurance proceeds.
- 19.3 Last Year of Term. If any material damage or destruction occurs to the Premises (or the Building materially impairing use of the Premises) during the last year of the Term, Tenant may terminate this Lease upon written notice to Landlord within thirty (30) days after the occurrence of the damage or destruction.
- 19.4 Applicable Laws. This Lease shall be considered an express agreement governing any case of damage to or destruction of, or any part of, the Center or the Premises by fire or other peril, and any laws, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any similar or successor laws now or hereinafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises or the Center.

20. HAZARDOUS SUBSTANCES:

- 20.1 Tenant's Responsibilities: At its own expense, Tenant will 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. Tenant will not cause or permit any Hazardous Substance to be brought upon, kept or used in or about the Center by Tenant, its agents, employees, contractors or invitees without the prior written consent of Landlord except for the routine cleaning supplies that may be deemed Hazardous Substances provided such Hazardous Substances are stored, used and removed in compliance with all Legal Requirements and Environmental Laws. Tenant will cause any and all Hazardous Substances brought upon the Premises by Tenant to be removed from the Premises and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes. Tenant will, in all respects, handle, treat, deal with and manage any and all Hazardous Substances in, on, under or about the Premises in total conformity with all applicable Environmental Laws and prudent industry practices regarding management of such Hazardous Substances. Upon expiration or earlier termination of the Term, Tenant will cause all Hazardous Substances placed on, under or about the Premises by Tenant or at Tenant's direction to be removed and transported for use, storage or disposal in accordance and compliance with all applicable Environmental Laws. Tenant will not take any remedial action in

response to the presence of any Hazardous Substances in or about the Premises or the Center, nor enter into any settlement agreement, consent decree or other compromise in respect to any claims relating to any Hazardous Substances in any way connected with the Premises without first notifying Landlord of Tenant's intention to do so and affording Landlord ample opportunity to appear, intervene or otherwise appropriately assert and protect Landlord's interests with respect thereto.

- 20.2 **Indemnification:** If the Premises or the Center become contaminated in any manner for which Tenant is legally liable or otherwise become affected by any release or discharge of a Hazardous Substance, Tenant shall immediately notify Landlord of the release or discharge of the Hazardous Substance, and Tenant shall indemnify, defend and hold harmless Landlord from and against any and all claims, damages, fines, judgments, penalties, costs, liabilities or losses (including, without limitation, a decrease in value of the Center or the Premises, damages caused by loss or restriction of rentable or usable space, or any damages caused by adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorneys' fees and expenses, consultant fees and expert fees) arising during or after the Term and arising as a result of such contamination, release or discharge. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal or restoration mandated by federal, state or local agency or political subdivision. This provision of this Paragraph **20.2** shall survive termination of this Lease.

21. EVENTS OF DEFAULT: If one or more of the following events ("**Event of Default**") occurs, such occurrence constitutes a breach of this Lease by Tenant:

- 21.1 **Abandonment/Vacation:** Tenant abandons or vacates the Premises or removes furniture, fixtures or personal property from the Premises, except in the normal course of business. Tenant waives any right to notice Tenant may have under Section 1951.3 of the California Civil Code, the terms of this **Paragraph 21.1** being deemed such notice to Tenant as required by said Section 1951.3; or
- 21.2 **Rent:** Tenant fails to pay any monthly Base Rent or Operating Expenses Rent, if applicable, as and when the same becomes due and payable, and such failure continues for more than five (5) days from the date due; or
- 21.3 **Other Sums:** Tenant fails to pay any Additional Rent, other sum or charge payable by Tenant hereunder as and when the same becomes due and payable, and such failure continues for more than fifteen (150) days after Landlord gives written notice thereof to Tenant; or
- 21.4 **Other Provisions:** Tenant fails to perform or observe any other agreement, covenant, condition or provision of this Lease to be performed or observed by Tenant as and when performance or observance is due (or immediately if the failure involves a hazardous condition), and such failure continues for more than fifteen (15) days after Landlord gives written notice thereof to Tenant, or if the default does not involve a hazardous condition and cannot be reasonably cured within said fifteen (15) day period and Tenant fails promptly to commence with due diligence and dispatch the curing of such default within said 15-day period or, having so commenced, thereafter fails to prosecute or complete with due diligence and dispatch the curing of such default, provided such cure does not take more than forty-five (45) days in the aggregate; or
- 21.5 **Insolvency:** Tenant [**or Guarantor, if any**] (a) files or consents by answer or otherwise to the filing against it of a petition for relief or reorganization or arrangement or any other petition in bankruptcy or liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction; (b) makes an assignment for the benefit of its creditors; (c) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any substantial part of its property; or (d) takes action for the purpose of any of the foregoing; [**and in the case of Guarantor a replacement for Guarantor acceptable to Landlord is not provided within thirty (30) days after the filing or occurrence of any matters in Subparagraph (a)-(d) above**]; or
- 21.6 **Receiver:** A court or governmental authority of competent jurisdiction, without consent by Tenant [**or Guarantor, as applicable**], enters an order appointing a custodian, receiver, trustee or other officer with similar powers with respect to Tenant [**or Guarantor, if any**], or with respect to any substantial power of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding up or liquidation of Tenant, or if any such petition is filed against

Tenant [or Guarantor] and such receivership or petition is not dismissed within sixty (60) days; or

21.7 Attachments: This Lease or any estate of Tenant hereunder is levied upon under any attachment or execution and such attachment or execution is not vacated within sixty (60) days; or

21.8 Assignment/Sublease: Tenant assigns this Lease or subleases all or any portion of the Premises in violation with the terms and conditions of **Paragraph 10**.

22. REMEDIES OF LANDLORD UPON DEFAULT:

22.1 Termination: If an Event of Default occurs, Landlord shall have the right, with or without notice or demand, immediately (after expiration of the applicable grace periods specified herein) to terminate this Lease, and at any time thereafter recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination.

22.2 Continuation After Default. Even though Tenant has breached this Lease and/or abandoned the Premises, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession under Paragraph 23.1 hereof, and Landlord may enforce all of its rights and remedies under this Lease, including (but without limitation) the right to recover Rent as it becomes due. Landlord has the remedy described in Section 1951.4 of the California Civil Code (Landlord may continue this Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). Acts of maintenance, preservation or efforts to lease the Premises or the appointment of receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

22.3 Damages Upon Termination. Should Landlord terminate this Lease pursuant to the provisions of Paragraph 22.1 hereof, Landlord shall have all the rights and remedies of a landlord provided by Section 1951.2 of the California Civil Code. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled under applicable law, Landlord shall be entitled to recover from Tenant: (i) the worth at the time of award of the unpaid Rent and other amounts which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rent loss that Tenant proves could be reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom. The "worth at the time of award" of the amounts referred to in (i) and (ii) shall be computed with interest at eighteen percent (18%) per annum or the highest lawful rate, whichever is the lower. The "worth at the time of award" of the amount referred to in (iii) shall be computed by discounting such amount at the "discount rate" of the Federal Reserve Bank of San Francisco in effect as of time of award plus one percent (1%) and, where rental value is a material issue, shall be based upon competent appraisal evidence.

22.4 Computation of Rent For Purposes of Default. For purposes of computing unpaid Rent that would have accrued and become payable under this Lease pursuant to the provisions of Paragraph 22.3 hereof, unpaid Rent shall consist of the sum of:

- (a) the unpaid Rent and other amounts due at the time of termination plus interest thereon at the maximum lawful rate per annum from the due date until paid;
- (b) the present value of the balance of the Rent for the remainder of the Term after termination less the present value of the fair market value rental of the Premises for said period (both determined by applying a discount rate of the Wall Street Journal Prime Rate); and
- (c) any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform its obligations under this

Lease or which in the ordinary course of things would be likely to result therefrom, including, without limitation, the cost of recovering the Premises.

- 22.5 Landlord's Options: Landlord may, in the alternative, (i) continue this Lease in effect, as long as Landlord does not terminate Tenant's right to possession, and Landlord may enforce all its rights and remedies under this Lease, including the right to recover the Rent as it becomes due under this Lease; or (ii) terminate Tenant's right of possession (but not this Lease) and repossess the Premises pursuant to the laws of the State in which the Center is located in which event Landlord may, but shall be under no obligation to do so (except to the extent required by the laws of the State in which the Center is located), relet the Premises for the account of Tenant for such rent and upon such Terms as shall be satisfactory to Landlord. For purpose of such reletting Landlord is authorized by Tenant to decorate or to make any repairs, changes, alterations or additions in or to the Premises that may be necessary or convenient, at Tenant's expense. Tenant shall also be responsible for Rent for the period that the Premises are vacant and all costs of re-letting, including, without limitation, brokerage commissions and attorneys' fees. Tenant shall be liable for any deficiency of such rental below the Rent and all other payments herein provided for the unexpired balance of the Term of this Lease. If said breach of this Lease continues, Landlord may, at any time thereafter, elect to terminate this Lease; or (iii) exercise any and all other rights and remedies available to Landlord at law or in equity.
- 22.6 Landlord's Reservation of Rights and Remedies: Notwithstanding anything to the contrary in this Paragraph 22, Landlord expressly reserves all rights and remedies available to Landlord pursuant to the provisions of Sections 1995.300 through 1995.340, inclusive, of the California Civil Code.
- 22.7 Tenant's Waiver: TENANT HEREBY WAIVES ANY AND ALL RIGHTS CONFERRED BY SECTION 3275 OF THE CIVIL CODE OF CALIFORNIA AND BY SECTIONS 1174 (c) AND 1179 OF THE CODE OF CIVIL PROCEDURE OF CALIFORNIA AND ANY AND ALL OTHER LAWS AND RULES OF LAW FROM TIME TO TIME IN EFFECT DURING THE TERM PROVIDING THAT TENANT SHALL HAVE ANY RIGHT TO REDEEM, REINSTATE OR RESTORE THIS LEASE FOLLOWING ITS TERMINATION BY REASON OF TENANT'S BREACH. TENANT AND ALL OF TENANT'S SUCCESSORS, SUBTENANTS AND ASSIGNEES ALSO HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF OR RELATING TO THIS LEASE.

23. **SECURITY DEPOSIT**: The Security Deposit set forth in Paragraph 1, if any, shall secure the performance of Tenant's obligations hereunder. Landlord may, but shall not be obligated to, apply all or portions of the Security Deposit on account of Tenant's obligations hereunder. In the event that Landlord applies all or a portion of the Security Deposit to Tenant's obligations hereunder (including, without limitation, amounts which Landlord may be entitled to recover pursuant to the provisions of Sections 1951.2 or 1951.4 of the California Civil Code), Tenant shall be obligated, within ten (10) days of receipt of notice from Landlord, to deposit cash with Landlord in an amount sufficient to restore the Security Deposit to the full amount stated in above. Failure to deposit such cash shall be a default under the terms of this Lease. Provided Tenant is not in default, any balance remaining upon the expiration of the Term, shall be returned to Tenant within a reasonable time. Tenant shall not have the right to apply the Security Deposit in payment of the last month's rent. No interest shall be paid by Landlord on the Security Deposit. In the event of a sale of the Center, Landlord shall have the right to transfer the Security Deposit to the purchaser, upon such transfer Landlord shall have no further liability with respect thereto, and Tenant agrees to look solely to such purchaser for the return of the Security Deposit. Landlord shall not be required to keep the Security Deposit in a segregated account, and the Security Deposit may be commingled with other funds of Landlord. Tenant hereby waives any rights which it may now or hereafter have under Section 1950.7 of the California Civil Code, or any similar or successor laws now or hereinafter in effect.

[DELETE IF NO LETTER OF CREDIT. At Tenant's election, in lieu of the cash security deposit in the amount set forth in above, Tenant will deliver to Landlord contemporaneously with Tenant's execution and delivery of this Lease an irrevocable letter of credit payable in Miami-Dade County, Florida issued for the benefit of Landlord by a bank reasonably satisfactory to Landlord, in the amount of the required Security Deposit as set forth in Paragraph 1. The letter of credit will be irrevocable for the term thereof and will provide that it is automatically renewable for a period ending not earlier than 60 days after the expiration of the Term without any action whatsoever on the part of Landlord. However, the issuing bank will have the right not to renew said letter of credit on written notice to Landlord given not less than 60 days before the expiration of the Term (it being

understood, however, that the privilege of the issuing bank not to renew said letter of credit will not, in any event, diminish the obligation of Tenant to maintain such irrevocable letter of credit with Landlord through the date which is 60 days after the expiration of the Term). The letter of credit must be issued by a bank reasonably satisfactory to Landlord, must be in the form of Schedule 11 or otherwise reasonably acceptable to Landlord, and must provide, among other things, in effect that:

- (i) Landlord, or its then managing agent, will have the right to draw down an amount up to the face amount of the letter of credit upon the presentation to the issuing bank of Landlord's (or Landlord's then managing agent's) statement that the drawer is entitled to draw upon the letter of credit pursuant to this Lease, it being understood that if Landlord or its managing agent is a corporation, limited liability company, partnership or other entity, then such statement will be signed by an officer or member (if a corporation or limited liability company), a general partner (if a partnership), or any authorized party (if another entity);
- (ii) The letter of credit will be honored by the issuing bank without inquiry as to the accuracy thereof and regardless of whether Tenant disputes the content of such statement;
- (iii) In the event of a transfer of Landlord's interest in the Center, Landlord will have the right to transfer the letter of credit to the transferee and thereupon Landlord will, without any further agreement between the parties, be released by Tenant from all liability therefor, and it is agreed that the provisions hereof shall apply to every transfer or assignment of said letter of credit to a new Landlord.
- (iv) If, as a result of any such application of all or any part of such security, the amount secured by the letter of credit is less than the amount of the required Security Deposit as set forth in Paragraph 1, Tenant will forthwith provide Landlord with additional cash or letter(s) of credit in an amount equal to the deficiency.
- (v) Tenant further covenants that it will not assign or encumber said letter of credit or any part thereof and that neither Landlord nor its successors or assigns will be bound by any such assignment, encumbrance, attempted assignment or attempted encumbrance.

Without limiting the generality of the foregoing, if the letter of credit expires earlier than 60 days after the expiration of the Term, or the issuing bank notifies Landlord that it will not renew the letter of credit, Landlord will accept a renewal thereof or substitute letter of credit (such renewal or substitute letter of credit to be in effect not later than 30 days prior to the expiration thereof), irrevocable and automatically renewable as above provided to 60 days after the end of the Term upon the same terms as the expiring letter of credit or such other terms as may be acceptable to Landlord. However, (i) if the letter of credit is not timely renewed or a substitute letter of credit is not timely received, or (ii) if Tenant fails to maintain the letter of credit in the amount and terms set forth in this Paragraph, Tenant, at least 30 days before the expiration of the letter of credit, or immediately upon its failure to comply with each and every term of this Paragraph, must deposit with Landlord cash security in the amounts required by, and to be held subject to and in accordance with, all of the terms and conditions set forth in Paragraph 23 hereof, failing which Landlord may present such letter of credit to the bank, in accordance with the terms of this Paragraph, and the entire sum secured thereby will be paid to Landlord, to be held by Landlord as provided in this Paragraph.]

- 24. LIEN FOR RENT:** Tenant hereby grants to Landlord a lien and security interest on all furnishings, equipment, fixtures, inventory, accounts receivable, licenses and other personal property of any kind of Tenant now or hereafter placed in or upon the Premises, and such property shall be and remain subject to such lien and security interest of Landlord for payment of all Rent and other sums agreed to be paid by Tenant herein. The provisions of this Paragraph relating to such lien and security interest shall constitute a security agreement under and subject to the laws of the State in which the Center is located so that Landlord shall have and may enforce a security interest on all property of Tenant now or hereafter placed in or on the Premises, in addition to and cumulative of Landlord's liens and rights provided by law or by the other Terms and provisions of this Lease. Notwithstanding anything contained herein to the contrary, Landlord's lien rights granted hereunder shall automatically be subordinate to the rights of any equipment or personal property lessor with respect to the equipment or personal property leased by it to Tenant. Tenant agrees to execute as debtor such financing statement or statements and other documents as Landlord may now or hereafter request. Landlord may at its

election at any time file a copy of this Lease as a financing statement. Notwithstanding the above, Landlord shall neither sell nor withhold from Tenant, Tenant's business records and Landlord's lien rights shall not apply with respect to any property that is leased to Tenant.

25. **LIMITATION ON LANDLORD'S PERSONAL LIABILITY:** Tenant specifically agrees to look solely to 'Landlord's interest in the Center for the recovery of any judgment from Landlord, it being agreed that Landlord (and any officers, shareholders, partners, members, managers, directors or employees, affiliates, subsidiaries or parents of Landlord) shall never be personally liable for any such judgment. Landlord shall have the right to transfer and assign, in whole or in part, all its rights and obligations hereunder and in the Center and/or Premises referred to herein, and in such event and upon such transfer, Landlord shall be released from any further obligations hereunder, and Tenant agrees to look solely to such successor in interest of Landlord for the performance of such obligations.
26. **ATTORNEYS' FEES:** In the event Tenant defaults in the performance of any of the terms, covenants, agreements or conditions contained in this Lease and Landlord places the enforcement of this Lease or the collection of any Rent due or to become due hereunder or recovery of the possession of the Premises in the hands of an attorney, Tenant agrees to pay Landlord reasonable attorneys' fees and costs. If there is any legal action or proceeding between Landlord and Tenant to enforce any provision of this Lease or to protect or establish any right or remedy of either Landlord or Tenant hereunder, the unsuccessful party to such action or proceeding will pay to the prevailing party all costs and expenses, including reasonable attorneys' fees at all tribunal levels (including allocated costs of Landlord's in-house attorney), incurred by such prevailing party in such action or proceeding and in any appearance in connection therewith, and if such prevailing party recovers a judgment in any such action, proceeding or appeal, such costs, expenses and attorneys' fees will be determined by the court handling the proceeding and will be included in and as a part of such judgment.
27. **WAIVER:** No failure of Landlord to enforce any term hereof shall be deemed to be a waiver. The failure of Landlord to insist at any time upon the strict performance of any covenant or agreement contained herein or to exercise any option, right, power, or remedy contained in this Lease shall not be construed as a waiver or a relinquishment thereof for the future. No payment by Tenant or receipt by Landlord of a lesser amount than the applicable Rent payment due under this Lease shall be deemed to be other than on account of the earliest rent due hereunder, 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 Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy in this Lease provided.
28. **SEVERABILITY:** If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws effective during the Term hereof, then it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby, and it is also the intention of both parties that in lieu of each clause or provision that is illegal, invalid or unenforceable, there shall be added as a part of this Lease, a clause or provision as similar in terms to such illegal, invalid or unenforceable clause or provision as may be possible and be legal, valid and enforceable. The inadvertent failure to attach any exhibit (or schedule or addendum) described in this Lease to the fully executed version hereof shall not render this Lease invalid, incomplete, or ineffective in any way. Upon notice from one party to the other, Landlord and Tenant shall cooperate in good faith to provide any missing information regarding such missing exhibit, and shall both append the missing exhibit to their respective fully executed original of this Lease.
29. **NOTICES:** All notices or other communications required or permitted hereunder must be in writing, and be (i) personally delivered (including by means of professional messenger service), (ii) sent by overnight courier, with request for next business day delivery, or (iii) sent by registered or certified U.S. mail, postage prepaid, return receipt requested, to the addresses set forth in **Paragraph 1**. All notices sent by U.S. mail will be deemed received three (3) days after the date of mailing.
30. **HOLDING OVER:** Any holding over after the expiration or termination of this Lease shall be construed as a tenancy at sufferance at a rental of twice the Base Rent and Operating Expenses Rent for the month of the Term preceding the month in which the expiration or termination occurred. In the event Tenant shall be or become a holdover tenant, Tenant shall also indemnify Landlord against all claims for damages against Landlord as a result of Tenant's possession of the Premises, including, without limitation, claims for damages by any tenant to whom Landlord may have leased the Premises, or any portion thereof, for a term commencing after the expiration or termination of this Lease.

31. **TIME:** Time is of the essence with respect to the obligations of any party under this Lease.
32. **HEIRS, ASSIGNS, SUCCESSORS:** This Lease is binding upon and inures to the benefit of the assigns and successors in interest of Landlord and is binding upon and inures to the benefit of Tenant and Tenant's heirs and successors and, to the extent assignment may be approved by Landlord hereunder, Tenant's assigns. Any intention to create a joint venture or partnership relation between the parties hereto is hereby expressly disclaimed. The provisions of this Lease in regard to the payment by Tenant and the acceptance by Landlord of a percentage of Gross Sales of Tenant and others is a reservation for rent for the use of the Premises. Nothing contained in this Lease shall be construed so as to confer upon any other party the rights of a third party beneficiary except rights contained herein for the benefit of a mortgagee of Landlord.
33. **SUBORDINATION:** This Lease is and shall always be subject and subordinate to the lien of any mortgages which are now or shall at any future time be placed upon the Center, the Premises or Landlord's rights hereunder, and to any renewals, extensions, modifications or consolidations of any such mortgage. This clause shall be self-operative and no further instrument of subordination need be required by any mortgagee. In confirmation of such subordination, however, Tenant, at Landlord's request, shall execute promptly any appropriate certificate or instrument that Landlord may reasonably request. In lieu of having the mortgage be superior to this Lease, a mortgagee shall have the right at any time to subordinate its mortgage to this Lease.
34. **ESTOPPEL CERTIFICATE; FINANCIAL STATEMENTS:**
- 34.1 Content: Tenant shall at any time upon not less than ten (10) days prior written notice from Landlord execute, acknowledge and deliver to Landlord a statement in writing: (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the Rent and other charges are paid in advance, if any; and (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by a prospective purchaser or encumbrancer to the Premises. At Landlord's option, Tenant's failure to deliver such statement within such time shall be a material breach of this Lease or shall be conclusive upon Tenant: (i) that this Lease is in full force and effect, without modification, except as may be represented by Landlord; (ii) that there are no uncured defaults in Landlord's performance; and (iii) that not more than one month's Rent has been paid in advance or such failure may be considered by Landlord as a default by Tenant under this Lease. Any such statement may be conclusively relied upon by a prospective purchaser or encumbrancer to the Premises.
- 34.2 Financial Statements: Tenant shall furnish Landlord, within ten (10) business days after Landlord's request therefor, the most recent financial statement of Tenant **[and any Guarantor]**. Unless: (i) Landlord has reason to believe there has been a material reduction in the financial worth of any of such parties; or (ii) requested by any current or proposed lender, investor or purchaser of Landlord or the Center, such financial statement(s) shall not be required to be furnished more than twice each calendar year. If Tenant is a publicly traded company and Tenant's financial information is publicly available, this provision shall be deemed complied with by Tenant.
35. **AUTHORIZATION:**
- 35.1 Tenant: Tenant represents and warrants that: (i) there are no proceedings pending or, to the knowledge of Tenant, threatened before any court or administrative agency that would materially adversely affect the ability of Tenant to enter into this Lease or the validity or enforceability of this Lease; (ii) there is no provision of any existing mortgage, indenture, contract or agreement binding on Tenant which would conflict with or in any way prevent the execution, delivery or performance of the Terms of this Lease; (iii) if Tenant is a corporation, limited liability company, partnership or other legal entity, the person executing this Lease on behalf of Tenant represent and warrant that this Lease has been authorized and approved by the appropriate officers, members, managers, partners, beneficiaries, shareholders or other beneficial owner(s) of Tenant as may be required by law; (iv) Tenant is in good standing, qualified to do business in the State in which the Center is located'; (v) Tenant has full right, power and lawful authority to execute, deliver and perform its obligations under this Lease, in the manner and upon the Terms contained herein, and to grant the estate herein demised, with no other person needing to join in the execution hereof in order for this Lease to be binding on Tenant; and (vi) the financial information provided by Tenant to Landlord materially and accurately depicts the financial condition of Tenant as of the Effective Date of this Lease.

