

**THE COLLECTION AT RIVERPARK
OXNARD, CALIFORNIA**

OFFICE LEASE

LANDLORD:

SOCM I, LLC,
a Delaware limited liability company

TENANT:

YARDI SYSTEMS, INC.,
a California corporation

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- RIDER NO. 5 Options In General Rider

SUMMARY OF BASIC LEASE INFORMATION AND DEFINITIONS

THIS SUMMARY OF BASIC LEASE INFORMATION AND DEFINITIONS ("Summary") is hereby incorporated into and made a part of the attached Office Lease which pertains to the Building described in Section 1.4 below. All references in the Lease to the "**Lease**" shall include this Summary. All references in the Lease to any term defined in this Summary shall have the meaning set forth in this Summary for such term. Any initially capitalized terms used in this Summary and any initially capitalized terms in the Lease which are not otherwise defined in this Summary shall have the meaning given to such terms in the Lease. If there is any inconsistency between this Summary and the Lease, the provisions of the Lease shall control.

- 1.1 **Landlord's Address:** SOCM I, LLC
c/o Shea Properties
130 Vantis, Suite 200
Aliso Viejo, CA 92656
Attn: Senior Vice President, Asset Management
Telephone: (949) 389-7000
Facsimile: (949) 389-7350
- With a copy to:
SOCM I, LLC
c/o Shea Properties
130 Vantis, Suite 200
Aliso Viejo, CA 92656
Attn: Property Manager
Telephone: (949) 389-7000
Facsimile: (949) 389-7350
- 1.2 **Tenant's Address:** Yardi Systems, Inc.
430 S Fairview Avenue
Santa Barbara, CA 93117
Attention: Legal Department
Telephone: 805.699.2040 ext. 1769
Facsimile: 805.699.2044
Email: Arnold.Brier@yardi.com
- with a copy to:

Yardi Systems, Inc.
500 Colonial Center Parkway, Suite 200
Roswell, GA 30076
Attention: Donald Rogers, General Manager; Director of Operations
Telephone: 770.729.0007 x6216
Facsimile: 770.729.0065
donald.rogers@yardi.com
- 1.3 **Project:** The commercial development shown on the site plan (the "**Site Plan**") attached hereto as Exhibit A. The Project is located in the City of Oxnard, County of Ventura, State of California.
- 1.4 **Building:** The "**Building**" consists of a two (2) story building located at 2750 Park View Court, Oxnard, California 93036.
- 1.5 **Premises:** Those certain premises known as Suites 100 and 200 as generally shown on the floor plans attached hereto as Exhibit B, located on the first (1st) and second (2nd) floors of the Building, and containing approximately 28,887 rentable square feet (26,701 usable square feet), which measurement of the Premises has been determined in accordance with the BOMA Standard, as modified for the Building pursuant to Landlord's standard rentable area measurements for the Project. The rentable square feet and usable square feet set forth herein have been confirmed and approved by Landlord and Tenant and are not subject to re-measurement by the parties.
- 1.6 **Term:** One hundred twenty (120) months.
- 1.7 **Estimated Commencement Date:** July 1, 2016; **Actual Commencement Date:** To be determined as provided in the Work Letter Agreement attached hereto as Exhibit C attached hereto.

- 1.8 **Monthly Basic Rent:** Upon the commencement of the Term of this Lease as further defined in this Lease, and on the first (1st) day of each month thereafter during the Term of this Lease, Tenant shall pay to Landlord, in advance and without offset, deduction or demand (except as otherwise set forth in this Lease) as Monthly Basic Rent for the Premises the following monthly payments:

<u>Months</u>	<u>Annual Basic Rent</u>	<u>Monthly Basic Rent</u>	<u>Monthly Rent Per Rentable Square Foot**</u>
1* – 24	██████████	██████████	██████████
25 – 36	██████████	██████████	██████████
37 – 48	██████████	██████████	██████████
49 – 60	██████████	██████████	██████████
61 – 72	██████████	██████████	██████████
73 – 84	██████████	██████████	██████████
85 – 96	██████████	██████████	██████████
97 – 108	██████████	██████████	██████████
109 – 120	██████████	██████████	██████████
The payment of Monthly Basic Rent for ██████████ shall be deferred, and such amount shall be immediately due and payable by Tenant if a monetary default or material non-monetary default by Tenant occurs under the Lease and continues to exist beyond the expiration of any applicable notice and cure period, as more particularly set forth in <u>Section 3.3</u> below.			

*Including any partial month at the beginning of the Term if the Commencement Date does not occur on the first (1st) day of a calendar month.

**It is acknowledged that the Monthly Rent Per Square Foot amounts set forth in the rental schedule above are rounded and are for demonstration purposes only. Accordingly, the actual Monthly Basic Rent amount payable by Tenant is calculated based upon the initial per rentable square foot rental rate of ██████████ escalated at the rate of ██████████ per year and the amounts for such Monthly Basic Rent shall be as set forth in the above schedule.

- 1.9 **Tenant's Percentage:** The ratio that the rentable square footage of the Premises bears to the rentable square footage of the Project. Accordingly, as more particularly set forth in Section 4 hereof, Tenant shall pay to Landlord: (a) Tenant's Percentage of the "**Operating Expenses**" (as defined in Section 4.4 below) in excess of "**Landlord's Contribution to Operating Expenses**"; (b) Tenant's Percentage of Real Property Taxes and Assessments (as defined in Section 4.5 below) in excess of "**Landlord's Contribution to Real Property Taxes and Assessments**"; (c) Tenant's Percentage of Common Insurance Costs (as defined in Section 4.6 below) in excess of "**Landlord's Contribution to Common Insurance Costs**"; and (d) Tenant's Percentage of Common Utilities Costs (as defined in Section 4.7 below) in excess of "**Landlord's Contribution to Common Utilities Costs**", Landlord's Contribution being defined in Section 1.11 of the Summary below. Tenant's Percentage is subject to adjustment in accordance with Section 1.3 of the Lease.

1.10 **Project Office Area Percentage of Project:**

The percentage of the Project applicable to the Project Office Area ("**Project Office Area Percentage**") shall be the ratio that the rentable square footage of the office area of Project (the "**Project Office Area**") bears to the rentable square footage of all commercial buildings (exclusive of parking structures) existing from time to time within the Project, which share in any Project Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs with the Project Office Area. Accordingly, as more particularly provided in Section 4 hereof, Common Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs include the Project Office Area Percentage of all such items

which are common to the Project as the same may exist from time to time.

1.11 Landlord's Contribution to Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs:

Tenant's Percentage of Operating Expenses, Real Property Common Taxes and Assessments, Common Insurance Costs and Common Utilities Costs, respectively, incurred by Landlord during calendar year [REDACTED] (the "Base Year"), adjusted to reflect an assumption that the Building is fully assessed for real property tax purposes as a completed and ninety-five percent (95%) occupied Building and that the variable components of Building Operating Expenses adjusted to reflect at least ninety-five percent (95%) occupancy during such year.

1.12 Security Deposit (Section 5):

[REDACTED]

1.13 Permitted Use (Section 6):

General office uses.

1.14 Brokers (Section 8):

CBRE, Inc. (Tom Dwyer) representing Landlord. CRESA Los Angeles (Carlo Brignardello) representing Tenant.

1.15 Interest Rate:

The rate announced from time to time by Wells Fargo Bank or, if Wells Fargo Bank ceases to exist or ceases to publish such rate, then the rate announced from time to time by the largest (as measured by deposits) chartered bank operating in California, as its "prime rate" or "reference rate", plus three percent (3%).

1.16 Tenant Improvements:

The tenant improvements installed or to be installed in the Premises as described in the Work Letter Agreement attached hereto as Exhibit C.

1.17 Parking (Section 6.3):

A total of one hundred sixteen (116) parking privileges ("Parking Tags") for parking spaces in the Office Parking Area as described in Section 6.3 below and shown in Exhibit G attached hereto, all at no cost to Tenant during the Term of the Lease and extensions thereof, subject, however, to the payment of any applicable Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs attributable to the parking areas and to the provisions set forth in Section 6.3 below. Tenant may utilize ninety (90) of its Parking Tags for parking in any non-reserved, non-metered parking locations designated for office tenants at the Project, as more particularly shown in Exhibit G attached to this Lease (the "Unreserved Office Spaces"), and may utilize twenty-six (26) of its Parking Tags for parking spaces reserved for Tenant as more particularly described in Section 6.3 below ("Reserved Spaces") and in Exhibit G attached to this Lease. In addition, Tenant's visitors may also use and access on a non-exclusive first come-first served basis the five (5) office visitor parking spaces shown in Exhibit G attached hereto and any other parking spaces designated as visitor parking spaces in the Project. (Also see Parking Rules and Regulations attached hereto as Exhibit E).

1.18 Business Hours for the Building; Building Access:

The Building Hours shall be 8:00 a.m. to 6:00 p.m., Mondays through Fridays (except Project Holidays, referenced below) and 9:00 a.m. to 1:00 p.m. on Saturdays (except Project Holidays), provided that service on Saturdays shall be subject to Tenant's prior request pursuant to Building procedures in effect from time to time. As set forth in Section 16 below, in the event Tenant's usage of HVAC exceeds sixty (60) hours per week, Tenant shall reimburse Landlord for such excess usage, subject to the terms of Section 16 below. "Project Holidays" shall mean New Year's Day, Labor Day, Presidents' Day, Thanksgiving Day, Memorial Day, Independence Day and Christmas Day. Notwithstanding the foregoing and subject to factors beyond Landlord's control and subject to the other

provisions of this Lease, including, without limitation, Sections 4.2, 18, 19 and 27 below, Tenant shall have access to the Premises and entry access to the Building twenty-four (24) hours per day, seven (7) days per week year round.

- 1.19 **Extension Option:** Tenant shall have one (1) option to extend the initial Term for an additional period of five (5) years, subject to and in accordance with the terms and conditions of Rider No. 1, Rider No. 2, and Rider No. 5 attached to this Lease.
- 1.20 **Reserved Area:** Space located on the second (2nd) floor of the Building, subject to and in accordance with the terms and conditions of Rider No. 3 and Rider No. 5 attached to this Lease.

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OFFICE LEASE

THIS LEASE, which includes the preceding Summary of Basic Lease Information and Definitions ("**Summary**") attached hereto and incorporated herein by this reference ("**Lease**"), is made as of the 9th day of March, 2016, by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**").

1. Premises.

1.1. **Premises; Suite Numbers.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises described in Section 1.5 of the Summary above, which is to be improved with the Tenant Improvements in accordance with the provisions of the Work Letter Agreement attached hereto as Exhibit C. Such lease is upon, and subject to, the terms, covenants and conditions herein set forth and each party covenants, as a material part of the consideration for this Lease, to keep and perform their respective obligations under this Lease. The suite numbers for the Premises shall be as set forth in Section 1.5 of the Summary above.

1.2. **Landlord's Reservation of Rights.** Provided Tenant's use of and access to the Premises is not materially adversely affected or interfered with in a commercially unreasonable manner, and subject to the terms of this Lease, Landlord, reserves for itself the right from time to time to install, use, maintain, repair, replace and relocate pipes, ducts, conduits, wires and appurtenant meters and equipment above the ceiling surfaces, below the floor surfaces and within the walls of the Building and the Premises. In exercising its rights hereunder, Landlord shall use commercially reasonable efforts to minimize any interference with Tenant's business operations in the Premises, and the costs thereof shall be paid by Landlord and shall be subject to Tenant's payment of any applicable Operating Expenses in accordance with the terms and conditions of this Lease.

1.3. **Rentable and Usable Square Feet.** The parties hereby stipulate that as of the date of this Lease, the Premises has been measured pursuant to BOMA, as modified for the Building pursuant to Landlord's standard rentable area measurements for the Project, and the Premises contain the rentable and usable square feet set forth in Section 1.5 of the Summary, and such square footage amounts are not subject to adjustment or remeasurement by Landlord or Tenant during the initial Term or any extensions thereof, unless due to a revision in the physical boundaries of the Premises which is mutually agreed to by Landlord and Tenant. Accordingly, during the initial Term or any options thereof, there shall be no adjustment in the Base Rent, unless due to a revision in the physical boundaries of the Premises which has been mutually agreed to by Landlord and Tenant.

2. Term.

2.1. **Term; Notice of Lease Dates.** The Term of this Lease shall be for the period designated in Section 1.6 of the Summary commencing on the Commencement Date (as determined pursuant to the Work Letter Agreement attached hereto as Exhibit C), and ending on the expiration of such period, unless the Term is sooner terminated as provided in this Lease. Notwithstanding the foregoing, if the Commencement Date falls on any day other than the first (1st) day of a calendar month then the Term of this Lease will be measured from the first (1st) day of the month following the month in which the Commencement Date occurs. Within ten (10) days after written request from Landlord following the Commencement Date, Tenant shall execute a written confirmation of the Commencement Date and expiration date of the Term in the form of the Notice of Lease Term Dates attached hereto as Exhibit D. The Notice of Lease Term Dates shall be binding upon Tenant unless Tenant objects thereto in writing within such ten (10) day period.

2.2. **Estimated Commencement Date.** It is estimated by the parties that the Term of this Lease will commence on the Estimated Commencement Date set forth in Section 1.7 of the Summary. The Estimated Commencement Date is merely an estimate of the Commencement Date and, consequently, Tenant agrees that Landlord shall have no liability to Tenant for any loss or damage, nor shall Tenant be entitled to terminate or cancel this Lease if the Term of this Lease does not commence by the Estimated Commencement Date for any reason whatsoever, including any delays in substantial completion of the Tenant Improvements, except as otherwise set forth in this Lease.

2.3. **Delivery of Possession.** Landlord will deliver to Tenant possession of the Premises in its current "**AS-IS**" condition subject to Landlord's obligations to repair and maintain the Premises as set forth in this Lease within one business day of Landlord's receipt from Tenant of all of the following: (i) a copy of this Lease fully executed by Tenant; (ii) the Security Deposit and the first (1st) installment of Monthly Basic Rent, which shall be deemed earned by Landlord upon Tenant's execution of this Lease; and (iii) copies of policies of insurance or certificates thereof as required under Section 12 of this Lease. The actual date upon which Landlord delivers to Tenant possession of the Premises is the "**Delivery Date**".

3. Rent.

3.1. **Basic Rent.** Tenant agrees to pay Landlord, as basic rent for the Premises, the Monthly Basic Rent in the amounts designated in Section 1.8 of the Summary. The Monthly Basic Rent shall be paid by Tenant in monthly installments in the amounts designated in Section 1.8 of the Summary in advance on

the first (1st) day of each and every calendar month during the Term, without demand, notice, deduction or offset except as otherwise set forth in this Lease, and except that the first (1st) full month's Monthly Basic Rent in the amount of [REDACTED] shall be paid upon Tenant's execution and delivery of this Lease to Landlord. Monthly Basic Rent for any partial month shall be prorated in the proportion that the number of days this Lease is in effect during such month bears to the actual number of days in such month.

3.2. **Additional Rent.** All amounts and charges payable by Tenant under this Lease in addition to the Monthly Basic Rent described in Section 3.1 above (including, without limitation, payments for insurance, repairs and parking, and Tenant's Percentage of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs, respectively, in excess of Landlord's Contribution to Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs as provided in Section 4.3) shall be considered additional rent for the purposes of this Lease, and the word "rent" in this Lease shall include such additional rent unless the context specifically or clearly implies that only the Monthly Basic Rent is referenced. The Monthly Basic Rent and additional rent shall be paid to Landlord as provided in Section 7, without any prior demand therefor and without any deduction or offset whatsoever (except as otherwise set forth in this Lease), in lawful money of the United States of America.

3.3. **Abated Rent.** As consideration for Tenant's performance of all obligations to be performed by Tenant under this Lease, Landlord hereby defers Tenant's obligation to pay Monthly Basic Rent for the [REDACTED] following the Commencement Date ("Abated Rent"). Notwithstanding anything in this Lease to the contrary, payment of the Abated Rent is merely postponed until the expiration of the Term of the Lease. If upon such expiration Tenant has performed all of its obligations under this Lease, including without limitation all of Tenant's monetary obligations and the surrender of the Premises as required in this Lease, Tenant's obligation to pay the Abated Rent shall be deemed discharged without payment of it. If a monetary or material non-monetary default by Tenant occurs under this Lease and is not cured within any applicable notice and grace period, all Abated Rent shall be deemed immediately due and payable by Tenant and this Lease shall be enforced as if there were no such rent abatement or concession. Notwithstanding the foregoing, any remaining Abated Rent shall be reinstated after Tenant cures any such default.

4. Common Areas; Operating Expenses; Real Property Taxes and Assessments; Common Insurance Costs and Common Utilities Costs.

