

RESTATED GROUND LEASE

This Restated Ground Lease (“**Lease**”) is made as of _____, 2025 (“**Effective Date**”) by and between Metropolitan Education District (f/k/a Central Santa Clara County Regional Occupational Agency), a joint powers agency created by statutory authority for and on behalf of itself and as agent for the County of Santa Clara, a political subdivision of the State of California (collectively, “**Landlord**”) and PS Northern California One, LLC, a Delaware limited liability company, as successor-in-interest by name change only to PS Northern California One, Inc. a Delaware corporation (“**Tenant**”).

ARTICLE 1

GRANT AND BASIC TERMS

This Article 1 contains the basic terms (“**Basic Terms**”) of this Lease between the Landlord and Tenant named below. Other portions of this Lease referred to in this Article 1 explain and define the Basic Terms and are to be read in conjunction with them. If there is any conflict between the Basic Terms and the remaining provisions of this Lease, then the remaining provisions shall control.

1.1 Effective Date of Lease: _____, 2025

1.2 Landlord: Metropolitan Education District (f/k/a Central Santa Clara County Regional Occupational Agency), a joint powers agency created by statutory authority for and on behalf of itself and as agent for the County of Santa Clara, a political subdivision of the State of California

Mailing Address: MetroED
Attn: Wendy Zhang
Director of Business Services/Chief
Business Official
760 Hillsdale Ave., San Jose, CA 95136
Tel. (408) 723-6419
Email: wzhang@metroed.net

with a copy to:

Miller Starr Regalia
Attn: Kevin Corbett
1331 N. California Blvd.
Fifth Floor
Walnut Creek, CA 94956
Tel. (925) 941-3256
Email: kevin.corbett@msrlegal.com

1.3 Tenant: PS Northern California One, LLC, a Delaware limited liability company, as successor-in-interest by name change only to PS Northern California One, Inc. a Delaware corporation

Mailing Address: Public Storage
Attn: Sharon Linder
701 Western Avenue
Glendale, CA 91201
Attention: Real Estate Legal Dept.
Email: slinder@publicstorage.com,
jyang@publicstorage.com and
RealEstateLegal@publicstorage.com
Tel. (818) 244-8080

1.4 Premises. In consideration of the rents, covenants and agreements on the part of Tenant to be paid and performed, Landlord hereby leases, demises and lets to Tenant, and Tenant hereby leases, hires and takes from Landlord, for the Term (defined below), at the rental and upon the conditions of this Lease, that certain parcel of land containing approximately 71,794 square feet commonly known as 725 Capitol Auto Mall Expressway, San Jose, California 95136, County of Santa Clara (“**County**”), State of California, and all rights, easements, hereditaments and appurtenances thereto (all of the foregoing are collectively referred to herein as the “**Premises**”). The Land on which the Premises are located is more specifically described in Exhibit “A” attached hereto and made a part hereof, and is outlined on the site plan attached hereto as Exhibit “B” and made a part hereof (“**Site Plan**”). The Premises forms a part of the Capitol Auto Mall Plaza (the “**Project**”), which is shown on Exhibit “B”.

1.5 Length of Term. The initial term of this Lease (the “**Initial Term**”) shall begin on the Commencement Date (defined below) and shall terminate two hundred ninety-six (296) months thereafter on September 22, 2041 (the “**Initial Term Expiration Date**”), unless sooner terminated or extended under any provision hereof. Pursuant to Section 2.7 below, Tenant may extend the term of the Lease beyond the Initial Term for one (1) additional period commencing upon the first day after the Initial Term Expiration Date and expiring on January 22, 2047. The word “**Term**” as used in this Lease includes the Initial Term and the Extended Term, as defined below, unless this Lease is terminated prior to its expiration.

1.6 Commencement of Term. The Initial Term shall commence effective on January 23, 2017 (“**Commencement Date**”). Tenant occupied the Premises pursuant to a prior sublease, the term of which has expired (“**Prior Sublease**”). Since the expiration of the Prior Sublease, Tenant has continued to occupy the Premises as a holdover tenant. Accordingly, the Commencement Date precedes the Effective Date of this Lease so that the Initial Term includes the entire period of Tenant’s occupancy of the Premises from and after the expiration of the term of Tenant’s Prior Sublease.

1.7 Tenant's Project Share. Tenant's Project Share is the fraction obtained by dividing the total square footage of the Premises by the total square footage of the Project, which the parties acknowledge and agree is 24.94% as of the Effective Date.

1.8 Permitted Uses. Tenant may use the Premises solely for public storage units, and outside vehicle, boat and recreation vehicle parking by Tenant, and all legal incidental uses related thereto (“**Permitted Use**”), and for no other purpose without Landlord’s prior written consent, which may be withheld, conditioned or delayed in Landlord’s reasonable discretion. No portion of the Premises or Common Area may be used for a “Prohibited Use” or in violation of an “Existing Exclusive.” Current Prohibited Uses and Existing Exclusives are described in Exhibit “C” attached hereto and made a part hereof.

1.9 Tenant Improvement Allowance. **NONE.** Tenant is a continuing occupant of the Premises. Tenant accepts the Premises in its current condition, “**AS-IS,**” “**WHERE IS**” AND “**WITH ALL FAULTS**”, without any representations or warranties of any kind, express or implied, as to title, physical condition or the existence or absence of Hazardous Materials, as defined below, and if the Premises are not in all respects entirely suitable for the use or uses to which the Premises or any part thereof will be put, then it is the sole responsibility and obligation of Tenant to take such action as may be necessary to place the Premises in a condition entirely suitable for such use or uses. **TENANT IS NOT RELYING ON ANY EXPRESS OR IMPLIED, ORAL OR WRITTEN REPRESENTATIONS, OR WARRANTIES MADE BY LANDLORD OR ITS REPRESENTATIVES, OTHER THAN THOSE EXPRESSLY SET FORTH IN THIS LEASE.**

1.10 Security Deposit. None.

1.11 Monthly Base Rent and Other Charges Payable by Tenant. Rent shall consist of the items described in this Section 1.11 (collectively referred to herein as “**Rent**”):

1.11.1 Monthly Base Rent for the first Lease Year of the Initial Term shall be Twenty-Two Thousand Two Hundred Fifty-Six and 00/100 (\$22,256.00). Monthly Base Rent for each subsequent Lease Year shall increase as set forth in Article 3 below.

1.11.2 Additional Rent shall consist of all of the charges payable by Tenant pursuant to this Lease other than Monthly Base Rent including, without limitation, the charges payable under Article 4 and Article 10 below. The estimated Additional Rent for the first Lease Year is Three Thousand six hundred thirty three and 20/100 Dollars (\$3,633.20) per month; provided, however, that the foregoing amount is an estimate only, and in no way shall this estimate constitute a cap on Additional Rent. On at least an annual basis, when the actual Additional Rent is determined, Landlord shall provide Tenant with written notice of the actual amount of Additional Rent along with all details, documents and information showing how the Additional Rent was determined. Within ten (10) days after receipt of such notice, Tenant shall pay Landlord any shortfall between the estimated and actual Additional Rent or, Landlord shall reimburse Tenant for the difference of the actual and estimated Additional Rent, as applicable.

1.12 Excuse of Performance. Notwithstanding anything in this Lease to the contrary, neither Landlord nor Tenant shall be deemed in default with respect to the timely performance of any of the terms, covenants and conditions of this Lease if such delay shall be due to any strike, lockout, civil commotion, act or acts of terrorism or sabotage, war-like operation, invasion, rebellion, hostilities, military or usurped power, sabotage, governmental regulations or controls, inability to obtain any material service, rain or muddy conditions, through act of God or other

cause beyond their respective control (“**Force Majeure Event**”); provided, however, that a Force Majeure Event shall not excuse the performance of Landlord or Tenant if due to their respective willful act or negligence or that of their respective agents, employees, officers, directors, members, contractors or representatives, nor shall any Force Majeure Event excuse Tenant’s timely payment of Rent under any circumstances.

ARTICLE 2

LEASE TERM

2.1 Lease of Premises for Lease Term. Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord for the Term. The Term is for the period stated in Section 1.5 above except as the Term may be sooner terminated or extended pursuant to the provisions of this Lease.

2.2 Reserved.

2.3 Occupancy. From and after the Commencement Date, Tenant shall be allowed to occupy the Premises, subject to all of the provisions of this Lease.

2.4 Holding Over. If, without the execution of a new lease or written extension of this Lease, but only with the consent of Landlord, Tenant shall hold over after the expiration of the Term of this Lease, Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month, which tenancy may be terminated upon thirty (30) days written notice given at any time by either Landlord or Tenant or as provided by law. During said tenancy, the Monthly Base Rent payable to Landlord by Tenant shall be One Hundred Fifty Percent (150%) of the Monthly Base Rent due immediately prior to expiration of the Term, set forth herein, unless a different rate is agreed upon, and upon all of the other terms, covenants and conditions set forth in this Lease so far as the same are applicable; provided that if Tenant shall fail to surrender the Premises upon the termination of this Lease, in addition to any other liabilities to Landlord arising therefrom, Tenant shall and does hereby agree to indemnify and hold Landlord harmless from loss or liability resulting from such failure including, but not limited to, claims made by any succeeding tenant or any lender of Landlord founded on such failure.

2.5 Surrender of Premises. Upon the termination of this Lease, Tenant shall surrender the Premises to Landlord in the condition specified in and according to Section 11.7 below.

2.6 Successors. All rights and liabilities herein given to, or imposed upon, the respective parties hereto shall extend to and bind the several respective heirs, executors, administrators, successors, and assigns of the said parties; and if there shall be more than one Tenant, they shall all be bound jointly and severally by the terms, covenants and agreements herein. No rights, however, shall inure to the benefit of any assignee or other transferee of Tenant unless the transfer has been approved by Landlord in writing or as otherwise provided in Article 15 hereof.

2.7 Option to Extend Term.

2.7.1 Tenant is given the option to extend the Term of this Lease for one (1) period commencing upon the first day after the Initial Term Expiration Date and expiring on January 22, 2047 (“**Extended Term**”) following expiration of the Initial Term, by giving written notice of exercise of the option to the Landlord at least ten (10) months (but not more than one (1) year) before the expiration of the Initial Term Expiration Date (“**Notice of Exercise**”).

2.7.2 Except as otherwise expressly provided herein, the same terms and conditions as applied during the Initial Term of this Lease shall apply to the Extended Term if properly and timely exercised by Tenant.

2.7.3 Tenant’s right to exercise the option to extend and/or commence the applicable Extension Term shall be subject to the conditions (all of which conditions are solely for Landlord’s benefit and may, in Landlord’s sole discretion, be waived) that (i) at the time of exercise and at the commencement of the Extended Term, Tenant shall not be in monetary default of its obligations under this Lease, and (ii) Tenant must not have assigned this Lease or sublet any portion of the Premises except in connection with a transfer pursuant to Section 15.3 of this Lease, and (iii) Tenant must exercise the option to extend as to the entire Premises.

ARTICLE 3

MONTHLY BASE RENT

3.1 Time and Manner of Payment. Upon execution of this Lease, Tenant shall pay to Landlord (i) the Monthly Base Rent for the first full calendar month of the Term and any unexpired portion of the calendar month in which the Commencement Date occurs, plus (ii) the amount specified in Section 3.4 below, plus (iii) all Additional Rent provided for herein for the first full calendar month of the Term and any unexpired portion of the calendar month in which the Commencement Date occurs, all in advance, and all without offset, deduction, or prior demand. Thereafter, on the first day of each calendar month after the first full calendar month during the Term, Tenant shall pay to Landlord all Monthly Base Rent and all other Rent due for such calendar month in accordance with the provisions of this Lease. All Rents shall be payable at Landlord’s address or at such other place as Landlord may designate in writing. If Tenant submits a check to Landlord which is returned to Landlord by Tenant’s bank due to non-sufficient funds more than twice during the Initial Term or more than once during any Extended Term, then Landlord may require Tenant to submit all future payments in the form of a cashier’s check, money order or wire transfer.

3.2 Reserved.

3.3 Rent Adjustment. Beginning on the first day of the second (2nd) Lease Year of the Initial Term of this Lease, and again upon the commencement of the Extended Term if Tenant timely sends the Notice of Exercise pursuant to Section 2.7 above, for each subsequent Lease Year of the Term and the Extended Term, as applicable, the Monthly Base Rent during each such Lease Year shall be one hundred two percent (102%) of the Monthly Base Rent payable immediately prior to the commencement of such Lease Year.