- 35.2 **Landlord:** Landlord represents and warrants to Tenant that Landlord has full right, power and lawful authority to execute, deliver and perform its obligations under this Lease, in the manner and upon the Terms contained herein, and to grant the estate herein demised.
36. **JOINT AND SEVERAL LIABILITY:** In the event that more than one person or entity executes this Lease as Tenant, all such persons and entities shall be jointly and severally liable for all of Tenant's obligations hereunder.
37. **FORCE MAJEURE:** Landlord shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from doing so by cause or causes beyond Landlord's absolute control which shall include, without limitation, all labor disputes, civil commotion, civil disorder, riot, civil disturbance, war, war-like operations, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations, orders, moratoriums or controls, fire or other casualty, inability to obtain any material, services or financing or Acts of God ("**Events of Force Majeure**").
38. **RECORDING:** Tenant shall not record this Lease, or any memorandum or short form thereof, without the written consent and joinder of Landlord, which may be withheld in Landlord's sole discretion.
39. **BROKERS:** Landlord and Tenant each represent and warrant one to the other that except as the Brokers set forth in **Paragraph 1**, neither of them has employed any broker in connection with the negotiations of the Terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense or liability with respect to any claims for commissions, finder's fees or brokerage fees arising from or out of any breach of the foregoing representation and warranty. Landlord shall be responsible for paying any commission due Landlord's Broker in connection with this transaction pursuant to a separate written agreement between them. Landlord's Broker shall be responsible for any payment due to Tenant's Broker pursuant to a separate written agreement between Landlord's Broker and Tenant's Broker.
40. **ENTIRE AGREEMENT:** The foregoing, together with all Exhibits and Schedules attached hereto, constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.
41. **GOVERNING LAW:** This Lease shall be construed in accordance with the laws of the State of California. Exclusive venue in any legal proceeding related to or arising out of this Lease shall be in the county and state where the Premises are located, and Tenant submits to personal jurisdiction and venue in such forum.
42. **EFFECT OF DELIVERY OF THIS LEASE: LANDLORD HAS DELIVERED A COPY OF THIS LEASE TO TENANT FOR TENANT'S REVIEW ONLY, AND THE DELIVERY HEREOF DOES NOT CONSTITUTE AN OFFER TO TENANT OR OPTION TO LEASE. THIS LEASE SHALL NOT BE EFFECTIVE UNTIL A FULLY EXECUTED COPY OF THIS LEASE HAS BEEN DELIVERED TO BOTH LANDLORD AND TENANT.**
43. **WAIVER OF THE RIGHT TO TRIAL BY JURY: LANDLORD AND TENANT HEREBY KNOWINGLY AND INTENTIONALLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING THAT LANDLORD OR TENANT MAY HEREINAFTER INSTITUTE AGAINST EACH OTHER WITH RESPECT TO ANY MATTER ARISING OUT OF OR RELATED TO THIS LEASE OR THE PREMISES WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE.**
44. **BANKRUPTCY:** Landlord and Tenant understand that, notwithstanding certain provisions to the contrary contained herein, a trustee or debtor in possession under the United States Bankruptcy Code may have certain rights to assume or assign this Lease. Landlord and Tenant further understand that, in any event, Landlord is entitled under the United States Bankruptcy Code to adequate assurances of future performance of the provisions of this Lease. The parties agree that, with respect to any such assumption or assignment, the term "adequate assurance" shall include at least the following:
- 44.1 In order to assure Landlord that the proposed assignees will have the resources with which to pay all Base Rent, Operating Expenses Rent or other sum payable by Tenant pursuant to the provisions of this Lease, any proposed assignee must have, as demonstrated to Landlord's satisfaction, a net worth (as defined in accordance with generally accepted accounting principles consistently applied) of not less than the net worth of Tenant or any Guarantor (whichever is greater) on the date this Lease became

effective, increased by seven percent (7%), compounded annually, for each year from the Commencement Date through the date of the proposed assignment. It is understood and agreed that the financial condition and resources of Tenant were a material inducement to Landlord in entering into this Lease.

- 44.2 Any proposed assignee must have been engaged in the conduct of business for the 5-years prior to any such proposed assignment, which business does not violate the Permitted Use, and such proposed assignee shall continue to engage in the Permitted Use and will not cause Landlord to be in violation or breach of any provision in any other lease, financing agreement, operating agreement or other agreement relating to the Center. It is understood and agreed that Landlord's asset will be substantially impaired if the trustee in bankruptcy or any assignee of this Lease makes any use of the Premises other than the Permitted Use.
- 44.3 Any proposed assignee of this Lease must assume and agree to be personally bound by the provisions of this Lease.
45. **SURVIVAL:** Anything contained in this Lease to the contrary notwithstanding, the expiration or earlier termination of the Term, whether by lapse of time or otherwise, shall not relieve Tenant from Tenant's obligations accruing prior to the expiration or termination of the Term, all of which shall survive the same, whether or not same is expressly stated in this Paragraph or any other paragraph of this Lease, including, without limitation, Tenant's obligations with respect to: (a) the payment of Rent; (b) any provisions of this Lease with respect to indemnities of Landlord made by Tenant; and (c) the removal of all property of Tenant required to be removed hereunder and the repair of all damage to the Premises caused by such removal at the expiration or termination of this Lease to the extent required hereunder.
46. **COUNTERPARTS:** This Lease may be executed in any number of counterparts, which when taken together shall constitute one complete document.
47. **CONFIDENTIALITY:** Tenant agrees, on behalf of Tenant and Tenant's employees, agents, contractors, consultants, partners, affiliates, assignees and subtenants, not to disclose the terms of this Lease or the results of any audit of Landlord's books and records under this Lease to any third party except (i) legal counsel to Tenant, (ii) any assignee of Tenant's interest in this Lease or any subtenant of Tenant relative to the Premises (or any portion thereof), (iii) as required by applicable law or by subpoena or other similar legal process, or (iv) for financial reporting purposes.
48. **DAYS:** Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.
49. **OFAC REPRESENTATION:** For purposes hereof, "List" shall mean the Specially Designated Nationals and Blocked Persons List maintained by OFAC and/or on any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation, and "OFAC" shall mean the Office of Foreign Assets Control, Department of the Treasury. Each party represents and warrants to the other that (i) each Person owning a ten percent (10%) or greater interest in such party is (A) not currently identified on the List, and (B) is not a person with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States and (ii) each party has implemented procedures, and will consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times. Each party shall comply with all requirements of law relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect and shall use reasonable efforts to notify the other in writing if any of the foregoing representations, warranties or covenants are no longer true or have been breached or if such party has a reasonable basis to believe that they may no longer be true or have been breached. In addition, at the request of a party, the other party shall provide such information as may be requested by the requesting to determine the other party's compliance with the terms hereof.
50. **DISCLAIMERS:**
 - 50.1 LANDLORD AND TENANT EXPRESSLY DISCLAIM ANY IMPLIED WARRANTY THAT THE PREMISES ARE SUITABLE FOR TENANT'S INTENDED COMMERCIAL PURPOSE, AND TENANT'S OBLIGATION TO PAY RENT HEREUNDER IS NOT DEPENDENT UPON THE CONDITION OF THE PREMISES OR THE PERFORMANCE BY LANDLORD OF ITS OBLIGATIONS HEREUNDER, AND, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, TENANT

SHALL CONTINUE TO PAY THE RENT, WITHOUT ABATEMENT, DEMAND, SETOFF OR DEDUCTION, NOTWITHSTANDING ANY BREACH BY LANDLORD OF ITS DUTIES OR OBLIGATIONS HEREUNDER, WHETHER EXPRESS OR IMPLIED.

50.2 IT IS UNDERSTOOD AND AGREED BY TENANT THAT LANDLORD AND LANDLORD'S AGENT HAVE MADE NO REPRESENTATIONS OR PROMISES WITH RESPECT TO THE PREMISES OR THE MAKING OR ENTRY INTO THIS LEASE EXCEPT AS IN THIS LEASE EXPRESSLY SET FORTH AND THAT NO CLAIM OR LIABILITY, OR CAUSE FOR TERMINATION SHALL BE ASSERTED BY TENANT AGAINST LANDLORD FOR, AND LANDLORD SHALL NOT BE LIABLE BY REASON OF, BREACH OF ANY REPRESENTATIONS OR PROMISES NOT EXPRESSLY STATED IN THIS LEASE.

50.3 **ACCESSIBILITY DISCLOSURE- [CONFIRM NO CASP INSPECTION]** This provision is intended to comply with the terms of Section 1938 of the California Civil Code which provides that a commercial property owner or lessor shall state on every lease form or rental agreement executed on or after July 1, 2013, whether the property being leased or rented has undergone inspection by a Certified Access Specialist ("CASP"), and, if so, whether the property has or has not been determined to meet all applicable construction-related accessibility standards pursuant to Section 55.53 of the California Civil Code. Pursuant to Section 1938 of the California Civil Code, Landlord hereby advises Tenant that the Premises has not undergone inspection by CASp during Landlord's ownership of the Center, nor, to Landlord's actual knowledge (without any duty of inquiry, as of the Effective Date), prior to Landlord's ownership of the Center. Further, pursuant to Section 1938 of the California Civil Code, Landlord notifies Tenant of the following: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Therefore and notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant agree that (a) Tenant may, at its option and at its sole cost, cause a CASp to inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law, (b) the parties shall mutually coordinate and reasonably approve of the timing of any such CASp inspection so that Landlord may, at its option, have a representative present during such inspection, and (c) Tenant shall be solely responsible for the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises.

51. **[DELETE IF NO GUARANTOR]. GUARANTOR:** As a material inducement for and as a condition precedent to Landlord to enter into this Lease, Guarantor shall execute the Guaranty in the form attached hereto as **Schedule 4**.

[DELETE SECTIONS 52-57, IF NOT APPLICABLE]

52. PROMOTIONAL PROGRAM:

52.1 Promotional Service: Landlord may, at any time and from time to time, establish a promotional service (herein called the "**Promotional Service**") to furnish and maintain advertising and sales promotions which, in Landlord's judgment, will benefit the Center. In connection therewith, Landlord may, but will not be required to, appoint a committee composed of representative(s) of Landlord and each or some of the tenants in the Center to review the advertising and other promotional activities provided by the Promotional Service.

52.2 Promotional Contribution: If a Promotional Service is provided, Tenant shall contribute to the Promotional Service such amount as Landlord may require by written notice to Tenant from time to time (the "**Promotional Contribution**"). Tenant's Promotional Contribution for any Lease Year shall be equal to the same ratio as Tenant's Percentage Share of Operating Expenses. Tenant shall make all contributions towards the Promotional Service monthly in addition to and along with all payments of Base Rent. **[OPTIONAL—See 52.3 below: Tenant agrees to pay to Landlord, in addition to its**

Promotional Contribution, an Opening Promotional Contribution as set forth in Subparagraph 52.3, if any.] This contribution will be due and payable to Landlord by Tenant upon Tenant's execution of this Lease. Landlord agrees to use Tenant's Opening Promotional Contribution for pre-opening, grand opening and other promotion, advertising and public relations relating to the Center.

- 52.3 Merchant's Association: A Merchants' Association ("Association") may be organized among Landlord or its designee and some or all tenants in the Center. If so organized, Tenant will become a member of and participate fully in the Association. The object of the Association shall be to sell the members' merchandise or services and to assist the business of the tenants by sales promotions and center-wide advertising. Tenant agrees to pay minimum dues to the Association as and when established. The Association dues may be established and/or increased by a majority vote of the Board of Directors of the Association. Tenant's failure to pay Association dues required hereunder and any applicable sales tax thereon shall be a default of this Lease and such amounts shall be collectible in the same manner as Rent is collectible.

[IF NEW CENTER]

- 52.4 Grand Opening: The date of the initial opening of the Center as established by Landlord shall be the "Grand Opening" or "Grand Opening Date." In connection with promotions, advertising and events associated with the Grand Opening, Tenant agrees to pay Landlord a Grand Opening Contribution of _____ (\$_____) payable within ten (10) days following demand regardless of whether Tenant opens on, before or after the Grand Opening Date.

[DELETE IF NO RENEWAL OPTION].

- 52.5 **RENEWAL OPTION:** Provided Tenant is not in default as of the date of exercise of the Renewal Option nor at the date of the commencement of the Renewal Option, Tenant has not assigned this Lease or sublet any portion of the Premises, Tenant is then open for business within the Premises and Tenant has not done anything nor failed to do anything that, with the passage of time and/or the giving of notice, would constitute a default hereunder, Tenant shall have the right to exercise the Renewal Option(s) specified in Paragraph 1.20. During each Renewal Option, all of the terms and conditions of this Lease except for Base Rent shall be the same. Tenant shall exercise its [first] Renewal Option by furnishing Landlord written notice not later than 180 days but not earlier than 360 days before the end of the [original Term (or) the immediately preceding Renewal Option period]. [If Tenant chooses not to exercise the first Renewal Option, all subsequent Renewal Option(s) shall automatically terminate and be null and void.]

For all purposes hereof, the Fair Market Rental Value of the Premises will be the rental rate as determined by Landlord in its sole and absolute discretion, based upon the then prevailing rent for premises comparable in size and use to the Premises, located in buildings comparable in size and use to, and in the general vicinity of, the Center taking into consideration all allowances for tenant improvements, moving expenses, landlord expenses, rent abatement, brokerage expenses, tenant benefits or any other market concessions which may be commonly available at the commencement of such extension period. Landlord will not be required to consider the highest and best use for the Premises, or the Center where the Premises are located or the underlying land. Notwithstanding anything to the contrary contained in this Paragraph, the Base Rent for any Renewal Option shall never be less than the Base Rent paid by Tenant during the year immediately preceding the Renewal Option.

Landlord shall, within 30 days of receipt of Tenant's notice, deliver a Lease amendment containing the current market rental rates for the applicable Renewal Option; all of the other terms and conditions shall remain as provided in this Lease. Tenant shall have 15 days to execute the amendment, thus exercising the Renewal Option. Should Tenant disagree with Landlord's interpretation of the current market rent, Tenant's sole remedy shall be to decline to exercise the Renewal Option. If Tenant fails to execute the amendment within the 15-day time frame set forth above, Tenant shall conclusively be deemed to have declined to exercise the Renewal Option and this Lease shall end as of the end of the Term (including the Renewal Option period, if the first Renewal Option had been previously exercised).

[DELETE IF NO EXCLUSIVE]

- 53. EXCLUSIVE USE:** Subject to the terms of any existing leases, so long as Tenant is not in default under this Lease and is operating its business in the Premises for the Permitted Use, Landlord covenants, warrants and represents that from and after the Commencement Date of this Lease and during the Term Landlord shall not lease, rent, occupy, use or permit to be occupied or used by any person or entity other than Tenant, any part of the Center owned by Landlord, nor shall any person or entity other than Tenant occupying a premises of [OPTIONAL (small shop exclusives/big box exclusives): [small shop] 4,000 square feet of Net Rentable Area or less (small shops, e.g., cellular stores, card shops, etc.) [big box] 10,000-15,000 square feet of New Rentable Area or more (big box, e.g., computer superstore, pet superstore, appliance superstore, etc)], for the Permitted Use [NOTE: for purposes of this restriction, a separate, smaller subset of the Permitted Use may be appropriate as it will provide more flexibility for Landlord in the tenant mix of the Center—you may also want to carve out particular prospective tenants or other tenants “incidental use” (see next sentence: incidental use may be defined linguistically or by % or square feet of Net Rentable Area)] (the “Exclusive Use”), which Exclusive Use conducted by any such other tenant or occupant shall be incidental to a primary use (which is not the same as the Exclusive Uses) being conducted in such tenant’s or occupant’s premises and shall not be the primary use of such tenant’s or occupant’s premises. Tenant acknowledges that _____, a current [prospective] tenant of the Center, engages in the sale, rental and service of merchandise that falls within the scope of Tenant’s Exclusive Uses and Tenant expressly acknowledges and agrees that such use and occupancy by _____, its successors and assigns shall not constitute a violation of Tenant’s Exclusive Uses.

[DELETE IF NO EXPANSION OPTION]

- 54. Anything in this Lease to the contrary notwithstanding, Tenant shall be entitled at any one time during the Term (if and only if Tenant is not then in default in performing its obligations under this Lease) to lease from Landlord additional space adjacent to the existing Premises or elsewhere within the Center [in the areas depicted by crosshatching and labeled as “expansion space” on the Site Plan], which space (the “Additional Space”) shall have a configuration which is reasonably acceptable to Landlord and Tenant. Any such lease of the Additional Space shall be on the terms and subject to the conditions hereinafter set forth:**
- 54.1 Tenant shall be entitled to exercise such right to lease the Additional Space by giving Landlord written notice of its exercise of such right by not later than ____ days after Landlord delivers written notice to Tenant of the availability of specific Additional Space. Any failure by Tenant to elect to expand into the Additional Space within such time period shall be deemed an election not to expand the Premises, and, thereafter, Tenant shall have no further right under this Lease or otherwise to expand the size of the Premises.**
- 54.2 Tenant’s use and occupancy of the Premises (which, from and after the date on which Tenant’s leasing of the Additional Space becomes effective shall be deemed for all purposes of this Lease to include the Additional Space) during the Term as so extended shall be for the Permitted Use only and shall be expressly subject to all of the same terms conditions as those set forth in this Lease; provided, that Tenant’s Percentage Share, Base Rent and all other monetary liabilities of Tenant determined by the size of the Premises shall increase and be recalculated by adding the square feet contained in the Additional Space to the square feet of the Premises as of the Commencement Date.**
- 54.3 Landlord shall have no obligation to improve the Additional Space, and Tenant agrees to take the Additional Space (in the event that Tenant elects to expand its Premises pursuant to the terms contained in this Paragraph ____.**

[DELETE IF NO RIGHT OF FIRST REFUSAL]

- 55. RIGHT OF FIRST REFUSAL:** Provided Tenant is not in default as of the date of exercise of its Right of First Refusal (as hereafter defined), and provided Tenant has not done anything nor failed to do anything that, with the passage of time and/or the giving of notice, would constitute a default under this Lease, Tenant shall have rights of first refusal (each, a “Right of First Refusal”) for all, but not less than all, of each space on the _____ floors of the Building that is [not less than _____ / not greater than _____] (each, a “First Refusal Space”) as such space becomes “available”. For all purposes hereof the term “available” shall mean that no other tenant in the Project shall have a right to lease the subject First Refusal Space which right was granted prior to the execution of this Lease. When Landlord receives an acceptable written offer from a third party to lease a First Refusal Space (each an “Offer”), Landlord will advise Tenant in writing of the

existence and terms for the Offer. Tenant will have ____ () business days from receipt of Landlord's notice of the Offer to notify Landlord in writing that Tenant desires to lease the First Refusal Space on the same terms and conditions as the Offer, [except that the Term with respect to any First Refusal Space shall be co-terminious with this Lease (and not less than ____ years)]. If Tenant desires to lease the First Refusal Space Landlord will then prepare and deliver to Tenant an appropriate amendment to this Lease. Tenant shall have ____ () business days to execute and deliver such amendment to Landlord. If Tenant fails to execute and timely deliver the amendment to Landlord, Tenant will be conclusively deemed to have declined its Right of First Refusal as to the particular First Refusal Space, and Landlord shall be free to lease the space to a third party.

[DELETE IF NO ROOF IMPROVEMENTS]

- 56. ROOF IMPROVEMENTS; SATELLITE DISH.** Subject to complying with all applicable Legal Requirements and Tenant obtaining all necessary approvals, permits and consents from the applicable governmental authorities, Tenant shall have the right to occupy and use a ____ foot by ____ foot portion of the roof of the Building in a location to be determined by Landlord [reasonably agreed upon by Landlord and Tenant] (the "Roof Space") to install a telecommunications satellite dish and related conduit connecting the satellite dish to the Premises (collectively the "Roof Improvements"). The installation and use of the Roof Improvements by Tenant shall not negatively impact other Project tenants' rights of quiet enjoyment or interfere with the delivery of any services (including telecommunications services) to or from such other tenants' demised premises. If such installation and/or use of the Roof Improvements by Tenant so interferes with any other tenant in the Project, Landlord reserves the right to require Tenant to relocate the Roof Improvements to another part of the Building or the Project, change the frequency of the satellite dish or remove the same from the Roof Space, all of which shall be at Tenant's sole cost and expense. [Subject to the rights of existing tenant's Landlord shall use reasonable efforts to locate another roof space in the Project for Tenant's Roof Improvements prior to requiring Tenant to remove the roof improvements completely.] Tenant shall not install more than one satellite dish in the Roof Space. No additional Rent shall be due in connection with Tenant's installation and use of the Roof Improvements, provided that Tenant's use of the Roof Improvements is for Tenant's sole and exclusive use and not for use by any third party. [Tenant shall pay Landlord \$_____ per month, plus applicable taxes, if any, for the use of the Roof Space] Tenant shall be solely responsible for the cost of and shall be responsible for obtaining any required governmental approvals (including but not limited to change in zoning, if necessary) for the Roof Improvements and installation, use and maintenance thereof. In addition Tenant shall be responsible for maintaining, repairing, insuring, removing and providing utility service to the Roof Improvements. The failure of Tenant to obtain any necessary approvals, licenses or permits to use and/or install any Roof Improvements shall not entitle Tenant to any Rent reduction or enable Tenant to terminate this Lease; the installation of the Roof Improvements is at Tenant's sole risk, expenses and cost. In connection with Tenant's installation of the Roof Improvements, Tenant shall not penetrate the roof or roof membrane or make any structural modifications to the Building; any such penetration or structural modifications shall be performed by Landlord at Tenant's cost, as determined by Landlord in its sole discretion. Tenant agrees to indemnify and hold Landlord harmless from and against any costs, damages or expenses related to Tenant's installation, use, repair, maintenance or removal of the Roof Improvements including any adverse impact to or voiding of any of Landlord's roof warranties. Upon completion of any Roof Improvements Tenant shall provide Landlord with as-built plans and operating manuals for the same. Upon termination of this Lease, Landlord may require Tenant to remove the Roof Improvements upon written notice to Tenant or Tenant may elect to remove the same. If Tenant removes the Roof Improvements or any portion thereof, it shall repair the applicable portion(s) of the Roof Space to the condition existing prior to the installation thereof. If Tenant fails to timely remove the Roof Improvements at the expiration of the Term or any early termination thereof, Landlord shall have the right, but not the obligation to remove the same, restore any damage caused thereby, and charge Tenant, as Additional Rent hereunder, the cost of the removal and the restoration plus a 15% administrative fee. The provisions of this Paragraph shall survive the termination or early expiration of this Lease.