4.1. **Definitions; Tenant's Rights.** During the Term of this Lease, except as otherwise set forth in this Lease, Tenant shall have the non-exclusive right to use, in common with Landlord and other tenants and customers of the Project, and subject to the Rules and Regulations referred to in Section 6.1 below, and all covenants, conditions and restrictions of record affecting the Project, those portions of the Project (the "Project Common Areas") which are constructed and made available for common use by Landlord, Tenant and other tenants, customers and visitors of the Project, as applicable, or by the sublessees (agents, employees, customers invitees, guests or licensees) of any such parties (collectively, "Project Parties"), whether or not those areas are open to the general public. The Project Common Areas shall include, without limitation, all parking areas (both within surface parking lots and within parking structures) which may from time to time be available for use by Project Parties (subject to Section 6.2 below and provided Landlord reserves the right to restrict access and/or use of parking spaces for the exclusive or reserved use by designated Project Parties provided that such restriction does not materially adversely affect or diminish Tenant's parking rights herein), non-exclusive loading and unloading areas, non-exclusive trash areas, roadways, sidewalks, walkways, parkways, driveways and landscaped areas within the Project, fixtures, systems, decor, facilities and landscaping contained, maintained or used in connection with those areas, and shall be deemed to include any city sidewalks adjacent to the Project, any offsite common areas which benefit the Project such as monument signage, landscaping and lighting, roadways and driveways which provide access to and from the Project and adjacent public streets, pedestrian walkway systems, parks and other facilities located in the Project and open to the general public. The common areas of the Building shall be referred to herein as the "Building Common Areas" and shall include, without limitation, the following areas of the Building: the common entrances, lobbies, restrooms on multi-tenant floors, elevators, stairways and accessways, loading docks, ramps, drives and platforms and any passageways and serviceways thereto to the extent not exclusively serving another tenant or contained within another tenant's premises, and the common pipes, conduits, risers, wires and appurtenant equipment serving the Premises but not located within the Premises and other premises in the Building.

The Building Common Areas and the Project Common Areas shall be referred to herein collectively as the "Common Areas".

4.2. **Landlord's Reserved Rights.** Provided it does not diminish Tenant's rights under this Lease or materially increase Tenant's obligations under this Lease, Landlord reserves the right from time to time to develop and use any of the Common Areas and to do any of the following (at Landlord's cost, subject to any applicable payment by Tenant of Operating Expenses pursuant to this Lease), as long as such acts do not unreasonably interfere with Tenant's use of or access to the Premises:

- (a) expand the Building and construct or alter other buildings or improvements in the Project;
- (b) make any changes, additions, improvements, repairs or replacements in or to the Project, the Common Areas and/or the Building (including the Premises if required to do so by any law or

regulation) and the fixtures and equipment thereof, including, without limitation: (i) maintenance, replacement and relocation of pipes, ducts, conduits, wires and meters; and (ii) changes in the location, size, shape and number of driveways, entrances, stairways, elevators, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas and walkways, easements, and, subject to Section 6.2 below, parking spaces and parking areas;

- (c) close temporarily any of the Common Areas while engaged in making repairs, improvements or alterations to the Project and/or the Building; and
- (d) designate reserved or exclusive parking areas/spaces for designated Project Parties, though such areas/spaces shall continue to be maintained and repaired as part of overall Common Areas; and
- (e) perform such other acts and make such other changes with respect to the Project, Common Areas and/or the Building, as Landlord may, in the exercise of good faith business judgment, deem to be appropriate.

Tenant acknowledges that Landlord intends to construct the Project in phases. Furthermore, Tenant acknowledges and accepts that there may be certain reasonable and non-material inconveniences to Tenant's occupancy and use of the Common Areas associated with the further improvement of the Building following Tenant's occupancy as well as future development of the Project, including the construction of additional buildings, parking structures and Common Areas. Such inconveniences may include dust, construction equipment, construction workers and construction activities within the Project, construction noise and vibration, storage of construction materials and equipment at the Project, scaffolding, partially blocked driveways, parking areas and sidewalks, delays in the use of freight elevator service, certain elevators not being available at times, the passage of work crews using elevators, uneven air conditioning services and other conditions typically incident to recently constructed office buildings and phased development projects. Notwithstanding the foregoing, Landlord agrees to use commercially reasonable efforts to mitigate any adverse construction impacts upon Tenant's business operations from the Premises (provided in no event will Landlord be precluded from performing such construction activities during normal business hours for the Building).

4.3. Excess Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs. In addition to the Monthly Basic Rent required to be paid by Tenant pursuant to Section 3.1 above, during each month during the Term of this Lease (after the Base Year noted in Section 1.11 of the Summary), Tenant shall pay to Landlord the amount by which Tenant's Percentage of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs for such calendar year exceeds Landlord's Contribution to Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs (such amounts shall be referred to in this Section 4 as the "**Excess Expenses**", "**Excess Real Property Taxes and Assessments**", "**Excess Common Insurance Costs**", and "**Excess Common Utilities Costs**", respectively), in the manner and at the times set forth in the following provisions of this Section 4. No reduction in Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, or Common Utilities Costs after the Base Year will reduce the Monthly Basic Rent payable by Tenant hereunder or entitle Tenant to receive a credit against future installments of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, Common Utilities Costs, or other additional rent due hereunder. Notwithstanding anything to the contrary in this Lease, it is acknowledged and agreed that the Project is a mixed use project involving office and retail uses. Accordingly, Landlord shall have the right, from time to time, to equitably allocate some or all of the Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs among different uses, tenants and/or different buildings or other portions of the Project (the "**Cost Pools**"). Such Cost Pools may include, without limitation, office space tenants and retail space tenants in the Project and may be modified to take into account the addition of any additional buildings within the Project. Accordingly, in the event of such allocation into Cost Pools, Tenant's Percentage and the Project Office Area Percentage shall be appropriately adjusted to reflect such allocation. In addition, if Landlord does not furnish a particular service or work (the cost of which, if furnished by Landlord would be included in Operating Expenses, Common Insurance Costs, Common Utilities Costs or Real Property Taxes and Assessments) to a tenant (other than Tenant) that has undertaken to perform such service or work in lieu of receiving it from Landlord, then Operating Expenses, Common Insurance Costs, Common Utilities Costs or Real Property Taxes and Assessments, as applicable, shall be considered to be increased by an amount equal to the additional Operating Expense, Common Insurance Costs, Common Utilities Costs or Real Property Taxes and Assessments that Landlord would reasonably have incurred had Landlord furnished such service or work to that tenant (subject to appropriate adjustment of the Base Year, if applicable, in accordance with generally accepted commercial office building accounting practices). Notwithstanding anything to the contrary contained herein, Tenant shall not be required to pay Tenant's Percentage of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs during the first (1st) twelve (12) months of the initial Term; provided, however, Tenant shall be responsible for any above-standard services, such as after-hours HVAC charges (as described in Section 16 hereof), during the first (1st) twelve (12) months of the initial Term.

4.4. Definition of Operating Expenses. As used in this Lease, the term "**Operating Expenses**" shall mean all expenses, costs and amounts of every kind and nature which Landlord shall pay or incur because of or in connection with the ownership, management, maintenance, repair, replacement, restoration or operation of the Project Office Area ("**Office Area Operating Expenses**") and the Project

Office Area Percentage of all expenses, costs and amounts of every kind and nature which Landlord shall pay or incur because of or in connection with the ownership, management, maintenance, repair, replacement, restoration or operation of the Common Areas of the Project ("**Project Operating Expenses**"), including, without limitation, any amounts paid or incurred for: (i) the cost of janitorial service, alarm and security service, window cleaning, and trash removal for the Project, the cost of operating, maintaining, repairing, replacing, renovating and managing the utility systems, mechanical systems, sanitary and storm drainage systems, and escalator and elevator systems for the Project and parking structures in the Project, the cost of supplies, tools, and equipment and maintenance and service contracts in connection therewith for the Project Office Area and Common Areas of the Project, and the costs incurred in connection with the implementation and operation of a transportation system management program or similar program; (ii) the cost of licenses, certificates, permits and inspections and the cost of contesting the validity or applicability of any governmental enactments which may affect Operating Expenses for the Project Office Area and Common Areas of the Project; (iii) the cost of landscaping, lighting maintenance, supplies, tools, equipment (including costs under equipment rental agreements) and materials, and all fees, charges and other costs, including management fees covering Operating Expenses, Real Property Taxes and Assessment, Insurance Costs, and Utilities Costs (or amounts in lieu thereof), consulting fees, legal fees and accounting fees, incurred in connection with the management, operation, administration, maintenance and repair of the Project Office Area and Common Areas of the Project; (iv) the cost of parking services including parking area management/supervision, maintenance, repair and restoration, including, but not limited to, resurfacing, repainting, restriping, and cleaning; (v) wages, salaries and other compensation and benefits of all persons to the extent they are engaged in the operation, management, maintenance or security of the Project Office Area and Common Areas of the Project, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits; (vi) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Project; (vii) amortization, including interest on the unamortized cost at the Interest Rate, of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project Office Area and Common Areas of the Project; (viii) the cost (including rent) of Landlord's property management office for the Project and all utilities, supplies and materials used in connection therewith; (ix) costs incurred for normal maintenance and repair of the Project, including lobbies, corridors, elevators, and elevator lobbies, wall and floor coverings, ceiling tiles and fixtures, curbs and walkways and roof maintenance; and (x) the cost of any capital alterations, capital additions, or capital improvements made to the Project Office Area and Common Areas of the Project or any portion thereof (A) which are intended as a labor-saving device or to effect other economies and cost reduction in the operation or maintenance of the Project Office Area and Common Areas of the Project, or any portion thereof, or (B) that are required under any governmental law or regulation that is then being enforced by a federal, state or local governmental agency first enacted or becoming effective with respect to the Real Property following the Commencement Date (including, without limitation, the ADA, as defined in Section 6.1); provided, however, that each such permitted capital expenditure shall be amortized (including interest on the unamortized cost at the Interest Rate in effect at the time such expenditure is placed in service) over its useful life in accordance with generally accepted commercial office building accounting practices. If Landlord is not furnishing any particular work or service (the cost of which, if performed or provided by Landlord, would be included in Operating Expenses) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would reasonably have been incurred during such period by Landlord if it had at its own expense furnished such work or service to such tenant (subject to appropriate adjustment of the Base Year, if applicable, in accordance with generally accepted commercial office building accounting practices). If the Building (and any additional buildings constructed in the Project) is not at least ninety five percent (95%) occupied during all or a portion of any calendar year (including the Base Year), Landlord shall make an appropriate adjustment to the variable components of Operating Expenses for such calendar year (including the Base Year) as reasonably determined by Landlord employing sound accounting and generally accepted commercial office building accounting practices, to determine the amount of Operating Expenses that would have been paid had such building(s) been at least ninety five percent (95%) occupied, and the amount so determined shall be deemed to have been the amount of Operating Expenses for such calendar year. For purposes of determining Tenant's Percentage of Operating Expenses, Operating Expenses shall consist of all Office Area Operating Expenses together with the Project Office Area Percentage of Project Operating Expenses allocable to the Project Common Areas. Project Operating Expenses shall not include operating expenses allocable to the maintenance and repair of other buildings in the Project including other office, hotel or retail buildings, such operating expenses to be allocated solely to such other buildings and the occupants thereof; provided, however, to the extent Landlord incurs operating expenses for the Project Office Area and any other buildings in the Project under any common contract (such as for example, common window washing contract), the cost under such contracts attributable to the Project Office Area shall be allocated to the Project Office Area as part of the Office Area Operating Expenses and the cost under such contracts attributable to other buildings in the Project shall be allocated to such other buildings as building operating expenses, neither as part of Project Operating Expenses. For purposes of determining Landlord's Contribution to Operating Expenses, Operating Expenses shall not include one-time special assessments, charges, costs or fees or extraordinary charges or costs incurred in the Base Year only, including those attributable to boycotts, embargoes, strikes or other shortages of services or supplies or amortized costs relating to capital improvements. Operating Expenses shall not include Real Property Taxes and Assessments, Common Insurance Costs or Common Utilities Costs which shall be separately accounted for. Notwithstanding anything to the contrary contained herein, Landlord shall (i) not make a profit by charging items to Operating Expenses that are otherwise also charged separately to others, and (ii) Landlord shall not

collect and retain Operating Expenses from Tenant and all other tenants/occupants in the Building or Project in an amount in excess of what Landlord incurred for the items included in such costs. Any refunds or discounts actually received by Landlord for any category of Operating Expenses shall reduce Operating Expenses in the applicable calendar year (pertaining to such category of Operating Expenses).

4.5. Definition of Real Property Taxes and Assessments. All Real Property Taxes and Assessments shall be adjusted to reflect an assumption that the Building and any other improved portions of the Project Common Areas for which Tenant pays its share of Real Property Taxes and Assessments are fully assessed for real property tax purposes as a completed building(s) ready for occupancy. As used in this Lease, the term "**Real Property Taxes and Assessments**" shall mean: any form of assessment, license fee, license tax, business license fee, commercial rental tax, levy, charge, improvement bond, tax, water and sewer rents and charges, utilities and communications taxes and charges or similar or dissimilar imposition imposed by any authority having the direct power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, or any other governmental charge, general and special, ordinary and extraordinary, foreseen and unforeseen, which may be assessed against any legal or equitable interest of Landlord in the Premises and the Building and the Project Office Area Percentage of the same in the Project Common Areas, including the following by way of illustration but not limitation:

- (a) any tax on Landlord's "**right**" to rent or "**right**" to other income from the Premises or as against Landlord's business of leasing the Premises;
- (b) any assessment, tax, fee, levy or charge in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax including assessments, taxes, fees, levies and charges which may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies and charges be included within the definition of Real Property Taxes and Assessments for the purposes of this Lease;
- (c) any assessment, tax, fee, levy or charge allocable to or measured by the area of the Premises or other premises in the Project Office Area or the rent payable by Tenant hereunder or other tenants of the Project Office Area, including, without limitation, any gross receipts tax or excise tax levied by state, city or federal government, or any political subdivision thereof, with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by any tenant of the Project Office Area, or any portion thereof but not on Landlord's other operations;
- (d) any assessment, tax, fee, levy or charge upon this transaction or any document to which any tenant is a party, creating or transferring an interest or an estate in the Building;
- (e) any assessment, tax, fee, levy or charge by any governmental agency related to any transportation plan, fund or system (including assessment districts) instituted within the geographic area of which the Building is a part; and/or
- (f) any increase ("**Prop. 13 Increase**") in assessment, tax, fee, levy or charge resulting from any sale, refinancing or other change in ownership of the Building, the Project or any portion thereof.

Notwithstanding the foregoing provisions, if Real Property Taxes and Assessments are not levied and assessed against the entire Project by means of a single tax bill (i.e., if the Project is separated into two (2) or more separate tax parcels for purposes of levying and assessing the Real Property Taxes and Assessments), then, at Landlord's option, Tenant shall pay Tenant's pro rata share of any excess in Real Property Taxes and Assessments above the Base Year which may be levied or assessed by any lawful authority against the land and improvements of the separate tax parcel(s) on which the Project Office Area and Project Common Areas are located. Tenant's pro rata share under such circumstances shall be equitably apportioned as reasonably determined by Landlord. Tenant acknowledges that the Project is a mixed use property, and that Landlord may incur and allocate certain Real Property Taxes and Assessments to portions of the Project used or held for use as residential, office and commercial uses and to portions of the Project used or held for use as retail premises equitably by Landlord to reflect improvements to the Project, the nature of the use of portions thereof, or the buildings from time to time designated by Landlord as included within the Project. Notwithstanding anything contained in this Section 4.5 to the contrary, in the event Landlord reasonably determines that the improvements comprising the Premises have a value greater than \$100.00 per rentable square foot of the Premises then Tenant shall pay for any taxes levied by the applicable governmental agency for the value of the improvements that is above said \$100.00 per rentable square foot. When calculating Real Property Taxes and Assessments for purposes of establishing Landlord's Contribution to Real Property Taxes and Assessments, Real Property Taxes and Assessments and any subsequent years, shall not include Real Property Taxes and Assessments attributable to special assessments, charges, costs, or fees arising from modifications or changes in governmental laws or regulations, including, but not limited to, the institution of a split tax roll during the Base Year. Notwithstanding the foregoing provisions of this Section 4.5 above to the contrary, "**Real Property Taxes and Assessments**" shall not include Landlord's federal or state income, franchise, inheritance or estate taxes.