3.4 Back Rent. Since the expiration of Tenant's Prior Sublease, Tenant has been paying Monthly Base Rent at the rate of Seven Thousand Eight Hundred Fifteen and 76/100 Dollars (\$7,815.76) (the "**Prior Rate**"), notwithstanding the holdover provisions of the Prior Sublease, the fair rental value of the Premises, or the fact that rent is accruing under this Lease at a higher rate than the Prior Rate. Accordingly, within ten (10) days after the Effective Date, Tenant shall pay to Landlord a lump sum equal to the cumulative difference between the Monthly Base Rent accrued under this Lease and the Prior Rate for the period beginning on the Commencement Date through and including the Effective Date (the "**Rent Differential**"), as set forth on Exhibit "E" attached hereto.

3.5 Reserved.

3.6 Termination: Advance Payments. Upon termination of this Lease under Article 13, Article 14 or any other termination not resulting from Tenant's default, and after Tenant has vacated the Premises in the manner required by this Lease, an equitable adjustment shall be made concerning advance Rent, any other advance payments made by Tenant to Landlord, and accrued real property taxes.

ARTICLE 4

OTHER CHARGES PAYABLE BY TENANT

4.1 Additional Rent. All charges payable by Tenant as required by this Lease, other than Monthly Base Rent, are called "**Additional Rent**." Unless this Lease provides otherwise, all Additional Rent shall be paid with the next monthly installment of Monthly Base Rent.

4.2 Common Area Costs. Tenant shall pay as Additional Rent Tenant's Project Share of Common Area Costs as set forth in Article 10 of this Lease.

4.3 Reserved.

4.4 Lease Year. The term "**Lease Year**" as used herein shall mean the twelve (12) month period beginning with the Commencement Date, and each successive twelve (12) month period thereafter during the Term of this Lease, as the same may be extended pursuant hereto. Landlord shall have the right to change the Lease Year to a calendar year by providing equitable adjustments to Tenant for any partial Lease Year(s) during the Term.

4.5 Real Property Taxes.

4.5.1 Definition of "Real Property Taxes". "**Real Property Taxes**" means: (i) any fee, license fee, license tax, business license fee, commercial rental tax, levy, charge, assessment, penalty or tax (other than inheritance or estate taxes) imposed by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agriculture, lighting, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Premises; (ii) any tax on the Landlord's right to receive, or the receipt of, rent or income from the Premises or against Landlord's business of leasing the Premises; (iii) any tax or charge for fire protection, streets, lighting, water, sewer, police,

sidewalks, road maintenance, refuse or other services provided to the Premises by any governmental agency; and (iv) any charge or fee replacing any tax previously included within the definition of Real Property Taxes. The definition of “Real Property Taxes” shall also include interest on installment payments and all costs and fees (including reasonable attorney’s, expert witnesses and appraiser’s fees and other related reasonable costs) incurred by Landlord in reasonably contesting those taxes, charges and fees listed in (i) through (v) above and negotiating with public authorities as to the same; provided that such costs and fees shall be apportioned to Tenant to include only the amount reasonably expended by Landlord to contest the Real Property Taxes assessed on the Premises in relation expenditures to contest Real Property Taxes assessed to other properties within the Project. Notwithstanding the foregoing, “Real Property Taxes” shall not include (i) Landlord’s federal or state income, franchise, inheritance or estate taxes, (ii) any tax based upon a reassessment of the Premises due to a change in ownership or transfer of all or part of Landlord’s interest in the Premises more than once during any Lease Year, or (iii) any tax increase imposed upon this transaction or based upon a reassessment of the Premises due to a change in ownership or transfer of all or part of Landlord’s interest in the Premises.

4.5.2 Payment of Taxes. Tenant agrees to pay Real Property Taxes which may be levied or assessed by any lawful authority against the Premises. Tenant shall pay said taxes as part of the Additional Rent upon receipt from Landlord of a statement delineating Tenant’s share of said taxes and said share shall be paid within the earlier of thirty (30) days after receipt of said statement or the date on which said taxes are due without penalty or interest. Landlord shall have the right to collect and impound such Real Property Taxes from Tenant on a monthly or quarterly basis for Tenant’s account based upon Landlord’s reasonable estimate of Real Property Taxes next due, and Tenant shall pay to Landlord such Real Property Tax impound upon the basis and at the times hereinbefore described. Landlord shall pay, when due, all Real Property Taxes to the applicable taxing agency.

4.6 Personal Property Taxes.

4.6.1 Tenant shall pay prior to delinquency all taxes, charges, levies or fees imposed against any trade fixture, furnishing, equipment or any other personal property, or any of them, in which Tenant has an interest or which otherwise belongs to, is in the possession of, or is controlled by, Tenant (“**Personal Property Taxes**”). Tenant shall use reasonable efforts to have such personal property taxed separately from the Premises.

4.6.2 If any Personal Property Tax is levied against Landlord or Landlord’s property, or if the assessed value of the Premises is increased by the inclusion therein of a value placed upon such personal property or trade fixtures of Tenant, then Landlord, after written notice to Tenant, shall have the right to pay the Personal Property Taxes based upon such increased assessments, regardless of the validity thereof, but only under proper protest if requested by Tenant in writing. If Landlord shall do so, then Tenant shall, upon demand, repay to Landlord the Personal Property Taxes levied against Landlord, or the proportion of such Personal Property Taxes resulting from such increase in the assessment. In any such event, however, Tenant, at Tenant’s sole cost and expense, shall have the right, in the name of Landlord and with Landlord’s full cooperation, to bring suit in any court of competent jurisdiction to recover the amount of any Personal Property Taxes so paid under protest. Any amount so recovered shall belong to Tenant.

4.6.3 If any of Tenant's personal property is taxed with the Premises, then Tenant shall pay Landlord the Personal Property Taxes within thirty (30) days after Tenant receives a written statement from Landlord for such Personal Property Taxes or, in the alternative, Tenant may elect to pay the Personal Property Taxes directly to the applicable taxing authority.

4.7 Utilities. Tenant shall pay, directly to the appropriate supplier, the cost of all natural gas, heat, light, power, sewer service, telephone, cable or satellite television, water, refuse disposal and other utilities and services, such as internet or data, supplied to the Premises, as applicable. If any such services (e.g., sewer) are billed directly to Landlord as owner of the Premises, then Landlord may collect and impound a reasonable estimate of such future amounts of such billings monthly from Tenant as Additional Rent in the same manner as Real Property Taxes above. If Landlord and Tenant agree in writing that maintenance for any heating or air conditioning equipment and ducts on the Premises shall be furnished by Landlord, then Tenant, upon presentation of a bill therefor, shall pay Landlord, or its agent or assigns, for such maintenance service, or Landlord may collect and impound a reasonable estimate of such future amounts from Tenant in the same manner of Real Property Taxes above. If the Premises, or a material portion of the Premises, are made untenable for a period in excess of 5 consecutive business days as a result of a service interruption that results solely and directly from Landlord's gross negligence and through no fault of Tenant and for reasons other than as contemplated in Article 13, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Monthly Base Rent and Additional Rent payable hereunder during the period beginning on the 6th consecutive business day of the service interruption and ending on the day the service has been restored such that Tenant is reasonably able to operated in the Premises for the permitted Use hereunder.

Throughout the term of this Lease, Tenant shall execute and deliver to Landlord within thirty (30) days of Landlord's written request therefor, any other authorization or document necessary for Landlord to comply with California's Energy Use Program or any other energy efficiency or similar program required by any governmental agency or which will result in the cost savings in the operation or maintenance of the Premises.

4.8 Reserved.

4.9 Insurance Premiums.

4.9.1 During the Term, Tenant shall maintain a policy of comprehensive general liability insurance or commercial general liability insurance at Tenant's expense, insuring Tenant against liability arising out of the ownership, use, occupancy or maintenance of the Premises, the sidewalks in front of the Premises, and the business operated by Tenant and any subtenants of Tenant in the Premises and the personal property of Tenant located on the Premises at any time. The initial amount of such insurance shall be at least Three Million Dollars (\$3,000,000.00) per occurrence, covering single limit bodily injury, property damage and personal injury, and shall be subject to periodic increase based upon inflation, increased liability awards, recommendations of professional insurance advisers, and other relevant factors. If a general aggregate applies, either the general aggregate limit shall apply separately to this location or the general limit shall be twice the required occurrence limit. The policy shall name Landlord, any of its lenders of which Tenant has notice, and Landlord's property manager, as additional insureds as required hereunder. Tenant

shall, at Tenant's expense, maintain such other liability insurance as Tenant deems necessary to protect Tenant.

4.9.2 Tenant shall at all times maintain property insurance with extended coverage in an amount adequate to cover the cost of replacement of all personal property located on the Premises and all trade fixtures, alterations, decorations, additions or improvements made to the Premises by Tenant or by Landlord on Tenant's behalf in the event of fire or extended coverage loss.

4.9.3 Tenant shall deliver to Landlord, certificates for the employer liability, general liability and fire insurance policies to be maintained by Tenant which shall contain a clause requiring the insurer to give the Landlord thirty (30) written days' notice of cancellation of such policies. Tenant shall pay all premiums for the insurance policies covering the Premises described herein prior to delinquency.

4.9.4 Tenant agrees that it will not keep, use, manufacture, assemble, sell or offer for sale in or upon the Premises any article which may be prohibited by the standard form of fire insurance policy.

4.9.5 Tenant shall replace, at the expense of Tenant, any and all plate and other glass, frames or glazing damaged or broken from any cause whatsoever in and about the Premises unless due to the willful act or negligence of Landlord or its agents, employees, officers, directors, members, contractors or representatives.

4.9.6 Tenant hereby agrees, at Tenant's expense and during the entire Term hereof, to obtain and keep in full force and effect worker's compensation insurance as required by law and employer's liability insurance with limits of not less than One Million Dollars (\$1,000,000.00), and shall be subject to periodic increases based upon inflation, increased liability awards, recommendations of professional insurance advisors, and other factors.

4.9.7 Landlord and Tenant each hereby waive any and all rights of recovery against the other or against the officers, employees, agents and representatives of the other, on account of loss or damage occasioned to such waiving party or its property or the property of others under its control, to the extent that such loss or damage is insured against under any insurance policy which either may have in force at the time of such loss or damage. Tenant and Landlord shall give notice to their respective insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease and such waiver shall only be effective so long as consented to by the insurance carrier or carriers.

4.9.8 All policies shall be written in a form satisfactory to Landlord and shall be maintained with insurance companies holding a General Policyholder's Rating of "A-", and a financial rating of VII, or better, as set forth in the most current issue of *Best's Insurance Guide*. Insurance policies carried by Tenant hereunder shall (i) include Landlord and Landlord's lender(s) and property manager as additional insureds and provide ACORD certificate(s) of insurance to Landlord upon or prior to the Effective Date, (ii) be an occurrence policy (or policies), (iii) specifically cover the liability assumed by Tenant under this Lease, (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is in excess of any

insurance required of Tenant and (v) contain a cross liability endorsement or severability of interest clause acceptable to Landlord. Tenant shall, within ten (10) days prior to the expiration of such policies, furnish Landlord with renewals or “binders” thereof, or Landlord may order such insurance and charge the cost thereof to Tenant as Additional Rent.

ARTICLE 5

CALIFORNIA ACCESS DISCLOSURES AND OBLIGATIONS

5.1 Pursuant to California Civil Code § 1938, Landlord hereby states that the Premises has not undergone inspection by a Certified Access Specialist (CASp) (defined in California Civil Code § 55.52(a)(3)). Pursuant to Section 1938 of the California Civil Code, Landlord hereby provides the following notification to Tenant: “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.” If Tenant requests to perform a CASp inspection of the Premises, then Tenant shall, at its sole cost and expense, retain a CASp approved by Landlord (provided that Landlord may designate the CASp, at Landlord’s option) to perform the inspection of the Premises (and only the Premises) at a time agreed upon by the parties, and such inspection shall include only the Premises. Tenant shall provide Landlord with a copy of any report or certificate issued by the CASp (the “CASp Report”) and Tenant shall, at its cost, promptly complete any modifications necessary to correct violations of construction related accessibility standards identified in the CASp Report, which modifications will be completed as an alteration, notwithstanding anything to the contrary in this Lease.

5.2 Confidentiality. Any CASp Report of the Premises (including any related reports, surveys or other documentation) shall remain confidential and neither Tenant nor Landlord shall disclose the results thereof to any other person or entity, except to the extent required by governmental authority or pursuant to law, including a Public Records Act request, provided however, to the extent allowed by law, the disclosing party shall require in writing from any such person to whom it discloses any CASp Report, to keep the contents of such report confidential and to indemnify and defend Landlord and Tenant in the same manner as Landlord and Tenant are required in the following sentence. Landlord and Tenant each agrees to indemnify, defend, protect each other and their respective agents, employees, officers, directors, members or representatives, and save and hold them harmless from any claims, actions, damages, costs (including reasonable attorneys’ fees and costs), injury or harm resulting from their respective violation of these confidentiality obligations. The confidentiality agreement and indemnification provision in this Section 5.2 shall survive the expiration or earlier termination of this Lease.