- 57. [DELETE IF NOT A LEASE FOR THE ENTIRE BUILDING] PAST ENERGY USAGE:** The Building does not have an Energy Star Portfolio Manager rating. The Building has an Energy Star Portfolio Manager Rating of _____. A copy of the Buildings past energy usage for the last 12-month period is attached hereto as Schedule 9.]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day and year first above written.

LANDLORD:

CRP/VP Montclair Owner, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

TENANT:

_____,
a _____

By: _____
Name: _____
Title: _____

SCHEDULE 1

[RESERVED]

SCHEDULE 2

SITE PLAN

[to be added]

SCHEDULE 3**CONSTRUCTION RIDER****SECTION 1**
LANDLORD'S WORK

The Premises have been previously improved and are leased to Tenant by Landlord on an "as-is" basis. No further obligation of Landlord exists with respect to construction within or about the Premises.

SECTION 2
[INTENTIONALLY OMITTED]**SECTION 3**
TENANT'S WORK**3.1 Tenant's Work.**

A. Subject to Landlord's obligations under Section 1, all work which is required to complete the Premises for Tenant's intended use shall be performed by Tenant, and is herein referred to as "Tenant's Work." "Tenant's Work" shall mean the work required to open a _____ consistent with other _____ in the vicinity of the Premises. Tenant's Work will include at its discretion, Sustainable or "Green" construction materials and practices (e.g. low VOC products, materials with recycled content, energy and water efficient fixtures, etc.).

B. Within 10 days after the date of full execution of the Lease, Landlord shall promptly deliver to Tenant such plans and specifications for the Premises as may be in Landlord's possession or control. Tenant shall promptly submit to Landlord for approval, which shall not be unreasonably withheld, conditioned, or delayed, Tenant's plans and specifications for Tenant's Work, which shall include, without limitation, designations and samples of materials, and sign plans (collectively, the "**Tenant's Plans**"). If Landlord shall reasonably object to Tenant's Plans, Landlord shall notify Tenant (in the manner described below) of such objections (including specific suggestions which would make the objectionable items acceptable to Landlord) within 15 days after Landlord's receipt of Tenant's Plans; otherwise, Tenant's Plans shall be deemed to have been approved by Landlord. Within 15 days after receipt of such objections, Tenant shall make such revisions therein as shall be necessary to overcome Landlord's reasonable objections. The right reserved to Landlord to approve Tenant's Plans, or any other plans pertaining to construction work to be performed by Tenant as elsewhere in the Lease provided, shall not be construed to impose upon Landlord any responsibility or liability with respect to the design or construction of Tenant's Work.

C. Any communications given by Landlord to Tenant relating to the provisions of this Exhibit shall be sent to Tenant at the address set forth in the Lease, with a concurrent copy sent to Tenant's architect at the address of the architect shown on Tenant's Plans.

D. Promptly following Landlord's notice to Tenant of Landlord's approval of Tenant's Plans, Tenant shall apply for and use good faith efforts to obtain such building permits and other approvals from governmental authorities (collectively, "**Permits**") as are necessary to enable Tenant to commence construction of Tenant's Work, and Landlord agrees to co-operate with Tenant in such endeavor. Within fifteen (15) days of the Effective Date of the Lease, Tenant shall submit to Landlord for approval, which shall not be unreasonably withheld, conditioned, or delayed, Tenant's plans and specifications for Tenant's Work ("**Tenant's Plans**"). If Landlord shall reasonably object to Tenant's Plans, Landlord shall notify Tenant of such objections (including specific suggestions which would make the objectionable items acceptable to Landlord) within fifteen (15) days after Landlord's receipt of Tenant's Plans; otherwise, Tenant's Plans shall be deemed to have been approved by Landlord. Within fifteen (15) days after receipt of such objections, Tenant shall make such revisions therein as shall be necessary to overcome Landlord's reasonable objections. Within ten (10) days following Landlord's approval, or deemed approval, of Tenant's Plans, Tenant shall apply for and use good faith efforts to obtain the required Permits, and Landlord agrees to co-operate with Tenant in such endeavor. If after the exercise of diligent, good faith efforts, Tenant is unable to obtain the Permits within one hundred eighty (180) days after Tenant's initial application therefor, then Tenant or Landlord shall have the right to terminate the Lease by notice of such fact to the other party, and in such case, the Lease shall cease as of the date of such notice, and neither party shall have any further rights or obligations hereunder.

E. Promptly following (i) Tenant's receipt of the Permits, (ii) Tenant's receipt of a fully executed copy of the Lease, (iii) Tenant's receipt of notice from Landlord that Tenant's Plans have been approved by Landlord, and (iv) delivery of the Premises to Tenant in the Required Condition, Tenant shall commence Tenant's Work and shall thereafter pursue the same to completion with due diligence in conformance with the approved Plans.

SECTION 4 **RESPONSIBILITY FOR FUNCTION AND MAINTENANCE**

Tenant shall be responsible for the function and maintenance of Tenant's Work whether or not approved by Landlord or installed by Landlord at Tenant's request. Landlord's preparation and/or approval of any design or construction documents shall not constitute any representation or warranty to the adequacy, efficiency, performance or desirability of Landlord's Work or Tenant's Work.

SECTION 5 **LIENS**

5.1 **Liens.** Tenant shall keep the Premises and Center free from any mechanic's materialmen's or other liens arising out of any work performed upon or materials or furniture, fixtures or improvements delivered to the Premises including, but not limited to, any of Tenant's Work performed, materials furnished or obligations incurred by or for Tenant or any person or entity claiming by, through or under Tenant. Landlord shall have the right at all times to post and keep posted on the Premises any notices which it deems necessary for its protection from such liens. If any such liens are filed and are not released of record by payment or posting of a proper bond within 15 days after such filing, Landlord, may, without waiving its right and remedies based on such breach by Tenant and without releasing Tenant from any obligations hereunder or under the Lease, cause such liens to be released by any means it shall deem proper, including payment of the claim giving rise to such lien. In such event all amounts paid by Landlord, together with ten percent (10%) interest thereon, shall immediately be due and payable by Tenant.

SECTION 6 **TENANT'S REPRESENTATIVE**

No later than 15 days after lease execution, Tenant shall designate a representative ("**Tenant's Representative**") with respect to the matters set forth in this **Schedule 3**, who shall have full authority and responsibility to act on behalf of Tenant as required in this **Schedule 3**. Tenant may change Tenant's Representative at any time by providing five (5) days prior written notice to Landlord. All inquiries, requests, instructions, authorizations and other communications with respect to matters covered by this **Schedule 3** from Landlord will be made to Tenant's Representative.

SECTION 7 **LANDLORD'S REPRESENTATIVE**

Landlord will designate its representative ("**Landlord's Representative**") with respect to the matters set forth in this **Schedule 3**, who shall have full authority to act on behalf of Landlord as required in this **Schedule 3**. Landlord may change Landlord's Representative at any time by providing five (5) days prior written notice to Tenant. All inquiries, requests, instructions, authorizations and other communications with respect to the matters covered by this **Schedule 3** from Tenant will be made to Landlord's Representative. Tenant will communicate solely with Landlord's Representative and will not make any inquiries of or requests to, and will not give any instructions or authorizations to, any other employee or agent of Landlord, including Landlord's architect, engineers, and contractors or any of their agents or employees, with regard to matters covered in this **Schedule 3**.

SECTION 8 **MISCELLANEOUS**

8.1 **Sole Obligations.** Landlord has no agreement or obligation to do any work with respect to the Premises. Any work in the Premises which may be permitted by Landlord pursuant to the terms and conditions of the Lease, including any alterations or improvements as contemplated in the Lease, shall be done at Tenant's sole cost and expense and in accordance with the terms and conditions of the Lease.

8.2 **Applicability.** This **Schedule 3** shall not be deemed applicable to: (a) any additional space added to the original Premises at any time, whether by the exercise of any options under the Lease or otherwise, or (b) any portion of the original Premises or any additions thereto in the event of a renewal or extension of the original Lease Term, whether by the exercise of any options under the Lease or any amendment or supplement thereto. Except as otherwise provided in the Lease, the construction of any additions or improvements to the Premises not contemplated by this **Schedule 3** shall be effected pursuant

to a separate work letter agreement, in the form then being used by Landlord, which specifically addresses the allocation of costs relating to such construction.

8.3 **Landlord's Approval Rights.** Without limitation, Landlord may withhold its approval of any work requested by Tenant which: (a) exceeds or affects the structural integrity of the Center, or any part of the heating, ventilating, air conditioning, plumbing, mechanical, electrical, communication, life safety, or other systems of the Center; (b) is not approved by the holder of any mortgage or deed of trust encumbering the Center at the time the work is proposed; (c) violates any agreement which affects the Center or binds Landlord; (d) does not conform to applicable building codes or is not approved by any governmental authority with jurisdiction over the Premises; (e) in Landlord's reasonable determination, is not a building standard item; and/or (f) in Landlord's reasonable determination, detrimentally affects the uniform exterior appearance of the Center.

8.4 **Time of the Essence.** Time is of the essence as to each and every term and provision of this **Schedule 3**. In all instances where Tenant is required to approve an item, if no written notice of disapproval is given in accordance with the notice provisions of the Lease within the stated time period, the item shall automatically be deemed approved and the next succeeding time period shall commence. Except as otherwise provided, all references herein to a "number of days" shall mean and refer to calendar days.

8.5 **Notices.** Notice shall be provided to the parties in conformance with the requirements set forth in the Lease.

SECTION 9 **SPECIFIC CONDITIONS FOR TENANT'S WORK**

All of Tenant's Work shall be subject to the specific conditions set forth below.

9.1 Neither Tenant nor Tenant's contractor shall perform or cause to be performed any Tenant's Work which affects any structural portions of the Premises, or which constitutes an alteration of the roof structure or floor plan thereof, or which involves any alteration of or addition to the plumbing, the electrical system, the air conditioning system, life safety systems or any other system or utilities servicing the Premises, unless Tenant shall have submitted adequate plans and specifications or construction drawing depicting all such Tenant's Work to Landlord and Landlord has approved the same in writing.

9.2 All Tenant's Work shall be undertaken at Tenant's sole cost and expense and shall be prosecuted diligently to completion. All Tenant's Work required to be governed by approved plans and specifications or construction drawings under this **Schedule 3** shall be completed in conformity with such approved plans and specifications or construction drawings. After completion, all of Tenant's Work shall comply in all respects with the applicable standards of the national Fire Protection Association, the national Electrical Code, the American Society of Heating Refrigerating and Air Conditioning Engineers and any applicable building material manufacturer's specifications as well as any and all other applicable laws, rules and regulations. To the extent that Tenant's Work, or any portion thereof, requires the issuance of a building permit from the local Building Department having jurisdiction, Tenant or Tenant's contractor shall, at Tenant's sole cost and expense, apply for and obtain such building permit. Tenant shall provide Landlord with copies of all necessary permits prior to the commencement of any construction.

9.3 Tenant's Work shall generally be undertaken from the rear of the Premises, and Tenant and Tenant's contractor shall at all times during the course of construction, park in the parking areas provided in the Center at the rear of the Premises and deliver all construction materials, supplies and equipment through the rear door of the Premises. Tenant's Work shall be performed in such manner as will minimize any inconvenience or disturbance caused to any other tenants in the Center.

9.4 All construction materials, supplies and equipment shall be stored in the Premises unless Landlord shall consent in writing to a contrary arrangement. Tenant shall be responsible for placement and retainage of trash dumpsters during Tenant's Work. All rubbish and debris resulting from performance of Tenant's Work shall be removed from the Premises and the Center at least once weekly. Upon completion of Tenant's Work, all remaining rubbish and debris resulting from the performance of Tenant's Work shall be promptly removed from the Center and disposed by Tenant and/or its contractor.

9.5 Tenant's Work shall be coordinated under Landlord's discretion with any and all work being performed concurrently therewith by Landlord or Landlord's contractor in the Premises or the Center, such that Tenant's Work will not interfere with or delay the completion of any other construction work in the Center.

9.6 Tenant's contractor and/or subcontractors shall carry Workmen's Compensation Insurance covering all of their respective employees and public liability insurance (including property damage) with limits reasonably acceptable to Landlord. Such policies of insurance shall insure Landlord and Tenant in addition to such contractor or subcontractors, all as set forth in the Lease.

9.7 Upon 45 days after completion of Tenant's Work, Tenant shall deliver to Landlord the following: (a) copy of its final Certificate of Occupancy; (b) one set of reproducible "as built" drawings; (c) an electronic copy in AutoCAD 14 or 2000 version of Tenant's plans and specifications; and (d) a copy of the building inspection card indicating final approvals from all City departments allowing occupancy of the Premises.

SCHEDULE 4

GUARANTY OF LEASE

ANNEXED TO AND FORMING A PART OF THE RETAIL LEASE, DATED
 _____, 20____, BETWEEN _____, a
 _____ (“**Landlord**”) and _____, a(n)
 _____ (“**Tenant**”).

The undersigned, _____ (“**Guarantor**”), whose address is
 _____, in consideration of the leasing of the Premises described in
 the annexed Lease to the above named Tenant, does hereby covenant and agree as follows:

I. If Tenant shall default in the performance of any of the covenants and obligations of said Lease on Tenant’s part to be performed (including payment of all amounts due thereunder), then Guarantor will on demand perform the covenants and obligations of the Lease on Tenant’s part to be performed and will on demand pay to Landlord any and all sums due to Landlord, including all damages and expenses that may arise in consequence of Tenant’s default, and Guarantor does hereby waive all requirements of notice of the acceptance of this Guaranty and all requirements of notice of breach or nonperformance by Tenant.

II. This Guaranty is a guaranty of payment, and not of collection, for any sum of money owing from Tenant to Landlord.

III. Guarantor hereby waives:

- A. any right to require that any prior action be brought against Tenant;
- B. any right to require that resort be had to any security or to any other credit in favor of Tenant; and
- C. all suretyship defenses generally, and the right to petition for the marshaling of assets.

IV. This Guaranty shall remain and continue in full force and effect:

A. as to any renewal, extension, holdover, modification or amendment of the Lease (including any expansion of the Premises and any increase in Tenant’s obligations to Landlord) and this Guaranty shall remain and continue in full force and effect as to the Lease even though Tenant may have subleased all or any portion of the Premises or assigned all or any portion of Tenant’s interest in the Lease. Guarantor waives notice of any and all such renewals, extensions, holdovers, modifications, amendments, subleases or assignments;

B. even though Landlord may have waived one or more defaults by Tenant, extended the time of performance by Tenant, released, returned or misapplied other collateral given as additional security (including other guaranties) or released Tenant from the performance of its obligation under the Lease;

C. notwithstanding the institution by or against Tenant of bankruptcy, reorganization, readjustment, receivership or insolvency proceeding of any nature, or the disaffirmance of the Lease in any such proceedings or otherwise; and

D. until such time as Landlord has executed and delivered to Guarantor an instrument specifically releasing Guarantor, Guarantor may not be released by any actions or oral statements of Landlord or by implication.

V. If the Lease shall be terminated due to a default by Tenant, Guarantor shall (without in any way limiting its liability under any other provision of this Guaranty), at the request of and within the complete discretion of Landlord, enter into a new Lease with Landlord on the same terms and conditions as contained in the Lease immediately prior to its termination, commencing on the termination date of said Lease and ending on the expiration date of said Lease; this provision shall not, however, vest Guarantor with any right to demand or require such a new Lease from Landlord. Landlord shall have sole and absolute discretion as to whether or not such a new lease shall be required.

VI. Guarantor shall submit to Landlord annually, or at such other times as Landlord shall request, financial statements and such other financial information as Landlord shall require, which shall be audited by a certified public accountant if required by Landlord.

VII. If Guarantor is a corporation, Guarantor represents and warrants that this Guaranty has been duly authorized by all necessary corporate action on Guarantor’s part, has been duly executed and delivered by

a duly authorized officer, and constitutes Guarantor's valid and legally binding agreement in accordance with its Terms.

VIII. This Guaranty shall be applicable to and inure to the benefit of Landlord, its successors and assigns and shall be binding upon the heirs, representatives, successors and assigns of Guarantor.

IX. Guarantor may, at Landlord's option, be joined in any action or proceeding commenced by Landlord against Tenant in connection with and based upon any covenants and obligations in the Lease and/or this Guaranty, and Guarantor waives any demand by Landlord and/or prior action by Landlord of any nature whatsoever against Guarantor.

X. If this Guaranty is signed by more than one party, their obligations shall be joint and several and the release of one of such Guarantors shall not release any other such Guarantors.

XI. The liability of Guarantor is co-extensive with that of Tenant and also joint and several; an action may be brought against Guarantor and carried to final judgment either with or without making Tenant a party thereto.

XII. Until all of Tenant's obligations under said Lease are fully performed, Guarantor (1) waives any rights that Guarantor may have against Tenant by reason of any one or more payments or acts in compliance with the obligation of Guarantor under this Guaranty, and (2) subordinates any liability or indebtedness of Tenant held by Guarantor to the obligations of Tenant to Landlord under said Lease.

XIII. This Guaranty and the Lease shall be governed by, interpreted under the laws of, and enforced in the courts of the State in which the Premises are located.

XIV. Guarantor hereby waives the benefit of any statute of limitations affecting Guarantor's liability under this Guaranty and any plea or claim of lack of personal jurisdiction or improper venue in any action, suit or proceeding brought to enforce this Guaranty or any of the obligations arising hereunder. Guarantor specifically authorizes any such action to be instituted and prosecuted in any Circuit Court in the State in which the Premises are located or United States District Court of the State in which the Premises are located, at the election of Landlord, where venue would lie and be proper. Guarantor irrevocably appoints Tenant as its agent for service of process.

XV. Guarantor will pay to Landlord all of Landlord's expenses incurred in enforcing this Guaranty, including, but not limited to, attorneys' fees and costs incurred by Landlord prior to trial, at the trial level and at all levels of appeal and in connection with any bankruptcy or administrative proceedings.

XVI. Any notices required hereunder shall be sent via nationally recognized overnight courier service to the address set forth on page 1 hereof and shall be deemed received on the first business day said courier service attempts to deliver the same to the addressee. Either Guarantor or Landlord may change its address for notices hereunder by providing the other party with five (5) business days' notice of such change in address in the manner notices are to be sent under the Lease.

XVII. LANDLORD AND GUARANTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS GUARANTY AND ANY AGREEMENTS CONTEMPLATED HEREBY TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF THE PARTIES HERETO TO THE FULLEST EXTENT PERMITTED BY LAW, WHETHER NOW OR HEREINAFTER ENACTED, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LANDLORD'S ACCEPTANCE OF THIS GUARANTY.

XVIII. **[IF GUARANTOR IS A FOREIGN ENTITY, ADD SECTIONS XVIII, XIX AND XX].** Guarantor hereby irrevocably designates either of _____, a _____ corporation ("Guarantor's Designee") authorized to do business in Florida or the last registered agent of Guarantor's Designee ("Agent") as such appears in the records of the Secretary of State of the State of Florida, to accept service of any process on Guarantor's behalf and hereby agrees that such service shall be deemed sufficient;

XIX. Guarantor's designation of Agent shall be irrevocable unless and until Guarantor shall have irrevocably designated and appointed another agent or agents in the State of Florida satisfactory to Landlord for the service of process. Agent is designated to receive all notices and service of process however given, but notice or service need not be given Agent if otherwise given to Guarantor as provided in this Guaranty or by law.

XX. Guarantor shall from time to time execute, acknowledge, deliver and file all further instruments reasonably necessary under the laws of the State of Florida or the United States of America, to make effective: (a) the appointment of Agent; (b) the consent of Guarantor to personal jurisdiction of the state courts of Florida and the federal courts sitting in Florida and the venue of any court in the County; and (c) the other provisions of this Guaranty.

IN WITNESS WHEREOF, the undersigned has executed this Guaranty this _____ day of _____, 20____.

GUARANTOR:

By: _____
Name: _____
Social Security/FEI Number: _____
Date: _____

GUARANTOR:

By: _____
Name: _____
Social Security/FEI Number: _____
Date: _____

SCHEDULE 5

TENANT ACCEPTANCE LETTER

This declaration is hereby attached to and made part of the Retail Lease, dated _____, 20__ (the “**Lease**”) entered into by and between _____, as “**Landlord**,” and _____, as “**Tenant**.”

1.

The undersigned, as Tenant, hereby confirms as of the ____ day of _____, _____ the following:
2.

Tenant has accepted possession of the Premises on _____, _____ and is currently able to occupy the same.
3.

The Commencement Date as defined in the Lease is _____, _____.
4.

The Rent Commencement Date, as defined in the Lease, is _____.
5.

The Expiration Date of the Lease is _____.
6.

All alterations and improvements required to be performed by Landlord pursuant to the terms of the Lease to prepare the entire Premises for Tenant’s initial occupancy have been satisfactorily completed, except for the following:

7.

As of the date hereof, Landlord has fulfilled all of its obligations under the Lease.
8.

The Lease is in full force and effect and has not been modified, altered, or amended, except pursuant to any instruments described above, if any.
9.

There are no offsets or credits against Base Rent or Additional Rent, nor has any Base Rent or Additional Rent been prepaid except as provided pursuant to the Terms of the Lease.
10.

Tenant has no notice of any prior assignment, hypothecation, or pledge of the Lease or any Rent due under the Lease.

TENANT:

By: _____
Name: _____
Title: _____

SCHEDULE 6

RULES AND REGULATIONS

1. In the event of any conflict between the terms of these rules and regulations and the express provisions of the Lease, the express, applicable provisions of the Lease shall control. Landlord reserves the right, without the approval of Tenant, to rescind, add to and amend any rules or regulations, to add new reasonable rules or regulations and to waive any rules or regulations with respect to any tenant or tenants. Tenant shall provide a copy of these rules and regulations to each of its employees to facilitate compliance with these standards.

2. The sidewalks, walks, plaza entries, corridors, ramps, staircases and elevators of the Center shall not be obstructed, and shall not be used by Tenant, or the employees, agents, servants, visitors or invitees of Tenant, for any purpose other than ingress and egress to and from the Premises. No skateboards, roller skates, roller blades or similar items shall be used in or about the Center.

3. No freight, furniture or other large or bulky merchandise or equipment of any description will be received into the Center or carried into the elevators, if any, except in such a manner, during such hours and using such elevators and passageways as may be approved or designated by Landlord, and then only upon having been scheduled in advance. Any hand trucks, carryalls, or similar equipment used for the delivery or receipt of merchandise or equipment shall be equipped with rubber tires, side guards and such other safeguards as Landlord shall reasonably require. Although Landlord or its personnel may participate or assist in the supervision of such movement, Tenant assumes financial responsibility for all risks as to damage to articles moved and injury to persons or public engaged or not engaged in such movement, including any equipment, property or personnel of Landlord damaged or injured in connection with carrying out this service for Tenant.