Notwithstanding any provision to the contrary contained in this Lease, if and to the extent a change of ownership of the Building occurs during the initial Term of this Lease (the "**Prop 13 Protection Period**"), and as a result thereof, and to the extent that in connection with such first change of ownership, the real estate taxes are increased (e.g., the Building is reassessed) (such result being herein referred to as a "**Reassessment**") by the appropriate governmental authority pursuant to the terms of Proposition 13 (which was adopted by the voters of the State of California in the June 1978 election) or any comparable successor statute, law, constitutional amendment or other governmental proclamation ("**Proposition 13**"), then only with respect to the first change of ownership occurring during the Prop 13 Protection Period, Tenant shall not be obligated to pay fifty percent (50%) of the "Tax Increase" (as hereinafter defined) attributable to such Reassessment for the remainder of the initial Term of the Lease. For purposes of this Section 4.5, the term "**Tax Increase**" shall mean that portion of the Real Property Taxes and Assessments which is attributable solely to the Reassessment. Accordingly, the term Tax Increase shall not include any portion of the Taxes, which: (i) is attributable to the assessed valuation (or in the absence of a Reassessment, the full market valuation) of the Building, including the assessed value (or full market value) of (x) all work performed by Landlord in or about the Building as required by this Lease, and (y) the initial Tenant Improvements, (ii) is attributable to the statutory annual inflationary increase of real estate taxes, (currently, two percent (2.0%) per annum), (iii) is attributable to any Real Property Taxes and Assessments incurred during the Base Year or assessed prior to the Reassessment without including any Proposition 8 reduction, or (iv) attributable to assessments unrelated to a change of ownership of the Building or due to a change in the governing laws or legal requirements that eliminates or modifies Proposition 13 protections from a Tax Increase applicable to the Building. It is further understood and agreed that upon not less than thirty (30) days prior written notice given by Landlord to Tenant, Landlord may elect to purchase the Proposition 13 protection granted to Tenant hereunder for an amount (the "**Proposition 13 Buyback Price**") equal to the present value of the amount of the Tax Increase credit granted to Tenant under the terms hereof, which amount shall be discounted using discount rate equal to the average rates of yields for short-term United States Treasury obligations attributable to the period for which such Tax Increase credit has been granted. Upon payment of the Proposition 13 Buyback Price to Tenant, the Proposition 13 protection granted to Tenant hereunder will not apply to any Tax Increase attributable to a Reassessment and the full Tax Increase may be thereafter included by Landlord in Real Property Taxes and Assessments payable by Tenant under the terms of this Lease. Landlord may exercise its purchase rights hereunder before receipt of the actual Reassessment, and may reasonably estimate the amount of the Reassessment and pay the Proposition 13 Buyback Price based upon such estimate. Within thirty (30) days after the actual amount of the Reassessment becomes known to Landlord, Landlord will give Tenant notice of the actual amount of the Reassessment and, if Landlord has underestimated the Proposition 13 Buyback Price, then Tenant's Rent next due following receipt of such notice will be credited with the amount so underestimated, and if Landlord overestimates the Proposition 13 Buyback Price, then Rent next payable by Tenant under this Lease will be increased by the amount so overestimated.

Notwithstanding anything to the contrary set forth in this Lease, the amount of Real Property Taxes and Assessments for the Base Year and any calendar year shall be calculated without taking into account any decreases in real estate taxes obtained in connection with Proposition 8, and, therefore, the Real Property Taxes and Assessments in the Base Year and/or calendar year may be greater than those actually incurred by Landlord, but shall, nonetheless, be the Real Property Taxes and Assessments due under this Lease; provided that (i) any costs and expenses incurred by Landlord in securing any Proposition 8 reduction shall not be deducted from Real Property Taxes and Assessments for purposes of this Lease, and (ii) tax refunds under Proposition 8 shall not be deducted from Real Property Taxes and Assessments nor refunded to Tenant, but rather shall be the sole property of Landlord. Landlord and Tenant acknowledge and agree that the preceding sentence is not intended to in any way affect the inclusion in Real Property Taxes and Assessments of the statutory two percent (2.0%) annual increase in Real Property Taxes and Assessments (as such statutory increase may be modified by subsequent legislation or otherwise), or the inclusion or exclusion of Real Property Taxes and Assessments pursuant to the terms of Proposition 13, including, without limitation, any increased property tax assessment by reason of a change of ownership or new construction.

4.6. Definition of Common Insurance Costs. As used in this Lease, "**Common Insurance Costs**" shall mean the cost of insurance obtained by Landlord pursuant to Section 21 (including self-insured amounts and deductibles) for the Project Office Area, the Premises and the Tenant Improvements and the Project Office Area Percentage of the costs of such insurance for the Project Common Areas. Common Insurance Costs shall be calculated assuming the Project and Project Office Area are ninety-five percent (95%) occupied.

4.7. Definition of Common Utilities Costs. As used in this Lease, "**Common Utilities Costs**" shall mean all actual charges for utilities for the Building and Tenant's Percentage of the same for the Common Areas calculated assuming the Project is ninety-five percent (95%) occupied, including but not limited to water, sewer and electricity, and the costs of heating, ventilating and air conditioning and other utilities (but excluding those charges for which tenants are individually responsible) as well as related fees, assessments and surcharges. For purposes of determining Common Utilities Costs for the Base Year, Common Utilities Costs shall not include any one time special charges, costs or fees or any extraordinary charges or costs incurred in the Base Year or subsequent years, including, without limitation, utility rate increases and other costs arising from extraordinary market circumstances such as by way of example, boycotts, embargoes, "black-outs", "brown-outs", strikes or other shortages of services or fuel (whether or not such shortages are deemed actual or manufactured), the costs of leasing auxiliary power equipment, or any conservation surcharges, penalties or fines incurred by Landlord.

4.8. **Estimate Statement.** Following the end of each calendar year during the Term of this Lease (after the Base Year noted in Section 1.11 of the Summary), Landlord shall deliver to Tenant a statement ("**Estimate Statement**") estimating the Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs for the current calendar year and the estimated amount of Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs payable by Tenant. Landlord shall endeavor to deliver to Tenant an Estimate Statement by no later than April of each calendar year during the Term of this Lease, other than the Base Year. Landlord shall have the right from time to time, but not more often than once per calendar year, to deliver a revised Estimate Statement showing the Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs for such calendar year if Landlord determines that the Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and/or Excess Common Utilities Costs are greater than those set forth in the original Estimate Statement (or previously delivered revised Estimate Statement) for such calendar year. The Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and/or Excess Common Utilities Costs shown on the Estimate Statement (or revised Estimate Statement, as applicable) shall be divided into twelve (12) equal monthly installments, and Tenant shall pay to Landlord, concurrently with the regular monthly rent payment next due following the receipt of the Estimate Statement (or revised Estimate Statement, as applicable), an amount equal to one (1) monthly installment of such Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs multiplied by the number of months from January in the calendar year in which such statement is submitted to the month of such payment, both months inclusive (less any amounts previously paid by Tenant with respect to any previously delivered Estimate Statement or revised Estimate Statement for such calendar year). Subsequent installments shall be paid concurrently with the regular monthly rent payments for the balance of the calendar year and shall continue until the next calendar year's Estimate Statement (or current calendar year's revised Estimate Statement) is received.

4.9. **Actual Statement.** Following the end of each succeeding calendar year during the Term of this Lease, Landlord shall endeavor to deliver to Tenant a statement ("**Actual Statement**") of the actual Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs and Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs for the immediately preceding calendar year. Landlord shall endeavor to deliver to Tenant an Actual Statement by no later than April of each calendar year during the Term of this Lease, other than the Base Year. If the Actual Statement reveals that Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and/or Excess Common Utilities Costs were over-stated or under-stated in any Estimate Statement (or revised Estimate Statement) previously delivered by Landlord pursuant to Section 4.8 above, then within thirty (30) days after delivery of the Actual Statement, Tenant shall pay to Landlord the amount of any such under-payment, or, Landlord shall credit Tenant against the next monthly rent falling due (or, as applicable, reimburse Tenant) within thirty (30) days following the expiration or earlier termination of this Lease, the amount of such over-payment, as the case may be. Such obligation will be a continuing one which will survive the expiration or earlier termination of this Lease, provided, however, that Landlord's final statement of any Excess Expenses, Excess Common Insurance Costs, and/or Excess Common Utilities Costs shall in no event be submitted to Tenant more than twelve (12) months following the expiration or earlier termination of this Lease, or with respect to Real Property Taxes, a later date but in no event twelve (12) months after delivery of a tax bill with respect to taxes assessed for periods during the Lease Term (as applicable, the "**Excess Outside Date**"). Prior to the expiration or sooner termination of the Term and Landlord's acceptance of Tenant's surrender of the Premises, Landlord will have the right to estimate the actual Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs for the then current Lease Year and to collect from Tenant prior to Tenant's surrender of the Premises, Tenant's Percentage of any excess of such actual Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs over the estimated Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs paid by Tenant in such Lease Year.

4.10. **No Release.** Any delay or failure by Landlord in delivering any Estimate or Actual Statement pursuant to this Section 4, except for the Excess Outside Date, shall not constitute a waiver of its right to receive Tenant's payment of Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs, nor shall it relieve Tenant of its obligations to pay Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs pursuant to this Section 4, except for the Excess Outside Date, and except that Tenant shall not be obligated to make any payments based on such Estimate or Actual Statement until twenty (20) business days after receipt of such statement.

4.11. **Exclusions from Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs.** Notwithstanding anything to the contrary contained elsewhere in this Section 4, the following items shall be excluded from Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs, as applicable:

- (a) Costs of decorating, redecorating, or special cleaning or other services provided to certain tenants and not provided on a regular basis to all tenants of the Project;
- (b) Any charge for depreciation of the Project, its contents or its components or equipment and any interest or other financing charge;

- (c) Any charge for Landlord's income taxes, excess profit taxes, franchise taxes, or similar taxes on Landlord's business;
- (d) All costs relating to activities for the marketing, solicitation, negotiation and execution of leases of space in the Project, including without limitation, costs of tenant improvements;
- (e) All costs for which Tenant or any other tenant in the Project is being charged other than pursuant to the operating expense clauses of leases for the Project;
- (f) The cost of correcting defects in the construction of the Project, Building or in the building equipment, except that conditions (not occasioned by construction defects) resulting from ordinary wear and tear will not be deemed defects for the purpose of this category;
- (g) To the extent Landlord is reimbursed by third parties, the cost of repair made by Landlord because of the total or partial destruction of the Project or the condemnation of a portion of the Project;
- (h) The cost of any items for which Landlord is reimbursed by insurance or otherwise compensated by parties other than tenants of the Project pursuant to clauses similar to this paragraph;
- (i) Any operating expense representing an amount paid to a related corporation, entity, or person which is in excess of the amount which would be paid in the absence of such relationship;
- (j) The cost of any work or service performed for or facilities furnished to any tenant of the Project to a greater extent or in a manner more favorable to such tenant than that performed for or furnished to Tenant;
- (k) The cost of alterations of space in the Project leased to other tenants;
- (l) Ground rent or similar payments to a ground lessor;
- (m) Legal fees and related expenses incurred by Landlord (together with any damages awarded against Landlord) due to the negligence or willful misconduct of Landlord;
- (n) Costs arising from the presence of any Hazardous Materials within, upon or beneath the Project by reason of Landlord's acts;
- (o) Costs for sculpture, paintings or other objects of art in the Project which exceed those typically incurred in other similar first class office buildings in Ventura County, California;
- (p) Salaries of management personnel to the extent that such persons provide services to properties other than the Project;
- (q) Principal and interest payments, points, fees, or other debt costs, if any, pursuant to any deed of trust or mortgage which encumbers the Project;
- (r) Costs directly and solely related to the maintenance and operation of the entity that constitutes Landlord, such as accounting and legal fees incurred solely for the purpose of reporting Landlord's financial condition;
- (s) Leasing commissions, attorneys' fees, and other costs and expenses incurred in connection with leasing activities and lease disputes with tenants (including costs incurred due to violations by tenants of the terms and conditions of their leases);
- (t) Costs, disbursements and other expenses (including permit, license and inspection fees) incurred solely for the purpose of office space renovation, painting, decorating or redecorating for particular tenants or for the purpose of preparing vacant space to be leased;
- (u) Any bad debt loss, rent loss or reserve for bad debt or rent loss;
- (v) Costs incurred in connection with the sale, exchange, financing or refinancing of the Building, including brokerage commissions, attorneys' fees and closing costs;
- (w) Any items or services for which Tenant reimburses Landlord directly (other than through Operating Expenses);
- (x) Costs incurred in the connection with adding a new "skin" to the exterior of the Building or making similar major alterations to the exterior façade of the Building;
- (y) Equipment lease rentals attributable to the acquisition of air conditioning units, elevators, and fire protection, electrical, mechanical and plumbing base building systems, provided that in no event shall this exclusion be construed to extend to equipment used in providing janitorial and other maintenance and operational services in and for the Building;

- (z) Costs of signs on the Building exterior identifying the owner of the Building or a particular tenant or tenants;
- (aa) Expenses associated exclusively with the operation of the business of the person or entity which constitutes Landlord which are not directly related to the operation of the Building and which relate to the following: partnership accounting and partnership legal matters, costs of defending any lawsuits with any lenders or mortgages (except as the actions of Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Building, costs of any disputes between Landlord and employees of Landlord, if any, not engaged in Building operation, or disputes between Landlord and its managing agent for the Building;
- (bb) Costs or expenses (including fines, penalties and legal fees) incurred due to the violation (as compared to compliance costs) by Landlord, its agents, any tenant (other than Tenant) or other occupant of the Building of any terms and conditions of this Lease or of the leases of other tenants in the Building, and/or of any valid applicable Laws that would not have been incurred but for such violation by Landlord, its agent, tenant, or other occupant, it being intended that each party shall be responsible for the costs resulting from its violation of such leases and Law (provided that reasonable attorneys' fees to enforce rules and regulations for the Building shall be included in Operating Expenses);
- (cc) Any costs incurred by Landlord in performing work necessary to remedy violations of code requirements concerning Building improvements where such code requirements were applicable at the time of the initial installation or construction of such improvements, or any fines or penalties arising from the failure to timely perform the foregoing;
- (dd) Landlord's political contributions and/or contributions to charitable organizations;

Notwithstanding any provision contained in this Lease to the contrary, Real Estate Taxes shall not include any inheritance, estate, gift, franchise, corporation, net income or net profits tax assessed against Landlord from the operation of the Building, or any interest charges or penalties incurred as a result of Landlord's failure to timely pay Real Estate Taxes (provided that if the taxing authority permits a taxpayer to elect to pay in installments, then, for purposes of determining the amount of Real Estate Taxes, if Landlord so elects to pay in installments, all interest charges shall be deemed Real Estate Taxes).

4.12. Tenant's Percentage. "Tenant's Percentage" shall mean the percentage set forth in Section 1.9 of the Summary. Tenant's Percentage was calculated by multiplying the number of rentable square feet of the Premises by 100 and dividing the product by the total rentable square feet in the Project Office Area. Landlord shall have the right from time to time, in its discretion, to include or exclude existing or future buildings in the Project in the calculation of the total rentable square feet of the Project, for purposes of determining the Project Office Area Percentage of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs and Common Utilities Costs and/or the provision of various services and amenities thereto, including equitable allocation of the foregoing in Cost Pools (as described in Section 4.3 above); in such event, Tenant's Percentage shall include such allocation of the Project Office Area Percentage of Operating Expenses, Real Property Taxes and Assessments, Common Insurance Costs, and Common Utilities Costs in the calculation of Tenant's Percentage. In addition, if the rentable square feet of the Premises (subject to Tenant's and Landlord's mutual approval) and/or the Project Office Area and other buildings in the Project changes due to an actual change in the physical space included therein, Tenant's Percentage and/or the Project Office Area Percentage shall be appropriately adjusted, and, as to the calendar year in which such change occurs, Tenant's Percentage and/or the Project Office Area Percentage for such year shall be determined on the basis of the number of days during such calendar year that each such Tenant's Percentage and/or the Project Office Area Percentage was in effect, provided that all exclusions from expenses and taxes as set forth in this Lease shall continue to apply and there shall be no new categories of expenses unless and to the extent the expenses for the Base Year are "grossed up" in accordance with generally accepted commercial office building accounting practices. It is further agreed that the additional rent payable by Tenant pursuant to the terms of this Lease shall not materially increase due to an increase in the Common Areas of the Project.

4.13. Cap on Controllable Expenses. Notwithstanding anything to the contrary contained in this Section 4, the aggregate "Controllable Expenses" (as hereinafter defined) included in Operating Expenses in any calendar year after the Base Year shall not increase by more than five percent (5%) on an annual, cumulative and compounded basis, over the actual aggregate Controllable Expenses included in Operating Expenses for any preceding calendar year (including the Base Year), but with no such limit on the amount of Controllable Expenses which may be included in the Operating Expenses incurred during the Base Year. For purposes of this Section 4.13, "**Controllable Expenses**" shall mean all Operating Expenses except: (i) insurance carried by Landlord with respect to the Project and/or the operation thereof; (ii) costs of capital expenditures which constitute and are permitted Operating Expenses under Section 4.3 above; and (iii) wages, salaries and other compensation and benefits paid to Landlord's employees, agents or contractors engaged in the operation, management, maintenance (including, but not limited to, janitorial and cleaning services) or security of the Building or Project, to the extent such wages, salaries and other compensation are incurred as a result of union labor or government mandated requirements including, but not limited to, prevailing wage laws and similar

requirements. The provisions of this Section 4.12 do not apply to Real Property Taxes and Assessments, Common Insurance Costs or Common Utilities Costs.

5. Security Deposit.

The Security Deposit, if any, shall be held by Landlord as security for the full and faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be performed by Tenant during the Term. If Tenant defaults with respect to any of its obligations under this Lease, Landlord may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of any rent or any other sum in default, or for the payment of any other amount, loss or damage which Landlord may spend, incur or suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within ten (10) days after demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully perform every provision of this Lease to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant within two (2) weeks following the expiration of the Lease term, provided that Landlord may retain the Security Deposit until such time as any amount due from Tenant in accordance with Section 4 hereof has been determined and paid in full. If Landlord sells its interest in the Building during the Term and if Landlord deposits with the purchaser the Security Deposit (or balance thereof), then, upon such sale, Landlord shall be discharged from any further liability with respect to the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code and agrees that the provisions of this Section 5 shall govern the treatment of Tenant's Security Deposit in all respects for this Lease.