ARTICLE 6

RESERVED

ARTICLE 7

RESERVED

ARTICLE 8

USE OF PROPERTY

8.1 Permitted Uses. Tenant may use the Premises only for the Permitted Use specified in Section 1.8 and for no other use or purpose without Landlord's prior written consent, which may be withheld, conditioned or delayed in Landlord's reasonable discretion.

8.2 Manner of Use.

8.2.1 Tenant shall not do or permit anything to be done in, on or about the Premises or Common Area which will injure or materially annoy any party in any actionable manner, nor shall Tenant cause, maintain or permit any actionable nuisance in, on or about the Premises or Common Area commit or suffer to be committed any waste in, on or about the Premises or Common Area.

8.2.2 Tenant shall not do or permit to be done in, on or about the Premises or Common Area, nor bring, keep or permit to be brought or kept therein, anything which is prohibited by or will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated, or which is prohibited by any fire insurance policy maintained by Landlord or Tenant with respect to the Premises or Common Area, or will in any way materially increase the existing rate of or affect any fire insurance with respect to the Premises or the Project, or any part thereof or any of its contents, or cause a cancellation of any insurance policy covering the Premises or the Project or any part thereof or any of its contents or be in violation of any recorded document affecting the Premises or the Project. Tenant shall comply with all governmental laws, ordinances and regulations applicable to the Premises or the Project, as well as any order, directive or certificate of occupancy issued pursuant to any law, ordinance or regulation by any public officer insofar as the same relates to or affects the condition, use or occupancy of the Premises, including but not limited to (i) requirements of structural changes related to or affected by Tenant's acts, occupancy or use of the Premises, and (ii) any and all requirements relating to the Premises imposed by applicable law including, but not limited to, modifications by Tenant of existing portions of the Premises required under the Americans with Disabilities Act or any other applicable laws, all at Tenant's sole expense.

8.2.3 Tenant shall obtain and pay for all permits, including a certificate of occupancy, required for Tenant's occupancy of the Premises and shall promptly take all actions reasonably necessary to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements regulating the use by Tenant of the Premises, including the Occupational Health and Safety Act and the Americans with Disabilities Act or any other applicable laws, all at Tenant's sole expense.

8.3 Indemnification. Except as provided in Section 4.9.7 above, Tenant shall indemnify and protect Landlord and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or about the Premises, or the occupancy or use by Tenant of the Premises or any part thereof, or occasioned wholly or in part by any willful act or negligent omission of Tenant, its agents, contractors, employees, servants, tenants concessionaires and customers, except to the extent caused by the willful act of Landlord or Landlord's agents, employees, officers, directors, members, contractors or representatives. Tenant and Landlord shall further indemnify, protect and hold each other harmless from and against any and all claims arising from any breach or default in performance of any obligation on either party's part to be performed under the terms of this Lease. In case any action or proceeding shall be brought against either party by reason of any such claim, the indemnifying party upon notice from the other party shall defend the same at the indemnifying party's expense by counsel approved in writing by the other party in its reasonable discretion. Tenant, as a material part of the consideration to Landlord, hereby waives all claims against Landlord for and assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever except (i) that which is caused by the failure of Landlord to observe any of the terms and conditions of this Lease, and (ii) Landlord's willful act.

8.4 Landlord's Access. Landlord or its agents may enter the Premises at all reasonable times to show the Premises to potential buyers or investors, to inspect the Premises or the equipment therein, to effect repairs to the Premises, to post notices of non-responsibility, or for any other purpose Landlord reasonably deems necessary. Landlord shall give Tenant at least one (1) business day prior notice prior to any entry, except in the case of an emergency affecting the health or safety of persons or property.

8.5 Quiet Possession. If Tenant pays the rent and complies with all other terms of this Lease, Tenant may occupy and enjoy the Premises for the full Term, subject to the provisions of this Lease and to any mortgages or deeds of trust encumbering the Premises.

8.6 Tenant's Signage. Tenant shall not affix or erect upon the exterior of the Premises any sign, advertising placard, name, insignia, trademark, descriptive material or other like item (collectively, "**Signs**"), unless the Signs (i) comply with all governmental laws, rules, regulations and requirements, including without limitation approval from the City of San Jose, California, (ii) comply with the sign criteria for the Project as may be reasonably promulgated by Landlord from time to time, (iii) comply with the terms and conditions of all Covenants, Conditions and Restrictions encumbering the Premises, and (iv) are approved by Landlord, which approval shall not be unreasonably withheld. Any and all of Tenant's Signs shall be erected by Tenant at its sole cost and expense, and Tenant shall maintain all of its Signs in good condition and repair during

the Term. Landlord acknowledges that Tenant's current signage as of the date of this Lease has been approved by Landlord.

ARTICLE 9

HAZARDOUS MATERIALS

9.1 Prohibition of Hazardous Materials. Tenant shall not cause or permit any Hazardous Materials (as hereinafter defined) to be brought upon, kept or used in or about the Premises by Tenant, its agents, employees, contractors or invitees in a manner or for a purpose prohibited by or which could result in liability under any applicable law, regulation, rule or ordinance. Tenant shall comply with all affirmative legal requirements concerning Hazardous Materials. If Tenant breaches the obligation stated in the preceding sentences, or if the presence of Hazardous Materials on the Premises caused by Tenant results in a release of hazardous substances or Hazardous Materials, a discharge of a pollutant or contaminant or any other contamination of the Premises resulting in a violation of or incurrance of liability under any law, regulation, rule or ordinance, or if contamination of the Premises by Hazardous Materials otherwise occurs for which Tenant is legally liable for damage resulting therefrom, then Tenant shall indemnify, protect, defend and hold Landlord, its agents and contractors harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, injunctive actions or orders.

9.2 Clean-up. This indemnification of Landlord by Tenant pursuant to Section 9.1 above includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal state or local governmental agency or political subdivision because of Hazardous Materials present in the soil or ground water on or under the Premises or emanating from the Premises. Without limiting the foregoing, if the presence of any Hazardous Materials on the Premises caused by Tenant results in any contamination of the Premises, then Tenant shall immediately notify Landlord and promptly take all actions at its sole expense as are necessary to comply with applicable environmental laws, provided that Landlord's approval of such action shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises.

9.3 Business. Landlord acknowledges that it is not the intent of this Section 9.3 to prohibit Tenant from operating the Permitted Use on the Premises. Tenant may operate its business so long as the use or presence of Hazardous Materials is properly monitored according to all applicable governmental requirements. As a material inducement to Landlord to allow Tenant to use Hazardous Materials in connection with its business, Tenant agrees to deliver to Landlord prior to the Commencement Date a list identifying each type of Hazardous Materials to be present on the Premises and setting forth any and all governmental approvals or permits required in connection with the presence of Hazardous Materials on the Premises ("**Hazardous Materials List**"). Tenant shall deliver to Landlord an updated Hazardous Materials List upon written request by Landlord no more frequently than once in any twelve (12) month period, and shall also deliver an updated list before any new Hazardous Materials are brought onto the Premises or on or before the date Tenant obtains any additional permits or approvals. In connection with any Hazardous Materials utilized by Tenant on the Premises, Tenant shall be responsible, at its sole cost and expense, for making any necessary modifications or improvements either to Premises or Tenant's

equipment as required by applicable laws, or any governmental agency, Landlord's insurance company, or Landlord's lender(s). Tenant will, at its sole cost and expense, promptly upon receipt of written notice from Landlord complete such improvements. If such work is not promptly undertaken and completed, Landlord shall have the right, but not the obligation, to complete such work and to charge such amounts to Tenant as additional rent under this Lease.

9.4 Assignment and Subletting. Notwithstanding the provisions of Section 9.1 above, if (i) any anticipated use of the Premises by any proposed assignee or sublessee involves or reasonably could involve the generation or storage, use, treatment or disposal of Hazardous Materials in a manner or for a purpose prohibited by any law, regulation, rule or ordinance; (ii) the proposed assignee or sublessee has been required by any prior landlord, lender or governmental authority to undertake removal or remedial action in connection with any Hazardous Materials on a property if the presence of the Hazardous Materials resulted from such party's action or use of the property in question; or (iii) the proposed assignee or sublessee is subject to an enforcement order issued by any governmental authority in connection with the use, disposal or storage of Hazardous Materials, it shall not be unreasonable for Landlord to withhold its consent to an assignment or subletting to such proposed assignee or sublessee when such approval is required. This section shall not preclude other grounds for Landlord's rejection of a sublease or assignment pursuant to any other provisions of this Lease.

9.5 Landlord's Right to Perform Tests. At any time prior to the expiration of the Term, Landlord shall, with prior written notice to Tenant, have the right to enter upon the Premises in order to conduct appropriate tests of water and soil and to deliver to Tenant the results of such tests to demonstrate that levels of any Hazardous Materials in excess of permissible levels has occurred as a direct result of Tenant's use of the Premises.

9.6 Tenant's Obligations. Tenant's obligations under this Article 9 shall survive the termination of the Lease.

9.7 Health and Safety Code and Civil Code Notification Requirements. Tenant recognizes its obligations under California Health and Safety Code to notify Landlord of any release of any Hazardous Materials that Tenant knows or has reason to believe has or will come to be located on or beneath the Premises. Tenant further recognizes its obligations under California Civil Code sections 850, et seq. to notify Landlord of any release of a Hazardous Material of which Tenant has actual awareness and which is likely to exceed the notification threshold as defined in California Civil Code section 850.

9.8 Definition of "Hazardous Materials". The term "**Hazardous Materials**" shall mean any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material, asbestos, mold or petroleum product including but not limited to those substances, materials or wastes regulated now or in the future by any federal, state or local law, statute, rule, regulation or ordinance for the protection of health or the environment.

ARTICLE 10

COMMON AREA

10.1 Definition of Common Area. The term “**Common Area(s)**”, as used in this Lease, means the portions of the Project that has at the time in question been designated and improved by Landlord for common use by or for the benefit of more than one occupant or tenant of the Project within the exterior boundaries of the Project (or areas immediately adjacent thereto such as, but not limited to, landscaped medians), including without limitation the land and facilities utilized for or as parking areas, access and perimeter roads, truck passageways, service corridors, and stairways providing access from store premises, landscaped areas, exterior walks, stairways, and/or ramps, interior corridors, directory equipment, wash rooms, comfort rooms, drinking fountains, toilets and other public facilities (if any), bus stations, and the like. All such Common Area shall be operated and maintained in such manner as Landlord, in its sole discretion, shall reasonably determine.

10.2 Use of Common Area. The use and occupancy by Tenant of the Premises shall include the non-exclusive use of the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Project) in common with Landlord and the other tenants of the Project and their customers and invitees.

10.3 Control of and Changes to Common Area. Landlord shall have the sole and exclusive control of the Common Area, and the right to make changes to the Common Area. Landlord shall maintain the Common Area in a good condition and repair. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (c) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (d) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription or for any other reason deemed sufficient in Landlord's reasonable judgment; and (e) renovate, upgrade or change the shape and size of the Common Area or add, eliminate or change the location of improvements to the Common Area including, without limitation, buildings, parking areas, roadways and curb cuts, and to construct buildings on the Common Area provided that such changes do not materially adversely affect Tenant's use of, and access to, the Premises. Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on **Exhibit B** and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project provided that such changes do not materially adversely affect Tenant's use of, and access to, the Premises.