4. Landlord shall have the right to prescribe the weight, position and manner of installation of safes or other heavy equipment which shall, if considered necessary by Landlord, be installed in a manner which shall insure satisfactory weight distribution. All damage done to the Center by reason of a safe or any other article of Tenant's equipment being on the Premises shall be repaired at the expense of Tenant. The time, routing and manner of moving safes or other heavy equipment shall be subject to prior approval by Landlord.

5. Only persons authorized by Landlord will be permitted to furnish newspapers, ice, drinking water, towels, barbering, shoe shining, janitorial services, floor polishing and other similar services and concessions in the Center, and only at hours and under regulations fixed by Landlord.

6. Tenant, or the employees, agents, servants, visitors or invitees of Tenant, shall not at any time place, leave or discard any rubbish, paper, articles or object of any kind whatsoever outside the doors of the Premises or in the corridors or passageways of the Center.

7. Tenant shall not place, or cause or allow to be placed, any sign, placard, picture, advertisement, notice or lettering whatsoever, in, about or on the exterior of the Premises or Center, except in and at such places as may be designated by Landlord and consented to by Landlord in writing. Any such sign, placard, advertisement, picture, notice or lettering so placed without such consent may be removed by Landlord without notice to and at the expense of Tenant. All lettering and graphics on doors and windows shall conform to the building standard prescribed by Landlord.

8. Tenant shall not place, or cause or allow to be placed, any satellite dish, communications equipment, computer or microwave receiving equipment, antennae or other similar equipment about or on the exterior of the Premises or Center. Any such equipment so placed may be removed by Landlord without notice to and at the expense of Tenant.

9. Canvassing, soliciting or peddling in the Center is prohibited and Tenant shall cooperate reasonably to prevent same.

10. Landlord shall have the right to exclude any person from the Center, and any person in the Center will be subject to identification by employees and agents of Landlord. If Tenant desires additional security service for the Premises, Tenant shall have the right (with advance written consent of Landlord) to obtain such additional service at Tenant's sole cost and expense. Tenant shall keep doors to unattended areas locked and shall otherwise exercise reasonable precautions to protect property from theft, loss or damage. Landlord shall not be responsible for the theft, loss or damage of any property or for any error with regard to the exclusion from or admission to the Center of any person. In case of invasion, mob, riot or public incitement, Landlord reserves the right to prevent access to the Center during the continuance of same by taking measures for the safety of the tenants and protection of the Center and property or persons therein.

11. Only workmen employed, designated or approved by Landlord may be employed for repairs, installations, alterations, painting, material moving and other similar work that may be done in or on the Center.

12. Tenant shall not bring or permit to be brought or kept in or on the Premises or Center any inflammable, combustible, corrosive, caustic, poisonous, or explosive substance, or firearms, or cause or permit any odors to permeate in or emanate from the Premises, or permit or suffer the Center to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Center by reason of light, radiation, magnetism, noise, odors and/or vibrations.

13. Tenant shall not mark, paint, drill into, or in any way deface any part of the Center or the Premises. No boring, driving of nails or screws, cutting or stringing of wires shall be permitted, except with the prior written consent of Landlord, which consent shall not be unreasonably withheld or delayed. Tenant shall not install any resilient tile or similar floor covering in the Premises, except with the prior approval of Landlord, which approval shall not be unreasonably withheld or delayed.

14. No additional locks or bolts of any kind shall be placed on any door in the Premises and no lock on any door therein shall be changed or altered in any respect. Tenant shall not make duplicate keys. All keys shall be returned to Landlord upon the termination of the Lease and Tenant shall give to Landlord the explanations of the combinations of all safes, vaults and combination locks remaining with the Premises. Landlord may at all times keep a pass key to the Premises. All entrance doors to the Premises shall be left closed at all times and left locked when the Premises are not in use.

15. Tenant shall give immediate notice to Landlord in case of known theft, unauthorized solicitation or accident in the Premises or in the Center, or of known defects therein or in any fixtures or equipment, or of any known emergency in the Center.

16. Tenant shall not use the Premises or permit the Premises to be used for photographic, multilith or multigraph reproductions, except in connection with its own business and not as a service for others without Landlord's prior written permission.

17. No animals or birds shall be brought or kept in or about the Center, with the exception of guide dogs accompanying visually handicapped persons.

18. No awnings, draperies, shutters or other interior or exterior window coverings that are visible from the exterior of the Premises may be installed by Tenant without Landlord's prior written consent.

19. Tenant shall not place, install or operate within the Premises or any other part of the Center any engine, stove, or machinery, or conduct mechanical operations therein, without the written consent of Landlord.

20. No portion of the Premises or any other part of the Center shall at any time be used or occupied as sleeping or lodging quarters.

21. Tenant shall at all times keep the Premises neat and orderly.

22. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expenses of any breakage, stoppage or damage, resulting from the violation of this rule shall be borne by Tenant who (or whose employees or invitees) shall have caused such damage.

23. All tenant modifications resulting from alterations or physical additions in or to the Premises must conform to all applicable building and fire codes. Tenant shall obtain written approval from the management office prior to commencement of any such modifications and shall deliver as built plans to the management office upon completion.

24. Tenant agrees to place all indoor potted plants requiring water within a container capable of collecting any water overflow, such containers to be approved and/or supplied by Landlord, at Tenant's sole expense. Tenant agrees to use caution so that indoor plants do not damage or soil the Premises.

25. Tenant shall not park (and shall insure that Tenant's employees, agents, and invitees do not park) in any reserved parking space other than those reserved parking spaces, if any, specifically assigned to Tenant. Any vehicle improperly parked, or parked in any unauthorized parking area in the Center, shall be towed at the vehicle owner's expense and without further or additional notice.

26. Persons using the Parking Areas do so at their own risk. Landlord specifically disclaims all liability, except when caused solely by its gross negligence or willful misconduct, for any personal

injury incurred by users of the Parking Areas, their agents, employees, family, friends, guests or invitees, or as a result of damage to, theft of, or destruction of any vehicle or any contents thereof, as a result of the operation or parking of vehicles in the Parking Areas.

SCHEDULE 7**EXCLUSIVE USES/PROHIBITED USES****Prohibited Uses**

No portion of the Premises shall be operated, in whole or in part as (i) a sales office or showroom for automobiles or other vehicles or boats, (ii) a “package” liquor store or an establishment serving alcoholic beverages for on premises consumption (other than in connection with a restaurant), (iii) a funeral parlor or other death industry related business or any medical industry related facility, (iv) a massage parlor or “strip” club or establishment featuring nude or semi-nude live entertainment (but excluding Massage Envy and similar concepts), (v) a discotheque, dance studio or dance hall, (vi) a bingo hall, gambling casino or establishment, (vii) a skating rink, (viii) an offtrack betting establishment, (ix) an adult book or adult video store or peep show (live or otherwise) or store selling or exhibiting pornographic materials or exhibiting or offering x rated, not rated and/or “adult only” inventory for display, sale or rental, (x) a so-called “flea market”, “second hand”, “used goods” or “surplus” store, (xi) a gun range or gun shop or other establishment selling fire arms or ammunition, (xii) a coin operated laundry, central laundry or an on-site dry cleaning plant or facility, (xiii) store selling drug or “head shop” paraphernalia (as opposed to a typical drug store such as CVS or Walgreens), (xiv) a facility offering tattoo or body piercing (other than ear), (xv) warehouse or storage facility (“mini”, “self” or otherwise), (xvi) industrial or manufacturing facility, (xvii) fireworks store, (xviii) a gymnasium, karate, health spa or exercise studio or similar type business, or (xix) any business or use which emits offensive odors, fumes, dust or vapors, is a public or private nuisance, emits loud noise or sounds which are objectionable, creates fire, explosive or other hazard, or creates risk of environmental damage.

[Existing Exclusives - ADD, IF ANY]

SCHEDULE 8
PERMITTED EXCEPTIONS

SCHEDULE 9

SIGN CRITERIA

[TO BE PROVIDED]

SCHEDULE 10
PYLON/MONUMENT SIGN

SCHEDULE 11

LETTER OF CREDIT FORM

[Insert name and address of issuing bank]

[Insert date]

IRREVOCABLE LETTER OF CREDIT NO. [Insert number]

[Insert name and address of owner]

Dear Sir/Madam:

At the request and for the account of [insert name of tenant] located at [insert address of tenant] (hereinafter call "Applicant"), we hereby establish our Irrevocable Letter of Credit No. [insert number] in your favor and authorize you to draw on us up to the aggregate amount of US\$[insert amount of letter of credit] available by your draft(s) at sight drawn on us and accompanied by the following:

A statement signed as follows: "The drawer hereunder is entitled to draw upon this letter of credit pursuant to that certain lease agreement dated _____, by and between _____, as Landlord, and _____ as Tenant as amended and as assigned (the "Lease").

This Irrevocable Letter of Credit will be duly honored by us at sight upon delivery of the statement set forth above without inquiry as to the accuracy of such statement and regardless of whether Applicant disputes the content of such statement. We hereby engage with you that all drafts drawn under and in compliance with the terms of this Irrevocable Letter of Credit will be duly honored by us if presented at [insert address of issuing bank] no later than [insert expiration date of Letter of Credit], it being a condition of this Irrevocable Letter of Credit that it shall be automatically extended for periods of at least 12 months from the present and each future expiration date unless, at least sixty (60) days prior to the relevant expiration date, we notify you, certified mail, return receipt requested, that we elect not to extend this Irrevocable Letter of Credit for any additional period.

This Irrevocable letter of Credit is transferable at no charge to any transferee of landlord upon notice to the undersigned from you and such transferee.

Except as otherwise expressly stated herein, this credit is subject to the International Standby Practices ISP98 (International Chamber of Commerce Publication no. 590).

Sincerely yours,

[insert authorized signature]

SCHEDULE 12
PAST ENERGY USAGE REPORT

EXHIBIT "F"

PARKING MANAGEMENT PLAN

The Village at Montclair
PARKING MANAGEMENT PLAN

The Village at Montclair - Parking Management Plan

Tenant(s) Acknowledgment Form

Unit No. _____

Each tenant, (including those with no vehicle at the time an rental agreement is signed) of The Village at Montclair mixed-use community must sign the acknowledgement form below indicating their receipt of a copy of the Parking Management Plan and their understanding of the parking constraints and regulations for The Village at Montclair mixed-use community.

By signing this acknowledgement form I/we confirm that I/we have received a copy of The Village at Montclair Parking Management Plan (PMP), understand the rules contained therein, and understand that compliance with the rules of the PMP are a condition of my/our rental agreement.

TENANT: _____
Print Name

Signature _____

TENANT: _____
Print Name

Signature _____

TENANT: _____
Print Name

Signature _____

TENANT: _____
Print Name

Signature _____

The Village at Montclair

PARKING MANAGEMENT PLAN

August 19, 2020

I. Parking Management Plan Introduction

This Parking Management Plan (PMP) has been prepared for the Village at Montclair, a 360-unit apartment community located at 5050 E Arrow Highway in the City of Montclair ("City"). The Village at Montclair is comprised of up to 25,173 square feet of commercial ground floor "flex" space and 330 apartment units dispersed across the site in four multi-story buildings. The Village at Montclair is directly adjacent to the Montclair Transit Center and has direct access via an on-site tunnel.

The Village at Montclair is a mixed-use community within the boundaries of the North Montclair Downtown Specific Plan (NMDSP), a transit-oriented development (TOD) plan designed to link new development with the Montclair Transcenter. The Montclair Transcenter is currently served by local bus services, the Metrolink commuter rail, and is planned as terminus for Metro Gold Line light rail service extending from Los Angeles County. Moreover, The Village at Montclair mixed-use community is within a block of the Montclair Place regional shopping center.

The objective of the Parking Management Plan is to ensure available parking spaces are appropriately used by residents and their guests to eliminate parking conflicts. As part of a TOD, future residents of the Village at Montclair project are encouraged to take advantage of their key location between existing and developing public transportation alternatives, the shopping opportunities at Montclair Place, and other commercial retail and service businesses within easy walking and bicycling distances.

GIVEN THE LIMITED AMOUNT OF PARKING SPACES ON-SITE, PROSPECTIVE TENANTS ARE ADVISED THAT THE MAJORITY OF THE UNITS IN VILLAGE AT MONTCLAIR PROJECT WILL BE ASSIGNED ONLY 1 PARKING SPACE(S) PER UNIT. ONLY TENANT SPACES ASSIGNED A TANDEM PARKING CONFIGURATION WILL BE ALLOWED AN ADDITIONAL ON-SITE PARKING SPACE.

II. Applicability

The provisions of this PMP apply to the Village at Montclair mixed-use community and do not apply to other neighborhoods or developments within the City of Montclair. The PMP is intended to manage the parking aspects of Village at Montclair mixed-use community by providing the framework for managing parking within the project and minimizing parking impacts on the surrounding community. Residents and visitors are expected to comply with the provisions of the approved PMP, which are enforced by the owner and/or project's property management company. Parking on public streets is enforced by the Montclair Police Department.

The Village at Montclair - Parking Management Plan**III. Availability of On-Site Parking**

Required on-site parking spaces shall be continually maintained and used for tenant parking throughout the life of the project as approved. None of the 562 parking spaces allocated on-site at the Village at Montclair mixed-use community shall be reduced and/or relocated without prior City Council approval.

See **Exhibit A** for location of on-site parking spaces for the project.

IV. Parking Space and Unit Summary

The following parking stalls are available for residents and guests:

<u>Parking Allocation for Project</u>			
Village at Montclair			
<i>Unit Type</i>	<i>No. of Units</i>	<i>Assigned Space¹ (includes tandem space)²</i>	<i>Sub Total</i>
Studio	77	1 space (77 Units)	77
One Bedroom	150	1 space (150 Units)	150
Two Bedroom	88	1 space (22 Units) 2 spaces (66 units)	154
Three Bedroom	15	2 spaces (7 units) 3 spaces (8 Units)	38
Residential Totals	330	420	
Visitor		1 space per 4 apartments	71
Residential + Visitor Total		496	
Flex/Retail	30	25,173/1:300 SF	71
Total Parking	360	562	

¹ Standard Parking Space
² Only 18 tandem spaces available. Tandem spaces shall only be assigned to and for parking vehicles assigned to the occupants of the same unit.

<u>Parking Provided</u>	
Village at Montclair	
<i>Location</i>	<i>Number</i>
Curb	52
Lot 6	27
Surface behind Building 1	10
Tandem Behind Building 1	18
Garage	483
Total Parking Provided	590 spaces

The Village at Montclair - Parking Management Plan

<u>Guest and Street Parking</u>		
Village at Montclair		
<i>Type of Parking Space</i>	<i>Number Required</i>	<i>Location</i>
Guest/Visitor	71	Garage
Street ¹	71	Internal Streets and Along Project Frontage
<i>Total Stalls</i>	<i>142 spaces</i>	

¹ Street parking is open for use by the public and is only available for short term parking for short term visitors and retail guests of the Village at Montclair mixed-use community. Under no circumstances are street parking spaces assignable to tenants nor shall be reserved for such purposes.

All vehicles parked on a public street are subject to the rules and regulations contained in the California Vehicle Code and Chapter 8.36.150 of the Montclair Municipal Code.

V. Parking Management Plan Objective and Strategy

The objective of the PMP is to ensure available parking spaces are properly used by residents in an efficient manner at all times to minimize parking issues. The strategy to reach this objective entails focused regulations with a deliberate emphasis on user information and clear enforcement strategies.

Pursuant to the availability outlined above, which is consistent with the requirements of the NMDSP, the overarching objective of this PMP is to provide definitive parking regulations that are easily enforced by Property Management, yet simple to understand for the Project's residents. This should result in the PMP contributing to a pleasant and safe living environment for residents and their guests, clarity with respect to management's enforcement rights, and ultimately, the alleviation of residents seeking offsite parking in adjoining neighborhoods. The requirements in this PMP are designed to work together to meet the City's parking management goals and requirements of the NMDSP and in support of other City regulatory efforts on public streets within in and/or adjacent to the project boundaries.

This objective is to ensure the available parking stalls outlined in Section 2 are utilized by residents as efficiently as possible and that parking regulations will be enforced by Property Management along with the Parking Management Plan contained in resident leases.

Each tenant on the lease agreement must sign the acknowledgement form in the PMP indicating their receipt of a copy of the Parking Management Plan, indicating their understanding of the parking constraints and regulations for the Village at Montclair mixed-use community.

VI. Parking Regulations

The parking guidelines include the following:

- A. Licensed and Operable Vehicles. All vehicles and motorcycles permitted to park at the Village at Montclair mixed-use community shall be legally registered with the State of California Department of Motor Vehicles (DMV) including current tags properly affixed to the vehicle pursuant DMV regulations. Further, all vehicles shall be maintained in operational condition at all times. At no time shall inoperable vehicles be allowed to remain on the premises.

The Village at Montclair - Parking Management Plan

- B. Cloud-Based Parking Management. Property management will utilize Parking Boss System (or equivalent), a cloud-based system that allows management to identify every vehicle on the property, set custom guest parking limits, provide detailed informational reports, and digitally track permits. All residents are required to register all vehicles make, model, color and license plate number with management upon signing a lease. Each resident will be provided with a “Smart Decal”, a window sticker with serial number and unique barcode that is accessible through smart phone validation. The Smart Decal allows for three kinds of scans: Public Scan, Patroller Scan, and Manager Scan. This Public Scan option allows any community member to use their smartphone for a quick barcode scan that displays the corresponding decal number, license plate of the vehicle it’s assigned to, space number it should be parked in, and most critically whether or not the decal is active or inactive. The Patroller Scan allows a patroller to scan a Smart Decal and see the unit number the vehicle belongs to—perfect in case of emergency or for a courtesy notice before towing. Upon Manager approval, Field Agents are able to see all the resident contact information as well. Field Agents can also add notes or record a violation. The Manager Scan function of the Smart Decal allows property management to instantly edit or pull up all information associated with permits and the permit holder’s contact information.
- C. Vehicle Registration. All residents will be required to register all vehicles make, model, color and license plate number with management upon signing a lease. All residents will then be provided a parking “Smart Decal” to identify vehicles assigned to tenant leases. All forms of vehicle identification will be unique to the project and must be placed on residents’ vehicles in specified locations on the vehicle where noted below:
1. Each unit will be assigned no more than one (1) parking space, except for larger units may be assigned an additional tandem parking space when such units/spaces are available and only where indicated on the approved site plan. Tandem spaces shall only be assigned to and for parking vehicles assigned to the occupants of the same unit.
 2. A resident Parking “Smart Decal” will be supplied to each resident to be placed on the registered vehicle owned by the resident. The decal must be displayed at all times on the vehicle in the Right corner of the windshield. Vehicle decals are not transferable.
 3. Each vehicle must park in its assigned space. Vehicles will be expressly prohibited from parking in any other stall than the vehicle’s assigned stall.
 4. Parking Decals shall be issued annually to each resident in the complex. Each resident shall affix the Decal on their vehicle.
- D. Parking Orientation. Prior to issuance of keys to new residents, all unit occupants with a driver’s license and/or provisional instruction permit will be required to attend a parking orientation with Project management. Each resident will be required to sign an acknowledgement of their attendance at the parking orientation. At the parking orientation, management will review all of the parking rules with the resident(s) so that the resident(s) understand the parking rules related to parking, assigned parking spaces, and public street parking. Property management will utilize

The Village at Montclair - Parking Management Plan

Parking Boss System (or equivalent), a cloud-based system that allows management to identify every vehicle on the property, set custom guest parking limits, provide detailed informational reports, and digitally track permits. This parking orientation will review this system with residents.

- E. Parking Acknowledgment in Lease or Rental Agreement. New residents shall also acknowledge the number of assigned parking spaces to be available for use by the new resident in their lease or rental agreement. This section of the lease or rental agreement shall state the consequences for violation of the PMP. The new resident shall initial this portion of the lease or rental agreement acknowledging parking terms.
- F. Guest Parking Notification. Tenants shall be notified that Village at Montclair mixed-use provides no on-street guest parking spaces. Moreover, parking spaces on adjacent public streets cannot be assigned as designated spaces for guests or visitors to the site. Parking spaces on public streets are only available for short-term use by the general public pursuant to the rules and regulations contained in the California Vehicle Code and Chapter 8.36.150 of the Montclair Municipal Code. Tenants are advised to notify their guests of this limitation. Visitor parking is available on the first floor of the garage under supervision of property management. All residents will be required to notify the Project's management of any overnight guests that utilize the Project's visitor parking areas. Residents will be required to provide management with the color, make and model and duration of their guests visit prior to, or immediately upon, said guest's arrival.
- G. Use of All Available Spaces. In the event that any spaces allocated to a unit are not used (e.g., a resident leases a 3-bedroom unit but only has one vehicle), the unused space may be made available for other residents' use. Additional spaces, however, will be capped at one (1) per unit so as to prevent a single resident from amassing surplus parking stalls to the detriment of other residents. Residents not utilizing all of their allocated spaces will receive a pre-agreed upon credit against their rent each month.
- H. Tandem Spaces. Tandem Spaces in the complex may only be used to park primary vehicles assigned to a specified unit. The Property Manager shall conduct an audit of tandem space usage twice annually to ensure that all residents are in compliance with this requirement.
- I. Parking of Vehicles or Motorcycles Only. Parking spaces shall be used only for the parking of registered and operable vehicles or motorcycles only. No parking space (including tandem spaces) shall be used for the purposes of storing personal belongings, storage containers of any size, commercial vans or trucks, inoperable vehicles, construction equipment/trailers, recreational vehicles or trailers, or other recreational equipment (e.g., water craft, etc.).
- J. Parking in Adjoining Neighborhoods. Residents are highly discouraged from parking in any adjoining neighborhood. Parking in existing neighborhoods invariably leads to existing resident complaints about and street parking and requests to restrict on street parking. Residents of The Village at Montclair Project mixed-use community will be made aware of this issue during parking orientation.

The Village at Montclair - Parking Management Plan

- K. Parking on Public Streets. Street parking is open to use by the public and is only available for short-term parking for guest/visitors of Village at Montclair mixed-use community. Under no circumstances are street parking spaces assignable to tenants nor shall be reserved for such purposes. All persons parking vehicles on a public street are subject to the rules and regulations contained in the California Vehicle Code and Chapter 8.36.150 of the Montclair Municipal Code.
- L. Residential Parking. Parking for residents of the Village at Montclair will be provided in the parking structure. All residents will be assigned a space in the structure, and through the cloud-based parking management system, property management will be able to conveniently monitor resident parking and ensure residents are parked in their appropriate space. The only exception to residential parking in the garage is the 18 tandem spaces behind Building 1. In the following section, the allocation of these tandem spaces will be specified.
- M. Retail Employee Parking. Retail and Restaurant employees of the Village at Montclair will be encouraged to walk, bike, and take transit. Parking will be available as well, and employees will have the option of purchasing a parking permit to park on the first level of the garage. The first level of the garage will have 13 spaces available for permitted employee parking.
- N. Parking Structure. The parking structure will be secured by an electronic security gate. The first floor of the garage will provide additional parking for flex-retail uses and visitor parking. The second, third, fourth and fifth floor of the garage will be reserved for residential parking. T

VII. Parking Enforcement

Parking enforcement will be a collaborative effort between the Property Management and a parking enforcement company selected by the Property Management Company. The respective obligations of each party will be the following:

- A. Violation Policy. The Cloud Based Parking Management system manages permits and keeps track of all violations. If someone with a permit is in violation, any of the property management staff or courtesy patrol company can look up the permit holder's contact and unit information in order to advise the resident to move the car. A resident's first violation of the PMP will result in a warning notice and request to immediately comply with the provisions of the PMP within 12 hours of receipt of notice for the first violation. Failure to comply within the stated timeframe of the first violation notice will result in a second violation, then Project Management will serve the resident with a 3-Day Notice to Cure. If the violation is not cured within the prescribed timeframe of the second violation, penalty fines shall be attached to monthly rent with a Notice to Quit.