6. Use.

6.1. **General.** Tenant shall use the Premises solely for the Permitted Use specified in Section 1.13 of the Summary, and shall not use or permit the Premises to be used for any other use or purpose whatsoever. Tenant shall observe and comply with the "Rules and Regulations" attached hereto as Exhibit E, and all reasonable non-discriminatory modifications thereof and commercially reasonable additions thereto from time to time put into effect and furnished to Tenant by Landlord. Landlord shall endeavor and use commercially reasonable efforts to enforce the Rules and Regulations, but shall have no liability to Tenant for the violation or non-performance by any other tenant or occupant of the Project of any such Rules and Regulations. Tenant shall, at its sole cost and expense, observe and comply with all requirements of any board of fire underwriters or similar body relating to the Premises, all recorded covenants, conditions and restrictions now or hereafter affecting the Project, and all laws, statutes, codes, rules and regulations now or hereafter in force relating to or affecting the condition, use, occupancy, alteration or improvement of the Premises, including, without limitation, the provisions of Title III of the Americans with Disabilities Act of 1990 ("**ADA**") as it pertains to Tenant's use, occupancy, improvement and alteration of the Premises (whether, except as otherwise provided herein, structural or nonstructural, including unforeseen and/or extraordinary alterations and/or improvements to the Premises, regardless of the period of time remaining in the Term). The Project has not undergone an inspection by a certified access specialist and no representations are made with respect to compliance with accessibility standards. Tenant shall not use or allow the Premises to be used (a) in violation of any recorded covenants, conditions and restrictions or owner participation agreement affecting the Project or of any law or governmental rule or regulation, or of any certificate of occupancy issued for the Premises or the Building, or (b) for any improper, immoral, unlawful or reasonably objectionable purpose. Tenant shall not do or permit Tenant's Parties to be done anything which will obstruct or interfere with the rights of other tenants or occupants of the Project, or injure or annoy them. Tenant shall not cause, maintain or permit any nuisance in, on or about the Premises, the Building or the Project, nor commit or suffer to be committed any waste in, on or about the Premises. Notwithstanding anything to the contrary contained herein, in no event shall the Premises be used in violation of any exclusive use or use restriction provisions applicable to the Project as of the Effective Date as listed on Exhibit K attached hereto.

6.2. **Prohibited Uses.** Tenant shall not use the Premises or Common Area, or any part thereof, in violation of the "Underlying Agreements" (as hereinafter defined) or any rules and regulations, including those attached hereto as Exhibit E, which are promulgated by Landlord and delivered to Tenant from time to time governing the Project, provided that they are not inconsistent with any express provisions of this Lease. Tenant shall not use any portion of the Premises or Project: (a) to conduct or advertise any auction, bankruptcy, fire, distress, liquidation, relocation, close-out, going out of business, sheriff's or receiver's sale on or from the Premises, or any other sale that, in Landlord's reasonable opinion, adversely affects the reputation of the Project; (b) to store, sell or display any merchandise or other objects outside the exterior walls, permanent doorways or roof of the Premises; (c) to damage, deface or overload the plumbing, electrical, "HVAC System" (as hereinafter defined) or structural systems of the Premises; (d) to conduct any activity which may make void or voidable or increase the premium on any insurance coverage on the Project or parts thereof; (e) in a manner which is a public or private nuisance including any which creates undue noise, sound, vibration, litter or odor; or (f) for the placement of any aerial or antenna on the roof or exterior walls of the Premises (except as otherwise set forth in this Lease). In addition to the foregoing, Tenant agrees to conduct its business in a manner to avoid consistent reasonable complaints from neighboring residents and other tenants regarding objectionable noises, odors, vibrations, or nuisances. If there are reasonable, consistent complaints about noises, odors, vibrations, or other nuisances emanating from the Premises then Tenant shall, at a minimum, implement reasonable mitigation and reduction measures as reasonably required by Landlord.

6.3. **Parking.**

- (a) **Tenant's Parking Privileges.** During the Term of this Lease and extensions thereof at no charge Tenant except as set forth in this Section 6.3), Tenant and its employees shall park their vehicles only in the parking areas from time to time designated for that purpose by Landlord as set forth in this Lease. Without limiting the generality of the foregoing, if Landlord implements any program related to parking, parking facilities or transportation facilities including, but not limited to, any program of parking validation, employee shuttle transportation during peak traffic periods or other program to limit, control, enhance, regulate or assist parking by customers of the Project, Tenant agrees to participate in the program at no additional charge or cost to Tenant (except as may be included in Operating Expenses hereunder), and provided that such program does not materially and adversely affect or diminish Tenant's parking rights under this Lease. Tenant shall furnish Landlord with a list of its and its employees' vehicle license numbers at any time during the Term within thirty (30) days after Landlord's written request. Tenant agrees to assume responsibility for compliance by its employees with these parking provisions and to indemnify and defend Landlord and its agents from and against all cost, expense and liability arising from Landlord's reasonable enforcement efforts, but in no event shall Tenant be obligated to indemnify or defend Landlord or its agents with respect to claims to the extent arising out of the negligence or willful misconduct of Landlord or the Landlord or its agents. Landlord, at Landlord's sole cost subject to any permitted reimbursement under Operating Expenses, and provided that such modification does not adversely affect or diminish Tenant's parking rights under this Lease, shall at all times have the right to establish and modify the nature and extent of the parking areas for the Building and Project (including whether such areas shall be surface, underground and/or other structures). In addition, Landlord may, in its sole discretion, assign any unreserved and unassigned parking privileges, and/or make all or a portion of such privileges reserved provided that such assignment or modification does not adversely affect or diminish Tenant's parking rights under this Lease. It is further acknowledged and agreed that any spaces designated or reserved for Tenant hereunder may be relocated or redesignated from time to time as Landlord may determine in a commercially reasonable and nondiscriminatory manner; provided, however, the relocated spaces shall be located within substantially the same distance from the Premises as the original spaces.
- (b) **Parking Rules.** The use of the parking areas shall be subject to the Parking Rules and Regulations contained in Exhibit E attached hereto and any other reasonable, non-discriminatory rules and commercially reasonable regulations reasonably adopted by Landlord and/or Landlord's parking operators from time to time, including any system for controlled ingress and egress and charging visitors and invitees (except for Tenant's visitors and invitees), with appropriate provision for validation of such charges. Tenant shall not use any parking spaces specifically assigned by Landlord to other tenants of the Building or Project or for such other uses as visitor parking. Tenant's parking privileges shall be used only for parking by vehicles no larger than normally sized passenger automobiles, vans or pick-up trucks. Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, suppliers, shippers, customers or invitees to be loaded, unloaded, or parked in areas other than those designated by Landlord for such activities.
- (c) **Specific Parking Rights Granted to Tenant.** As referenced in Section 1.17 of the Basic Lease Information, Tenant shall have a total of one hundred sixteen (116) Parking Tags to use parking spaces at the Project for Tenant's employees which will permit the vehicle displaying such Parking Tag to park free of charge during the Initial Term and any extensions thereof at any location at the Project (as shown in Exhibit G attached hereto) that is not metered or designated as reserved. Landlord shall designate twenty-six (26) marked stalls which Tenant may utilize and which Landlord shall guaranty to be reserved and available for Tenant as Tenant's Reserved Spaces free of charge during the period commencing at 8:00 a.m. to 5:00 p.m. Monday (or on Tuesday if Monday is a Project Holiday) through Friday. As shown on Exhibit G attached hereto, thirteen (13) Reserved Spaces shall be located in the rear parking circle which shall be metered on Saturday and Sunday. As shown in Exhibit G attached hereto, thirteen (13) Reserved Spaces shall be located in the parking structure. Landlord further agrees to use commercially reasonable efforts and diligence to uniformly enforce the Parking Rules and Regulations on a consistent and non-discriminatory basis, including issuing warnings and citations to violators thereof. In addition, Landlord shall designate five (5) parking spaces in the parking circle (as more particularly shown in Exhibit G) for the exclusive use of office building visitors ("**Visitor Spaces**") between the hours of 8:00 a.m. and 6:00 p.m. Monday through Friday, and such spaces shall be metered during all other hours. Landlord further confirms and agrees that until additional office space is leased at the Project, Tenant shall have the right to utilize its Parking Tags for the remaining unallocated parking spaces designated for use by office tenants as shown in Exhibit G. It is further acknowledged and agreed that as an accommodation to Tenant prior to completion of the Project, Tenant shall have the right to utilize other available parking at the Project (as designated by Landlord from time to time) on a first come, first serve basis free of charge, subject to temporary closures for staging of construction or otherwise.

6.4. **Signs and Auctions.** Any signs to be installed by or for the benefit of Tenant shall be subject to Landlord's prior written approval and shall be consistent with Landlord's signage program for the Building, as in effect from time to time, a copy of which is attached hereto as Exhibit H (the "**Sign Program**").

Tenant shall have no right to conduct any auction in, on or about the Premises, the Building or the Project.

- (a) **Tenant's Signage.** Except for Tenant's name on the directory board in the Building lobby, Building standard identification signage at the entrance to the Premises on each floor, consisting of either a door plaque or sign on the entry glass doors of the Premises (which sign shall be consistent with the Sign Program and otherwise subject to Landlord's prior written approval), and the Exterior Signage (as defined below), Tenant shall have no right to place any sign upon the Premises, the Building or the Project or which can be seen from outside the Premises. The initial costs of installing Tenant's name on the Building directory and the initial costs of the Building standard identification signage at the entrance to the Premises on each floor shall be paid for by Landlord, but any subsequent changes thereto shall be at Tenant's costs. Tenant, at its sole cost and expense (which cost may be deducted from the Allowance, subject to and in accordance with the terms and conditions of the Work Letter Agreement attached hereto as Exhibit C), shall be allowed to install Tenant's name and logo in the reception area of the Premises, subject to the terms and conditions of this Section 6.4. Upon the expiration or earlier termination of this Lease, Tenant shall be responsible, at its sole cost and expense, for the removal of such signage and the repair of all damage to the Building caused by such removal.
- (b) **Exterior Building Signage.** Subject to the approval of Landlord (which approval shall not be unreasonably withheld, delayed or conditioned) and all applicable governmental and quasi-governmental entities (including, without limitation, the City of Oxnard, California) and applicable covenants, conditions and restrictions, subject to the Sign Program, and subject to all applicable laws and the terms hereof, Landlord hereby grants Tenant the right, at Tenant's sole cost and expenses (which cost may be deducted from the Allowance, subject to and in accordance with the terms and conditions of the Work Letter Agreement attached hereto as Exhibit C), to install "eyebrow signage" bearing Tenant's name on the exterior of the Building in a location mutually agreed upon by Landlord and Tenant (the "**Exterior Signage**"). Tenant's rights to install the Exterior Signage shall be non-exclusive and shall be conditioned upon (i) no breach or default beyond all applicable notice and cure periods by Tenant existing under this Lease, (ii) satisfaction of the Occupancy Requirement (as defined below), and (iii) compliance with the Sign Program. The design, size, specifications, graphics, materials, manner of affixing, exact location, colors and lighting (if applicable) of the Exterior Signage shall be (A) consistent with the quality and appearance of the Project, (B) subject to the approval of all applicable governmental authorities as referenced above and Landlord's approval (which approval shall not be unreasonably withheld, delayed or conditioned), and (C) consistent with the Sign Program. Tenant shall design, install, maintain, insure and operate the Exterior Signage at Tenant's sole cost and expense. In addition, Tenant shall pay to Landlord, within thirty (30) days after demand, from time to time, all other actual, documented and reasonable out-of-pocket costs incurred by Landlord attributable to the fabrication, installation, insurance, lighting (if applicable), maintenance and repair of the Exterior Signage, to the extent not directly paid by Tenant. The signage rights granted to Tenant under this Section 6.4(b) are personal to the named Tenant hereunder executing this Lease below (the "**Original Tenant**") or to a Permitted Transferee succeeding to the entire interest of Original Tenant hereunder, and may not be exercised or used by or assigned to any other person or entity. In addition, Tenant shall no longer have any right to the Exterior Signage if at any time during the Term Tenant does not lease and occupy at least fifty percent (50%) of the Premises (the "**Occupancy Requirement**"). Upon the expiration or sooner termination of the Term, or upon the earlier termination of Tenant's signage right under this Section 6.4(b), Landlord shall have the right to either (a) require that Tenant remove the Exterior Signage and repair any damage to the Building caused by such removal, or (b) permanently remove the Exterior Signage and repair all damage resulting from such removal and restore the affected area to its original condition existing prior to the installation of the Exterior Signage, and Tenant shall reimburse Landlord for the costs thereof, immediately upon demand therefor.

6.5. **Hazardous Materials.** Tenant will (i) obtain and maintain in full force and effect all Environmental Permits that may be required from time to time under any Environmental Laws applicable to Tenant (if any) or the Premises (if any) and (ii) be and remain in compliance in all material respects with all terms and conditions of all such Environmental Permits and with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in all Environmental Laws applicable to Tenant or the Premises. As used in this Lease, the term "**Environmental Law**" means any past, present or future federal, state, local or foreign statutory or common law, or any regulation, ordinance, code, plan, order, permit, grant, franchise, concession, restriction or agreement issued, entered, promulgated or approved thereunder, relating to (a) the environment, human health or safety, including, without limitation, emissions, discharges, releases or threatened releases of Hazardous Materials (as defined below) into the environment (including, without limitation, air, surface water, groundwater or land), or (b) the manufacture, generation, refining, processing, distribution, use, sale, treatment, receipt, storage, disposal, transport, arranging for transport, or handling of Hazardous Materials. "**Environmental Permits**" means, collectively, any and all permits, consents, licenses, approvals and registrations of any nature at any time required pursuant to, or in order to comply with, any Environmental Law. Except for ordinary and general office supplies, such as copier toner, liquid paper, glue, ink and common household cleaning materials (some or all of which may constitute "**Hazardous Materials**" as defined in this Lease), Tenant agrees not to cause or permit any Hazardous Materials to be brought upon, stored, used, handled, generated, released or disposed of on, in, under or about the Premises, the Building, the Common Areas or any other portion of the Project by

Tenant, its agents, employees, subtenants, assignees, licensees, contractors or invitees (collectively, "**Tenant's Parties**"), without the prior written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. Landlord acknowledges, however, that Tenant will maintain products in the Premises which are incidental to the operation of its general office use, including, without limitation, computer servers, tower and laptop personal computers, computer monitors, cell phones, telecommunications wiring and cable, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain, or are manufactured with, chemicals which are categorized as Hazardous Materials. Landlord agrees that the use of such products in the Premises in the manner in which such products are designed to be used and in compliance with Environmental Law shall not be a violation by Tenant of this Section 6.5. Upon the expiration or earlier termination of this Lease, Tenant agrees to promptly remove from the Premises, the Building and the Project, at its sole cost and expense, any and all Hazardous Materials, including any equipment or systems containing Hazardous Materials which are installed, brought upon, stored, used, generated or released upon, in, under or about the Premises, the Building and/or the Project or any portion thereof by Tenant or any of Tenant's Parties. To the fullest extent permitted by law, Tenant agrees to promptly indemnify, protect, defend and hold harmless Landlord and Landlord's members, shareholders, partners, officers, directors, employees, agents, successors and assigns (collectively, "**Landlord Indemnified Parties**") from and against any and all claims, damages, judgments, suits, causes of action, losses, liabilities, penalties, fines, expenses and costs (including, without limitation, clean-up, removal, remediation and restoration costs, sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees and court costs) which arise or result from the presence of Hazardous Materials on, in, under or about the Premises, the Building or any other portion of the Project and which are caused or permitted by Tenant or any of Tenant's Parties only. Tenant agrees to promptly notify Landlord of any release of Hazardous Materials in the Premises, the Building or any other portion of the Project which Tenant (without the obligation to inquire by Tenant) becomes aware of during the Term of this Lease, whether caused by Tenant or any other persons or entities. In the event of any release of Hazardous Materials caused or permitted by Tenant or any of Tenant's Parties, Landlord shall have the right, but not the obligation, to cause Tenant to immediately take all steps Landlord deems necessary or appropriate to remediate such release and prevent any similar future release to the satisfaction of Landlord and Landlord's mortgagee(s). At all times during the Term of this Lease subject to no less than 24 hour prior notice (except in the event of emergency), Landlord will have the right, but not the obligation, to enter upon the Premises to (at Landlord's sole cost unless and to the extent it is determined that Tenant is not in compliance with the terms of the Lease) inspect, investigate, sample and/or monitor the Premises to determine if Tenant is in compliance with the terms of this Lease regarding Hazardous Materials. Tenant will, upon the request of Landlord or any mortgagee at any time during which Tenant is in default under this Lease, cause to be performed an environmental audit of the Premises at Tenant's expense by an established environmental consulting firm reasonably acceptable to Tenant, Landlord and the mortgagee. As used in this Lease, the term "**Hazardous Materials**" shall mean and include any hazardous or toxic materials, substances or wastes as now or hereafter designated under any law, statute, ordinance, rule, regulation, order or ruling of any agency of the State, the United States Government or any local governmental authority, including, without limitation, asbestos, petroleum, petroleum hydrocarbons and petroleum based products, urea formaldehyde foam insulation, polychlorinated biphenyls ("**PCBs**"), and freon and other chlorofluorocarbons. The provisions of this Section 6.4 will survive the expiration or earlier termination of this Lease.