10.4 Common Area Costs. The term “**Common Area Costs**”, as used in this Lease, means all costs and expenses incurred by Landlord in (a) operating, managing, policing, insuring, repairing, replacing and maintaining the Common Area and the on-site management and/or security offices, (b) maintaining, repairing and replacing the exterior surface of exterior walls (and storefronts and storefront awnings if Landlord has elected to include the cleaning of same as part of Common Area maintenance) and maintaining, repairing and replacing roofs of the buildings from time to time constituting the Project, and (c) operating, insuring, purchasing (to the extent applicable), repairing, replacing and maintaining all utility facilities and systems including, without limitation, sanitary sewer lines and systems, fire protection lines and systems, security lines and systems and storm drainage lines and systems not exclusively serving the premises of any occupant, tenant or store (“**Common Area Utilities**”), mall furniture and equipment, seasonal

and holiday decorations, Common Area lighting fixtures, Project sign monuments or pylons (but not the tenant identification signs thereon) and directional signage. Common Area Costs shall include the actual costs incurred by Landlord for personnel (whether employees of Landlord or third party contractors) employed in the management and operation of the Project. Common Area Costs shall also include, without limitation, the following: Expenses for maintenance, landscaping, repaving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal, abatement or elimination of hazardous waste or substances pursuant to Article 9, if necessary, security (provided, however, Landlord shall determine in its sole and absolute discretion the level of security, if any, to be provided at the Project and no such decision shall create any actual or implied duty to continue said security or to have any security at any point during the Term), management offices, non-refundable contributions toward reserves for replacements, maintenance and/or repairs such as, but not limited to, major parking lot repairs and repainting of buildings, fire protection and similar items; depreciation or rental on equipment; charges, surcharges and other levies related to the requirements of any federal, state or local governmental agency; expenses related to the Common Utilities; Taxes on the improvements and land comprising the Common Area; commercial general liability insurance on the Common Area in such amounts as Landlord may reasonably elect to carry; standard “special form – causes of loss” or fire and extended coverage (property) insurance with, at Landlord's option, an earthquake damage endorsement or “terrorism” endorsement covering the Common Areas in such amounts as Landlord may reasonably elect to carry; environmental insurance, in a form and issued by a carrier acceptable to Landlord in its sole and absolute discretion; the cost of any deductibles or self-insured retentions relating to the insurance maintained by Landlord pursuant hereto; costs of management of the Project (whether such management services are provided by Landlord or a third party contractor); and any shared expenses attributable to the Project or any portion thereof under the CC&Rs (including the “Shared Expenses” as defined therein, and to the extent not duplicative of Common Area Costs set forth above). Common Area Costs shall specifically include capital expenditures for the replacement of Common Areas; provided, however, Tenant shall only be obligated to pay for the cost of capital expenditures for replacing Common Areas based on the cost of such replacement amortized over the useful life of the Common Area item being replaced (with an interest factor reasonably determined by Landlord, but in no event in excess of the Interest Rate), which useful life shall be reasonably determined by Landlord (provided, however, if Tenant's Project Share of the cost of the capital expenditure would not exceed five percent (5%) of its Monthly Base Rent, Landlord shall not be obligated to amortize such capital expenditure). Notwithstanding the foregoing, Common Area Costs shall exclude the following:

- (1) Any ground lease rental;
- (2) Costs incurred by Landlord with respect to goods and services (including utilities sold and supplied to tenants and occupants of the Project) to the extent that Landlord is reimbursed for such costs other than through the Common Area Costs pass-through provisions of such tenants' lease;
- (3) Costs incurred by Landlord for repairs, replacements and/or restoration to or of the Common Area to the extent that Landlord is reimbursed by insurance or condemnation proceeds or by tenants (other than through Common Area Costs pass-throughs), warrantors or

other third persons;

- (4) Costs arising from Landlord's charitable or political contributions;
- (5) Attorneys' fees and other costs and expenses incurred in connection with negotiations or disputes with present or prospective tenants or other occupants of the Project;
- (6) Capital expenditures as determined in accordance with generally accepted accounting principles, consistently applied, and as generally practiced in the real estate industry (“GAAP”), except as otherwise provided above;
- (7) Brokers commissions, finders' fees, attorneys' fees, entertainment and travel expenses and other costs incurred by Landlord in leasing or attempting to lease space in the Project;
- (8) Costs incurred by Landlord due to the violation by Landlord of any law, code, regulation, or ordinance;
- (9) Overhead and profit increments paid to subsidiaries or affiliates of Landlord for services provided to the Building to the extent the same exceeds the costs that would generally be charged for such services if rendered on a competitive basis (based upon a standard of similar office buildings in the general market area of the Premises) by unaffiliated third parties capable of providing such service;
- (10) Interest on debt or amortization on any mortgage or mortgages encumbering the Building;
- (11) Landlord's general corporate overhead;
- (12) Costs of installing the initial landscaping and the initial sculpture, paintings and objects of art for the Project;
- (13) Advertising expenditures;
- (14) Any bad debt loss, rent loss, or reserves for bad debts or rent loss;
- (15) Costs associated with the operation of the business of the partnership or entity which constitutes the Landlord, as the same are distinguished from the costs of the operation, management, repair, replacement and maintenance of the Project, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee, costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Project, and costs incurred in connection with any disputes between Landlord and its employees, between Landlord and Project management, or between Landlord and other tenants or occupants;
- (16) The wages and benefits of any employee who does not devote substantially all of his or her employed time to the Project unless such wages and benefits are prorated to reflect time spent on operating and managing the Project vis-à-vis time spent on matters unrelated to

operating and managing the Project; provided that in no event shall Project Costs include wages and/or benefits attributable to personnel above the level of property manager;

(17) Costs incurred by Landlord for improvements or replacements (including structural additions), repairs, equipment and tools which are of a "capital" nature and/or which are considered "capital" improvements or replacements under GAAP, except to the extent included in Common Area Costs pursuant to the definition above; and

(18) Legal fees and costs, settlements, judgments or awards paid or incurred because of disputes between Landlord and other tenants or prospective occupants or prospective tenants/occupants or providers of goods and services to the Project.

10.5 Proration of Common Area Costs. The Common Area Costs shall be payable in the following manner:

(a) From and after the first full calendar month following the Commencement Date, Tenant shall pay to Landlord, an amount estimated by Landlord to be the monthly amount of Tenant's Project Share of the Common Area Costs. Landlord may adjust the estimated monthly charge periodically on the basis of Landlord's reasonably anticipated costs.

(b) Following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish to Tenant a statement covering the calendar or fiscal year (as the case may be) just expired, showing by cost category the actual Common Area Costs for that year, the amount of Tenant's Project Share of the Common Area Costs for that year, and the monthly payments made by Tenant during that year for the Common Area Costs. If Tenant's Project Share of the Common Area Costs exceeds Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after receipt of such annual statement. If Tenant's payments for the calendar year exceed Tenant's actual share of the Common Area Costs, and provided Tenant is not in arrears as to the payment of any Monthly Base Rent or Additional Rent, Tenant may offset the excess against payments of Common Area Costs next due Landlord. An appropriate proration of Tenant's Project Share of the Common Area Costs as of the Commencement Date and the expiration date of the Term shall be made.

(c) At Landlord's option and sole discretion communicated to Tenant in writing, and notwithstanding any other provision of this Lease to the contrary, Tenant's Project Share of Common Area Costs shall be calculated or adjusted as set forth below after Tenant's receipt of such notice:

(i) Landlord shall have the right to equitably allocate certain Common Area Costs to less than all of the occupants or tenants in the Project, provided in doing so Landlord acts in a commercially reasonable fashion. In such event, Tenant's Project Share of such costs (the "Cost Pool") shall be as follows: (A) in the event Tenant is one of the tenants or occupants participating in such Cost Pool, its share of such Common Area Costs shall be a percentage that the square feet of the Premises bears to entire square footage of the Project, but the denominator used to determine such share shall exclude those occupants not participating in such Cost Pool; or (B) in the event Tenant is not one of the tenants or occupants participating in such Cost Pool, its share of Common Area Costs shall be calculated in the manner set forth above, but the denominator

used to determine such share shall exclude those tenants or occupants participating in such Cost Pool, and provided that the expenses or costs payable by those tenants or occupants in said Cost Pool of which Tenant is not a part shall not be included in any Common Area Costs for which Tenant is partially reimbursing Landlord.

Notwithstanding anything to the contrary contained herein or elsewhere in this Lease or otherwise, Tenant shall be solely responsible, at Tenant's sole cost and expense, for any and all additional (meaning in addition to normal impositions in the form of taxes or similar assessments) charges, costs and expenses imposed by any governmental authority for services to the Premises or the Project, to the extent resulting from activities, conduct, operations or other uses at the Premises or due to the particular use or operations at the Premises (as determined by the applicable governmental authority or as reasonably determined by Landlord). For example, and without limitation, in the event a charge for services is imposed by the local police or sheriff for service calls or other services resulting from loitering or other activities within or due to activities conducted at the Premises, Tenant shall be solely responsible for such charges. Such charges, if billed directly to Tenant by the subject governmental authority, shall be paid to such governmental authority within ten (10) days following such billing. In the event Landlord is charged for such service(s), Tenant shall pay Landlord for such charge(s) within ten (10) days following written notice from Landlord, which written notice shall be accompanied by the subject bill from the subject governmental authority. Tenant's failure to timely make any such payment shall, at Landlord's option, constitute a material default under this Lease, without any further need for notice under this Lease.

In addition to the foregoing, to the extent that, in Landlord's reasonable opinion, the conduct of Tenant's business causes the need for security services or measures at the Project that are in addition to those otherwise provided by Landlord, Tenant shall alone bear the incremental costs for such services or measures but only if Landlord has provided Tenant with prior written notice of the need for such additional security and Tenant has approved in writing such additional costs, such approval not to be unreasonably withheld. Tenant shall pay such costs to Landlord within thirty (30) days following written notice from Landlord.

10.6 No Liability For Third Party Acts. Except to the extent caused by Landlord's willful misconduct, under no circumstances shall Landlord be liable to Tenant or to any other person by reason of (i) any theft, burglary, robbery, assault, trespass, unauthorized entry, vandalism, or any other act of any third person occurring in or about the Premises or the Project or (ii) any claim that Landlord has provided inadequate security at the Project or no security at all, and Tenant covenants not to assert any such claim or cause of action based thereon against Landlord or any person or entity associated therewith.

ARTICLE 11

IMPROVEMENTS

11.1 Signs and Auctions. No auction, fire or bankruptcy sales may be conducted in the Premises, and no signs advertising such sales shall be posted on the Premises without the prior written consent of Landlord which shall not be unreasonably withheld, conditioned or delayed.

11.2 Installation by Tenant. Tenant may not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, exterior signs, exterior machinery, floor covering, interior or exterior lighting, plumbing fixtures, shades or awnings and make any other changes to the Premises without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant may, without Landlord's approval, make or cause to be made any alterations, additions or improvements within the interior of the building located on the Premises.

11.3 Improvements. It is understood and agreed by Tenant that any and all improvements made to the Premises by Tenant prior to or during the Term or any extensions thereof shall be made by a contractor who is licensed by the State of California and reasonably and prudently selected by Tenant.

11.4 Ownership of Improvements. All Tenant improvements, alterations, additions and improvements to the Premises including, without limitation, trade fixtures, equipment and Signs, made by Tenant, or made by Landlord on Tenant's behalf and for which Tenant has paid Landlord in accordance with this Lease, shall remain the property of the Tenant for the Term of the Lease, or any extension or renewal thereof.

11.5 Removal and Restoration. In removing any alteration, addition or improvement to the Premises upon expiration or earlier termination of this Lease, Tenant shall repair any and all damage to the Premises caused by such removal to a substantially similar condition or better.

11.6 Liens. Tenant shall keep the Premises and any building of which the Premises are a part free from any liens arising out of work performed, materials furnished or obligations incurred by Tenant and shall indemnify, hold harmless and defend Landlord from any liens and encumbrances arising out of any work performed or materials furnished by, or at the direction of, Tenant. In the event that Tenant shall not, within thirty (30) days following the imposition of any lien, cause such lien to be released of record by payment or posting of a proper bond. Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as it shall deem proper, including payment of the claim giving rise to such lien. All such sums paid by Landlord and all expenses incurred by it in connection therewith shall bear interest at the rate of ten percent (10%) per annum from the date expended until the date repaid. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord and the Premises, and any other party having an interest therein from mechanics' and materialmen's liens, and Tenant shall give to Landlord at least fifteen (15) business days prior written notice of the expected date of commencement of any work relating to alterations or additions to the Premises.

11.7 Surrender. Upon the expiration or sooner termination of the Term hereof, Tenant shall surrender the Premises including, without limitation, all keys and all apparatus and fixtures then upon the Premises, in good condition and repair, reasonable wear and tear alone excepted, broom clean and free of trash and rubbish and with all alterations, changes, additions and improvements (other than Tenant's trade fixtures and equipment) which may have been made or installed from time to time either by Landlord or Tenant in, on or about the Premises left in place; provided, however, that Tenant shall have the right to remove all alterations, changes, additions

and improvements to the Premises as necessary to de-identify the Premises as a business carrying on the Permitted Use, with Landlord's prior written approval, which shall not be unreasonably withheld, conditioned or delayed. All such property not removed by Tenant shall be the property of Landlord and shall be surrendered by Tenant without any injury, damage or disturbance thereto, and Tenant shall not be entitled to any payment therefor. Said property of Landlord shall include, without limitation, all lighting fixtures, fluorescent tubes and bulbs, and all partitions, unless movable or portable unless removed by Tenant.