The Property Management group shall hire a local tow company to tow vehicles parked within the development that are determined to be in violation of these policies (e.g., have more than three violation warnings). If a car does have a permit, the management will allow a 24-hour grace period before towing. However, all these cars will be cited in the system and tracked.

The Village at Montclair - Parking Management Plan

- B. Parking Patrol. A Parking Patrol provider will make nightly parking patrols seven (7) days per week in the complex, and provide a nightly report to management summarizing the following:
 - 1. Vehicles parked within the complex (excluding the public street) in violation of the PMP for corrective action by management.
 - 2. Any suspicious persons or activity.
- C. Management Property Tour. Project Management will enforce the PMP policies by performing the following:
 - 1. Tour the complex twice daily (morning and early evening) to confirm that no vehicles are parked in violation of the PMP. Twice daily inspections are expected to be sufficient as parking is less of a premium during daytime working hours. Further, a log will be kept of Management's inspections that will be made available upon the City's request.
 - 2. Noticing residents of parking violations based upon either Management's observations of parking violations or those observed by the Parking Patrol provider.
 - 3. Management will then enforce the violation policy discussed in Section 6.
- D. Resident Self-Policing. Signs will be clearly posted on Project property indicating that vehicles can be towed if parked in violation of the parking policies. Residents shall inform Property Management of any vehicle using a parking stall in violation of the PMP.

VIII. Parking Management Plan Monitoring and Evaluation

The owner and/or property management company shall continuously monitor the effectiveness of the PMP for *Village at Montclair mixed-use* community, and provided periodic reports to the City of Montclair for evaluation and/or modifications to the PMP, if warranted to meet new issues related to parking. The provisions of the approved PMP shall not be amended with prior City review and approval of a modified PMP by the Montclair City Council.

The Village at Montclair - Parking Management Plan**IX. Parking Space Assignment**

The Village at Montclair			
Residential Tandem Parking Assignments - Building 1			
	<i>Type</i>	<i>Parking Stall Number</i>	<i>Parking Space Type</i>
1	2B	67/68	Tandem-1 Standard & 1 Compact
2	2B	69/70	Tandem-1 Standard & 1 Compact
3	2B	71/72	Tandem-1 Standard & 1 Compact
4	2B	73/74	Tandem-1 Standard & 1 Compact
5	2B	75/76	Tandem-1 Standard & 1 Compact
6	2B	77/78	Tandem-1 Standard & 1 Compact
7	2B	79/80	Tandem-1 Standard & 1 Compact
8	2B	81/82	Tandem-1 Standard & 1 Compact
9	2B	83/84	Tandem-1 Standard & 1 Compact
Totals			
9 Units		18 Spaces	18 Tandem
<i>The table above describes the allocation of non-garage residential parking. These 18 tandem spaces behind building 1 are the only residential parking allocations outside of the garage. All other residential parking is contained within the garage.</i>			

The Village at Montclair				
Parking Assignments - Visitor				
	<i>Type</i>	<i>Parking Stall Number</i>	<i>Location</i>	<i>Parking Space Type</i>
1	Visitor	G101	Garage 1st Floor	Single Space
2	Visitor	G102	Garage 1st Floor	Single Space
3	Visitor	G103	Garage 1st Floor	Single Space
4	Visitor	G104	Garage 1st Floor	Single Space
5	Visitor	G105	Garage 1st Floor	Single Space
6	Visitor	G106	Garage 1st Floor	Single Space
7	Visitor	G107	Garage 1st Floor	Single Space
8	Visitor	G108	Garage 1st Floor	Single Space
9	Visitor	G109	Garage 1st Floor	Single Space
10	Visitor	G110	Garage 1st Floor	Single Space
11	Visitor	G111	Garage 1st Floor	Single Space
12	Visitor	G112	Garage 1st Floor	Single Space
13	Visitor	G113	Garage 1st Floor	Single Space

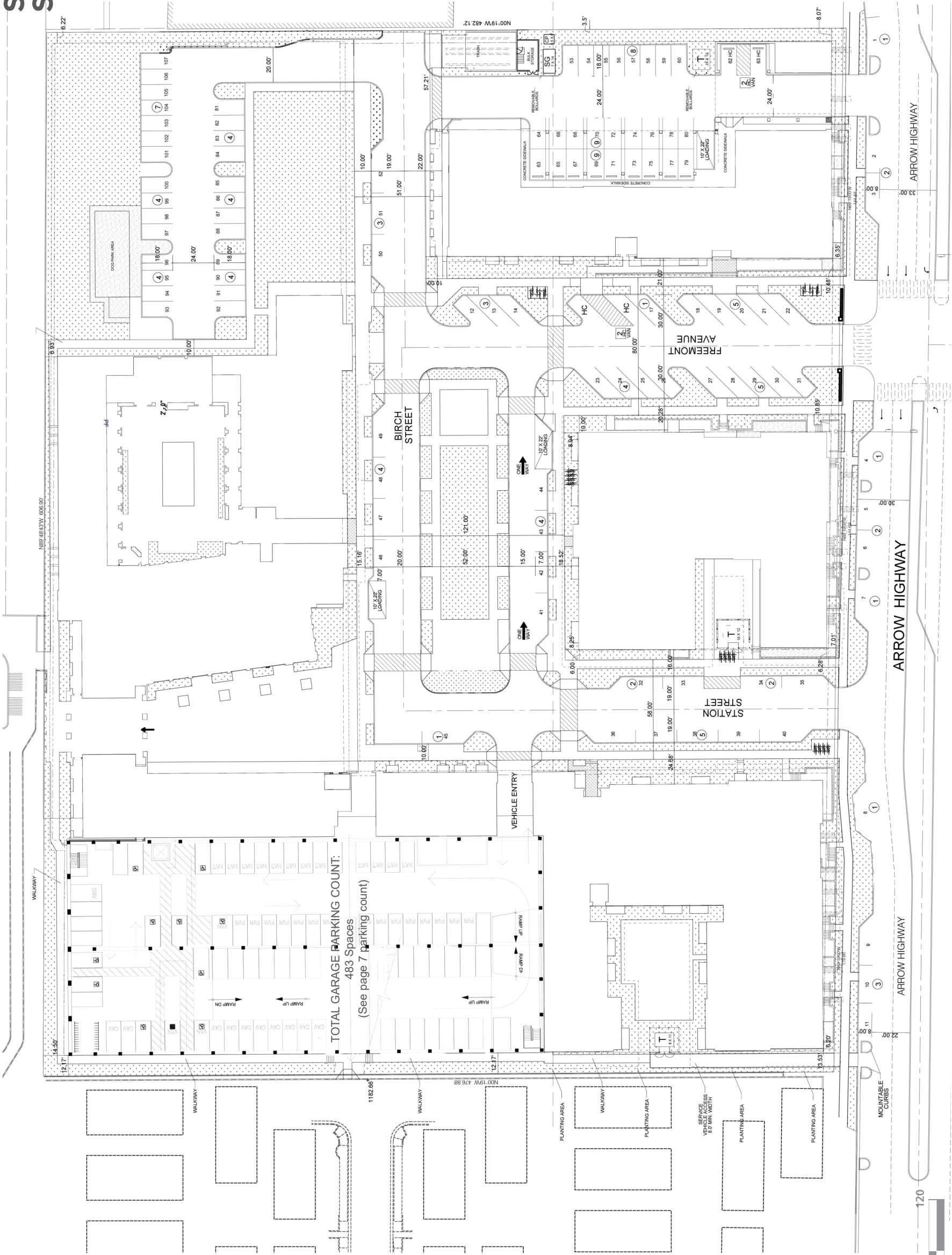
The Village at Montclair - Parking Management Plan

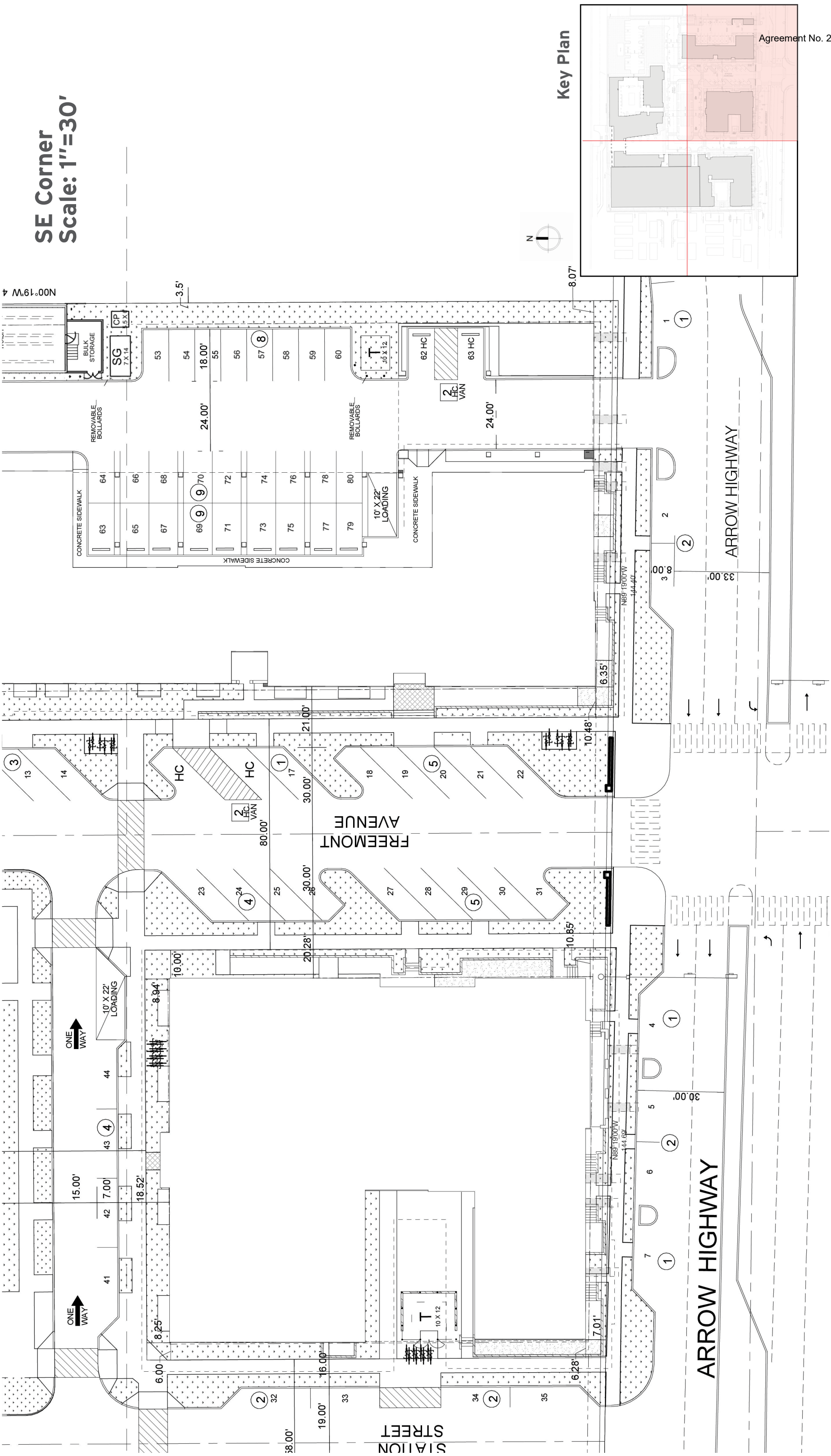
14	Visitor	G114	Garage 1st Floor	Single Space
15	Visitor	G115	Garage 1st Floor	Single Space
16	Visitor	G116	Garage 1st Floor	Single Space
17	Visitor	G117	Garage 1st Floor	Single Space
18	Visitor	G118	Garage 1st Floor	Single Space
19	Visitor	G119	Garage 1st Floor	Single Space
20	Visitor	G120	Garage 1st Floor	Single Space
21	Visitor	G121	Garage 1st Floor	Single Space
22	Visitor	G122	Garage 1st Floor	Single Space
23	Visitor	G123	Garage 1st Floor	Single Space
24	Visitor	G124	Garage 1st Floor	Single Space
25	Visitor	G125	Garage 1st Floor	Single Space
26	Visitor	G126	Garage 1st Floor	Single Space
27	Visitor	G127	Garage 1st Floor	Single Space
28	Visitor	G128	Garage 1st Floor	Single Space
29	Visitor	G129	Garage 1st Floor	Single Space
30	Visitor	G130	Garage 1st Floor	Single Space
31	Visitor	G131	Garage 1st Floor	Single Space
32	Visitor	G132	Garage 1st Floor	Single Space
33	Visitor	G133	Garage 1st Floor	Single Space
34	Visitor	G134	Garage 1st Floor	Single Space
35	Visitor	G135	Garage 1st Floor	Single Space
36	Visitor	G136	Garage 1st Floor	Single Space
37	Visitor	G137	Garage 1st Floor	Single Space
38	Visitor	G138	Garage 1st Floor	Single Space
39	Visitor	G139	Garage 1st Floor	Single Space
40	Visitor	G140	Garage 1st Floor	Single Space
41	Visitor	G141	Garage 1st Floor	Single Space
42	Visitor	G142	Garage 1st Floor	Single Space
43	Visitor	G143	Garage 1st Floor	Single Space
44	Visitor	G144	Garage 1st Floor	Single Space
45	Visitor	G145	Garage 1st Floor	Single Space
46	Visitor	G146	Garage 1st Floor	Single Space
47	Visitor	G147	Garage 1st Floor	Single Space
48	Visitor	G148	Garage 1st Floor	Single Space

The Village at Montclair - Parking Management Plan

49	Visitor	G149	Garage 1st Floor	Single Space
50	Visitor	G150	Garage 1st Floor	Single Space
51	Visitor	G151	Garage 1st Floor	Single Space
52	Visitor	G152	Garage 1st Floor	Single Space
53	Visitor	G153	Garage 1st Floor	Single Space
54	Visitor	G154	Garage 1st Floor	Single Space
55	Visitor	G155	Garage 1st Floor	Single Space
56	Visitor	G156	Garage 1st Floor	Single Space
57	Visitor	G157	Garage 1st Floor	Single Space
58	Visitor	G158	Garage 1st Floor	Single Space
59	Visitor	G159	Garage 1st Floor	Single Space
60	Visitor	G160	Garage 1st Floor	Single Space
61	Visitor	G161	Garage 1st Floor	Single Space
62	Visitor	G162	Garage 1st Floor	Single Space
63	Visitor	G163	Garage 1st Floor	Single Space
64	Visitor	G164	Garage 1st Floor	Single Space
65	Visitor	G165	Garage 1st Floor	Single Space
66	Visitor	G166	Garage 1st Floor	Single Space
67	Visitor	G167	Garage 1st Floor	Single Space
68	Visitor	G168	Garage 1st Floor	Single Space
69	Visitor	G169	Garage 1st Floor	Single Space
70	Visitor	G170	Garage 1st Floor	Single Space
71	Visitor	G171	Garage 1st Floor	Single Space

The table above describes the allocation of visitor parking. All residential visitor parking is contained within the first floor of the garage, and will be monitored by property management through the use of the cloud-based parking management system.



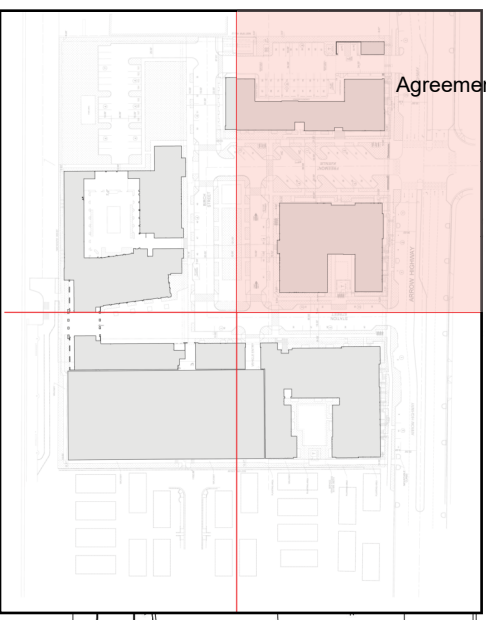


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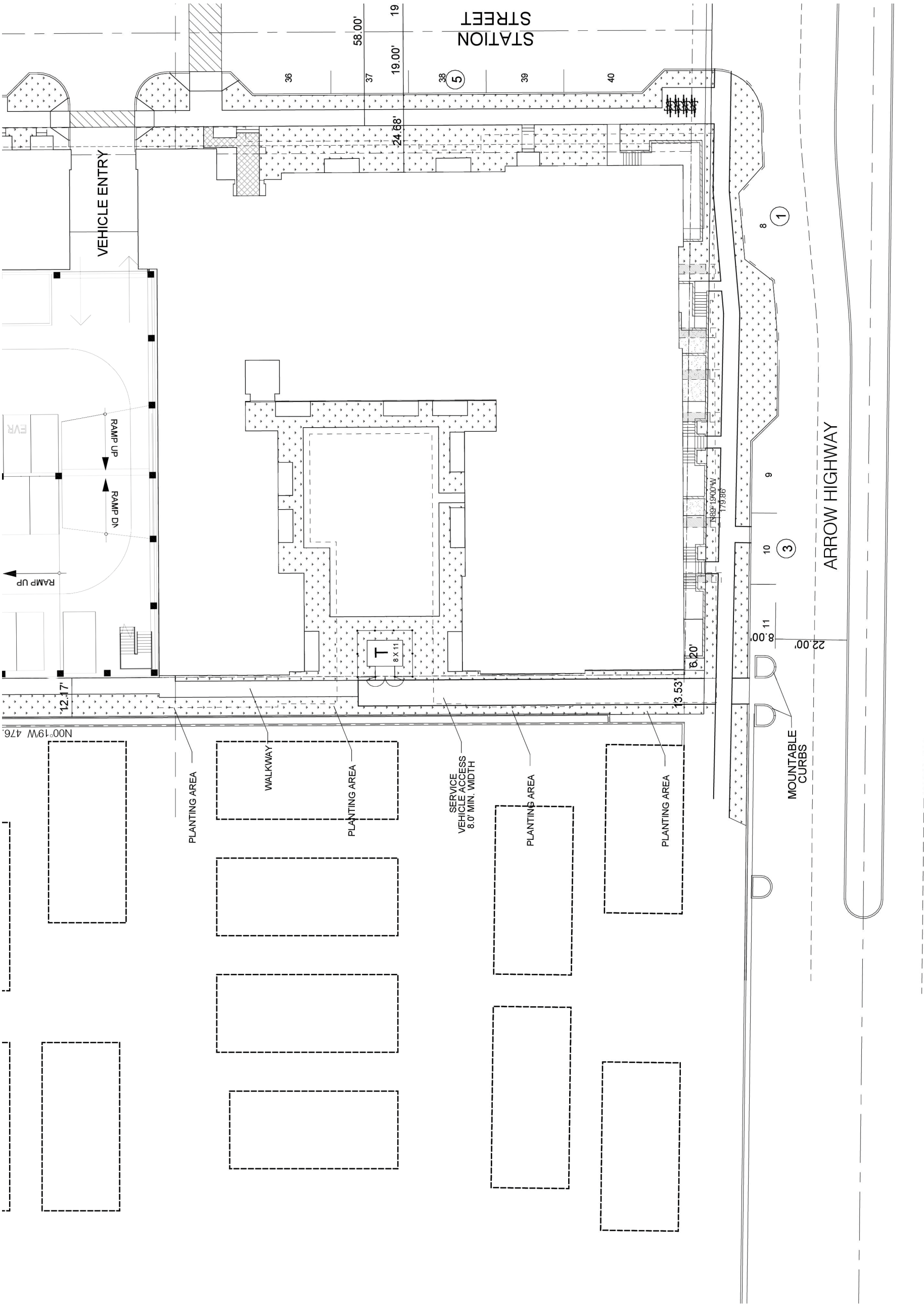
SE Corner
Scale: 1"=30'



Key Plan



Agreement No. 22-83



SW Corner
Scale: 1"=30'

Key Plan

Agreement No. 22-83

Diagram illustrating a walkway layout. The walkway is a long, narrow path with a dashed center line. It features three star-shaped symbols (representing trees or markers) and three rectangular symbols (representing benches or planters) along its length. The path is bordered by a solid line on one side and a dashed line on the other. The text "WALKWAY" is written vertically along the right side of the path.