Notwithstanding anything to the contrary contained herein, Tenant shall not have any liability to Landlord under this Lease resulting from any conditions existing, or events occurring, or any Hazardous Materials existing or generated, at, in, on, under or in connection with the Premises, the Building or the Project prior to the Commencement Date of this Lease or for Hazardous Materials brought into the Premises, the Building or the Project during the Lease Term by Landlord, Landlord's agents, employees or contractors, or any other party, unless and to the extent any pre-existing conditions are knowingly exacerbated by Tenant, its agents, employees or contractors. If Hazardous Materials in violation of any laws are discovered in the Premises, the Building or the Project during the Term, and such Hazardous Materials were not caused or introduced by Tenant or Tenant's Parties, Landlord will cause such Hazardous Materials to be remediated, encapsulated, or otherwise handled, at Landlord's sole cost and expense and shall not be included in the Operating Expenses.

6.6. Conservation. Tenant shall cooperate with and participate in conservation programs for water, electricity and natural gas and recycling programs instituted by the governmental entity with jurisdiction over the Project and/or Landlord, including those for the collection of cardboard, metals, plastics and glass.

6.7. Occupancy Level. In no event shall the number of persons occupying the Premises at any time exceed the maximum number permitted by applicable laws and regulations, including zoning codes.

6.8. Electrical and Telecommunications Cabling. Tenant shall obtain Landlord's prior written consent (which consent shall not be unreasonably withheld, delayed or conditioned) prior to installing, upgrading, maintaining, operating, repairing or removing any electrical lines or any telecommunications conduit or cabling at the Project or within the Building (collectively, the "**Wires**"), and shall at all times comply with the rules and regulations governing such Wires as set forth in Exhibit E.

6.9. Project Name. Except as set forth below, Tenant shall not use the name "The Collection at Riverpark", "The Collection", "Riverpark", "The Landing at Riverpark", "The Landing", "The Pointe at Riverpark" or "The Pointe" for any purpose (other than using "The Collection at Riverpark" in the address of the business to be conducted by Tenant in the Premises and in Tenant's website, Tenant's business

advertisement or other related publications), for any purpose other than as the address of the business to be conducted by Tenant in the Premises, and Tenant shall not acquire any property right in or to any name which contains said word combination as a part thereof except as set forth in this Section 6.9. Landlord shall have the right to change the name of the Project at any time at Landlord's sole and absolute discretion. Notwithstanding the foregoing, Tenant shall have the right to use the name and image of the Building in Tenant's advertising, website and/or other business related publications.

7. Payments and Notices.

All rent and other sums payable by Tenant to Landlord hereunder shall be paid to Landlord at the first address designated in Section 1.1 of the Summary, or to such other persons and/or at such other places as Landlord may hereafter designate in writing. Any notice required or permitted to be given hereunder must be in writing and may be given by personal delivery (including delivery by nationally recognized overnight courier or express mailing service), facsimile transmission sent by a machine capable of confirming transmission receipt, with a hard copy of such notice delivered no later than one (1) business day after facsimile transmission by another method specified in this Section 7, or by registered or certified mail, postage prepaid, return receipt requested, addressed to Tenant at the address(es) designated in Section 1.2 of the Summary, or to Landlord at the address(es) designated in Section 1.1 of the Summary. Either party may, by written notice to the other, specify a different address for notice purposes. Notice given in the foregoing manner shall be deemed given (i) upon confirmed transmission if sent by facsimile transmission, provided such transmission is prior to 5:00 p.m. on a business day (if such transmission is after 5:00 p.m. on a business day or is on a non-business day, such notice will be deemed given on the following business day), (ii) when actually received or refused by the party to whom sent if delivered by a carrier or personally served, or (iii) if mailed, on the day of actual delivery or refusal as shown by the certified mail return receipt or the expiration of three (3) business days after the day of mailing, whichever first occurs. For purposes of this Section 7, a "**business day**" is Monday through Friday, excluding holidays observed by the United States Postal Service. It is further understood and agreed that Landlord and Tenant shall each have the right to deliver notices under this Lease via email to the email addresses specified in the Summary, with a hard copy of any such notice being delivered via courier or express mail as referenced in this Section 7, provided, however, email notices of default shall not be effective.

8. Brokers.

The parties recognize that the broker(s) who negotiated this Lease are stated in Section 1.13 of the Summary, and agree that Landlord shall be solely responsible for the payment of brokerage commissions to said broker(s) pursuant to the terms of a separate commission agreement, and that Tenant shall have no responsibility therefor unless written provision to the contrary has been made. Each party represents and warrants to the other, that, to its knowledge, no other broker, agent or finder (a) negotiated or was instrumental in negotiating or consummating this Lease on its behalf, and (b) is or might be entitled to a commission or compensation in connection with this Lease. Any broker, agent or finder of Tenant whom Tenant has failed to disclose herein shall be paid by Tenant. Any broker, agent or finder of Landlord whom Landlord has failed to disclose herein shall be paid by Landlord. Tenant shall indemnify, defend (by counsel reasonably approved in writing by Landlord) and hold Landlord harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses (including attorneys' fees and court costs) resulting from any breach by Tenant of the foregoing representation, including, without limitation, any claims that may be asserted against Landlord by any broker, agent or finder undisclosed by Tenant herein. Landlord shall indemnify, defend (by counsel reasonably approved in writing by Tenant) and hold Tenant harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses (including attorneys' fees and court costs) resulting from any breach by Landlord of the foregoing representation, including, without limitation, any claims that may be asserted against Tenant by any broker, agent or finder undisclosed by Landlord herein. The foregoing indemnities shall survive the expiration or earlier termination of this Lease.

9. Surrender; Holding Over.

9.1. **Surrender of Premises.** Upon the expiration or sooner termination of this Lease, Tenant shall surrender all keys for the Premises to Landlord, and exclusive possession of the Premises to Landlord broom clean and in first-class condition and repair, reasonable wear and tear excepted (and casualty damage excepted if this Lease is terminated as a result thereof pursuant to Section 18 below), with all of Tenant's personal property (and those items, if any, of Tenant Improvements and Tenant Changes identified by Landlord pursuant to Section 12.2 below) removed therefrom and all damage caused by such removal repaired, as required pursuant to Sections 12.2 and 12.3 below. If, for any reason, Tenant fails to surrender the Premises on the expiration or earlier termination of this Lease (including upon the expiration of any subsequent tenancy pursuant to Section 9.2 below), with such removal and repair obligations completed, then, in addition to the provisions of Section 9.3 below and Landlord's rights and remedies under Section 12.4 below and the other provisions of this Lease, Tenant shall indemnify, protect, defend (by counsel approved in writing by Landlord) and hold Landlord harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses (including attorneys' fees and court costs) resulting from such failure to surrender, including, without limitation, any claim made by any succeeding tenant based thereon. The foregoing indemnity shall survive the expiration or earlier termination of this Lease.

9.2. **Hold Over.** Tenant will not be permitted to hold over possession of the Premises after the expiration or earlier termination of the Term without the express written consent of Landlord, which consent Landlord may withhold in its sole and absolute discretion. If Tenant holds over after the expiration or earlier termination of the Term without the express written consent of Landlord, then Tenant shall become a tenant at sufferance only, upon the terms and conditions set forth in this Lease so far as applicable (including Tenant's obligation to pay all Excess Expenses, Excess Real Property Taxes and Assessments, Excess Insurance Costs, and Excess Common Utilities Costs and any other additional rent under this Lease), but at a Monthly Basic Rent equal to (i) one hundred twenty five percent (125%) of the Monthly Basic Rent applicable to the Premises immediately prior to the date of such expiration or earlier termination for the first two (2) months of holdover, and (ii) thereafter, one hundred fifty percent (150%) of the Monthly Basic Rent applicable to the Premises immediately prior to the date of such expiration or earlier termination. Acceptance by Landlord of rent after such expiration or earlier termination shall not constitute consent to a hold over hereunder or result in an extension of this Lease. Tenant shall pay an entire month's Monthly Basic Rent calculated in accordance with this Section 9.2 for any portion of a month it holds over and remains in possession of the Premises pursuant to this Section 9.2. This Section 9.2 shall not be construed to create any expressed or implied right to holdover beyond the expiration of the Term or any extension thereof. Notwithstanding anything to the contrary contained in this Lease, if Landlord delivers to Tenant on or after the scheduled Expiration Date of this Lease at least thirty (30) days prior notice that Landlord has identified a tenant for the Premises and will incur loss or damage if Tenant fails to timely vacate the Premises, and if Tenant fails to surrender the Premises by the date of expiration of such thirty (30) day period, then in addition to any other liabilities to Landlord accruing therefrom, Tenant shall indemnify, protect, defend (by counsel approved in writing by Landlord) and hold Landlord harmless from and against any and all claims, judgments, suits, causes of action, damages, losses, liabilities and expenses (including reasonable attorneys' fees and court costs) resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting therefrom.

9.3. **No Effect on Landlord's Rights.** The foregoing provisions of this Section 9 are in addition to, and do not affect, Landlord's right of re-entry or any other rights of Landlord hereunder or otherwise provided by law or equity.

10. Taxes on Tenant's Property.

Tenant shall be liable for, and shall pay before delinquency, all taxes and assessments (real and personal) levied against (a) any personal property or trade fixtures placed by Tenant in or about the Premises (including any increase in the assessed value of the Premises based upon the value of any such personal property or trade fixtures); and (b) any Tenant Improvements or alterations in the Premises (whether installed and/or paid for by Landlord or Tenant) to the extent such Tenant Improvements exceed a value of \$75.00 per rentable square foot. If any such taxes or assessments are levied against Landlord or Landlord's property, Landlord may, after written notice to Tenant (and under proper protest if requested by Tenant) pay such taxes and assessments, and Tenant shall reimburse Landlord therefor within twenty one (21) business days after demand by Landlord; provided, however, Tenant, at its sole cost and expense, shall have the right, with Landlord's cooperation, to bring suit in any court of competent jurisdiction to recover the amount of any such taxes and assessments so paid under protest.

11. Condition of Premises; Repairs.

11.1. **Condition of Premises.** Tenant acknowledges that, except as otherwise expressly set forth in this Lease, neither Landlord nor any agent of Landlord has made any representation or warranty with respect to the Premises, the Building or the Project or their condition, or with respect to the suitability thereof for the conduct of Tenant's business, and Tenant shall accept the Premises in its "**AS-IS**" condition as of the date of this Lease, subject to all Landlord's obligations to repair and maintain the Premises under this Lease, and subject to the Base Building Work being completed as set forth in Exhibit C. The taking of possession of the Premises by Tenant shall conclusively establish that the Project, the Premises, the Tenant Improvements therein, the Building and the Common Areas were at such time complete and in good, sanitary and satisfactory condition and repair with all work required to be performed by Landlord, if any, pursuant to the Work Letter Agreement attached hereto as Exhibit C completed (except for the Base Building Work to be completed as set forth in Exhibit C), and Tenant shall accept the Premises in its "**AS-IS**" condition as of the date of this Lease and provided that Landlord has delivered possession of the Premises to Tenant as required in this Lease, subject to all of Landlord's obligations to repair and maintain the Premises under this Lease, and subject to the Base Building Work, without any obligation on Landlord's part to make any alterations, upgrades or improvements thereto except as otherwise set forth in this Lease. Notwithstanding anything to the contrary contained herein, Landlord shall deliver the Premises to Tenant in compliance with the terms of delivery set forth in the Work Letter Agreement attached hereto. Without limiting the foregoing, Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect (including the provisions of California Civil Code Section 1942 and any successive sections or statutes of a similar nature).

11.2. **Landlord's Repair Obligations.** Subject to Sections 18.1 and 18.2 of this Lease, Landlord shall, as part of the Operating Expenses, repair, maintain and replace, as necessary (a) the Building shell and other structural portions of the Building (including the roof, foundations, exterior glass and windows

(including frames) and exterior walls), (b) the basic heating, ventilating, air conditioning ("HVAC"), plumbing, sprinkler, fire life & safety, and electrical systems and also other Building systems within the Building core and standard conduits, connections and distribution systems thereof within the Premises (but not any above standard improvements installed in the Premises such as, for example, but not by way of limitation, custom lighting, special or supplementary HVAC or plumbing fixtures or plumbing distribution extensions, special or supplemental electrical panels other than the Building base electrical panel or distribution systems, or kitchen or restroom facilities and appliances to the extent such facilities and appliances are intended for the exclusive use of Tenant), (c) the Building's elevators, and (d) the Common Areas (including the parking areas and landscaping); provided, however, to the extent such maintenance, repairs or replacements are required as a result of any act, neglect, fault or omission of Tenant or any of Tenant's agents, employees, contractors, licensees or invitees, Tenant shall pay to Landlord, as additional rent, the costs of such maintenance, repairs and replacements. Landlord shall not be liable to Tenant for failure to perform any such maintenance, repairs or replacements, unless Landlord shall fail to make such maintenance, repairs or replacements and such failure shall continue for an unreasonable time following written notice from Tenant to Landlord of the need therefor.

11.3. Tenant's Repair Obligations. Except for Landlord's obligations specifically set forth in Sections 11.1, 11.2, 16.1, 18.1 and 19.2 hereof and as set forth in this Lease, Tenant shall at all times and at Tenant's sole cost and expense, keep, maintain, clean, repair, preserve and replace, as necessary, the interior non-structural portions of the Premises (from the interior portions of the perimeter walls and glass around the Premises, and below the ceiling grid or if the ceiling is exposed, above the ceiling so long as Tenant shall not be responsible for any Building systems as set forth in Section 11.2) and all nonstructural parts thereof including, without limitation, all Tenant Improvements, Tenant Changes, utility meters (if any and if installed by or at the request of Tenant, all special or supplemental HVAC systems (other than the Building's HVAC system), electrical systems (other than the Building's electrical panels and transformers), pipes (except for subsurface or inside the walls plumbing pipes), plumbing fixtures such as sinks, garbage disposal, restrooms fixtures in any restrooms inside the Premises for the exclusive use of Tenant, and cabling conduits, located within the Premises, all fixtures, furniture and equipment, including, without limitation all computer, telephone and data cabling and equipment, Tenant's signs, locks, closing devices, security devices, interior windows, interior window sashes, casements and frames, floor surfaces and floor coverings, shelving, kitchen facilities and appliances located within the Premises to the extent such facilities and appliances are intended for the exclusive use of Tenant, if any, custom lighting which is other than Building standard lighting, and any alterations, additions and other property located within the Premises in first-class condition and repair, reasonable wear and tear excepted. Tenant shall replace, at its expense, any and all interior plate and other interior glass in and about the Premises which is damaged or broken from any cause whatsoever except to the extent any such glass is broken due to the negligence or willful misconduct of Landlord, its agents or employees. Such maintenance and repairs shall comply with all applicable laws and governmental regulations governing the Premises (including, without limitation, California Energy Code, Title 24) and Landlord's construction rules and regulations, and shall be performed with due diligence, lien-free and in a first-class and workmanlike manner, by licensed contractor(s) which are selected by Tenant and approved by Landlord, which approval Landlord shall not unreasonably withhold or delay. Except as otherwise expressly provided in this Lease, Landlord shall have no obligation to alter, remodel, improve, repair, renovate, redecorate or paint all or any part of the Premises.

12. Alterations.

12.1. Tenant Changes; Conditions. After installation of the initial Tenant Improvements for the Premises pursuant to the Work Letter Agreement attached hereto as Exhibit C, Tenant may, at its sole cost and expense, make alterations, additions, improvements and decorations to the Premises (collectively, "**Tenant Changes**") subject to and upon the following terms and conditions:

- (a) Notwithstanding any provision in this Section 12 to the contrary, Tenant is absolutely prohibited from making any alterations, additions, improvements or decorations which: (i) affect any area outside the Premises; (ii) adversely affect the Building's roof, structure, equipment, services or systems, or affect the proper functioning thereof, or Landlord's access thereto; (iii) affect the outside appearance, character or use of the Project or the Building or the Common Areas; (iv) weaken or impair the structural strength of the Building; (v) in the reasonable opinion of Landlord, lessen the value of the Project or the Building; (vi) will violate or require a change in any occupancy certificate applicable to the Premises; or (vii) would trigger a legal requirement which would require Landlord to make any alteration or improvement to the Premises, Building or Project (unless Tenant agrees to make and pay for such triggered alteration or requirement). In no event shall Tenant enter upon or install any equipment or conduct any activities on the roof of the Building without Landlord's prior written consent except as otherwise set forth in Section 1 of Rider No. 4 attached hereto.
- (b) Before proceeding with any Tenant Change which is not otherwise prohibited in Section 12.1(a) above, Tenant must first obtain Landlord's written approval thereof (including approval of all plans, specifications and working drawings for such Tenant Change), which approval shall not be unreasonably withheld, conditioned or delayed. However, Landlord's prior approval shall not be required for any Tenant Change which satisfies the following conditions (hereinafter a "**Pre-Approved Change**"): (i) the Tenant Change consists only of carpeting and/or painting the Premises, or (ii) the costs of such Tenant Change does not exceed \$100,000.00 per event and is cosmetic in nature and does not affect any building systems or structure, does not require the

issuance of a permit and is not visible from outside the Premises; and (iii) Tenant delivers to Landlord final plans (if applicable), specifications and working drawings (if applicable) for such Tenant Change at least ten (10) days prior to commencement of the work thereof; and (iv) Tenant and such Tenant Change otherwise satisfy all other conditions set forth in this Section 12.1.