11.8 Trade Fixtures. Moveable trade fixtures, furniture, equipment and other personal property installed or located on the Premises by Tenant at its cost shall be Tenant's property unless otherwise provided in this Lease. Tenant shall remove all of the same, specifically including Tenant's identification signs, prior to the termination of this Lease and at its own cost and repair any damage to the Premises caused by such removal. If Tenant fails to remove any of such property at the expiration or sooner termination of the Term, then Landlord may at its option retain such property as abandoned by Tenant and title thereto shall thereupon vest in Landlord, or Landlord may remove the same and dispose of it in any manner and Tenant shall, upon demand, pay Landlord the actual expense of such removal and disposition plus the cost of repair of any and all damage to the Premises resulting from or caused by such removal.

ARTICLE 12

CONDITION OF PROPERTY, MAINTENANCE, REPAIRS AND ALTERATIONS

12.1 Existing Conditions. Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation as to the condition of the Premises or the suitability of the Premises for Tenant's intended use.

12.2 Exemption of Landlord from Liability; Waiver. Except as otherwise expressly provided in this Lease, Landlord shall not be liable for any damage or injury to the person, business (or any loss of income therefrom), goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, customers or any other person on the Premises, whether such damage or injury is caused by or results from: (a) fire, steam, electricity, water, gas, rain or act of God or nature; (b) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; or (c) conditions arising in or about the Premises or upon other portions of any building of which the Premises is a part, or from other sources or places. Landlord shall not be liable for any such damage or injury even though the cause of or the means of repairing such damage or injury are not accessible to Tenant. Tenant, as a material part of the consideration to be rendered to Landlord, hereby waives all claims against Landlord for the foregoing damages from any cause arising at any time. The provisions of this section shall not, however, exempt Landlord from liability for Landlord's gross negligence or willful misconduct. With respect to the foregoing, Tenant acknowledges that it is familiar with section 1542 of the California Civil Code which reads: "**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY**" and hereby releases Landlord from all such unknown claims described

in this Section 12.2 and waives all rights it may have under section 1542 of the Civil Code or under any other statute or common law principle of similar effect with respect to the claims described in this Section 12.2.

Tenant's Initials

12.3 Tenant's Obligations.

12.3.1 Tenant agrees at all times, at its own cost and expense, to maintain in good condition and repair, reasonable wear and tear excepted, and to replace, as necessary and as applicable, the Premises and every part thereof including, without limitation, the following: all meters, pipes, conduits, equipment, components and facilities that supply the Premises exclusively with utilities (except if the appropriate utility company has assumed these duties) or that form an air conditioning system exclusively servicing the Premises; all fixtures and other equipment installed in the Premises; all exterior and interior glass installed in the Premises; the store front(s); roof membrane, gutters, downspouts, and all exterior surfaces and canopies; all signs, locks and closing devices; all window sashes, casements and frames; doors and door frames; floor coverings; the parking areas, drive-through, trash enclosures, outdoor patio areas, and any other improvements on the Premises; and all such items of repair, maintenance, alteration, improvement or reconstruction as may be required at any time or from time to time by any governmental agency having jurisdiction thereof. Tenant shall promptly replace any portion of the Premises or system or equipment in the Premises which cannot be fully repaired, regardless of whether the benefit of such replacement extends beyond the Term.

12.3.2 All of Tenant's obligations to maintain and repair shall be accomplished at Tenant's sole expense. If Tenant refuses or neglects to repair properly as required hereunder and to the reasonable satisfaction of Landlord, then Landlord may, on thirty (30) days' prior notice (except that no notice shall be required in case of emergency) enter the Premises and perform such repair and maintenance on behalf of Tenant without liability to Tenant for any loss or damage that may accrue to Tenant's merchandise, fixtures, or other property or to Tenant's business by reason thereof and upon completion thereof, Tenant shall pay Landlord's costs for making such repairs, upon presentation of a bill therefor, as Additional Rent. Said bill shall include interest at ten percent (10%) on said costs from the date of completion of repairs by Landlord until repaid in full.

12.4 Rules and Regulations.

12.4.1 Tenant shall observe faithfully and comply with, and shall cause its employees and invitees to observe faithfully and comply with, reasonable and nondiscriminatory rules and regulations governing the Project as may be promulgated by Landlord from time to time including, without limitation, those attached hereto as Exhibit "D" and made a part hereof.

12.4.2 Landlord reserves the right from time to time to amend or supplement the foregoing rules and regulations, and to adopt and promulgate additional rules and regulations reasonably applicable to the Premises or the Project. Notice of such rules and regulations and amendments and supplements thereto, if any, shall be given to Tenant and Tenant agrees to comply with all such rules and regulations upon receipt of notice.

ARTICLE 13

DAMAGE OR DESTRUCTION

13.1 In the event of any damage to or destruction of the building or improvements located on or appurtenant to the Premises during the Term of this Lease the following provisions shall apply:

13.1.1 Notice. Tenant shall promptly give Landlord notice of such occurrence and shall take all actions reasonably required to protect against hazards caused by such damage or destruction.

13.1.2 Restoration. Subject to the terms and conditions of any Leasehold Mortgage, Tenant shall promptly and diligently restore and rebuild the improvements as nearly as possible to their condition immediately prior to such damage or destruction or otherwise rebuild a comparable structure reasonably required by Tenant for the conduct of the Permitted Use. In connection with the negotiation of any Leasehold Mortgage, Tenant shall use reasonable good faith efforts to obtain the agreement of the Leasehold Mortgagee that, in the event said Leasehold Mortgagee receives insurance proceeds as a result of damage to or destruction of the improvements which it otherwise would be entitled to retain, the Leasehold Mortgagee shall readvance such funds to Tenant for the purpose of accomplishing any restoration and rebuilding required under this Section provided that Tenant is not then in default under the Leasehold Mortgage.

13.1.3 No Insurance. Tenant shall have no obligation to rebuild any of the improvements in the event of any damage or destruction thereto if (i) such damage or destruction results from a casualty with respect to which Tenant is not required to maintain insurance pursuant to this Lease or, (ii) a Leasehold Mortgagee will not allow application of insurance proceeds to reconstruction of the improvements; provided, however, this Lease shall remain in full force and effect, without abatement or reduction of Rent, and Tenant shall, at its sole cost and expense, promptly remove the debris and damaged portion of the improvements and restore the Premises or the applicable portion thereof to a neat, clean and safe condition including landscaping thereof reasonably acceptable to Landlord. Notwithstanding the foregoing, in the event of damage or destruction of improvements located on or appurtenant to the Premises with respect to which the cost to rebuild would exceed fifty percent (50%) of the then cost of reconstruction of all improvements on the Premises and which damage or destruction results from a casualty with respect to which Tenant is not required to maintain insurance, then Tenant may terminate this Lease on sixty (60) days written notice to Landlord. In such event, Tenant shall, at its sole cost and expense, promptly remove the debris and damaged portion of the improvements and restore the Premises or the applicable portion thereof to a neat, clean and safe condition including landscaping thereof reasonably acceptable to Landlord, and this obligation shall survive the termination of this Lease.

13.1.4 Damage During Final Year of Term. If any damage or destruction occurs to the Premises during the last year of the Initial Term or any Extended Term and the cost to repair the damage exceeds One Hundred Thousand Dollars (\$100,000), then either Landlord or Tenant may terminate this Lease upon giving the other party thirty (30) days written notice of termination; provided, however, that if Landlord notifies Tenant that it wishes to terminate this Lease, then

Tenant may, if it has not already done so, exercise its right to extend the term of this Lease under Section 2.7 above (if there are any Extended Terms remaining, whereupon Landlord's election to terminate shall be null and void). In the event of any such termination of the Lease, Tenant shall deliver to Landlord all insurance proceeds obtained as a result of damage to or destruction of the improvements from insurance policies Tenant is required under this Lease to carry.

13.2 Waiver. Because Landlord and Tenant have agreed that the provisions of this Article 13 shall govern the rights and obligations of Landlord and Tenant in the event of any damage or destruction of the Premises, Tenant waives the provisions of California Civil Code section 1932(2) which states that the hirer of a thing may terminate the hiring before the end of the term "when the greater part of the thing hired, or that part which was and which the letter had at the time of the hiring reason to believe was the material inducement to the hirer to enter into the contract, perishes from any other cause than the want of ordinary care of the hirer," and of California Civil Code section 1933(4) which indicates that "the hiring of a thing terminates by the destruction of the thing hired," and of any similar statute, code or judicial decision which grants a tenant the right to terminate the lease in the event of damage or destruction of the Premises.

ARTICLE 14

CONDEMNATION

14.1 Total Condemnation. If the whole of the Premises or Common Area shall be acquired or condemned by eminent domain, or by a transfer of Landlord's title in lieu thereof, for any public or quasi-public use or purpose, then the Term of this Lease shall cease and terminate as of the date of title vesting in such proceeding and all Rent shall be paid up to that date and Tenant shall have no claim against Landlord, or vice versa, for the value of any unexpired Term of this Lease. In the event of termination, Landlord shall return any prepaid Rent to Tenant within thirty (30) days after the effective date of termination of this Lease.

14.2 Partial Condemnation. If less than the whole of the Premises or Common Area shall be acquired or condemned by eminent domain, or by a transfer of Landlord's title in lieu thereof, for any public or quasi-public use or purpose, and in the event that such partial taking or condemnation shall render the Premises or Common Area unsuitable for the business of Tenant, then at Tenant's written election the Term of this Lease shall cease and terminate as of the date of title vesting in such proceeding and Tenant shall have no claim against Landlord for the value of any unexpired term of this Lease, or vice versa. In the event of termination, Landlord shall return any prepaid Rent to Tenant within thirty (30) days after the effective date of termination of this Lease. In no event, however, shall Tenant be entitled to terminate this Lease in the event of a partial Taking of the Common Area unless (a) the same (i) materially and adversely affects the parking available for the Premises or (ii) materially and adversely affects the access available for the Premises and (b) Landlord is not able (or is unwilling to) restore the remaining Common Area to reasonably cure any such parking or access problems caused by the partial Taking. In the event of a partial taking or condemnation which is not extensive enough to render the Premises or Common Area unsuitable for the business of Tenant, then (i) Tenant shall within a reasonable time restore the Premises to a condition comparable to its condition at the time of such condemnation less the portion lost in the taking, and this Lease shall continue in full force and effect; provided that Landlord shall release funds from the condemnation award for Tenant to utilize for the

restoration and repair of the Premises and (ii) Tenant shall be entitled to an equitable abatement of Monthly Base Rent based upon the square footage of the Premises taken by the condemnation compared to the total square footage of the Premises.

14.3 Distribution of Condemnation Award. Any condemnation award or payment shall be distributed in the following order: (a) first, to any ground lessor, mortgagee or beneficiary under a deed of trust encumbering Landlord's interest in the Premises, the amount of its interest in the Premises; and (b) to Landlord, the remainder of such award, whether as compensation for reduction in the value of the leasehold, the taking of the fee, or otherwise. Notwithstanding the foregoing, Tenant shall have the right to pursue its own award from the condemning authority for Tenant's installations in the Premises, the loss of or damage to the building or other improvements on the Premises, Tenant's trade fixtures, equipment and other personal property, Tenant's relocation costs, the loss of Tenant's profits or goodwill, damages for interruption or dislocation of Tenant's business, and the bonus value of this Lease. Tenant's award shall not be available to Landlord or to any ground lessor, mortgagee or beneficiary under a deed of trust encumbering Landlord's interest in the Premises.

ARTICLE 15

ASSIGNMENT AND SUBLETTING

15.1 Landlord's Consent Required. Except as provided in Section 15.3 below, Tenant shall not either voluntarily or by operation of law, assign, mortgage, pledge, hypothecate or encumber this Lease or the leasehold interest created hereby or any interest herein, or sublet the Premises or any portion thereof, or license the use of all or any portion of the Premises or permit any other person to occupy or use the Premises or any portion thereof (collectively referred to herein as a "**Transfer**"), without the written consent of Landlord first had and obtained, which consent may be withheld, delayed or conditioned in Landlord's reasonable discretion.

15.2 Transfers of Interests in Tenant Requiring Landlord's Consent. If Tenant or its general partner or manager hereunder is a corporation which, under the laws of California, is not deemed a public corporation, or is an unincorporated association, partnership, or a limited liability company, then the transfer, assignment, or hypothecation of any stock or interest in such corporation, association, partnership or limited liability company or its general partner or manager in the aggregate in excess of fifty percent (50%) shall be deemed a Transfer under the meaning of this Article 15, unless it is a sale of all the stock or interest in Tenant as permitted pursuant to Section 15.3.