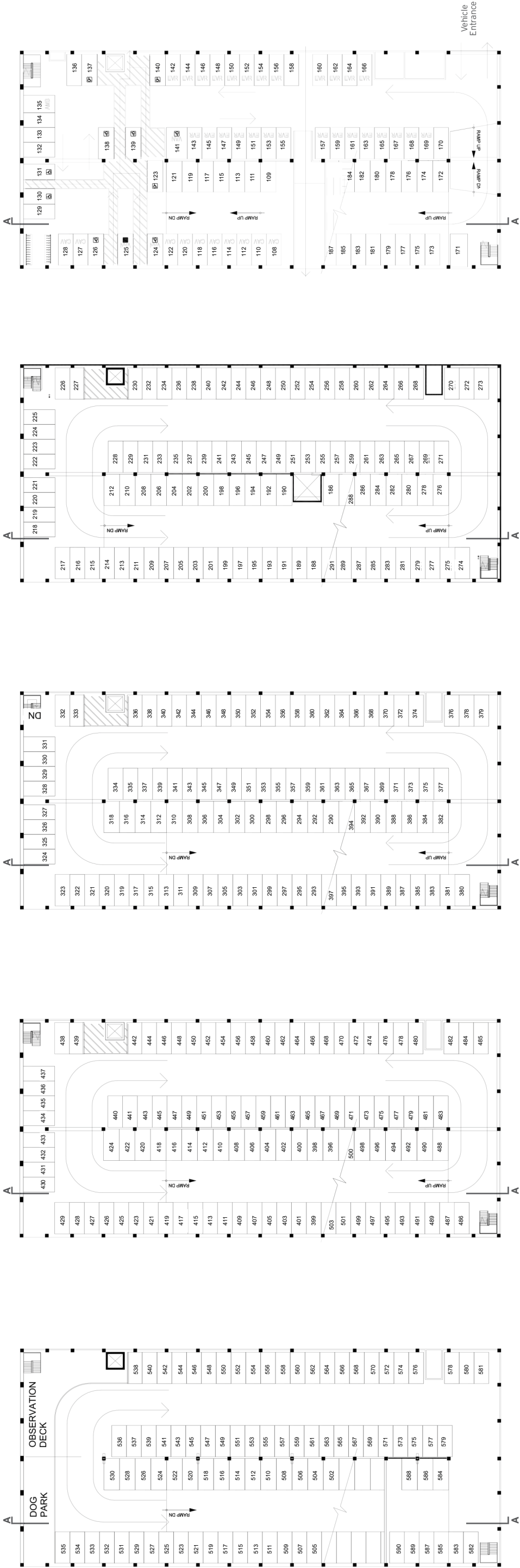


VILLAGE PARTNERS, INC.
Developers

Torti Gallas + Partners
Town Planners and Architects



Garage Parking Count
Scale: 1"=60'



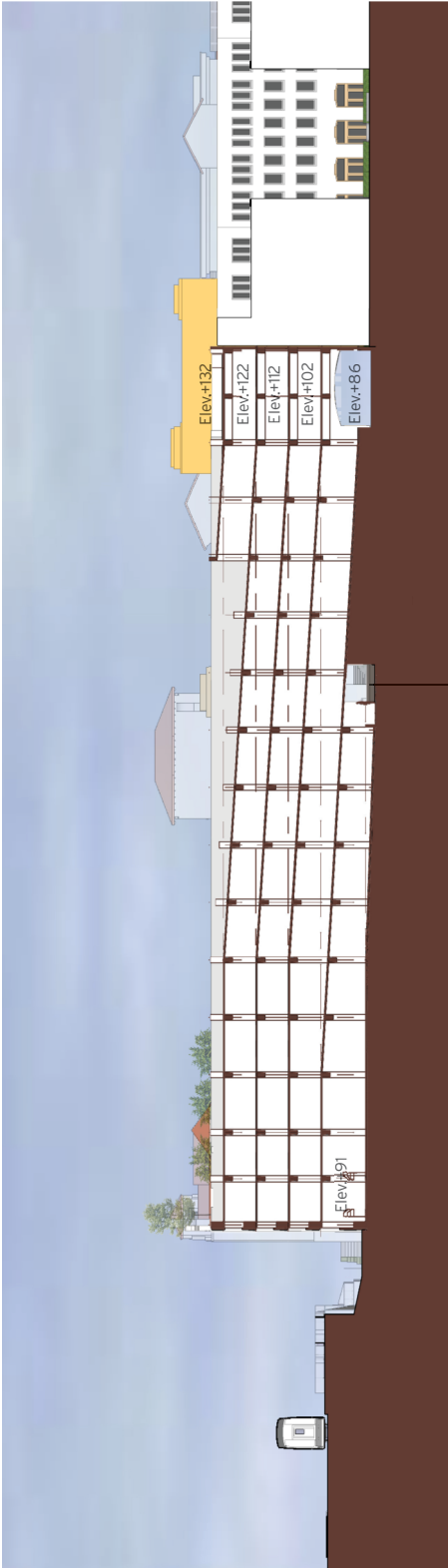
Garage Roof

Garage Fourth Level

Garage Third Level

Garage Second Level

Garage Ground Level + Paseo



Section AA

Garage Parking Tabulation

Ground Level	79
Second Floor	104
Third Floor	106
Fourth Floor	106
Roof	88
Total	483

EXHIBIT "G"

PARKING MANAGEMENT PLAN TENANT ACKNOWLEDGMENT

**The Village
at Montclair**

Parking Regulations Summary for Village at Montclair Residents

Resident Name: _____

Resident Unit: _____

Resident Parking Assignment: _____

Description of Parking Assignment Location: _____

Parking Regulations

Residents are required to park in their designated parking space, and will be issued a warning for parking in an unauthorized space. Residential parking spaces may only be used for the parking of vehicles or motorcycles.

Parking Management System: After you register your vehicle with property management, you will receive your Smart Decal. This Smart Decal is a next generation window sticker with a serial number and unique barcode that will allow management to efficiently ensure that only authorized vehicles are parked. Resident decals are tied to the resident's corresponding designated parking space, and management will be able to ensure that all residents are parking in their assigned spaces.

Guest Parking: As the resident, it is your responsibility to register your guests with the parking management system. Using the designated parking management app, you will be able to register your guest's car. Your guest will be issued a virtual guest permit that is linked to their vehicle license plate and your apartment unit. These virtual guest permits make it easy for guests to understand where they can park, and for how long they may park. Posted Guest Parking signs with scannable barcodes will allow guests to register themselves through the app, but it is your responsibility as the resident to ensure that this registration is completed and linked to your residential unit.

Parking Enforcement: Parking violations will be tracked by Property Management through the cloud-based parking management system. Residents will be notified immediately of any violations through the app. Repeat violations will not be tolerated and will result in corrective action.

I have read and understand the above regulations.

Resident Signature: _____

EXHIBIT "H"

FLEX USE GROUND FLOOR LEASING PLAN

The Village at Montclair

**5050 E ARROW HWY
MONTCLAIR, CA 91763**

**OWNER / DEVELOPER
VILLAGE PARTNERS
4340 VON KARMAN AVE #110, NEWPORT
BEACH, CA 92660 949.527.3597**

**STRUCTURAL ENGINEERS
VCA STRUCTURAL
1845 W. ORANGEWOOD AVE., SUITE 200
ORANGE, CA 92667
714.978.9780**

**PARKING STRUCTURAL ENGINEERS
ENGLERVA STRUCTURAL ENGINEERS
888 SOUTH FIGUEROA ST., 18TH FLOOR
LOS ANGELES, CA 90007**

MEP ENGINEER
GREEN MEP ENGINEERING CONSULTING INC.
3 MACARTHUR PLACE,
SANTA ANA, CA 92707
949.232.1919

CDR WEST
4121 WESTERLY PLACE #112
NEWPORT BEACH, CA 92660
949.610.8997

LANDSCAPE ARCHITECT
AHBE LANDSCAPE ARCHITECTS
617 W 7TH STREET, #304
LOS ANGELES, CA 90071

INTERIOR DESIGNER
MANNIGAN DESIGN
833 OAKWOOD PL.
PASADENA CA 91106

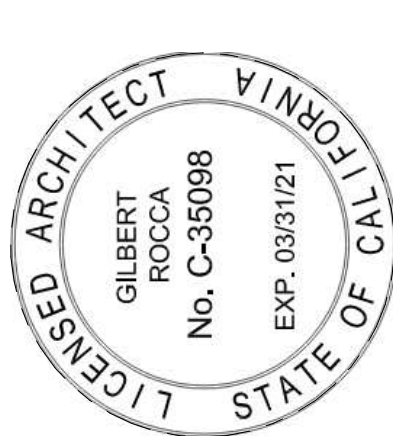
LIGHTING DESIGNER
FRANCIS KRAHE DESIGN
304 SOUTH BROADWAY, SUITE 300
LOS ANGELES, CA 90013
213.617.0477

Key Plan

Issue
NO. _____

DATE _____

Revisions
NO. _____



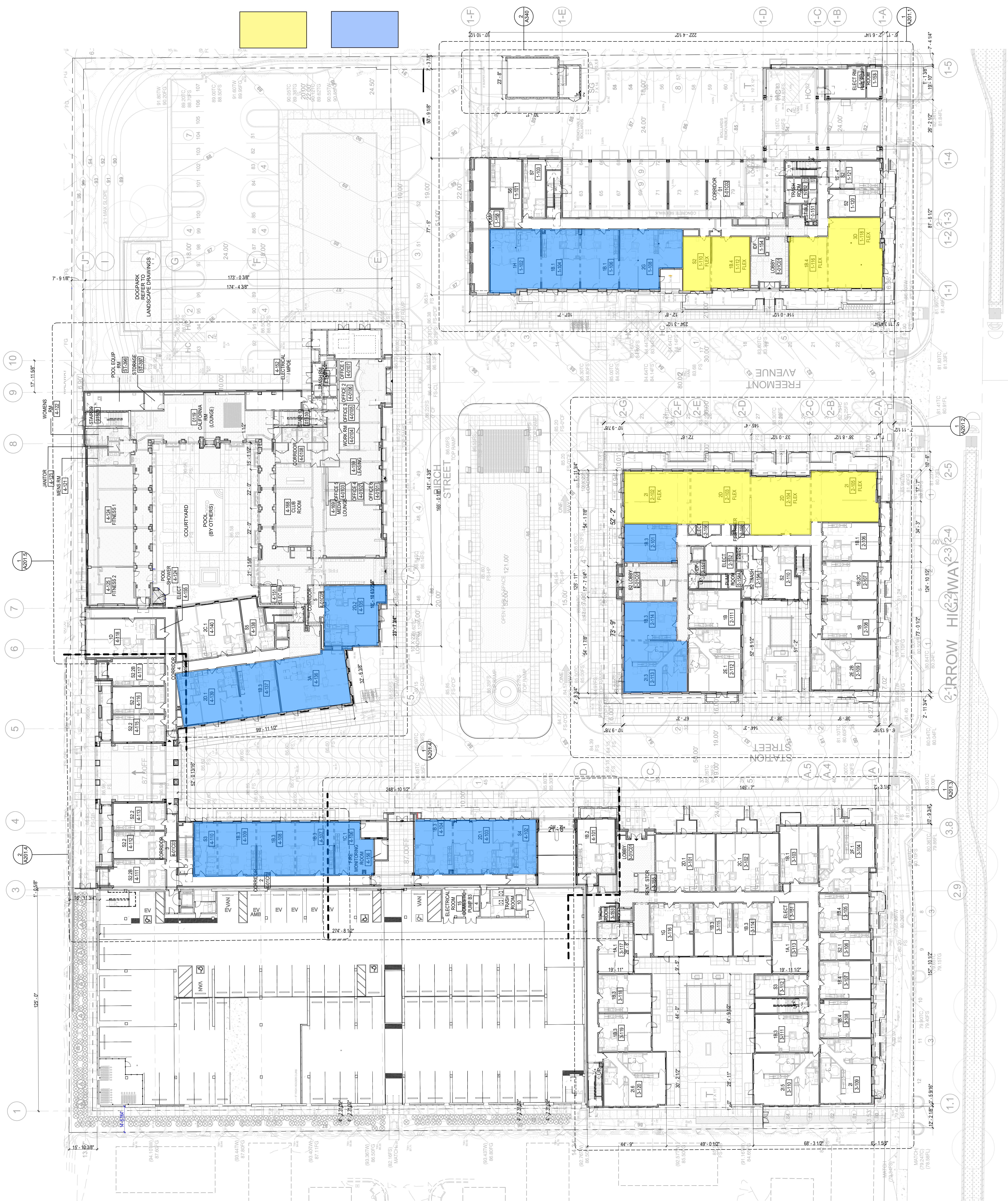
GROUND FLOOR PLAN

PRINCIPAL IN CHARGE	PROJECT ARCHITECT	APPROVED	JOB NO.
JT	GR	DATE 11/19/20	SCALE: As indicated
DRAWN	CJ JE BB NS RG KE		DRAWING NO

DRAWING NO. **A201**

Gateway Focus Area Commercial

Station Promenade Focus Area Flex



07/30/21 PLAN CHECK RESUBMITTAL

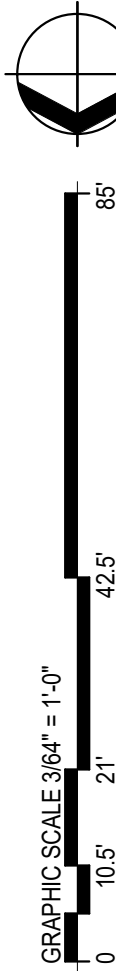
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EXHIBIT "T"

MASTER REFUSE REMOVAL PLAN



1900 Powell Street, Suite 220
 Emeryville, CA 94608
 (800) 488-7274 Toll Free USA
 (415) 292-5400
 (415) 292-5410 Fax
www.trashmanage.com

**Village Partners
 The Village at Montclair
 5050 E Arrow Hwy
 Montclair, CA
 Trash Management Plan**

Task: Design a waste and recycling system for this mixed use 4-building apartment project with a total of 350 residential units, and 9,756 SF of ground floor retail that minimizes costs, staffing requirements and environmental impacts, while providing convenient trash disposal for the building's residents. Please note the word "trash" when used in this plan covers waste, compost, and recycling.

Waste and Recycling Removal: The City of Montclair has contracted with Burrtec for waste disposal and recycling for all properties located within the city limits. Under the the current contracts (called a "franchise agreement") the following factors are critical:

1. Exclusivity: Burrtec is the only company that can legally engage in waste disposal and recycling within the city limits.
2. Non-negotiable rates: Waste disposal rates for both residential and commercial customers are set by the City and cannot be negotiated. These rates are typically adjusted annually.

Situation: The State of California requires all persons to source separate refuse into co-mingled (Mixed) Recyclables (paper, cardboard and glass, plastic & metal containers), organics (compostable materials) and waste. Each type of refuse must be placed a separate container designated for collection of that type of refuse the city's franchised waste and recycling vendor. All entities (residential and commercial) must pay for and receive recycling services, under the State's Mandatory Commercial Recycling Act (AB341) which took effect on July 1st, 2012. This law was further extended by AB1826 to require organics diversion by all business with more than 4 cubic yards of waste per week and all residential properties with more than 5 units. Finally, SB 1383 — although not fully implemented by local governments — will lead to mandatory food waste diversion from residential, multi-family, and commercial business by 2022.

Project Summary:

First, **all trash, both commercial and residential, will be collected in 3 streams (waste, mixed recycling, and compost) to meet the State requirements of AB341, AB1826 & SB1383.** Green waste will need to be diverted as part of the building's landscaping contract. Although previously excluded for multi-family properties under AB 1826, food scrap diversion in multi-family properties will be required in 2022 under SB1383. Projections and handling guidelines for this third stream of trash are included in this report.

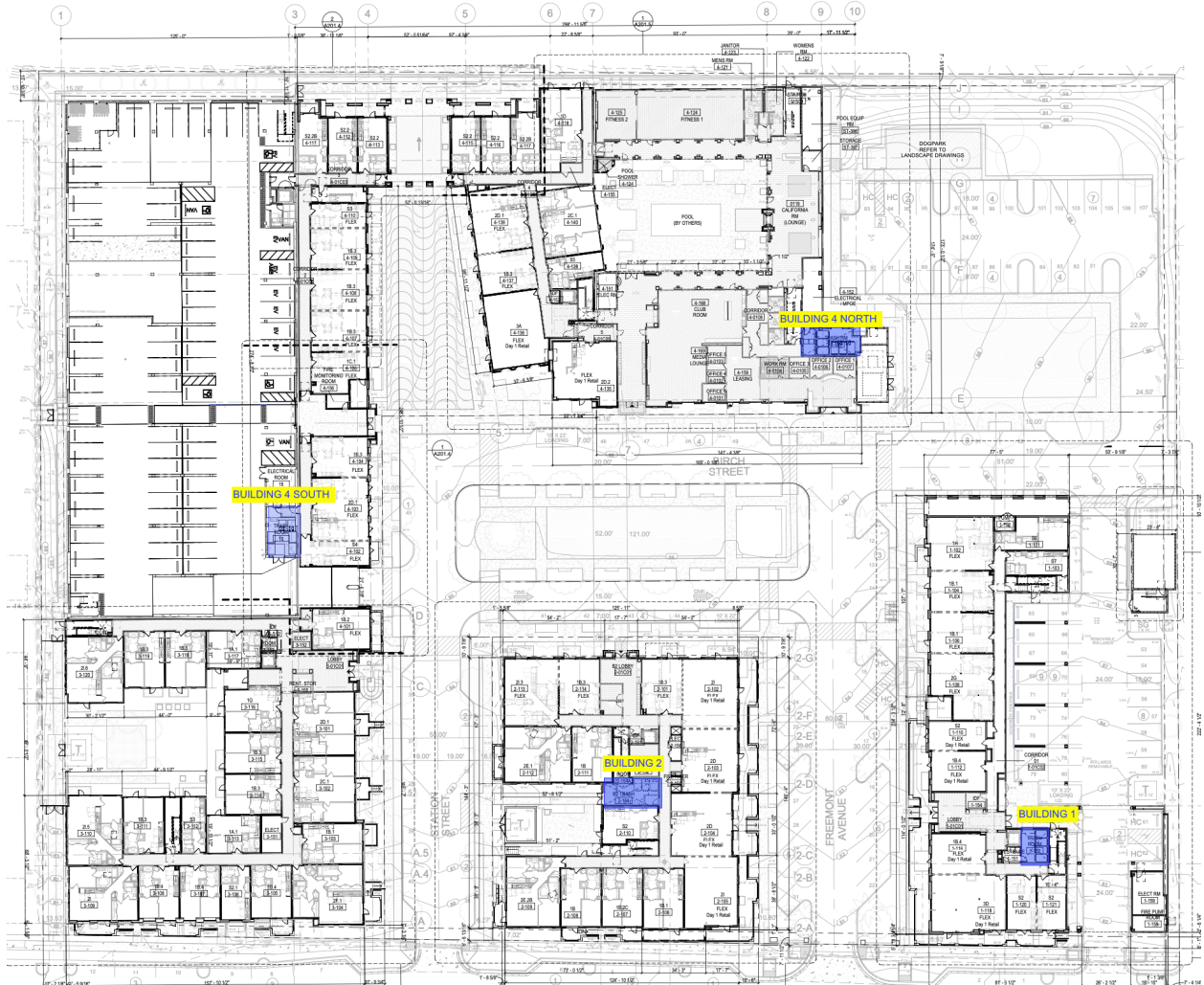
Second, **the project will have four residential trash chute cores as designed;** one each in Buildings 1 and 2 and two in Building 4. Residents of Building 3 will use Core 1 of Building 4.

Third, based on projected trash levels, 20CY roll-off compactors will meet the needs for waste and recycling disposal for the project. Burrtec only provides pricing for 40CY roll-off containers **but has confirmed they will service a customer-owned compactor smaller than 40CY.**



1900 Powell Street, Suite 220
 Emeryville, CA 94608
 (800) 488-7274 Toll Free USA
 (415) 292-5400
 (415) 292-5410 Fax
www.trashmanage.com

Site Plan





1900 Powell Street, Suite 220
Emeryville, CA 94608
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Typical Upper Floor





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Volume Projections for Residential Waste: Projections for residential waste and dry recycling follow. Both loose dumpster and compacted services are projected, which allows for evaluation of each type of service. The following metrics were used to project residential waste and recycling levels:

Residential Waste: 0.16 Cubic Yard (32 gallon) per week/unit. **NOTE: This is the equivalent of a little over 3 large kitchen garbage cans per unit week (2.5 - 13 gallon bags).**

Residential Recycling: 0.16 Cubic Yard (32 gallon) per week/unit. **NOTE: This is the equivalent of a little over 3 large kitchen garbage cans per unit week (2.5 - 13 gallon bags).**

Residential Compost: 0.012 Cubic Yard (2 gallon) per week/unit. **NOTE: This is the equivalent of 1 compost pail per unit week.**

Residential Trash Volume Projections by Core

Core	Units	Projected LOOSE Waste Volume CY/WK	Projected Compacted Waste Volume CY/WK	Projected LOOSE Recycling Volume CY/WK	Projected Compacted Recycling Volume CY/WK	Projected LOOSE Organics Volume CY/WK
Bldg 1	76	12.2	3.0	12.2	3.0	0.9
Bldg 2	55	8.8	2.2	8.8	2.2	0.7
Bldg 4 South	141	22.6	5.6	22.6	5.6	1.7
Bldg 4 North	78	12.5	3.1	12.5	3.1	0.9
Total	350	56.0	14.0	56.0	14.0	4.2

Commercial Trash Projections

	SF	Projected LOOSE Waste Volume CY/WK	Projected Compacted Waste Volume CY/WK	Projected LOOSE Recycling Volume CY/WK	Projected Compacted Recycling Volume CY/WK	Projected LOOSE Organics Volume CY/WK
Retail	3,902	1.0	2.0	0.1	0.2	0.5
Food & Beverage	5,854	20.5	5.1	34.8	8.7	9.1
Total	9,756	21.5	7.1	35.0	9.0	9.6



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Total Trash Projections - Combined Residential & Commercial

	Units/ SF	Projected LOOSE Waste Volume CY/ WK	Projected Compacted Waste Volume CY/ WK	Projected LOOSE Recycle Volume CY/WK	Projected Compacted Recycle Volume CY/ WK	Projected LOOSE Compost Volume CY/ WK
Residential	350	56.0	14.0	56.0	14.0	4.2
Commercial	4,270	20.5	5.1	34.8	9.0	9.6
Total		76.5	19.1	90.8	23.0	13.8

Proposed Central Trash Area with Roll-off Compactors for Waste and Recycling

This type of equipment provides the following benefits:

- (1) Low Disposal Costs. On a \$ per lb. basis, roll-off machines have comparable disposal costs to front-load compactors.
- (2) Integrated Lifting Systems. Hydraulic lifters can be integrated into these machines to facilitate safe handling and loading of trash by staff.
- (3) Better Space Utilization. Aggregating all trash into a few larger compactors requires less space than using multiple dumpsters and dumpster locations.
- (4) Improved Hauler Access. The compactors can be situated into a properly designed trash room which can be accessed by the hauler. This is a superior alternative to staging multiple dumpsters in the alley.
- (5) Just-in-Time Trash Disposal Service. SmartTrash Management System
- (6) Flexibility for fluctuating trash levels. In a property that may experience fluctuating trash levels, compaction allows more flexibility to handle additional trash. The current projections call for the waste compactor to be picked up 1x per week. In the event of a busy week at the property, additional pickups can be arranged. Please note that Burrtec only provides pricing for 40CY machines.

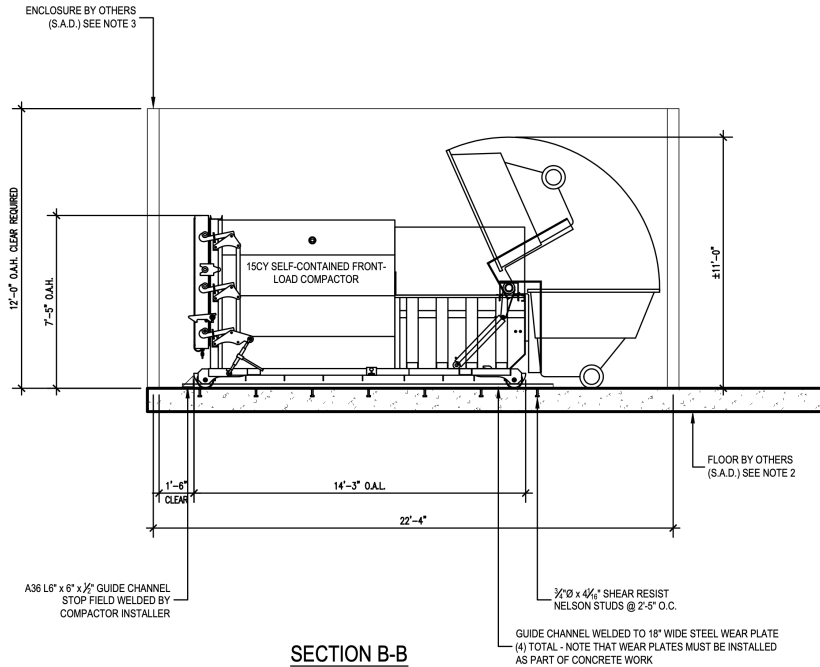
The central trash collection area meets the following parameters.