- (c) After Landlord has approved the Tenant Changes and the plans, specifications and working drawings therefor (or is deemed to have approved the Pre-Approved Changes as set forth in Section 12.1(b) above), Tenant shall: (i) enter into an agreement for the performance of such Tenant Changes with such contractors and subcontractors selected by Tenant and approved by Landlord, which approval shall not be unreasonably withheld or delayed; (ii) before proceeding with any Tenant Change (including any Pre-Approved Change), provide Landlord with ten (10) days' prior written notice thereof; and (iii) pay to Landlord, within twenty one (21) days after written demand, the costs of any increased insurance premiums incurred by Landlord to include such Tenant Changes in the fire and extended coverage insurance obtained by Landlord pursuant to Section 21 below. However, Landlord shall be required to include the Tenant Changes under such insurance only to the extent such insurance is actually obtained by Landlord and such Tenant Changes are insurable under such insurance; if such Tenant Changes are not or cannot be included in Landlord's insurance, Tenant shall insure the Tenant Changes under its casualty insurance pursuant to Section 20.1(a) below. In addition, before proceeding with any Tenant Change, Tenant's contractors shall obtain, on behalf of Tenant and at Tenant's sole cost and expense all necessary governmental permits and approvals for the commencement and completion of such Tenant Change. Landlord's approval of any contractor(s) and subcontractor(s) of Tenant shall not release Tenant or any such contractor(s) and/or subcontractor(s) from any liability for any conduct or acts of such contractor(s) and/or subcontractor(s).
- (d) Tenant shall pay to Landlord, as additional rent, the reasonable costs of Landlord's third party engineers and other consultants (but not Landlord's on-site management personnel) for review of all plans, specifications and working drawings for the Tenant Changes not to exceed \$1,500.00 per event, within fifteen (15) business days after Tenant's receipt of invoices either from Landlord or such consultants. In addition to such costs, except with respect to Tenant Changes which are purely cosmetic in nature, Tenant shall pay to Landlord, within fifteen (15) business days after completion of any Tenant Change, the actual, reasonable costs incurred by Landlord for services rendered by Landlord's management personnel and engineers to coordinate and/or supervise any of the Tenant Changes to the extent such services are provided in excess of or after the normal on site hours of such engineers and management personnel not to exceed two and one-half percent (2½%) of the costs at issue and notwithstanding the immediately foregoing will in no case exceed \$5,000.00 per event.
- (e) All Tenant Changes shall be performed: (i) in accordance with the approved plans, specifications and working drawings; (ii) lien-free and in a first-class workmanlike manner; (iii) in compliance with all laws, rules, regulations of all governmental agencies and authorities including, without limitation, the provisions of California Energy Code, Title 24 and the ADA; (iv) in such a manner so as not to unreasonably interfere with the occupancy of any other tenant in the Project or Building, nor impose any additional expense upon nor delay Landlord in the maintenance and operation of the Project or Building; and (v) at such times, in such manner and subject to such rules and regulations as Landlord may from time to time reasonably designate.
- (f) Throughout the performance of the Tenant Changes, Tenant shall obtain, or cause its contractors to obtain, workers compensation insurance and general liability insurance in compliance with the provisions of Section 20 of this Lease.

12.2. Removal of Tenant Changes and Tenant Improvements. All Tenant Changes and the initial Tenant Improvements in the Premises (whether installed or paid for by Landlord or Tenant), shall become the property of Landlord and shall remain upon and be surrendered with the Premises at the end of the Term of this Lease or early termination thereof. With respect to Tenant Improvements which are not building standard office improvements and Tenant Changes made following completion of the Tenant Improvements, Landlord may, by written notice delivered to Tenant at the time of approval of such Tenant Changes, identify those items which Landlord shall require Tenant to remove at the end of the Term of this Lease. If Landlord requires Tenant to remove any such items as described above, Tenant shall, at its sole cost, remove the identified items on or before the expiration or sooner termination of this Lease and repair any damage to the Premises caused by such removal (or, at Landlord's option, shall pay to Landlord all of Landlord's costs of such removal and repair). Notwithstanding the foregoing, Tenant shall not be obligated to remove any tenant improvements which existed in the Premises as of the date this Lease was executed. Further, so long as Tenant requests and obtains Landlord's written approval, which approval shall not be unreasonably withheld, delayed or conditioned, and provided that the requested Tenant Changes are in compliance with Section 12.1(a) above, Tenant shall not be obligated to remove any Tenant Changes that are building standard office improvements or Tenant Changes that are similar improvements to the initial Tenant Improvements. In no event shall Tenant have any obligation to remove any of the Tenant Improvements made pursuant to the Work Letter Agreement attached hereto as Exhibit C.

12.3. Removal of Personal Property. All articles of personal property owned by Tenant or installed by Tenant at its expense in the Premises (including business and trade fixtures, furniture and moveable

partitions) shall be, and remain, the property of Tenant, and shall be removed by Tenant from the Premises, at Tenant's sole cost and expense, on or before the expiration or sooner termination of this Lease. Tenant shall promptly repair any damage caused by such removal.

12.4. **Tenant's Failure to Remove.** If Tenant fails to remove by the expiration or sooner termination of this Lease all of its personal property, or any items of Tenant Improvements or Tenant Changes identified by Landlord for removal pursuant to Section 12.2 above, or if Tenant fails to comply with its obligations under Section 12.3 above, Landlord may, at its option, treat such failure as a hold over pursuant to Section 9.3 above, and/or may (without liability to Tenant for loss thereof, at Tenant's sole cost and in addition to Landlord's other rights and remedies under this Lease, at law or in equity: (a) remove and store such items in accordance with applicable law; and/or (b) upon ten (10) days' prior notice to Tenant, sell all or any such items at private or public sale for such price as Landlord may obtain as permitted under applicable law. Landlord shall apply the proceeds of any such sale to any amounts due to Landlord under this Lease from Tenant (including Landlord's attorneys' fees and other costs incurred in the removal, storage and/or sale of such items), with any remainder to be paid to Tenant.

12.5. **Wi-Fi Network.** Tenant may install wireless intranet, Internet and communications network ("Wi-Fi Network") in the Premises for the use by Tenant and its employees, subject to the provisions of this Section 12.5 (in addition to the other provisions of this Section 12). Tenant shall, in accordance with Section 12.2 above and Exhibit E attached hereto, remove the Wi-Fi Network from the Premises on or prior to the termination of the Lease. Tenant shall use the Wi-Fi Network so as not to cause any interference to other tenants in the Building or to other tenants at the Project or with any other tenant's communication equipment, and not to damage the Building or Project or interfere with the normal operation of the Building or Project, and Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, costs, damages, expenses and liabilities (including attorneys' fees) arising out of Tenant's failure to comply with the provisions of this Section 12.5, except to the extent same is caused by the negligence or willful misconduct of Landlord and which is not covered by the insurance carried by Tenant under this Lease (or which would not be covered by the insurance required to be carried by Tenant under this Lease). Should any interference occur, Tenant shall take all necessary steps as soon as reasonably possible and no later than three (3) calendar days following notice to Tenant of such occurrence to correct such interference. If such interference continues after such three (3) day period, Tenant shall immediately cease operating such Wi-Fi Network until such interference is corrected or remedied to Landlord's reasonable satisfaction. Tenant acknowledges that Landlord has granted and/or may grant telecommunication rights to other tenants and occupants of the Building and Project and to telecommunication service providers and in no event shall Landlord be liable to Tenant for any interference of the same with such Wi-Fi Network. Landlord makes no representation that the Wi-Fi Network will be able to receive or transmit communication signals without interference or disturbance. Tenant shall (i) be solely responsible for any damage caused as a result of the Wi-Fi Network, (ii) pay within twenty one (21) days following demand any tax, license or permit fees charged pursuant to any laws or regulations in connection with the installation, maintenance or use of the Wi-Fi Network and comply with all precautions and safeguards recommended by all governmental authorities, (iii) pay for all necessary repairs, replacements to or maintenance of the Wi-Fi Network, and (iv) be responsible for any modifications, additions or repairs to the Building or Project, including without limitation, Building or Project systems or infrastructure, which are required by reason of the installation, operation or removal of Tenant's Wi-Fi Network. Should Landlord be required to retain professionals to research any interference issues that may arise and confirm Tenant's compliance with the terms of this Section 12.5, Landlord shall provide five (5) days prior notice to Tenant prior to Landlord retaining such professionals and if Tenant has not ceased such interference within said five (5) days, Tenant shall reimburse Landlord for the costs incurred by Landlord in connection with Landlord's retention of such professionals, the research of such interference issues and confirmation of Tenant's compliance with the terms of this Section 12.5 within twenty (20) days after the date Landlord submits to Tenant an invoice for such costs (the "**Reimbursement Cap**"); provided, however, that to the extent that it is determined that Tenant has failed to perform its obligations under this Section 12.5, the Reimbursement Cap shall not apply, and Tenant shall be responsible for reimbursing Landlord for all actual costs Landlord incurs in connection with Landlord's retention of such professionals, the research of such interference issues and confirmation of Tenant's compliance with the terms of this Section 12.5. This reimbursement obligation is in addition to, and not in lieu of, any rights or remedies Landlord may have in the event of a breach or default by Tenant under this Lease.

12.6. **Additional Tenant Security Systems.** Subject to the terms and conditions of this Section 12, and Landlord's approval of detailed plans and specifications for any such installations (including, without limitation, location, type of equipment and functionality), Tenant shall be permitted at its sole expense or from the Allowance to install and utilize its own security system, including, magnetic or other electronic locks, access panels and cameras, so long as such systems and services are fully compatible with Building systems. The following terms and conditions shall govern the use of any supplemental security:

- (i) Landlord shall have no obligation to provide any cleaning or janitorial service to any areas within the Premises which are not generally accessible to Landlord and its cleaning contractors. If Landlord determines in its sole discretion that an emergency in the Building or the Premises requires Landlord to gain access to the Premises, Tenant hereby authorizes Landlord to take such action as may be necessary to gain access, including to forcibly enter Premises if it is not otherwise generally accessible. In such event, Landlord shall have no liability whatsoever to Tenant as a result of such forced entry, and Tenant shall pay all costs and expenses for repairing or reconstructing any entrance, corridor, door or other portions of the Building or the Premises

and shall also be responsible for any and all damage to the Building arising out of or resulting from any delay or difficulty in accessing the Premises.

- (ii) In no event shall Landlord have any liability or responsibility for personal injury, theft, property damage or other losses or damage for any error or failure of any security measures in place at the Building from time to time, and Tenant shall be solely responsible for maintaining, monitoring and operating any security measures Tenant may install or operate at the Building. Without limiting the foregoing, if and to the extent Tenant installs or operates any security measures at the Building, including outside the Premises, Tenant shall indemnify, defend and hold harmless Landlord from and against any and all liabilities, losses, claims or causes of action arising out of or relating to Tenant's installation or operation of any such security measures, including, without limitation, any claims by third parties alleging reliance upon or injuries resulting from any failure of any security measures installed or operated by Tenant. In no event shall Tenant employ armed guards at the Building. With respect to any tapes or CCTV records made through the operation of Tenant's security equipment or measures, Tenant shall provide to Landlord upon request copies of any such tapes or records. Tenant shall maintain throughout the Term such insurance as may be reasonably prudent with respect to the installation and operation of security measures. Tenant shall not be obligated to remove its security equipment from the Project at the expiration or earlier termination of this Lease.

12.7 Supplemental HVAC Equipment. Pursuant to and in accordance with the terms of the Work Letter Agreement attached hereto as Exhibit C, and subject to the terms and conditions of this Section 12, Tenant shall be entitled to install and maintain supplemental HVAC equipment within the Premises (collectively, the "**Supplemental HVAC Equipment**"). Tenant's installation, use and maintenance of the Supplemental HVAC Equipment shall be at Tenant's sole cost and expense and shall be installed in a location approved by Landlord, which approval shall not be unreasonably withheld, delayed or conditioned, and Tenant shall at all times maintain the Supplemental HVAC Equipment in good condition and repair. The Supplemental HVAC Equipment shall be separately metered at Tenant's sole cost and expense (including condensor water and electricity, as applicable), and all costs and utility charges relating to the installation, operation, maintenance and repair of such Supplemental HVAC Equipment shall be paid for by Tenant. If Tenant elects to install any additional supplemental HVAC equipment pursuant to the terms of this Section 12, Tenant shall install and operate the additional supplemental HVAC equipment in compliance with applicable laws and shall at all times maintain the additional supplemental HVAC equipment, in good condition and repair. If Tenant desires to relocate the Supplemental HVAC Equipment, Tenant shall obtain Landlord's prior written approval of the new location, and any costs incurred due to the relocation shall be Tenant's sole responsibility. Upon the expiration or earlier termination of this Lease, Tenant shall surrender the Supplemental HVAC Equipment to Landlord in good condition, normal wear and tear excepted. Tenant shall not have any obligation to remove at the expiration or earlier termination of this Lease any Supplemental HVAC Equipment installed by Tenant.

13. Liens.

Tenant shall not permit any mechanic's, materialmen's or other liens to be filed against all or any part of the Project, the Building or the Premises, nor against Tenant's leasehold interest in the Premises, by reason of or in connection with any repairs, alterations, improvements or other work contracted for or undertaken by Tenant or any other act or omission of Tenant or Tenant's agents, employees, contractors, licensees or invitees. Tenant shall, at Landlord's request, provide Landlord with enforceable, unconditional and final lien releases (and other evidence reasonably requested by Landlord to demonstrate protection from liens) from all persons furnishing labor and/or materials with respect to the Premises. Landlord shall have the right at all reasonable times to post on the Premises and record any notices of non-responsibility which it deems necessary for protection from such liens. If any such liens are filed, Tenant shall, at its sole cost, immediately cause such lien to be released of record or bonded to Landlord's reasonable satisfaction so that it no longer affects title to the Project, the Building or the Premises. If Tenant fails to cause such lien to be so released or bonded within twenty (20) days after filing thereof, Landlord may, without waiving its rights and remedies based on such breach, and without releasing Tenant from any of its obligations, cause such lien to be released by any means it shall deem proper, including payment in satisfaction of the claim giving rise to such lien. Tenant shall pay to Landlord within five (5) days after receipt of invoice from Landlord, any sum paid by Landlord to remove such liens, together with interest at the Interest Rate from the date of such payment by Landlord. NOTICE IS HEREBY GIVEN THAT LANDLORD SHALL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED OR TO BE FURNISHED TO TENANT, OR TO ANYONE HOLDING THE PREMISES THROUGH OR UNDER TENANT, AND THAT NO MECHANICS' OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT THE INTEREST OF LANDLORD IN THE PREMISES.

14. Assignment and Subletting.

14.1. Restriction on Transfer. Except as otherwise expressly provided in this Section 14, Tenant shall not, without the prior written consent of Landlord, which consent Landlord will not unreasonably withhold, condition or delay, assign this Lease or any interest herein or sublet the Premises or any part thereof, or permit the use or occupancy of the Premises by any party other than Tenant (any such assignment, encumbrance, sublease, license or the like shall sometimes be referred to as a "**Transfer**"). In no event may Tenant encumber this Lease. Any Transfer without Landlord's consent (except for a Permitted Transfer pursuant to Section 14.2 below) shall constitute a curable default by Tenant under this

Lease, and in addition to all of Landlord's other remedies at law, in equity or under this Lease, such Transfer shall be voidable at Landlord's election. In addition, this Lease shall not, nor shall any interest of Tenant herein, be assignable by operation of law without the written consent of Landlord. For purposes of this Section 14, other than with respect to a Permitted Transfer under Section 14.2, and transfers of stock of Tenant, if Tenant is a publicly-held corporation, and such stock is transferred publicly over a recognized security exchange or over-the-counter market, if Tenant is a corporation, partnership or other entity, any transfer, assignment, encumbrance or hypothecation of fifty one percent (51%) or more (individually or in the aggregate) of any stock or other ownership interest in such entity, and/or any transfer, assignment, hypothecation or encumbrance of any controlling ownership or voting interest in such entity, shall be deemed an assignment of this Lease and shall be subject to all of the restrictions and provisions contained in this Section 14.

14.2. Permitted Controlled Transfers. Notwithstanding the provisions of Section 14.1 above to the contrary, Tenant may assign this Lease or sublet the Premises or any portion thereof (herein, a "**Permitted Transfer**"), without Landlord's consent and without extending any sublease or termination option to Landlord, to (i) a parent, subsidiary, affiliate, or any person or entity which controls, is controlled by or is under common control with Tenant, (ii) any successor in interest to Tenant as a result of any merger, consolidation, or reorganization, (iii) any person or entity which acquires substantially all of the assets of an operating division, group, or department of Tenant, (iv) any person or entity which acquires more than 49% of the direct or indirect ownership interests in Tenant, or (v) any successor in interest to Tenant as a result of any initial public offering by Tenant or an affiliate, or the sale of Tenant's or an affiliate's stock on a nationally recognized exchange (any such entity being a "**Permitted Transferee**"), provided, however, with respect to each Permitted Transferee, (a) Tenant shall deliver to Landlord prior notice of any such assignment or sublease (or if such notice would be a violation of confidentiality or nondisclosure requirements, then immediately following such transfer), the financial statements and other financial and background information of the assignee or sublessee described in Section 14.3 below; (b) if an assignment, the assignee assumes, in full, the obligations of Tenant under this Lease (or if a sublease, the sublessee of a portion of the Premises or Term assumes, in full, the obligations of Tenant with respect to such portion); (c) the financial condition of the proposed subtenant or assignee is sufficient to meet the obligations of Tenant under this Lease as they become due (or the obligations being undertaken by any such Permitted Transferee); (d) Tenant shall not be released from its obligations hereunder; and (e) the use of the Premises under Section 6 above remains unchanged.