15.3 Special Transfers. Tenant shall not be required to seek or obtain Landlord's consent, nor shall Landlord be entitled to any consideration in connection with any assignment or subletting:

- (1) to a parent, subsidiary, affiliate, or related entity of Tenant; or
- (2) in connection with a merger, acquisition, reorganization or consolidation of Tenant;

15.4 Transfer Without Consent. Except for a Transfer described in Section 15.3 above, any Transfer without Landlord's prior written consent shall, at the option of the Landlord, constitute a non-curable breach of this Lease. In the absence of an express agreement in writing to the contrary, no Transfer shall act as a release of Tenant from any of the obligations and agreements on its part to be kept and performed hereunder. Tenant hereby fully waives and relinquishes any rights it may have under California Civil Code section 1995.310, otherwise permitting Tenant to seek damages against Landlord and/or to attempt to terminate this Lease in connection with an allegation that Landlord has unreasonably withheld consent to a Transfer. Tenant agrees and acknowledges that Tenant's sole right and remedy against Landlord in such instance shall be to seek and to have the Transfer approved as consistent with the terms and provisions of this Lease or based upon a determination that Landlord has unreasonably withheld its consent to the proposed Transfer.

15.5 Waiver/Subsequent Transfers. Landlord's acceptance of Rent from any other person is not a waiver of any provision of this Article 15. Consent to one transfer is not a consent to any subsequent transfer. Unless Tenant has been released under a subsequent agreement between Landlord and Tenant, if Tenant's transferee defaults under this Lease, Landlord may proceed directly against Tenant without pursuing remedies against the transferee. Landlord may consent to subsequent assignments or modifications of this Lease by Tenant's transferee, without notifying Tenant or obtaining its consent. Such action shall not relieve Tenant's liability under this Lease.

15.6 Landlord's Election. Tenant's request for consent to any Transfer described in Section 15.1 above shall be accompanied by a written statement setting forth the details of the proposed Transfer, including the name, business and financial condition of the prospective transferee, financial details of the proposed Transfer (e.g., the term of and rent and security deposit payable under any assignment or sublease), and any other information reasonably requested by Landlord. Landlord shall have the right, in its reasonable discretion (a) to withhold consent based upon the standards set forth herein, or (b) to grant consent.

15.7 No Merger. No merger shall result from Tenant's sublease of the Premises under this Article 15, Tenant's voluntary or other surrender of this Lease, a mutual cancellation thereof, or the termination of this Lease in any other manner. In any such event, Landlord may, at its option, terminate any or all subtenancies or succeed to the interest of Tenant as sub-landlord thereunder, or if such sublease was approved by Landlord, the termination shall, at Landlord's election, operate as an assignment to Landlord of any or all such subleases or subtenancies.

15.8 Assignment Fees and Procedures. In the event Landlord shall be requested to consent to a sublease, assignment, pledge, encumbrance, or any other transfer of all or any portion of Tenant's rights hereunder, as specified herein, Tenant shall pay Landlord a reasonable fee not to exceed Two Thousand Five Hundred Dollars (\$2,500.00) to reimburse Landlord for costs and expenses, excluding attorneys' fees which shall be reimbursed pursuant to Section 18.2 herein, incurred in connection with reviewing Tenant's request for consent. Tenant's check for the assignment fee shall be delivered to Landlord concurrent with Tenant's request for consent.

ARTICLE 16

DEFAULTS; REMEDIES

16.1 Covenants and Conditions. Tenant's performance of each of Tenant's obligations under this Lease is a condition as well as a covenant. Tenant's right to continue in possession of the Premises is conditioned upon such performance. Time is of the essence in the performance of all covenants and conditions.

16.2 Defaults. Tenant shall be in material default under this Lease:

16.2.1 If Tenant abandons the Premises;

16.2.2 If Tenant fails to pay rent or any other charge required to be paid by Tenant as and when due, where such failure continues for a period of five (5) business days after Tenant's receipt of written notice of default from Landlord;

16.2.3 If Tenant fails to perform any of Tenant's nonmonetary obligations under this Lease, where such failure continues for a period of thirty (30) days after Tenant's receipt of written notice of default from Landlord; provided that if more time is required for such performance, Tenant shall not be in default if Tenant commences such performance within such thirty (30) day period and thereafter diligently pursues its completion. However, Tenant shall not be entitled to such cure period if Tenant's failure to perform constitutes a non-curable breach of this Lease;

16.2.4 (i) If Tenant makes a general assignment or general arrangement for the benefit of creditors; (ii) if a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by or against Tenant and is not dismissed within one hundred twenty (120) days; (iii) if a trustee or receiver is appointed to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease and possession is not restored to Tenant within sixty (60) days; or (iv) if substantially all of Tenant's assets located at the Premises or if substantially all of Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure which is not discharged within sixty (60) days. If a court of competent jurisdiction determines that any of the acts described in this section is not a default under this Lease, and a trustee is appointed to take possession (or if Tenant remains a debtor in possession) and such trustee or Tenant transfers Tenant's interest hereunder, then Landlord shall receive, as Additional Rent, the difference between the rent (or any other consideration) paid in connection with such assignment or sublease and the rent payable by Tenant hereunder.

16.3 Default by Landlord. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to

completion, but in no event shall Landlord have more than sixty (60) days to complete performance.

16.4 Remedies. On the occurrence of any material default by Tenant beyond any applicable cure period, Landlord may, at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have:

16.4.1 Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall have the immediate right to re-enter the Premises and remove all persons and property and such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Tenant, without being deemed guilty of trespass, or becoming liable for any loss or damage which may be occasioned thereby; and Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default, including (i) the worth at the time of the award of all Monthly Base Rent, Additional Rent and other charges which were earned or were payable at the time of the termination; (ii) the worth at the time of the award of the amount by which the unpaid Monthly Base Rent, Additional Rent and other charges which would have been earned or were payable after termination until the time of the award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (iii) the worth at the time of the award of the amount by which the unpaid Monthly Base Rent, Additional Rent and other charges which would have been payable for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; (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 whether provided by this Lease or allowed by applicable law, including, but not limited to, any costs or expenses incurred by Landlord in maintaining or preserving the Premises after such default, the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation or alteration of the Premises, Landlord's reasonable attorney's fees, and any real estate commissions or other such fees paid or payable; and (v) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted by applicable California law from time to time. As used in subparts (i) and (ii) above, the "worth at the time of the award" is computed by allowing interest on unpaid amounts at the rate of fifteen percent (15%) per annum, or such lesser amount as may then be the maximum lawful rate. As used in subpart (iii) above, the "worth at the time of the award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus one percent (1%). If Tenant shall have abandoned the Premises, Landlord shall have the option of (i) retaking possession of the Premises and recovering from Tenant the amount specified in this section, or (ii) proceeding as set forth below;

16.4.2 Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent as it becomes due hereunder. Tenant acknowledges that Landlord has the remedy described in California Civil Code section 1951.4 in that Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover rent as it becomes due;

16.4.3 Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state in which the Premises is located.

16.5 The Right to Relet the Premises. Should Landlord elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this Lease or it may from time to time without terminating this Lease, make such alterations and repairs as may be necessary in order to relet the Premises, and relet said Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term of this Lease) and at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable; upon each such reletting all rentals received by Landlord from such reletting shall be applied, first, to the repayment of any indebtedness other than rent due hereunder from Tenant to Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys' fees and of costs of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Landlord and applied in payment of future rent as the same may become due and payable hereunder. In no event shall Tenant be entitled to any excess rental received by Landlord over and above that which Tenant is obligated to pay hereunder. Should that portion of such rentals received from such reletting during any month, which is applied to the payment of rent hereunder, be less than the rent payable hereunder during that month by Tenant, then Tenant shall pay such deficiency to Landlord forthwith upon demand, and said deficiency shall be calculated and paid monthly. Tenant shall also pay Landlord as soon as ascertained and upon demand, all costs and expenses incurred by Landlord in connection with such reletting and in making any such alterations and repairs which are not covered by the rentals received from such reletting. No re-entry or taking possession of the Premises by Landlord under this Article shall be construed as an election to terminate this Lease unless a written notice of such intention is given to Tenant or unless the termination thereof be adjudged by a court of competent jurisdiction. Notwithstanding any reletting without termination by Landlord because of Tenant's default, Landlord may at any time after such reletting elect to terminate this Lease because of such default.

16.6 Waiver of Rights of Redemption. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise.

16.7 Cumulative Remedies. The various rights and remedies herein granted to Landlord shall be cumulative and in addition to any others Landlord may be entitled to by law, and the exercise of one or more rights or remedies shall not impair Landlord's right to exercise any other right or remedy.

16.8 Late Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult and costly to ascertain. Such costs include, but are not limited to, processing, administrative and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or another sum due from Tenant shall not be

received by Landlord or Landlord's designee within three (3) business days after written notice from Landlord that such amount is past due, Tenant shall pay to Landlord a late charge as liquidated damages as that term is used in section 1671 of the California Civil Code, equal to five percent (5%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur as a consequence of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

16.9 Interest on Past Due Obligations. Any amount owed by Tenant to Landlord which is not paid when due shall bear interest from the due date of such amount at 10% per annum. However, interest shall not be payable on any late charges to be paid by Tenant under this Lease. The payment of interest on such amounts shall not excuse or cure any default by Tenant under this Lease.

16.10 Prorationing. Upon termination of this Lease, the amount payable by Tenant for Rent shall be prorated on the basis which the number of days from the commencement of the Lease year in which the termination occurs to and including said termination date bears to 365. A similar proration shall be made for the first year in which the Rent obligations commences.

ARTICLE 17

PROTECTION OF CREDITORS

17.1 Subordination. Tenant agrees to execute, acknowledge and deliver to Landlord upon request such documents and instruments reasonably acceptable to Tenant and as may be necessary to subordinate this Lease (a) to any mortgages or trust deeds that now exist or may hereafter be placed upon the underlying property by Landlord, (b) to and all advances made or to be made thereunder, (c) to the interest on all obligations secured thereby, and (d) to all renewals, modifications, consolidations, replacements and extensions thereof. Any such subordination agreement shall include a non-disturbance agreement reasonably acceptable to Tenant. Except as expressly provided herein, this Lease is made subject to all existing encumbrances, covenants, restrictions, conditions, and easements of record.

17.2 Attornment. The documents or instruments described in Section 17.1 shall provide that if Landlord's interest in the Premises is acquired by any ground lessor, beneficiary under a deed of trust, mortgagee, or purchaser at a foreclosure sale, Tenant shall attorn to the transferee of or successor to Landlord's interest in the Premises and recognize such transferee or successor as Landlord under this Lease.

17.3 Reserved.

17.4 Estoppel Certificates.

17.4.1 Upon written request by Landlord or Tenant, the other party hereto shall execute and deliver a written statement certifying: (i) that none of the terms or provisions of this Lease have been changed (or if they have been changed, stating how they have been changed); (ii)

that this Lease is in full force and has not been canceled or terminated; (iii) the last date of payment of the Monthly Base Rent and other charges and the time period covered by such payment; (iv) that to the best of its knowledge, there are no uncured defaults on the part of Landlord or Tenant or matters which, upon the passage of time and the giving of notice, or both, would constitute such a default (of if any such default exists, stating the nature thereof); (v) the date to which any Rent and other charges have been paid in advance, if any; and (vi) such other matters as are reasonably requested. The written statement shall be delivered to the requesting party within twenty (20) days after receipt of the written request therefor.

17.4.2 Reserved.

17.4.3 Reserved.

17.4.4 Tenant agrees to give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default, served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the addresses of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then the mortgagees and/or trust deed holders shall have an additional fifteen days (15) within which to cure such default before Tenant may exercise its remedies.

ARTICLE 18

LEGAL COSTS

18.1 Attorneys' Fees and Costs. If there is any litigation, arbitration or similar proceeding to enforce or interpret the provisions of this Lease including, without limitation, appeals, efforts to enforce judgments and bankruptcy proceedings, then the prevailing party in the proceeding shall be entitled to collect from the non-prevailing party all of the prevailing party's costs incurred in the proceeding including, without limitation, reasonable attorneys' fees and costs.

18.2 Landlord's Consent. Tenant shall pay Landlord's reasonable attorneys' fees incurred in connection with Tenant's request for Landlord's consent under Article 15 (Assignment and Subletting), or in connection with any other act which Tenant proposes to do and which requires Landlord's consent, such costs not to exceed \$2,500 in any instance.

ARTICLE 19

MISCELLANEOUS PROVISIONS

19.1 Non-Discrimination. Tenant promises, and it is a condition to the continuance of this Lease, that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, sex, creed, national origin or ancestry in the leasing, subleasing, transferring, occupancy, tenure or use of the Premises or any portion thereof.