- (1) Overhead clearance within the enclosure is 14' clear.
- (2) Space is provided for one roll-off compactor for waste and one roll-off compactor for recycling plus space for compost totes .
- (3) The hauler can safely maneuver trucks from the street into the Central Trash Area, pick up [or drop off] the compactors and then drive off.
- (4) Containers and carts to be easily moved to the roll-off compactor hydraulic lifters.



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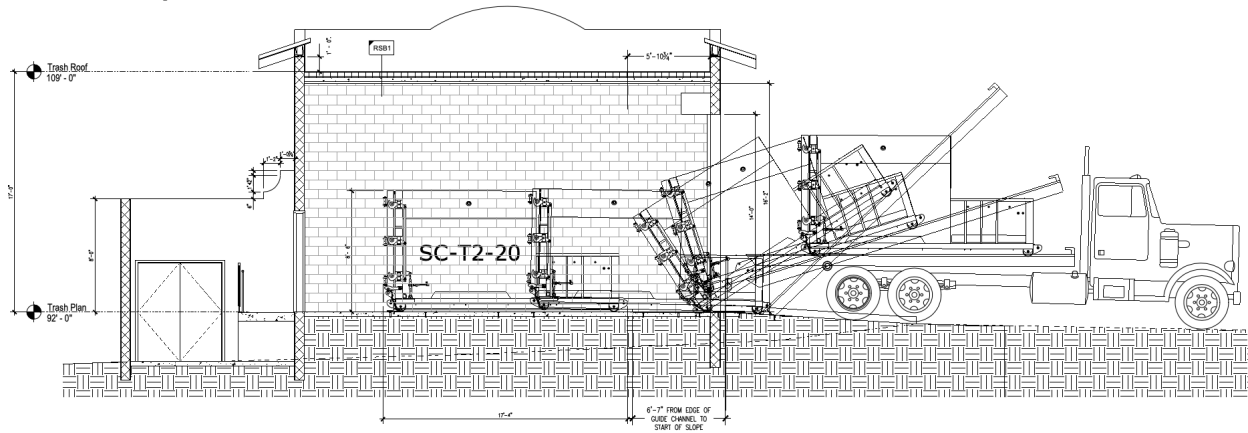
Roll-off Clear Height for Commercial Material Handling Carts



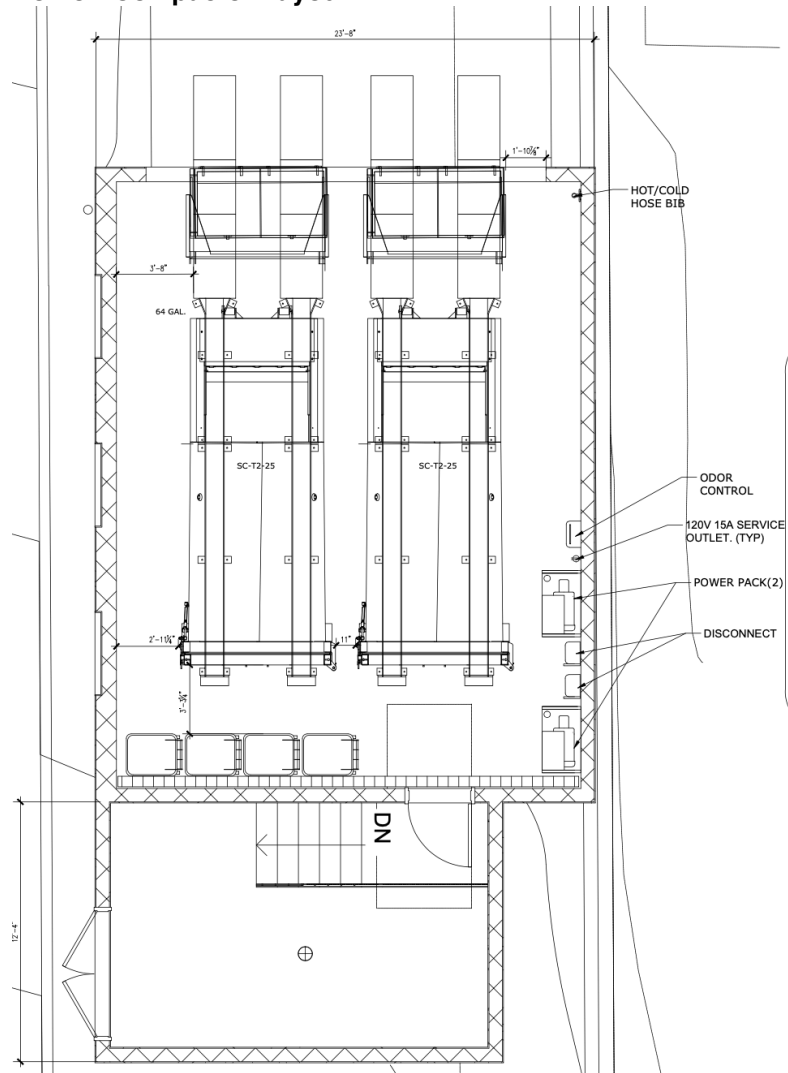


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Roll-off Compactor on Ground Level



Roll-off Compactor Layout





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Proposed Residential Trash Handling System

To comply with State law, residential & commercial trash will be collected in 3 different streams: waste, mixed recyclables (paper, cardboard & containers), and compost. We recommend that each of the four (4) proposed trash cores contain two (2) chutes: (1) for waste and (1) for recycling. Compost will be collected in Rubbermaid 'Slim Jim' containers in each chute vestibule.

Waste and Recycling Collection Containers. Waste and recycling will need to be collected in 3CY containers placed under the chutes.

Ground Floor Units. Because it is not safe for residents or other untrained persons to ever access a chute discharge room, a safe and accessible trash disposal solution will be required for ground floor units in each building. Thru-wall intakes are designed in B1 South and all other cores have dedicated accessible trash closets. Please refer to ATM drawings.

Residential Trash System Equipment

Below is a summary of the trash system equipment.

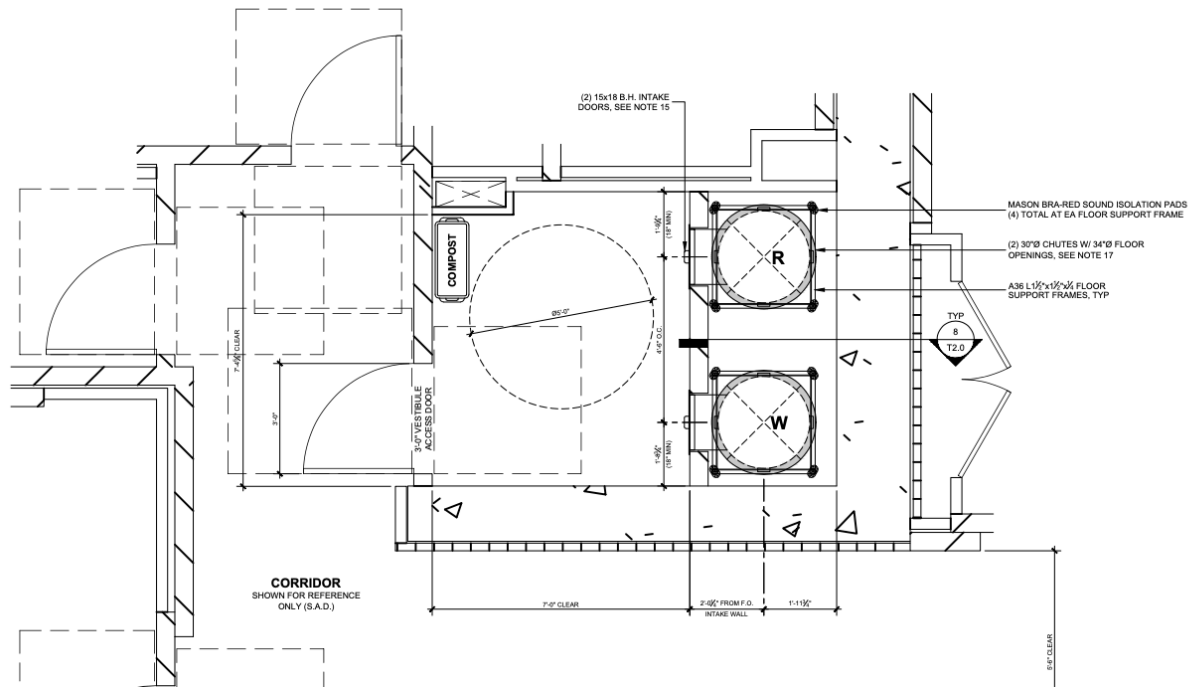
Core	Chutes	Size	Thru Walls	Bin Type	# of Bins	Bin Size Cubic Yards
Bldg 1	2	(2) 30" galv. Steel	NO	3CY Towable Trailer	2 waste 2 recycle 1 compost	3CY waste 3CY recycle 64G compost
Bldg 2	2	(2) 30" galv. Steel	NO	3CY Towable Trailer	2 waste 2 recycle 1 compost	3CY waste 3CY recycle 64G compost
Bldg 4 South	2	(2) 30" galv. Steel	YES	3CY Towable Trailer	2 waste 2 recycle 1 compost	3CY waste 3CY recycle 64G compost
Bldg 4 North	2	(2) 30" galv. Steel	NO	3CY Towable Trailer	2 waste 2 recycle 1 compost	3CY waste 3CY recycle 64G compost

-odor control in each trash room, one waste caddy for project, Slim Jims for each chute vestibule.



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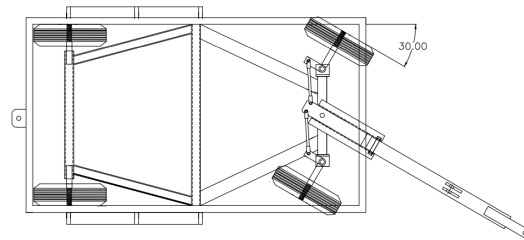
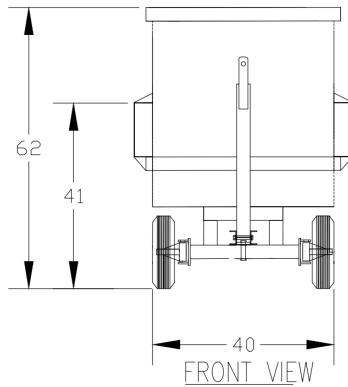
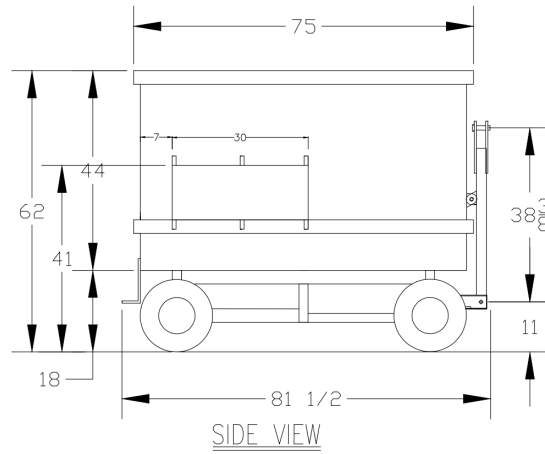
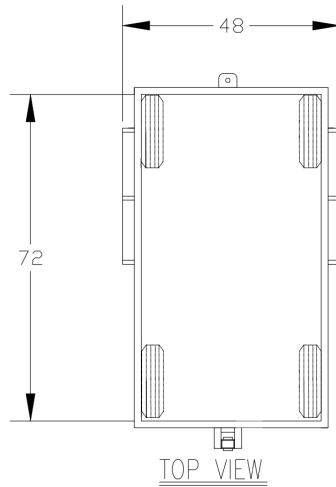
Residential Trash Vestibule Rooms Example





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3CY Towable Trash Trailer



STRUCTURAL SPECIFICATIONS

SIDES	12g
BOTTOM.....	10g
LIFTING POCKETS	1/4"
REINFORCING CHANNEL:.....	3/16"
WHEELS :	16"
CHASSIS: DUAL AXLE 3000 LB CAP.	



Residential Compost Collection Equipment

3540 Slim Jim® Waste Container



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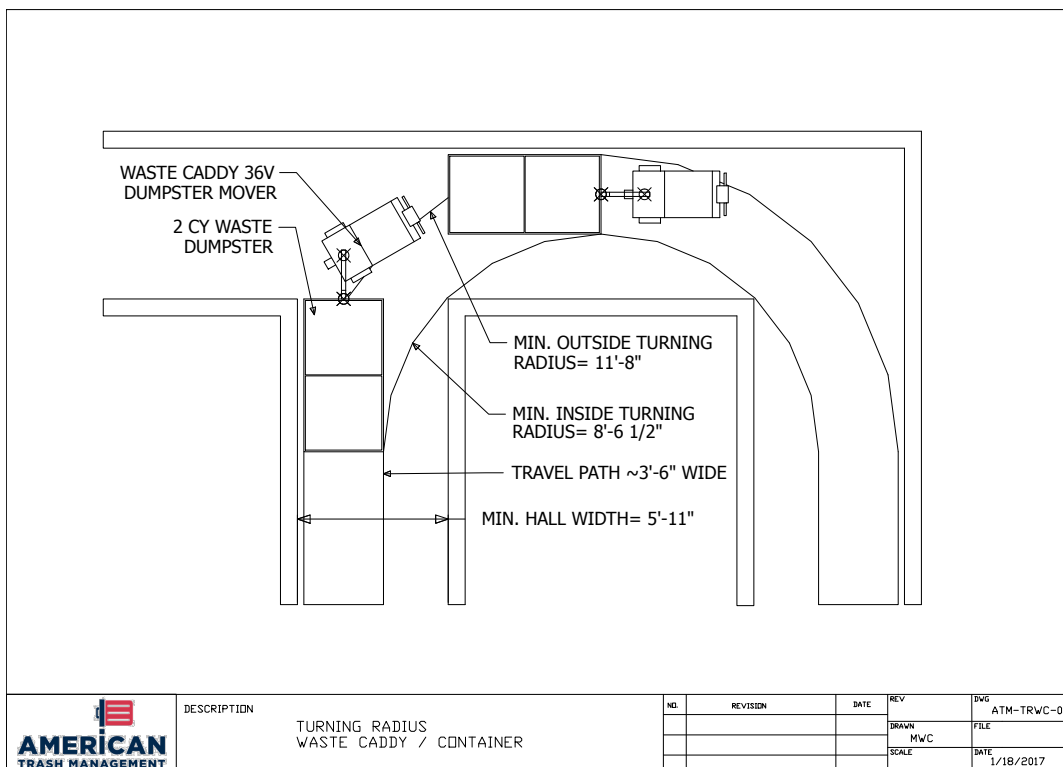
AMERICAN TRASH MANAGEMENT

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Waste Caddy



Bin Towing Radius - Waste Caddy





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Proposed Commercial Trash Handling

We recommend the commercial tenants in the project handle trash within their own space and to not have access to the residential trash handling equipment. It is unsafe for untrained persons to enter a chute discharge room and the nature and volume (high volume and compost-heavy) of restaurant or other F&B trash is unsuited to disposing of via the thru-wall intakes and/or trash closets that will be needed on the ground floor of the project.

Commercial tenants can either be trained to tip their trash carts into the appropriate roll-off compactor and dispose of their compost in 64G toters or a trash porter service can be provided by management. ATM recommends a trash porter service, as staff will already be required for transporting and tipping residential trash 7 days per week.

Service Location: All bins will be moved by staff using the waste caddy from the Trash Discharge/Collection rooms to the central roll-off compactor area.

Material Handling Carts

Akro-Tilt Trucks

Easy-to-use tip trucks for waste handling systems

- Heavy-duty trucks built with fully welded, reinforced tubular frames
- Works with automatic dumpers and standard forklift models



MADE IN THE USA



Optional towbar links carts together

COLOR

Gray/Gray



Akro-Tilt Trucks			Dimensions (in.)			Accessories		Wheels		Capacity			
Model No.	Model No. with Fork Channels	Description	W	D	H	Lid Model No.	Towbar Model No.	Wheel Diameter	Wheel Type*	Gallons	Cu. Yds.	Ca. Pk.	Load Rating
77405GRAY	77405FGRAY	Medium-Duty 100	27	54	36	—	38048	12	SP	100	1 1/2	27	600 lbs.
77410GRAY	77410FGRAY	Medium-Duty 200	33	66	42	77002	38048	12	SP	200	1	27	600 lbs.
77505GRAY	77505FGRAY	Heavy-Duty 100	27	54	36	—	38048	10	MR	100	1 1/2	27	1000 lbs.
77510GRAY	77510FGRAY	Heavy-Duty 200	33	66	42	77002	38048	10	MR	200	1	27	1000 lbs.
77610GRAY	77610FGRAY	Super Heavy-Duty 200	33	66	42	77002	38048	12	MR	200	1	27	2000 lbs.
77710GRAY	77710FGRAY	Heavy-Duty 300	39	85	51	—	38049	12	MR	300	1 1/2	48.5	2000 lbs.
77810GRAY	77810FGRAY	Heavy-Duty 400	48	85	51	—	38050	12	MR	400	2	54	2000 lbs.

*SP = Spoke Protection; MR = Metal On Rubber; *Dimensions can only be achieved with a single, heavy-duty wheel frame design.



Lid Model 77002
A full-width, heavy-duty piano hinge in the middle of the lid allows it to flip open during use.



AMERICAN TRASH MANAGEMENT

Wide mouth and low profile for easy loading

- Transport waste, bulk materials or work-in-process components
- Rugged, rotational-molded polyethylene construction

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NEW Heavy Wall Tub
Heavy-duty, extra-thick tub walls for increased durability.



COLORS
Blue/Gray, Green/Gray, Gray/Gray



Also-Carts			Dimensions (in.)							
Model No. without Lid*	Model No. with Lid	Description	W	D	H	Wheel Size	Wheel Type	Center	Frame	Load Rating
76460	76461	Medium-Duty 60 Gal. Cap.	30 1/2	48	33 1/2	12" x 2"	Solid Rubber	3 x 1 1/4" Thermo-Plastic	1" O.D. x 16 ga. galvanized w/ 5/8" solid axle	300 lbs.
76490	76491	Medium-Duty 90 Gal. Cap.	30 1/2	47	39 1/2	12" x 2"	Solid Rubber	3 x 1 1/4" Thermo-Plastic	1" O.D. x 16 ga. galvanized w/ 5/8" solid axle	350 lbs.
76590	76591	Heavy-Duty 90 Gal. Cap.	30 1/2	47	39 1/2	10" x 2 1/4"	Semi-Pneumatic	4 x 2 Mold-on Rubber	1.25" O.D. x 12 ga. powder-coated w/ 5/8" solid axle	450 lbs.

*Please specify color when ordering. *Carts without lids cannot have lids added after production. Single units are shipped completely assembled. When multiple units are ordered, lids are shipped separately and require assembly.



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Front Load Trash Truck Noise Levels & Bin Access

Location	Decibel Levels
Banging on Bins when Emptying	100
Behind Garbage Truck (while compacting)	89

Sample Residential Bin Towing/Swapping Schedules

Please note that typically ~half of residential trash is disposed of on weekends.

Residential 3CY Towable Trailers

Core	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Bldg 1-Waste	1		1		1	1	1
Bldg 1-Recycle	1		1		1	1	1
Bldg 2-Waste	1			1		1	
Bldg 2-Recycle	1			1		1	
Bldg 4 S-Waste	1	1	1	1	1	2	1
Bldg 4 S-Recycle	1	1	1	1	1	2	1
Bldg 4 N-Waste	1		1		1	1	1
Bldg 4 N-Recycle	2		1		1	1	1
Total	9	2	6	4	6	10	6

Commercial 1CY Material Handling Carts

Core	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Waste	2	2	2	2	3	2	2
Recycle	4	3	4	3	4	4	4
Total	6	5	6	5	7	6	6
64G Compost Toters	4	2	2	2	3	4	4



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Compacted Trash Pickup Schedule. Actual schedule to be determined by hauler, building management and total trash volume generated.

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Compacted Waste 20CY*		1				
Compacted Recycling 20CY*			1			
Total	0	1	1	0	0	0
64G Compost Toters**	4	4	4	4	4	4

*Will require permission from hauler to service roll-off < 40CY.

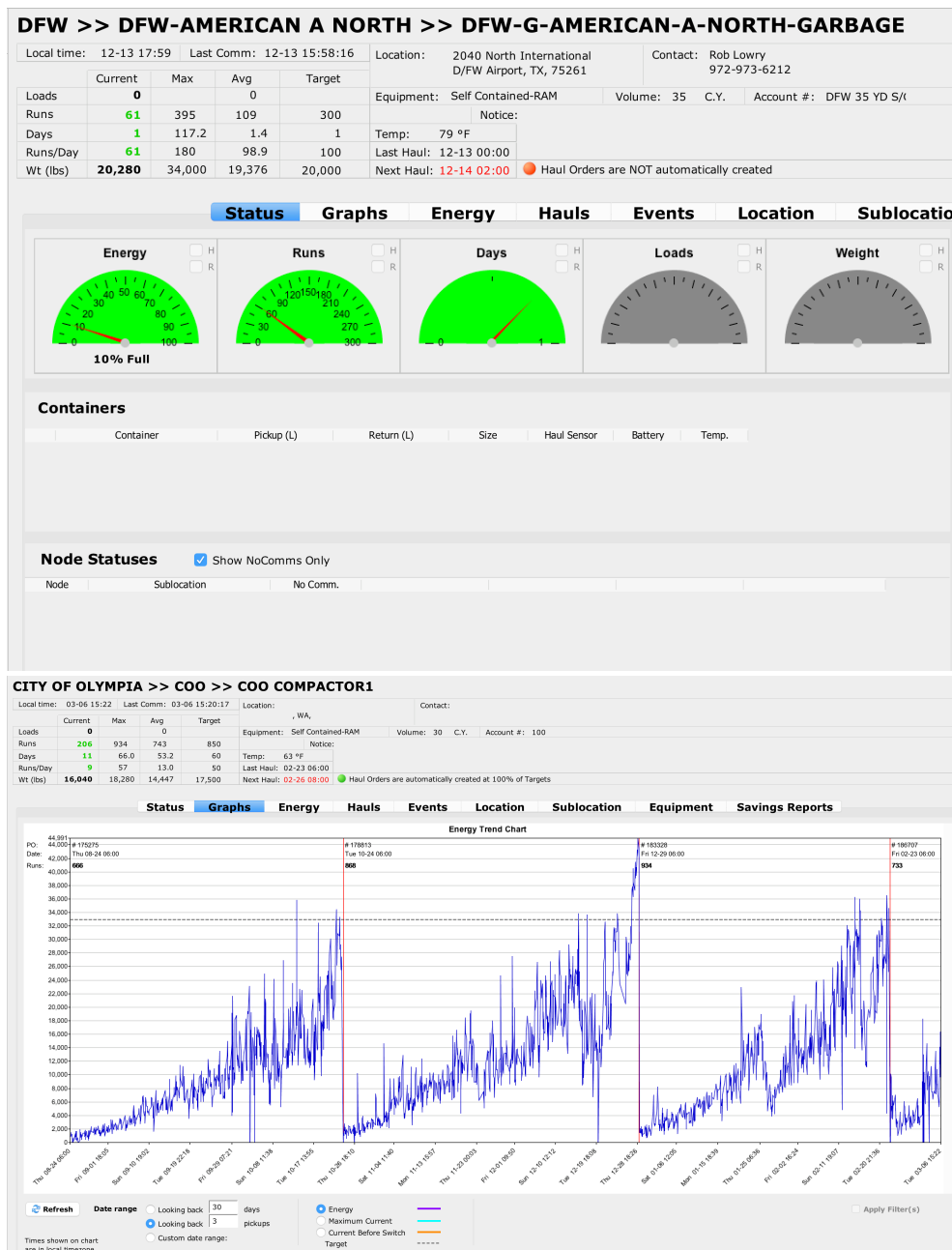
**Fewer service days can be accomplished with either more toters or larger containers (if available).