14.3. Landlord's Options. If at any time or from time to time during the Term Tenant desires to effect a Transfer, Tenant shall deliver to Landlord written notice ("**Transfer Notice**") setting forth the terms and provisions of the proposed Transfer and the identity of the proposed assignee, sublessee or other transferee (sometimes referred to hereinafter as a "**Transferee**"). Tenant shall also deliver to Landlord with the Transfer Notice, a current financial statement and financial statements for the preceding two (2) years (as available) of the Transferee which have been certified or audited by a reputable independent accounting firm acceptable to Landlord or certified by an officer of the Transferee, and such other commercially reasonable information concerning the business background and financial condition of the proposed Transferee as Landlord may reasonably request. Except with respect to a Permitted Transfer or a sublease or assignment to an Permitted Transferee, Landlord shall have the option, exercisable by written notice delivered to Tenant within ten (10) business days after Landlord's receipt of the Transfer Notice, such financial statements and other information, either to:

- (a) approve or disapprove such Transfer, which approval shall not be unreasonably withheld or delayed; or
- (b) sublet from Tenant that portion of the Premises located on the first (1st) floor of the Building only which Tenant has requested to sublease at the rental and on the other terms set forth in this Lease prorated for the portion of the Premises located on the first (1st) floor of the Building only to be sublet and for the term set forth in Tenant's Notice, or, in the case of an assignment or encumbrance, terminate this Lease with respect to the portion of the Premises located on the first (1st) floor of the Building only and recapture such portion of the Premises located on the first (1st) floor of the Building, which termination shall be effective thirty (30) days after Tenant's receipt of Landlord's notice. Landlord shall not have the right to recapture the portion of the Premises located on the second (2nd) floor of the Building. If Landlord gives Tenant a recapture notice pursuant to this Section 14.3(b) with respect to the portion of the Premises located on the first (1st) floor of the Building, then Tenant shall have the right, exercisable by written notice to Landlord within five (5) business days of Tenant receiving Landlord's recapture notice, to rescind its Transfer Notice in which event Landlord's recapture notice shall be null and void, and Landlord shall not have any right to terminate the Lease or exercise an option to sublease all or a portion of the Premises as set forth in this Section 14.3.

With respect to the portion of the Premises located on the first (1st) floor of the Building, if Landlord exercises its option to sublease any such space from Tenant following Tenant's request for Landlord's approval of the proposed sublease of such space, (i) Landlord shall be responsible for the construction of any partitions which Landlord reasonably deems necessary to separate such space from the remainder of the Premises, and (ii) Landlord and any sub-subtenant or assignee of Landlord with respect to such subleased space shall have the right to use in common with Tenant all lavatories, corridors and lobbies which are within the 1st floor Premises and which are reasonably required for the use of such space.

14.4. Additional Conditions; Excess Rent. If for a Transfer other than a Permitted Transfer or a sublease or assignment to a Permitted Transferee, Landlord does not exercise its sublease or termination option and instead approves of the proposed Transfer pursuant to Section 14.3(a) above, Tenant may enter into the proposed Transfer with such proposed Transferee subject to the following further conditions:

- (a) the Transfer shall be on the same terms set forth in the Transfer Notice delivered to Landlord (if the terms have changed, Tenant must submit a revised Transfer Notice to Landlord and Landlord shall have another fifteen (15) days after receipt thereof to make the election in Sections 14.3(a) or 14.3(b) above);
- (b) no Transfer shall be valid and no Transferee shall take possession of the Premises until an executed counterpart of the assignment, sublease or other instrument affecting the Transfer has been delivered to Landlord pursuant to which the Transferee shall expressly assume all of Tenant's obligations under this Lease (or with respect to a sublease of a portion of the Premises or for a portion of the Term, all of Tenant's obligations applicable to such portion);
- (c) no Transferee shall have a further right to assign, encumber or sublet, except on the terms herein contained; and
- (d) fifty percent (50%) of any rent or other economic consideration received by Tenant as a result of such Transfer which exceeds, in the aggregate, (i) the total rent which Tenant is obligated to pay Landlord under this Lease (prorated to reflect obligations allocable to any portion of the Premises subleased), less (ii) any reasonable brokerage commissions, attorneys' fees and tenant improvement costs actually paid by Tenant in connection with such Transfer, shall be paid to Landlord within thirty (30) days after receipt thereof as additional rental under this Lease, without affecting or reducing any other obligations of Tenant hereunder.

14.5. Reasonable Disapproval. Landlord and Tenant hereby acknowledge that Landlord's disapproval of any proposed Transfer (other than a Permitted Transfer) pursuant to Section 14.3(a) above shall be deemed reasonably withheld if based upon any reasonable factor, including any or all of the following factors: (a) the proposed Transfer would result in more than two subleases of portions of the Premises being in effect at any one time during the Term; (b) intentionally deleted; (c) the proposed Transferee is an existing tenant of the Project or is negotiating with Landlord (or has negotiated with Landlord in the last six (6) months) for space in the Project provided however that Landlord has competing space of similar square footage and can accommodate such Transferee; (d) the proposed Transferee is a governmental entity; (e) the portion of the Premises to be sublet or assigned is irregular in shape with inadequate means of ingress and egress; (f) the proposed Transfer would result in different tenants occupying the first and second floor portions of the Premises, unless and to the extent Tenant shall upon Landlord's request remove or seal to Landlord's satisfaction any interior staircase that has been constructed within the Premises; (g) the use of the Premises by the Transferee (i) is not permitted by the use provisions in Section 6 hereof, or (ii) violates any exclusive use granted by Landlord to another tenant in the Building; (h) the Transfer would likely result in significant increase in the use of the parking areas or Common Areas by the Transferee's employees or visitors, and/or significantly increase the demand upon utilities and services to be provided by Landlord to the Premises; (i) the financial condition of the Transferee is insufficient to meet the obligations of Tenant under this Lease as they become due; or (j) the Transferee is not in Landlord's reasonable opinion of reputable or good character or consistent with Landlord's desired tenant mix. Notwithstanding any contrary provision of this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld or delayed its consent to a proposed Transfer or otherwise has breached its obligations under this Article 14, Tenant's and such Transferee's only remedy shall be to seek a declaratory judgment and/or injunctive relief, and Tenant, on behalf of itself and, to the extent permitted by law, such proposed Transferee waives all other remedies against Landlord, including, without limitation, the right to seek monetary damages or to terminate this Lease, provided that the prevailing party in any such action shall be entitled to fees and costs as set forth in Section 32.4 of this Lease.

14.6. No Release. No Transfer shall release Tenant of Tenant's obligations under this Lease or alter the primary liability of Tenant to pay the rent and to perform all other obligations to be performed by Tenant hereunder. Landlord may require that any Transferee remit directly to Landlord on a monthly basis, all monies due Tenant by said Transferee, and each sublease shall provide that if Landlord gives said sublessee written notice that Tenant is in default under this Lease, said sublessee will thereafter make all payments due under the sublease directly to or as directed by Landlord, which payments will be credited against any payments due under this Lease. Tenant hereby irrevocably and unconditionally assigns to Landlord all rents and other sums payable under any sublease of the Premises; provided, however, that Landlord hereby grants Tenant a license to collect all such rents and other sums so long as Tenant is not in default under this Lease beyond all applicable notice and cure periods. Tenant shall, within ten (10) days after the execution and delivery of any assignment or sublease, deliver a duplicate original copy thereof to Landlord. However, the acceptance of rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision hereof. Consent by Landlord to one Transfer shall not be deemed consent to any subsequent Transfer. In the event of default by any Transferee of Tenant or any successor of Tenant in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such Transferee or successor. Landlord may consent to subsequent assignments of the Lease or sublettings or amendments or modifications to the Lease with assignees of Tenant, subject to notifying Tenant, or

any successor of Tenant, and subject to obtaining its or their consent thereto and any such actions shall not relieve Tenant of liability under this Lease.

14.7. Administrative and Attorneys' Fees. If Tenant effects a Transfer or requests the consent of Landlord to any Transfer, then Tenant shall, upon demand, pay Landlord reasonable attorneys' and paralegal fees and costs incurred by Landlord in connection with such Transfer or request for consent (whether attributable to Landlord's in-house attorneys or paralegals or otherwise) not to exceed \$1,500.00 per event.

14.8. Material Inducement. Tenant understands, acknowledges and agrees that (a) Landlord's option to sublease from Tenant any space which Tenant proposes to sublease or terminate this Lease upon any proposed assignment or encumbrance of this Lease by Tenant as provided in Section 14.3(b) above rather than approve the proposed sublease, assignment or encumbrance, and (b) Landlord's right to receive fifty percent (50%) of any excess consideration paid by a Transferee in connection with an approved Transfer as provided in Section 14.4(d) above, are a material inducement for Landlord's agreement to lease the Premises to Tenant upon the terms and conditions herein set forth.

15. Entry by Landlord.

Landlord and its employees and agents shall at all reasonable times have the right to enter the Premises to inspect the same subject to prior notice to Tenant no less than 24 hours in advance, to supply janitorial service as mutually agreed pursuant to the janitorial service specifications, and any other service required to be provided by Landlord to Tenant under this Lease subject to prior notice to Tenant no less than 24 hours in advance, as applicable, to exhibit the Premises to prospective lenders or purchasers (or during the last nine (9) months of the Term, to prospective tenants), to post notices of non-responsibility, and/or to (subject to prior notice to Tenant and coordination with Tenant) alter, improve or repair the Premises or any other portion of the Building or Project, all without being deemed guilty of or liable for any breach of Landlord's covenant of quiet enjoyment or any eviction of Tenant, and without abatement of rent. In exercising such entry rights, Landlord shall endeavor to minimize, as reasonably practicable, the interference with Tenant's business and Tenant's use and/or access to the Premises, and shall provide Tenant with reasonable advance written notice of such entry (except in emergency situations and for scheduled services). For each of the foregoing purposes, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults and safes or any designated secured areas by Tenant, and Landlord shall have the means which Landlord may deem proper to open said doors in an emergency in order to obtain entry to the Premises. Any entry to the Premises obtained by Landlord by any of said means or otherwise shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof, or grounds for any abatement or reduction of rent and Landlord shall not have any liability to Tenant for any damages or losses on account of any such entry by Landlord except, subject to the provisions of Section 22.1, to the extent of Landlord's gross negligence or willful misconduct.

16. Utilities and Services.

16.1. Standard Utilities and Services. Subject to the terms and conditions of this Lease including Force Majeure events as described in Section 32.15 below, and the obligations of Tenant as set forth hereinbelow, Landlord shall furnish or cause to be furnished to the Premises the following utilities and services (Landlord reserves the right to adopt non-discriminatory modifications and additions to the following provisions from time to time):

- (a) Landlord shall make the elevator of the Building available for Tenant's non-exclusive use, twenty-four (24) hours per day, subject to shut downs for maintenance, inspection and matters reasonably outside Landlord's control.
- (b) Landlord shall furnish up to sixty (60) hours per week of HVAC for the Premises ("**Tenant's HVAC Hours**") starting with the Building Hours which amount to fifty four (54) hours of HVAC, and thereafter as required by Tenant up to the said 60-hours. The HVAC shall be provided by Landlord as required in Landlord's judgment for the comfortable and normal occupancy of the Premises. Notwithstanding the foregoing, Landlord hereby confirms that the thermostats located in the Premises shall have a set-point of 70 to 74 degrees Fahrenheit, such that the temperature range in the Premises may be at all times during Business Hours between 68 and 76 degrees Fahrenheit as measured at the standard thermostat height of approximately forty-two (42) inches above the floor. The cost of maintenance and service calls to adjust and regulate the HVAC system shall be charged to Tenant if the need for maintenance work results from either Tenant's adjustment of room thermostats or Tenant's failure to comply with its obligations under this Section 16, including keeping window coverings closed as needed due to high temperatures outside the Premises. Such work shall be charged at hourly rates equal to then-current and actual journeyman's wages for HVAC mechanics. The Building management system will log Tenant's actual HVAC use, using a bypass system to be installed within the Premises as a part of the work to be completed by Landlord (which bypass system will allow for HVAC during other than Building Hours in one or two hour increments). If Tenant does not utilize the full sixty (60) hours of HVAC during any given week, then any unused HVAC hours shall rollover to future weeks and be banked by Tenant during the Lease Term, without a "sunset date" for Tenant's future use (the "**Banked HVAC Hours**"), provided, however, the maximum balance of Banked

HVAC Hours shall no event exceed 200 hours at any given time. Landlord shall conduct a reconciliation quarterly in order to track the Banked HVAC Hours. If Tenant desires HVAC at any time other than during the Business Hours for the Building, Landlord shall provide such "after-hours" usage after advance reasonable request by Tenant, and Tenant shall pay to Landlord, as additional rent (and not as part of the Operating Expenses) the cost (provided that such after-hours exceed the Tenant's HVAC Hours or the Banked HVAC Hours, as applicable), as fairly determined by Landlord, of such after-hours usage, including any minimum hour charges for after-hours requests and any special start-up costs for after-hours services which requires a special start-up (such as late evenings, weekends and holidays). Landlord confirms that after-hours heating and air-conditioning is available to the Premises at the current cost of \$35.00 per hour per HVAC unit. The rate for after-hours heating and air-conditioning to the Premises is subject to change based upon changes in Landlord's cost to provide such services. Notwithstanding the foregoing, Tenant shall not incur any costs or charges in connection with ordering the Tenant's HVAC Hours or the Banked HVAC Hours.

- (c) Landlord shall furnish to the Premises twenty-four (24) hours per day, electrical service for typical office space. The wattage for electrical services shall be no less than four (4) watts per rentable square foot of the Premises per month during the Business Hours for the Building for power including lighting and plugs for the Premises, but excluding the electrical for the Building HVAC system. In the event Tenant determines during the design phase of the Tenant Improvements that four (4) watts per rentable square foot of the Premises per month during the Business Hours for the Building are not sufficient for Tenant's office needs, Tenant shall notify Landlord of the need for additional wattage, and Landlord shall endeavor to provide Tenant up to five (5) watts per rentable square foot of the Premises for power including lighting and plugs for the Premises, but excluding the electrical for the Building HVAC system per month during the Business Hours for the Building. In no event shall Tenant's use of electric current ever exceed the capacity of the feeders to the Building or the risers or wiring installation of the Building. Landlord shall also furnish water to the Premises twenty-four (24) hours per day for drinking and lavatory purposes in any sinks and restrooms installed in the Premises as part of the Tenant Improvements, and in any restrooms in the Common Areas of the Building, in such commercially reasonable quantities as required in Landlord's judgment for the comfortable and normal use of the Premises. If Tenant requires or consumes water or electrical power in excess of what Landlord provides other tenants in the Building, Landlord may require Tenant to pay to Landlord, as additional rent, the cost as fairly determined by Landlord incurred for such excess usage.
- (d) Landlord shall furnish janitorial services to the Premises five (5) days per week (excluding Project Holidays) pursuant to janitorial and cleaning specifications as may be adopted by Landlord from time to time, which current Building standard janitorial and cleaning specifications are attached hereto as Exhibit I. No person(s) other than those persons approved by Landlord shall be permitted to enter the Premises for such purposes. Janitor service shall include ordinary dusting and cleaning by the janitor assigned to do such work and shall not include cleaning of carpets or rugs, except normal vacuuming, or moving of furniture, interior window cleaning, and other special services, except as otherwise set forth in Exhibit I attached hereto. Such additional services may be rendered by Landlord pursuant to written agreement with Tenant as to the extent of such services and the payment of the cost thereof. Janitor service will not be furnished on nights when rooms are occupied after 7:30 p.m. or to rooms which are locked unless a key is furnished to the Landlord for use by the janitorial contractor. Exterior window cleaning shall be done only by Landlord, at such time and frequency as determined by Landlord at Landlord's sole discretion provided that such exterior windows are maintained clean and consistent with other first class office buildings in the Oxnard area. Tenant shall pay to Landlord the cost of removal of any of Tenant's refuse and rubbish to the extent that the same exceeds the refuse and rubbish usually attendant upon the use of the Premises as offices.
- (e) Landlord may provide security service or protection at the Building and/or the Project as part of the Operating Expenses, in any manner deemed reasonable by Landlord at Landlord's sole discretion, from the Commencement Date throughout the Term. Landlord shall have no liability in connection with the decision whether or not to provide such services and Tenant hereby waives all claims based thereon. Landlord shall not be liable for losses due to theft, vandalism or similar causes. If such security service is added during a Lease year after the Base Year, the cost for such security service shall be included in the Base Year.
- (f) At Landlord's option, and subject to prior written notice to Tenant as set forth herein, Landlord may install water, electricity and/or HVAC meters in the Premises in the event of Tenant's over-standard consumption or due to a governmental agency new rule, regulation or law as set forth herein. If such meters are installed solely due to Tenant's consumption of over-standard quantities of services (and provided that Tenant has been given no less than thirty (30) days prior written notice of such excess consumption and an opportunity to respond and reduce consumption), Tenant shall pay the cost of such meters upon submission of an invoice therefor, and shall pay for the over standard consumption pursuant to said meters. If such meters are installed in response to new laws, rules or regulations by a governmental agency, Landlord shall provide fifteen (15) days prior written notice to Tenant prior to such installation, and the costs of such meters will be included in Operating Expenses under this Lease. Notwithstanding the foregoing, if such meters are installed to measure Tenant's over-standard consumption of water, electricity and/or HVAC, Tenant shall pay for the over-standard consumption pursuant to said

meters, and if such meters are installed to fully separately meter Tenant's consumption of water, electricity and/or HVAC not due as a result of Tenant's over consumption, then in such event, Tenant's Monthly Basic Rent set forth in this Lease shall be reduced from the time that Tenant begins to pay for such separately metered service by an amount equal to the average monthly cost of such service in the Building and other comparable office buildings in Oxnard as reasonably and equitably determined by Landlord.