19.2 Landlord's Liability; Certain Duties.

19.2.1 As used in this Lease, the term “Landlord” means only the then-current owner or owners of the fee title to the Premises or the leasehold estate under a ground lease of the Premises at the time in question. Each Landlord is obligated to perform the obligations of Landlord under this Lease only during the time such Landlord owns such interest or title. Any Landlord who transfers its title or interest is relieved and released of all liability with respect to the obligations of Landlord under this Lease to be performed on or after the date of transfer. However, each Landlord shall deliver to its transferee all funds previously paid by Tenant if such funds have not yet been applied under the terms of this Lease.

19.2.2 Reserved.

19.3 Severability. A determination by a court of competent jurisdiction that any provision of this Lease or any part thereof is illegal or unenforceable shall not cancel or invalidate the remainder of such provision or this Lease, which shall remain in full force and effect.

19.4 Interpretation. The captions of the Articles or Sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular shall include the plural and the plural shall include the singular. The masculine, feminine and neuter genders shall each include the other. In any provision relating to the conduct, acts or omissions of Tenant, the term “Tenant” or “Landlord” shall include such party’s agents, employees, officers, directors, members, contractors, and representatives, and their respective successors and permitted assigns.

19.5 Reserved.

19.6 Entire Agreement. This Lease and the Exhibits, and Rider(s) and/or Addendum(a), if any, attached hereto and forming a part hereof, set forth all the covenants, terms, provisions, warranties (if any), obligations, limitations, promises, representations, agreements, conditions and understandings, either oral or written, between Landlord and Tenant concerning the Premises and there are no covenants, terms, provisions, warranties (if any), obligations, limitations, promises, representations, agreements, conditions and understandings, either oral, or written, between them other than are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by the party to be charged with their performance.

19.7 Notices. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by Nationally recognized overnight courier for next day delivery, or by express or certified mail, return receipt requested, postage prepaid, or sent via e-mail, provided that if a notice is sent via e-mail, then a copy of such notice shall be sent by a nationally recognized courier for next day delivery. Notices to Tenant shall be delivered to the address specified in Section 1.3 above. Notices to Landlord shall be delivered to the address specified in Section 1.2 above. All notices shall be effective upon personal delivery or refusal thereof, if personally delivered, or three (3) days after deposit in the U.S. Mail, or upon delivery or refusal thereof if delivered by Nationally recognized overnight courier for next day delivery. Either party may change its notice address upon written notice to the other party, provided a street address for personal delivery or delivery by courier is given.

19.8 Waivers. All waivers must be in writing and signed by the waiving party. Landlord's failure to enforce any provision of this Lease or its acceptance of rent shall not be a waiver and shall not prevent Landlord from enforcing that provision or any other provision of this Lease in the future. No statement on a payment check from Tenant or in a letter accompanying a payment check shall be binding on Landlord. Landlord may, with or without notice to Tenant, negotiate such check without being bound to the conditions of such statement.

19.9 No Recordation. Tenant shall not record this Lease without prior written consent from Landlord. However, Tenant may require that a "Short Form" memorandum of this Lease be executed by both parties and, at its expense, recorded.

19.10 Binding Effect: Choice of Law. This Lease binds any party who legally acquires any rights or interest in this Lease from Landlord or Tenant. However, Landlord shall have no obligation to Tenant's successor unless the rights or interests of Tenant's successor are acquired in accordance with the terms of this Lease. This Lease shall be enforced and interpreted in accordance with the laws of the State of California applicable to contracts that are made within the State of California by and between California residents and to be performed wholly within the State of California.

19.11 Authority. If either Landlord or Tenant is a corporation a limited liability company or trust, each person signing this Lease on behalf of such party represents and warrants that he has full authority to do so and that this Lease binds the corporation or limited liability company, as the case may be. Within five (5) days after this Lease is signed, Landlord and Tenant shall each deliver to the other a certified copy of a resolution of its Board of Directors or Members, or a Certificate of Trust, as applicable, authorizing the execution of this Lease or other evidence of such authority.

19.12 No Partnership. Landlord shall not by virtue of this Lease, in any way or for any purpose, be deemed to have become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a merger of a joint enterprise with Tenant, nor is Tenant an agent of Landlord for any reason whatsoever.

19.13 Joint and Several Liability. All parties signing this Lease as Tenant shall be jointly and severally liable for all obligations of Tenant.

19.14 Construction of Lease and Terms. The terms and provisions of this Lease represent the results of negotiations between Landlord and Tenant, each of which are sophisticated parties and each of which has been represented or been given the opportunity to be represented by counsel of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Lease must be interpreted and construed in accordance with their usual and customary meanings, and Landlord and Tenant each waive the application of any rule of law that ambiguous or conflicting terms or provisions contained in this Lease are to be interpreted or construed against the party who prepared the executed Lease or any earlier draft of the same. Landlord's submission of this instrument to Tenant for examination or signature by Tenant does not constitute a reservation of or an option to lease and is not effective as a lease or otherwise until Landlord and Tenant both execute and deliver this Lease. The parties agree that, regardless of which party provided the initial form of this Lease, drafted or modified one or more provisions of this Lease, or compiled, printed or copied this Lease,

this Lease is to be construed solely as an offer from Tenant to lease the Premises, executed by Tenant and provided to Landlord for acceptance on the terms set forth in this Lease, which acceptance and the existence of a binding agreement between Tenant and Landlord may then be evidenced only by Landlord's execution of this Lease.

19.15 Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earliest stipulated rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and 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 provided in this Lease.

19.16 Provisions are Covenants and Conditions. All provisions, whether covenants or conditions, on the part of the Landlord, or on the part of Tenant, shall be deemed to be both covenants and conditions.

19.17 Reserved.

19.18 Waiver of Right to Jury Trial. To the extent permitted by law, Landlord and Tenant hereby waive their respective right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Landlord against Tenant or Tenant against Landlord on any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

19.19 Reserved.

19.20 Real Estate Brokers. Landlord shall pay Borelli Investment Company ("**Landlord's Broker**") as the broker for this Lease pursuant to the terms of a separate Agreement. Except as to Landlord's Broker, Landlord and Tenant represent and warrant that there are no claims for brokerage commissions or finder's fees by any other person in connection with the execution of this Lease, and agree to indemnify the other against and hold it harmless from all liability arising from any such claim including, without limitation, the cost of attorneys' fees in connection therewith. Any commission or other fee due to any person claiming to represent Tenant as a broker for this Lease shall be the sole and exclusive obligation of Tenant.

19.21 Exculpation. The obligations of Landlord under this Lease do not constitute personal obligations of Landlord, or its trustees, trust, managers, members, partners, directors, officers or shareholders and Tenant shall look solely to the Premises and to no other assets of Landlord for satisfaction of any liability with respect to this Lease and will not seek recourse against the trustees, trust, managers, members, partners, directors, officers or shareholders of Landlord (collectively referred to herein as "**Member**") herein, nor against any of their personal assets for such satisfaction. In addition (i) no Member shall be sued or named as a party in any suit or action (except as may be necessary to secure jurisdiction of the partnership), (ii) no service of process shall be made against any Member (except as may be necessary to secure jurisdiction of the partnership), and (iii) no Member shall be required to answer or otherwise plead to any

service of process and no judgment will be taken against any Member. These covenants and agreements are enforceable both by Landlord and also by any Member.

[remainder of page intentionally left blank, signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Lease as the date(s) written below.

TENANT:

PS Northern California One, LLC, a Delaware limited liability company, as successor-in-interest by name change only to PS Northern California One, Inc., a Delaware corporation

By: _____
Name: _____
Its: _____
Date: _____

LANDLORD:

Metropolitan Education District (f/k/a Central Santa Clara County Regional Occupational Agency), a joint powers agency created by statutory authority for and on behalf of itself and as agent for the County of Santa Clara, a political subdivision of the State of California

By: _____
Name: _____
Its: _____
Date: _____

**Metropolitan Education District Joint
Joint Powers Authority (JPA)
Restated Ground Lease Approval Signature Page**

Ground Lease: Metropolitan Education District and PS Northern California One, LLC

Location: 725 Capitol Auto Mall Expressway, San Jose, CA 95136

Effective Date: _____, 2025

IN WITNESS THEREOF, the parties hereto have executed this lease as the date(s) written below.

Signatures below attest to approval of the ground lease, by and between the Metropolitan Education District and PS Northern California One, LLC, by the JPA participating district's governing board on the indicated date.

<p>Campbell Union High School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>East Side Union High School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>Los Gatos-Saratoga Joint Union High School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>Milpitas Unified School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>
<p>San Jose Unified School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>	<p>Santa Clara Unified School District</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p> <p>Date: _____</p>

EXHIBIT "A"

LEGAL DESCRIPTION

THAT CERTAIN REAL PROPERTY SITUATED IN THE STATE OF CALIFORNIA,
COUNTY OF SANTA CLARA, AND DESCRIBED AS FOLLOWS:

Lot 5 of Parcel Map recorded as File No. 14567559, in Book 711, Pages 31-33, on December 23,
1998, in the Official Records of the Santa Clara County Recorder's Office

PARCEL MAP

CONSISTING OF THREE SHEETS
BEING A PORTION OF LANDS OF
SAN JOSE UNIFIED SCHOOL DISTRICT ET AL
AND THE COUNTY OF SANTA CLARA
AS SHOWN ON RECORD OF SURVEY
RECORDED IN
BOOK 686 OF MAPS AT PAGE 12
SANTA CLARA COUNTY RECORDS,
AND LYING WITHIN THE CITY OF
SAN JOSE, CALIFORNIA
SCALE 1"=60' OCTOBER 1998

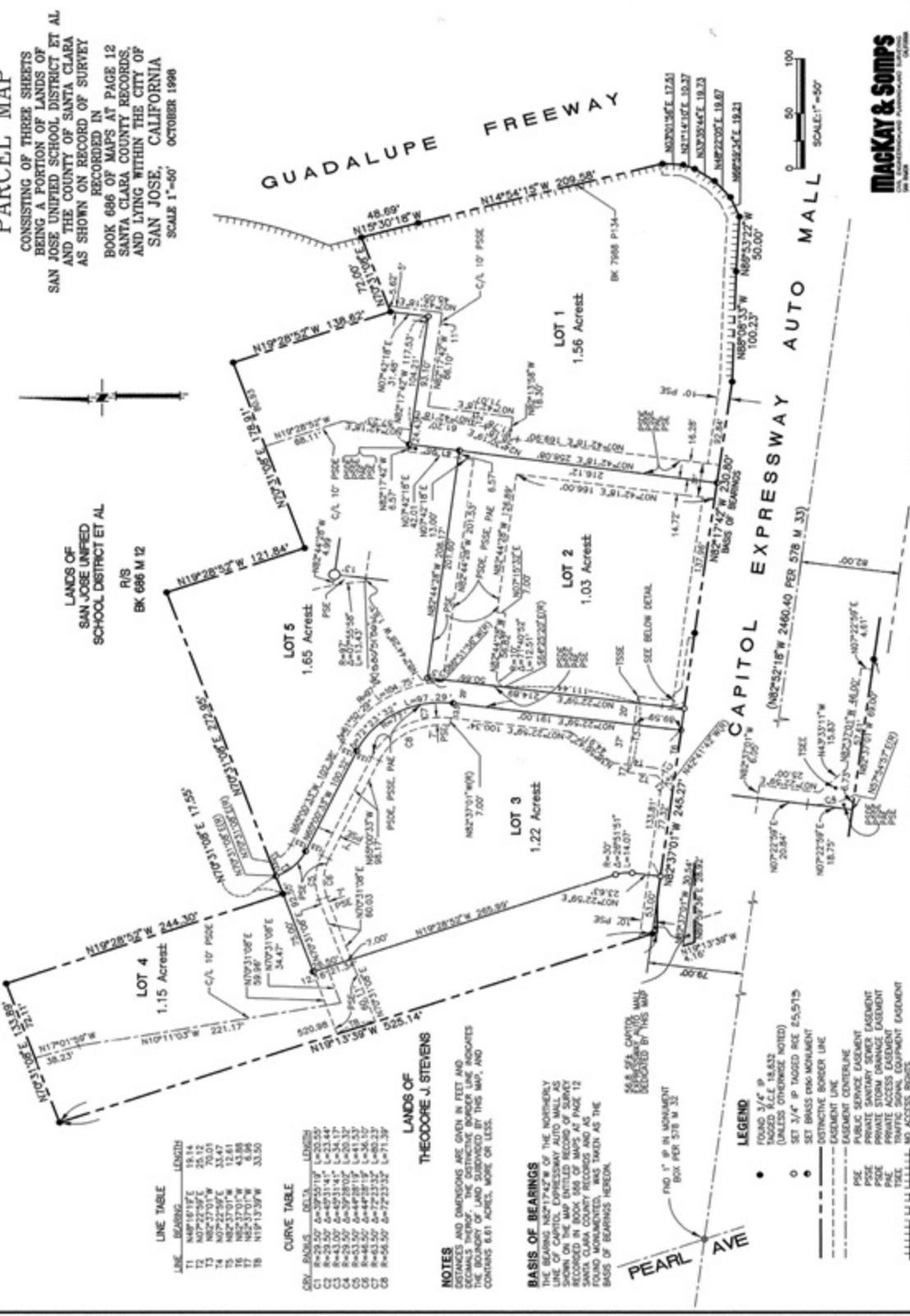


LANDS OF
SAN JOSE UNIFIED
SCHOOL DISTRICT ET AL
R/S
BK 686 M 12

GUADALUPE FREEWAY

CAPITOL EXPRESSWAY AUTO MALL

SCALE: 1"=60'