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Trash Service Pickup Schedule - Just-in-Time

All roll-off compactor and baler usage can be monitored and pickups scheduled using the SmartTrash® Compactor Management System. The SmartTrash® system will restrict access to the equipment to user having an authorized RFID card or Key FOB. This system will record all tenant usage and will eliminate the need to pickup the roll-off compactors on a set schedule and will allow quicker response to any system failures. If SmartTrash® System is not installed, staff will need to visually check the compactors several times a day to check on the status of the compactors. See example of SmartTrash below:





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Waste, Recycling Analysis (Rates reflect the rate increase effective July 1, 2020)

Below is a comparative analysis of the disposal and labor costs of handling waste and recycling in loose versus compacted bins. Please note that the projections below are estimates derived from actual audits of comparable multifamily complexes in the San Francisco Bay area. They are not guaranteed. They are to be used for planning purposes only and may be higher or lower than projected.

TOTAL RESIDENTIAL & COMMERCIAL WASTE AND RECYCLING ANALYSIS

ASSUMPTIONS:	UNITS:			
	350	Residential + FLEX		
Commercial Square Footage:	9,756	Day 1 Restaurant		GALLONS
Volume Waste:	0.16	cubic yard/week/unit		32
Volume Recycling:	0.16	cubic yard/week/unit		32
Volume Compost:	0.012	cubic yard/week/unit		2
Compaction Ratio	4	to 1		
Staff Labor Rate	\$21.00	per hour - 1 person		
Time move bins	0.25	hr to move to unloading area & back		
Rake-Rotate bins	0.15	hr to go to each bin rake or rotate		
Compacted Waste Service	20	cubic yard RO compactor		
Compacted Recycling Service	20	cubic yard RO compactor		
Loose Waste Service	3	cubic yard front load bins		
Loose Recycling Service	3	cubic yard front load bins		
Loose Compost Service	0.32	cubic yard carts (64 G Toter Carts)		

COST BENEFIT CALCULATIONS:	PROJECTED	PROJECTED	PROJECTED
SERVICE-Waste	Loose*	Compacted-RO	Compacted-RO
SERVICE-Recycling	Loose*	Loose	Compacted-RO
SERVICE-Compost	Loose	Loose	Loose
Loose Waste Volume - CY	77.5		
Compacted Waste Volume - CY		19.4	19.4
Loose Recycling Volume - CY	92.8	92.8	
Compacted Recycling Volume - CY			23.2
Loose Compost Volume - CY	13.5	13.5	
Compacted Compost Volume - CY			3
Waste Containers/week	26	1.0	1.0
Recycling Containers/week	31	31	1.2
Compost Containers/week	45	45	45
Containers/week	102	76	
SYSTEM CAPITAL COST	\$0.00	\$55,000.00	\$110,000.00
WASTE COST/MONTH	\$4,116.36	\$2,520.80	\$2,520.80
RECYCLING COST/MONTH	\$0.00	\$0.00	\$899.48
COMPOST COST/MONTH	\$2,046.06	\$2,046.06	\$2,046.06
TRASH COST/MONTH	\$6,162.42	\$4,566.86	\$5,466.33
COMPACTION SAVINGS/MONTH	\$0.00	\$1,595.56	\$696.09
STAFF LABOR COST/MONTH	\$3,709.94	\$2,764.27	\$0.00
STAFF SAVINGS/MONTH	\$0.00	\$945.67	\$3,709.94
NET MONTHLY TRASH COSTS	\$9,872.36	\$7,331.13	\$5,466.33
Monthly Trash Cost per Unit	\$28.21	\$20.95	\$15.62
PAYBACK MONTH	N/A	22	25

*For comparison purposes only. Loose 3CY front load service is not recommended for this project.

RESIDENTIAL CARDBOARD ANALYSIS

ASSUMPTIONS:	UNITS:	350
	BOXES/WK	1225



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BUILDING 1 RESIDENTIAL WASTE AND RECYCLING ANALYSIS

ASSUMPTIONS:	UNITS:		GALLONS
	76		
Volume Waste:	0.16	cubic yard/week/unit	32
Volume Recycling:	0.16	cubic yard/week/unit	32
Volume Compost:	0.012	cubic yard/week/unit	2
Compaction Ratio	4	to 1	
Loose TT - waste/recycle	3	cubic yard towable trailer	
Loose Compost Service	0.27	cubic yard carts (55 G Toter Carts)	

COST BENEFIT CALCULATIONS: PROJECTED Ground Floor

Units		
SERVICE-Waste	Loose-TT	Loose-TT
SERVICE-Recycling	Loose-TT	Loose-TT
SERVICE-Compost	Loose	Loose
Loose Waste Volume - CY	12.2	1.3
Compacted Waste Volume - CY		
Loose Recycling Volume - CY	12.2	1.3
Compacted Recycling Volume - CY		
Loose Compost Volume - CY	0.9	0.1
Waste Bins/week	5	5
Recycling Bins/week	5	5
Compost Carts/week	4	1
Containers/week/trash room	14	11

BUILDING 2 RESIDENTIAL WASTE AND RECYCLING ANALYSIS

ASSUMPTIONS:	UNITS:		GALLONS
	55		
Volume Waste:	0.16	cubic yard/week/unit	32
Volume Recycling:	0.16	cubic yard/week/unit	32
Volume Compost:	0.012	cubic yard/week/unit	2
Compaction Ratio	4	to 1	
Loose TT - waste/recycle	3	cubic yard towable trailer	
Loose Compost Service	0.27	cubic yard carts (55 G Toter Carts)	

COST BENEFIT CALCULATIONS: PROJECTED Ground Floor

Units		
SERVICE-Waste	Loose-TT	Loose-TT
SERVICE-Recycling	Loose-TT	Loose-TT
SERVICE-Compost	Loose	Loose
Loose Waste Volume - CY	8.8	1.3
Compacted Waste Volume - CY		
Loose Recycling Volume - CY	8.8	1.3
Compacted Recycling Volume - CY		
Loose Compost Volume - CY	0.7	0.1
Waste Bins/week	3	5
Recycling Bins/week	3	5
Compost Carts/week	3	1
Containers/week/trash room	9	11



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BUILDING 4 CORE NORTH RESIDENTIAL WASTE AND RECYCLING ANALYSIS (INCLUDES BUILDING 3)

ASSUMPTIONS:	UNITS:	141	
BLDG 3 GROUND FLOOR UNITS:		20	
BLDG 4 GROUND FLOOR UNITS:		19	
Volume Waste:	0.16	cubic yard/week/unit	32
Volume Recycling:	0.16	cubic yard/week/unit	32
Volume Compost:	0.012	cubic yard/week/unit	2
Compaction Ratio	4	to 1	
Loose TT - waste/recycle	3	cubic yard towable trailer	
Loose Compost Service	0.32	cubic yard carts (64 G Toter Carts)	

COST BENEFIT CALCULATIONS: PROJECTED

SERVICE-Waste	Loose-TT
SERVICE-Recycling	Loose-TT
SERVICE-Compost	Loose
Loose Waste Volume - CY	22.6
Compacted Waste Volume - CY	
Loose Recycling Volume - CY	22.6
Compacted Recycling Volume - CY	
Loose Compost Volume - CY	1.7
Waste Bins/week	8
Recycling Bins/week	8
Compost Carts/week	6
Containers/week/trash room	22

WITHOUT BLDG 3 GROUND FLOOR

Loose Waste Volume - CY	19.4
Loose Recycling Volume - CY	19.4
Waste Bins/week	7
Recycling Bins/week	7
Containers/week/trash room	14

BLDG 3 GROUND FLOOR

Loose Waste Volume - CY	3.2
Loose Recycling Volume - CY	3.2
Loose Compost Volume - CY	0.2
Waste Bins/week	2
Recycling Bins/week	2
Compost Carts/week	1



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BUILDING 4 CORE SOUTH RESIDENTIAL WASTE AND RECYCLING ANALYSIS

ASSUMPTIONS:	UNITS:		GALLONS
	78		
Volume Waste:	0.16	cubic yard/week/unit	32
Volume Recycling:	0.16	cubic yard/week/unit	32
Volume Compost:	0.012	cubic yard/week/unit	2
Compaction Ratio	4	to 1	
Loose TT - waste/recycle	3	cubic yard towable trailer	
Loose Compost Service	0.32	cubic yard carts (64 G Toter Carts)	

COST BENEFIT CALCULATIONS: PROJECTED

SERVICE-Waste	Loose-TT
SERVICE-Recycling	Loose-TT
SERVICE-Compost	Loose
Loose Waste Volume - CY	12.5
Compacted Waste Volume - CY	
Loose Recycling Volume - CY	12.5
Compacted Recycling Volume - CY	
Loose Compost Volume - CY	0.9
Compacted Compost Volume - CY	
Waste Bins/week	5
Recycling Bins/week	5
Compost Carts/week	3
Containers/week/trash room	13



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(415) 292-5400
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www.trashmanage.com

COMMERCIAL RETAIL WASTE AND RECYCLING SYSTEM ANALYSIS

Square Feet	9,756	
Retail %	40%	3,902.4
Restaurant %	60%	5,853.6
restaurant trash*	1.25	lbs/sf/wk
retail trash§	0.07	lbs/sf/wk
% recycled - restaurants	40%	
% compost - restaurants	25%	
% recycled - retail	60%	
% compost - retail	10%	
restaurant wastes:	125	lb. per loose cubic yards
retail wastes:	84	lb. per loose cubic yards
compost:	200	lb. per loose cubic yards
recyclables:	84	lb. per loose cubic yards
Compaction Ratio	4	to 1
Staff Labor Rate	\$20.00	per hour - 1 person
Time move bins	0.33	hr to move to unloading area & bac
Loose Waste Service	1	cubic yard material handling carts
Loose Recycling Service	1	cubic yard material handling carts
Loose Compost Service	0.32	cubic yard carts (64 G Toter Carts)

COST BENEFIT CALCULATIONS: PROJECTED PROJECTED PROJECTED

	Restaurant	Retail	Total	Total	
SERVICE-Waste	Loose	Loose	Loose	Compacted	
SERVICE-Recycling	Loose	Loose	Loose	Compacted	
SERVICE-Compost	Loose	Loose	Loose	Loose	
Loose Waste Volume - CY	20.5	1.0	21.5		
Compacted Waste Volume - CY	5.1	0.2		5.4	
Loose Recycling Volume - CY	34.8	2.0	36.8		
Compacted Recycling Volume - CY	8.7	0.5		9.2	
Loose Compost Volume - CY	9.1	0.1	9.3	9.3	
Waste Bins/week	21	1	22		
Recycling Bins/week	35	2	37		
Compost Carts/week	29	0	29	29	5
Bins/week	85	3	88	29	



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WASTE AND RECYCLING RATES (PARTIAL) CURRENT RATES 9/7/21

City:	Montclair
Waste Franchise:	Burrtec
Recycling Franchise:	Burrtec
Recycling Service/Unit	\$0.00

Loose Front Load Monthly Rates:	Waste	Waste	Waste	Compost
Frequency:	2 Cubic Yards	3 Cubic Yards	4 Cubic Yards	65 Gallon
1 x Week	\$150.00	\$213.45	N/A	\$68.97
2 x Week	\$279.36	\$376.00		\$126.30
3 x Week	\$409.80	\$539.85		\$179.87
4 x Week	\$533.73	\$402.72		\$233.76
5 x Week	\$655.62	\$865.53		\$294.86
6 x Week	\$777.59	\$1,029.09		\$341.01
7 x Week	Not Available	Not Available	Not Available	Not Available

Compacted Waste

Frequency:	3 Cubic Yards
1 x Week	\$278.93
2 x Week	\$505.08

Recycling is included with the waste rates if the waste is 2x greater than the recycling.

Roll-Off Services only available in 40CY and have a minimum of 4x per month.

40CY Open Top Waste-Permanent Service	\$481.40	Up to 6 tons	Overage Per Ton	\$49.00
40CY Open Top Recycle-Permanent Service	\$179.09	Clean-Flat Rate	Dirty-Same as Waste	
40CY Compacted Waste	\$582.17	Up to 8 tons	Overage Per Ton	\$49.00
40CY Compacted Recycle	\$179.09	Clean Flat Rate	Dirty-Same as Waste	
Roll off Compactor Cost	\$55,000.00	with hydraulic bin dumper/cart dumper		

EXHIBIT "J"

WASTE AND REFUSE ACKNOWLEDGMENT

The Village
at Montclair

**Waste and Refuse Acknowledgement for
Village at Montclair Residents**

Resident Name: _____

Resident Unit: _____

Waste and Refuse Regulations

You must dispose of all garbage, waste and recyclable materials in designated containers and/or designated areas and in accordance with applicable law and our instructions. Unless we indicate otherwise, you may not dispose of large items in Property garbage containers and/or areas. All boxes must be broken down and crushed before placing them in the appropriate container. You may not dispose of hazardous waste in Property garbage containers or on the Property.

Information about disposal and recycling options for household hazardous waste is available at:
<http://www.dtsc.ca.gov/HazardousWaste/UniversalWaste/HHW.cfm>.

State Law requires that multifamily properties separate three waste streams: waste, mixed recycling, and compost. Residents acknowledge that they must separate their waste and utilize the appropriate containers. Each building has a separate waste chute for recycling and waste, with a compost container in each vestibule.

I have read and understand the above regulations.

Resident Signature: _____

EXHIBIT "K"

PERIODIC IMPROVEMENT

PREVENTATIVE MAINTENANCE PROGRAM

Introduction:

The Legacy Partners Preventative Maintenance Program shall be customized for each community based on the physical properties and needs of the complete product. If you have need for assistance in designing your PM Program, please contact the Property Services Department. The Service Supervisor shall be responsible to assemble the program. The role of a Service Supervisor includes many tasks to complete on a daily basis on your community.

Program Overview:

The Preventative Maintenance Program is divided into (3) sections:

- Section (1)** Preventative Maintenance Summary pages which explain the type of inspection required, the time span in which to complete the inspection as well as a brief description of inspection definitions.
- Section (2)** (January – December) monthly calendars of the actual inspection dates per month as well as the type of inspection: weekly, monthly, quarterly, semi-annual and annual.
- Section (3)** Inspection forms used for this program and will be digitally stored at close of the inspection tasks.

WEEKLY PREVENTATIVE MAINTENANCE SUMMARY

LISTING OF PROPERTY WEEKLY INSPECTION TASKS:

A. EXTERIOR:

1. Inspect by turning on all underwater pool and spa lights, document and schedule repairs.
2. Inspect and document Bar-B-Que condition and schedule repairs as required.
3. Inspect all picnic area benches and tables, document and schedule repairs as required.
4. Trash enclosure area inspection.

INSPECTION OVERVIEW:

- A-1. Inspect, document and schedule repairs or replacements (*Service Contractor*).
- A-2. Inspect, document all required repair and replacements, schedule same.
- A-3. Inspect, document and schedule repairs or replacement as required.
- A-4. Inspect all trash enclosures and schedule cleaning and/or repairs.

MONTHLY PREVENTATIVE MAINTENANCE SUMMARY

LISTING OF PROPERTY MONTHLY INSPECTION TASKS:

B. EXTERIOR:

1. Pool and Spa area fencing, gates and latch inspection.
2. Pool area exterior lighting inspection.
3. Parking area sign inspection.
4. Parking area lighting inspection.
5. Exterior building lighting inspection with site map.
6. Property identification signs and flag inspection.

C. INTERIOR:

1. Office entry door and window lock condition inspection.
2. Office plumbing and electrical inspection.
3. Office interior lighting inspection.
4. Fitness center equipment inspection.

INSPECTION OVERVIEW:

- A-1. Inspect all pool and spa area fencing, gates and latches, document and schedule repairs.
- A-2. Inspect, document and repair all exterior pool area lighting.
- A-3. Inspect all parking area signs, document and replace as required.
- A-4. Inspect all parking area lighting, document on site map and repair immediately.
- A-5. Inspect all building lighting, document on site map and repair immediately.
- A-6. Inspect all property identification signs and flag, document and replace as required.

INTERIOR:

- B-1. Inspect the operations of Office door and window locks, document and schedule repairs.
- B-2. Inspect all Office plumbing, document and schedule repairs as required.
- B-3. Inspect all Office interior lighting, document and repair as required.
- B-4. Inspect all fitness center equipment, document and schedule Service Contractor for repairs.

QUARTERLY PREVENTATIVE MAINTENANCE SUMMARY

LISTING OF PROPERTY QUARTERLY INSPECTION TASKS:

D. EXTERIOR:

1. Mailbox / Location area inspection.
2. Property perimeter fencing and gate inspection.
3. Interior fencing and gate inspection.
4. Parking area striping.
5. Parking area stall numbering.
6. Curb paint condition inspection.
7. Patio enclosure fencing inspection.
8. Stairway handrail inspection.
9. Garage door condition inspection.
10. Utility room door condition inspection.

E. INTERIOR:

1. Office carpet and tile inspection.
2. Office paint and finishes inspection.
3. Office furniture condition inspection.

INSPECTION OVERVIEW:

- A-1. Inspect, document and schedule repairs, paint, etc.
- A-2. Inspect all exterior perimeter fencing, gates and gate closers. Document and schedule repairs.
- A-3. Inspect, document and schedule repairs for Interior fencing, gates and closers.
- A-4. Inspect parking area striping and schedule repainting.
- A-5. Inspect parking area stall numbering condition and schedule repainting.
- A-6. Inspect all street curb paint condition and schedule repaint.
- A-7. Inspect all patio enclosure fencing, document and schedule repairs and repainting.
- A-8. Inspect all staircase hand rails, document and schedule repairs and repainting.
- A-12. Inspect all garage doors, document and schedule repairs and repainting as required.
- A-13. Inspect all building utility doors, document and schedule repairs and repainting.
- B-1. Inspect office area carpet and tile areas, document and schedule repairs or replacement.
- B-2. Inspect office area interior paint and finishes, document and schedule repaint or refinish.
- B-3. Inspect office furniture, document and schedule replacement as required (*Service Contractor*).

SEMI-ANNUAL PREVENTATIVE MAINTENANCE SUMMARY

LISTING OF PROPERTY SEMI-ANNUAL INSPECTION TASKS:

F. EXTERIOR:

1. Pool and spa decking condition.
2. Pool and spa coping and tile condition.
3. Pool equipment room clean-out and condition.
4. Curb and street gutter system condition.
5. Building water main shut-off condition.
6. Solarium condition and cleaning.

7. Utility room condition.
8. Pool restroom condition.
9. Concrete pre-cast stair tread inspection.
10. Elastomeric patio deck inspection.
11. Elastomeric stair system inspection.

G. INTERIOR:

1. Apartment smoke detector inspection.
2. Apartment HVAC filter change.
3. Apartment HVAC interior coil cleaning.
4. Apartment HVAC complete systems check.

INSPECTION OVERVIEW:

- A-1. Inspect all pool and spa area decking, document and schedule repairs as required.
- A-2. Inspect all pool and spa area coping and tile, document and schedule repairs as required.
- A-3. Inspect all pool equipment rooms, clean as required and document repair required.
- A-4. Inspect all concrete curbs and street gutters for cracks/separation, document for repairs.
- A-5. Inspect each building main water valve, document and repair or replace as required.
- A-6. Inspect Solariums for deficiencies, clean and document, schedule repairs as required.
- A-7. Inspect all utility rooms, document and clean-out as required.
- A-8. Inspect all pool area restrooms, document and schedule repairs as required.
- A-9. Inspect all pre-cast concrete stair treads, document and schedule replacements.
- A-10. Inspect all Elastomeric patio balconies, decks, document and schedule repairs (*Service Contractor*).
- A-11. Inspect all Elastomeric staircase systems, document and schedule repairs as required (*Service Contractor*).

INTERIOR:

- B-1. Inspect, replace and document all smoke detector service information.
- B-2. Inspect, document and change each HVAC filter.
- B-3. Inspect, document and clean all interior condenser coils.
- B-4. Inspect, document and run systems check on all HVAC systems.

ANNUAL PREVENTATIVE MAINTENANCE SUMMARY

LISTING OF PROPERTY ANNUAL INSPECTION TASKS:

H. EXTERIOR:

1. Exterior building stucco and trim inspection.
2. Pressure wash building stucco.
3. Backflow valve service (*Service Contractor*).
4. Tree trimming (*Service Contractor*).
5. Roof gutter debris removal.
6. Roof gutter repairs.
7. Roof top debris remove.
8. Built-up roofing inspection.
9. Roof inspection.
10. Fire extinguisher recharge.
11. Asphalt condition inspection.
12. Concrete walkway condition inspection.

INSPECTION OVERVIEW:

- A-1. Inspect building exterior stucco finishes, document and schedule required repairs.
- A-2. Pressure wash all building stucco finishes.
- A-3. Backflow prevention testing (*Service Contractor*).
- A-4. Tree trimming (*Service Contractor*).
- A-5. Remove all debris from roof gutter systems of all buildings.
- A-6. Inspect all building roof gutters, document and repair as required.
- A-7. Remove all debris from rooftops of all buildings.
- A-8. Inspect all built-up roofing systems of all buildings, document and schedule repairs or replacement.
- A-9. Inspect all tile roofing systems, document and schedule repair or replacement.
- A-10. Recharge all fire extinguishers (*Service Contractor*).
- A-11. Inspect, document all asphalt deficiencies. Call (*Service Contractors*) for proposals.
- A-12. Inspect, document all concrete deficiencies. Call (*Service Contractors*) for proposals.

PROGRAM DISCLAIMER

Legacy Partners, Inc reserves the right to update make change to the preventative maintenance program to include: changes, modifications, deletions and additions as necessary to preserve each community and improve operational efficiencies. Such alternations to the program may affect the method, technology utilized and frequency with which building components are evaluated based on specific property requirements.