LINE TABLE

LINE	BEARING	LENGTH
T1	N47°15'15"E	18.14
T2	N72°37'01"W	70.01
T3	N72°37'01"W	33.47
T4	N07°22'59"E	12.61
T5	N07°22'59"E	4.89
T6	N82°37'01"W	33.50
T7	N19°12'39"W	33.50

CURVE TABLE

NO.	ANGLE	DELTA	LENGTH
C1	8°23'30"	Δ=49°31'41"	L=23.44'
C2	8°23'30"	Δ=49°31'41"	L=23.44'
C3	8°43'30"	Δ=49°31'41"	L=24.17'
C4	8°23'30"	Δ=49°31'41"	L=23.44'
C5	8°23'30"	Δ=49°31'41"	L=23.44'
C6	8°44'30"	Δ=44°28'19"	L=24.10'
C7	8°43'30"	Δ=47°23'32"	L=23.37'
C8	8°43'30"	Δ=47°23'32"	L=23.37'

LANDS OF
THEODORE J. STEVENS

NOTES
DISTANCES AND DIMENSIONS ARE GIVEN IN FEET AND
DECIMALS THEREOF. THE DISTINCTIVE BORDER LINE INDICATES
THE BOUNDARY OF LAND SUBDIVIDED BY THIS MAP, AND
CONTAINS LEFT ACREAL, MORE OR LESS.

BASIS OF BEARINGS
THE BEARING N82°17'42"W OF THE NORTHERLY
LINE OF CAPITOL EXPRESSWAY AUTO MALL AS
SHOWN ON RECORD OF SURVEY BOOK 686 OF MAPS AT
PAGE 12 SANTA CLARA COUNTY RECORDS AND AS
FOUNDED MONUMENTED, WAS TAKEN AS THE
BASIS OF BEARINGS HORIZON.

- LEGEND
- FOUND 3/4" IP TAGGED A.C.L.E. 18.832 (UNLESS OTHERWISE NOTED)
 - SET 3/4" IP TAGGED RISE 25.5/15
 - SET BRASS PING MONUMENT
 - DISTINCTIVE BORDER LINE
 - - - EASEMENT LINE
 - - - EASEMENT CENTERLINE
 - - - PUBLIC SERVICE EASEMENT
 - - - PRIVATE STORM DRAINAGE EASEMENT
 - - - PRIVATE ACCESS EASEMENT
 - - - TELE. TAPING SIGNAL EQUIPMENT EASEMENT
 - - - NO ACCESS RIGHTS

MACKAY & SOMPS
SURVEYORS AND ENGINEERS
1000 CALIFORNIA AVENUE
SAN JOSE, CALIFORNIA 95128

EXHIBIT "B"

SITE PLAN

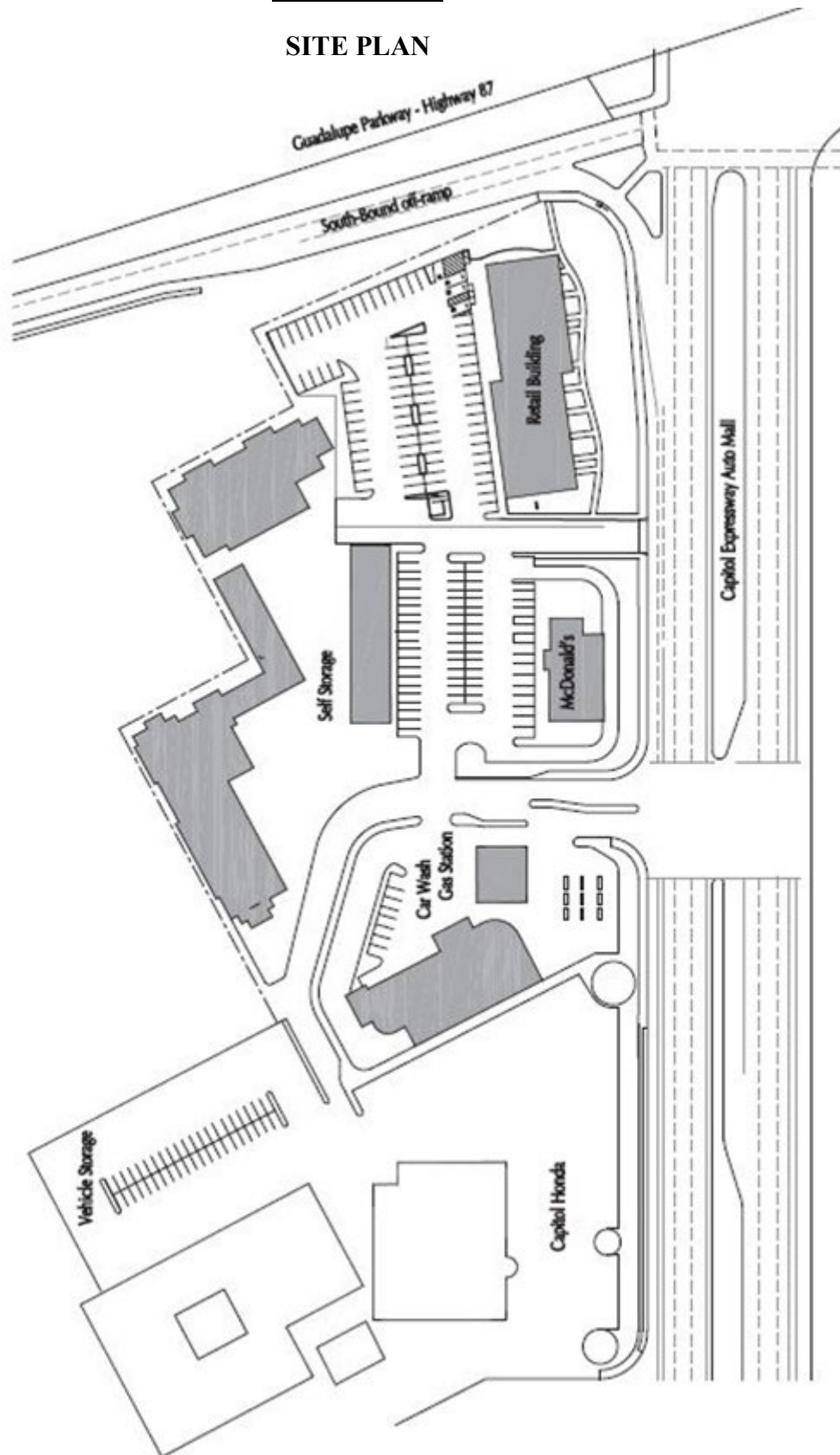


EXHIBIT "C"

PROHIBITED USES AND EXISTING EXCLUSIVES

Prohibited Uses:

1. Alcohol sales without the prior consent of Landlord in its sole discretion.
2. Use of sale of drugs or weapons without the prior consent of Landlord in its sole discretion.
3. Any use for any purposes inimical to public morals and welfare or morally objectionable as unsuitable in the vicinity of an educational facility as determined by Landlord in its sole discretion.
4. Any use prohibited under the Grant of Reciprocal Easements and Maintenance Agreement dated June 29, 1999 and recorded on June 30, 1991 as Instrument No. 14877959 in the Official Records of Santa Clara County, attached as Schedule 1 to this Exhibit C.

Exclusive Uses:

1. McDonald's: The operation of a "Restaurant." The term Restaurant means any type of food service establishment which serves any amount of any of the following products: hamburgers or other type of beef product, ground meat, meat substitute or any combination thereof served in sandwich form, (the "Prohibited Food Products"); provided however, that the term "Restaurant" shall not include (i) any Mexican themed restaurant without drive-thru service that sells no amount of hamburger sandwiches, (ii) any food service establishment without drive-thru service, which offers as the primary method of service, food and drink orders taken by and served by a waitperson at the customer's table, or (iii) any other type of business, which in addition to its primary business, sells the Prohibited Food Products in a manner, which requires the customer to cook or reheat such Prohibited Food Products after purchase, regardless of whether the cooking or reheating occurs at the location of the business. By way of example, and not as a limitation, restaurants operating under the following trade names (or their successor trade names) are prohibited hereunder: Burger King, Carl's Jr., Checkers, Fuddrucker's, Hardee's, Hot 'n Now, In and Out Burger, Jack in the Box, Nathan's, Rally's, Roy Rogers, Wendy's and White Castle.
2. FastSigns: Any use which will derive 5% or more of its gross sales from the selling, marketing, production and installation of visual communications including signs (both non-electrical and electrical), graphics, banners, flags, vehicle graphics, vehicles wraps, ADA signage, compliance signs, dimensional letters, dimensional signage, ready-to-apply lettering, decals and labels, exhibits, trade show and other displays, digital imaging, printing (including small format, large format and grand format), advertising and promotional products (including

wearables), electronic or digital signage, 2D barcodes, websites (both regular and mobile-optimized), logo/artwork design and illustration, product wraps and other related graphics, marketing services and complementary products and services.

SCHEDULE 1 TO EXHIBIT C

GRANT OF RECIPROCAL EASEMENTS AND MAINTENANCE AGREEMENT

To be inserted

EXHIBIT "D"

RULES AND REGULATIONS

TENANT agrees:

1. To load and unload goods only at such times, in such areas and through such entrances as may be designated for such purposes by Landlord. Trailers or trucks shall not be permitted to remain parked overnight in any area of the Project, whether loaded or unloaded.
2. To keep all garbage and refuse in the kind of container specified by Landlord and to place the same outside of the Premises, prepared for collection in the manner and at the times and places specified by Landlord and in accordance with municipal regulations.
3. To keep the outside areas immediately adjoining the Premises clean and not to burn, place or permit any rubbish, obstruction or merchandise in such areas.
4. To keep the Premises clean, orderly, sanitary and free from objectionable odors and from insects, vermin and other pests.
5. To warehouse, store and/or stock in the Premises only such goods, wares and merchandise as Tenant intends to offer for sale at retail at, in, from or upon the Premises. This shall not preclude occasional emergency transfers of merchandise to the other stores of Tenant if any, not located in the Project. Tenant shall use for office, clerical or other non-selling purposes only such space in the Premises as is from time to time reasonably required for Tenant's business in the Premises.
6. Not to use or operate any machinery that, in Landlord's opinion, is harmful to the building or disturbing to other Tenants in the Project of which the Premises are a part nor shall Tenant use any loud speakers, televisions, phonographs, radios or other devices in a manner so as to be heard or seen outside of the Premises nor display merchandise on the exterior of the Premises either for sale or for promotion purposes.
7. Not to advertise or conduct on or about the Premises any distress sale, fire sale, bankruptcy sale, liquidation, relocation sale, closing sale, going-out-of-business sale, auction, sheriff's sale, receiver's sale or any other sale that, in Landlord's opinion, adversely affects the reputation of the Project or suggests that the business operations are to be discontinued in the Premises.
8. To keep its display windows, including window or shadow boxes, in the Premises dressed and illuminated and its signs and exterior lights well lighted every day during the Term from dusk to 9:00 p.m., excluding Sundays and holidays. Tenant agrees that its store shall open for business by 10:00 a.m. and remain open for business until 6:00 p.m. on weekdays and Saturdays or such other or additional hours as may be determined.

9. That Tenant and Tenant's employees should park their automobiles only in those parking areas designated by Landlord, from time to time, for that purpose. Upon request by Landlord, Tenant shall provide Landlord with a list of Tenant's employees and a description, including license plate number, of Tenant and Tenant's employee's automobiles, which may from time to time be parked at the Project. If Tenant or its employees fail to park their cars in the designated parking areas, Landlord may charge Tenant Twenty Five Dollars (\$25.00) per car per day for each day or partial day that any such car is parked in any area other than those designated after oral notice given by Landlord's property manager to Tenant's manager or assistant manager at the Premises. Landlord shall have the right to cause such vehicle not parked in compliance herewith to be towed, at Tenant's sole cost and expense.

EXHIBIT "E"
RENT DIFFERENTIAL
To be inserted