- (g) Tenant acknowledges that Landlord and/or Tenant may from time to time be requested or required to obtain, report and/or disclose certain energy consumption information with regard to the Premises, which may include, without limitation, benchmarking data for the U.S. Environmental Protection Agency's ENERGY STAR® Portfolio Manager and information relating to compliance with "green building" initiatives, including, if applicable, the Leadership in Energy & Environmental Design (LEED) certification program. Tenant shall throughout the Term of this Lease, comply with all Federal, State or local laws, rules and regulations relating to consumption of utilities, energy or energy efficiency (as they may be in enacted or in effect from time to time, "**Energy Regulations**"), and Tenant shall, upon written request by Landlord or Landlord's lender, deliver and/or disclose such available information to Tenant regarding the consumption of utilities at the Premises as may be required to comply with applicable Energy Regulations. Further, Tenant authorizes Landlord to disclose such information and data regarding the Premises as may be requested or required from time to time to comply with Energy Regulations.

The costs of Building services shall be included in Operating Expenses and all charges with respect to utilities shall be included in Common Utilities Costs as defined in Section 4.7 above. Landlord may, but is not obligated to, provide additional services hereunder; provided, however, that if Landlord does provide such extra services requested by Tenant, Tenant agrees to pay a five percent (5%) administration fee for the provisions of such services.

Landlord shall have the right at any time and from time-to-time during the Term of the Lease to contract for service from any company or companies providing electricity service ("**Service Provider**"). Tenant, at no additional cost to Tenant, shall cooperate with Landlord and the Service Provider at all times and, as reasonably necessary, shall allow Landlord and Service Provider reasonable access (subject to commercially reasonable prior notice which in no case will be less than 24 hours' notice, except in case of emergencies) to the Building's electric lines, feeders, risers, wiring, and any other machinery within the Premises. Landlord shall in no way be liable or responsible for any loss, damage, or expense that Tenant may sustain or incur by reason of any change, failure, interference, disruption, or defect in the supply or character of the electric energy furnished to the Premises, or if the quantity or character of the electric energy supplied by the Service Provider is no longer available or suitable for Tenant's requirements, no such change, failure, defect, unavailability, or unsuitability shall constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of rent, or relieve Tenant from any of its obligations under the Lease.

16.2. Tenant's Obligations. Tenant shall cooperate fully at all times with Landlord, and abide by all reasonable regulations and requirements which Landlord may prescribe for the proper functioning and protection of the Building's services and systems. Tenant shall not use any apparatus or device in, upon or about the Premises which may in any way increase the amount of services or utilities usually furnished or supplied to the Premises or other premises in the Building. In addition, Tenant shall not connect any conduit, pipe, apparatus or other device to the Building's water, waste or other supply lines or systems for any purpose. Neither Tenant nor its employees, agents, contractors, licensees or invitees shall at any time enter, adjust, tamper with, touch or otherwise in any manner affect the mechanical installations or facilities of the Building.

16.3. Failure to Provide Utilities. Landlord's failure to furnish any of the utilities and services described in Section 16.1 above when such failure is caused by all or any of the following shall not result in any liability of Landlord: (a) accident, breakage or repairs (unless and to the extent the nature of such repairs is such that an Abatement Event occurs pursuant to the terms of terms of this Section 16.3 below); (b) strikes, lockouts or other labor disturbances or labor disputes of any such character; (c) governmental regulation, moratorium or other governmental action; (d) inability, despite the exercise of reasonable diligence, to obtain electricity, water or fuel; (e) service interruptions or any other unavailability of utilities resulting from causes beyond Landlord's control including without limitation, any Service Provider initiated "brown-out" or "black-out"; or (f) any other cause beyond Landlord's reasonable control, including war, terrorism and bioterrorism. In addition, in the event of the failure of any said utilities or services, Tenant shall not be entitled to any abatement or reduction of rent (except as expressly provided below in this Section 16.3, or in Sections 18.3 and 19.2 below if such failure is a result of a damage or taking described therein), no eviction of Tenant shall result, and Tenant shall not be relieved from the performance of any covenant or agreement in this Lease. In the event of any stoppage or interruption of services or utilities, Landlord shall diligently attempt to resume such services or utilities as promptly as practicable. Tenant hereby waives the provisions of California Civil Code Section 1932(1) or any other applicable existing or future law, ordinance or governmental regulation permitting the termination of this Lease due to an interruption, failure or inability to provide any services.

Notwithstanding anything to the contrary contained in this Lease, in the event that Tenant is actually prevented from using, and does not use, the Premises or any portion thereof, for the Eligibility Period (as defined below) as a result of any of the following (each an "**Abatement Event**") (i) any construction, repair, maintenance or alteration performed by Landlord after the Commencement Date (provided that no

Abatement Event shall be deemed to occur if Landlord is proceeding with diligence to cause the necessary work to be completed expeditiously and in a manner that minimizes any disruption to Tenant's business operations); (ii) any failure by Landlord to provide to the Premises any of the essential utilities and services required to be provided in this Lease, (iii) any failure by Landlord to provide access to the Premises or parking areas, (iii) any failure by Landlord to perform Landlord's repair obligations under this Lease, or (iv) the presence of Hazardous Materials in, on or around the Building, the Premises which were not caused or introduced by Tenant, and which Hazardous Materials pose a material and significant health risk to occupants of the Premises as determined by applicable governmental authorities, then Tenant's obligation to pay Basic Rent or Operating Expenses shall be abated or reduced, as the case may be, from and after the first (1st) day following the Eligibility Period and continuing until such time that Tenant continues to be so prevented from using, and does not use, the Premises or a portion thereof (the "Unusable Area"), in the proportion that the rentable square feet of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total rentable square feet of the Premises. However, if less than all, but a substantial portion, of the Premises is unfit for occupancy and the remainder of the Premises is not sufficient to allow Tenant to effectively conduct its business therein as a result of an Abatement Event, and if Tenant does not conduct its business from the Unusable Area affected by such Abatement Event, then the Basic Rent or Operating Expenses shall be abated for such time after the expiration of the Eligibility Period that Tenant continues to be so prevented from using, and does not use, the entire Premises (which areas if used by Tenant shall not be eligible for any such abatement during the period of such use). If, however, Tenant reoccupies any portion of the Premises during such period, the Basic Rent or Operating Expenses allocable to such reoccupied portion, based on the proportion that the rentable square feet of such reoccupied portion of the Premises bears to the total rentable square feet of the Premises, shall be payable by Tenant from the date Tenant reoccupies such portion of the Premises.

(a) As used herein, the "Eligibility Period" shall mean three (3) consecutive business days or twelve (12) non-consecutive business days in any twelve (12) consecutive month period (which twelve (12) business day period may be reduced to ten (10) non-consecutive business days in any twelve (12) consecutive month period to the extent Landlord receives insurance proceeds covering the rental loss for such shorter period).

(b) Notwithstanding anything contained herein to the contrary, Tenant's Abatement Event Termination Notice shall be null and void (but only in connection with the first Abatement Event Termination Notice sent by Tenant with respect to each separate Abatement Event) if Landlord cures such Abatement Event within such thirty (30) day period following receipt of such Abatement Event Termination Notice. Further, Tenant shall not be entitled to any abatement or reduction of Rent to the extent any Abatement Event arises out of results from a matter outside of Landlord's reasonable control, unless and to the extent Landlord is able to and does recover from Landlord's insurer the amount of any such rent abatement. If Tenant's right to abatement and/or termination occurs because of a damage or destruction pursuant to Section 18 in this Lease or an event of eminent domain pursuant to Section 19 in this Lease, then (1) the Eligibility Period shall not be applicable, and (2) Tenant's termination right in this Section 16.3 shall not be applicable, as such abatement and termination rights shall be governed by Section 18 and Section 19 respectively, and not this Section 16.3. Except as expressly provided in this Section 16.3, nothing contained herein shall be interpreted to mean that Tenant is excused from paying Rent due under this Lease.

17. Indemnification and Exculpation.

17.1. **Tenant's Assumption of Risk and Waiver.** Subject to the terms of Section 22 below and except to the extent such matter is not covered by the insurance required to be maintained by Tenant under this Lease and such matter is attributable to the negligence or willful misconduct of Landlord and Landlord's Parties, Landlord shall not be liable to Tenant, Tenant's employees, agents or invitees for: (i) any damage to property of Tenant, or of others, located in, on or about the Premises, nor for (ii) the loss of or damage to any property of Tenant or of others by theft or otherwise, (iii) any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or leaks from any part of the Premises or from the pipes, appliance of plumbing works or from the roof, street or subsurface or from any other places or by dampness or by any other cause of whatsoever nature, or (iv) any such damage caused by other tenants or persons in the Premises, occupants of adjacent property of the Project, or the public, or caused by operations in construction of any private, public or quasi-public work. Landlord shall in no event be liable to Tenant for any consequential damages or for loss of revenue or income and Tenant waives any and all claims for any such damages. Notwithstanding anything to the contrary contained in this Section 17.1, all property of Tenant, its agents, employees and invitees kept or stored on the Premises, whether leased or owned by any such parties, shall be so kept or stored at the sole risk of Tenant and Tenant shall hold Landlord harmless from any claims arising out of damage to the same, including subrogation claims by Tenant's insurance carriers. Neither Landlord nor its agents shall be liable for interference with the light or other intangible rights.

17.2. **Tenant's Indemnification of Landlord.** Tenant shall indemnify, defend, protect and hold Landlord and Landlord's members, partners, officers, directors, shareholders, employees, agents, successors and assigns (collectively, "Landlord Indemnified Parties") harmless from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities and expenses, including attorneys' fees and court costs (collectively, "Indemnified Claims"), arising or resulting from (a) the use of the Premises and conduct of Tenant's business by Tenant or any of Tenant's Parties, or any other activity, work or thing done, permitted or suffered by Tenant or any of Tenant's Parties, within the

Premises; and/or (b) any default by Tenant of any obligations on Tenant's part to be performed under the terms of this Lease. In case any action or proceeding is brought against Landlord or any Landlord Indemnified Parties by reason of any such Indemnified Claims, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel approved in writing by Landlord, which approval shall not be unreasonably withheld.

17.3. Survival; No Release of Insurers. The indemnification obligations under Section 17.2 above shall survive the expiration or earlier termination of this Lease. Tenant's covenants, agreements and indemnification in Sections 17.1 and 17.2 above are not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried by Tenant pursuant to the provisions of this Lease.

18. Damage or Destruction.

18.1. Landlord's Rights and Obligations. In the event the Premises or any part of the Building is damaged by fire or other casualty to an extent not exceeding twenty-five percent (25%) of the full replacement cost thereof, and Landlord's contractor within forty-five (45) days following the damage or casualty estimates in a writing delivered to the parties that the damage thereto is such that the Building and/or the Premises may be repaired, reconstructed or restored to substantially its condition immediately prior to such damage within one hundred and fifty (150) days from the date of such casualty, and Landlord will receive insurance proceeds sufficient to cover the costs of such repairs, reconstruction and restoration (including proceeds from Tenant and/or Tenant's insurance which Tenant is required to deliver to Landlord pursuant to Section 18.2 below), then Landlord shall commence and proceed diligently with the work of repair, reconstruction and restoration and this Lease shall continue in full force and effect. If, however, the Premises or any other part of the Building is damaged to an extent exceeding twenty-five percent (25%) of the full replacement cost thereof, or Landlord's contractor within forty-five (45) days following the damage or casualty estimates that such work of repair, reconstruction and restoration will require longer than one hundred and fifty (150) days to complete, or Landlord will not receive insurance proceeds (and/or proceeds from Tenant, as applicable) sufficient to cover the costs of such repairs, reconstruction and restoration, then Landlord may elect to either:

- (a) repair, reconstruct and restore the portion of the Building and Premises damaged by such casualty (including the Tenant Improvements and, to the extent of insurance proceeds received from Tenant, Tenant Changes), in which case this Lease shall continue in full force and effect; or
- (b) terminate this Lease effective as of the date which is thirty (30) days after Tenant's receipt of Landlord's election to so terminate.

Under any of the conditions of this Section 18.1, Landlord shall give written notice to Tenant of its intention to repair or terminate within the later of sixty (60) days after the occurrence of such casualty, or thirty (30) days after Landlord's receipt of the estimate from Landlord's contractor or as applicable, thirty (30) days after Landlord receives approval from Landlord's lender to rebuild.

18.2. Tenant's Costs and Insurance Proceeds. In the event of any damage or destruction of all or any part of the Premises, Tenant shall immediately: (a) notify Landlord thereof; and (b) deliver to Landlord all insurance proceeds received by Tenant with respect to the Tenant Improvements and Tenant Changes in the Premises (excluding proceeds for Tenant's furniture and other personal property), whether or not this Lease is terminated as permitted in this Section 18, and Tenant hereby assigns to Landlord all rights to receive such insurance proceeds. If, for any reason (including Tenant's failure to obtain insurance for the full replacement cost of any Tenant Changes which Tenant is required to insure pursuant to Sections 12.1(c) and/or 20.1(a) hereof), Tenant fails to receive insurance proceeds covering the full replacement cost of such Tenant Changes which are damaged, Tenant shall be deemed to have self-insured the replacement cost of such Tenant Changes, and upon any damage or destruction thereto, Tenant shall immediately pay to Landlord the full replacement cost of such items, less any insurance proceeds actually received by Landlord from Landlord's or Tenant's insurance with respect to such items.

18.3. Abatement of Rent. In the event that as a result of any such damage, repair, reconstruction and/or restoration of the Premises or the Building, Tenant is prevented from using, and does not use, the Premises or any portion thereof pursuant to the requirements of Landlord or the City and/or County in which the Premises are located, then the rent shall be abated or reduced, as the case may be, during the period that Tenant continues to be so prevented from using and does not use the Premises or portion thereof, in the proportion that the Rentable Square Feet of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total Rentable Square Feet of the Premises. Notwithstanding the foregoing to the contrary, if the damage is due to the negligence or willful misconduct of Tenant or any of Tenant's Parties, there shall be no abatement of rent. Except for abatement of rent as provided hereinabove. Tenant shall not be entitled to any compensation or damages for loss of, or interference with, Tenant's business or use or access of all or any part of the Premises resulting from any such damage, repair, reconstruction or restoration.

18.4. Inability to Complete. Notwithstanding anything to the contrary contained in this Section 18, in the event Landlord is obligated or elects to repair, reconstruct and/or restore the damaged portion of the Building or Premises pursuant to Section 18.1 above, but is delayed from completing such repair, reconstruction and/or restoration beyond the date which is three (3) months after the date estimated by Landlord's contractor for completion thereof pursuant to Section 18.1 above, by reason of any causes

beyond the reasonable control of Landlord (including, without limitation, delays due to Force Majeure events as defined in Section 32.15 below, and delays caused by Tenant or any of Tenant's Parties), then Landlord or Tenant may elect to terminate this Lease upon thirty (30) days' prior written notice to the other party.

18.5. Damage Near End of Term. In addition to its termination rights in Sections 18.1 and 18.4 above, Landlord and Tenant shall have the right to terminate this Lease if any damage to the Building or Premises occurs during the last twelve (12) months of the Term of this Lease and Landlord's contractor estimates in a writing delivered to the parties that the repair, reconstruction or restoration of such damage cannot be completed within the earlier of (a) the scheduled expiration date of the Term, or (b) sixty (60) days after the date of such casualty.

18.6. Tenant's Termination Rights. The determination as to the time required to restore the Premises following a casualty shall be made by Landlord in its sole, but commercially reasonable discretion. Unless Landlord exercises its right to terminate this Lease as provided above, Landlord shall notify Tenant of the estimated restoration period ("**Restoration Notice**") within sixty (60) days following the date of the casualty. If the estimated restoration period exceeds six (6) months from the date of issuance of permits for the restoration of the improvements, Tenant shall have the right to terminate this Lease upon notice to Landlord given within thirty (30) days following Tenant's receipt of the Restoration Notice. If Tenant fails to terminate the Lease within said thirty (30) day period, Tenant shall be deemed to have elected to continue this Lease in full force and effect. Notwithstanding anything to the contrary in this Section 18, Tenant, at Tenant's sole option, may elect to terminate this Lease by providing written notice to Landlord if the damage or destruction occurs during the last twelve (12) months of the Term. Further, if neither Landlord nor Tenant has terminated this Lease, and the repairs are not actually completed by the later of (i) two hundred forty (240) days following the date of the damage, or (ii) sixty (60) days following the date set forth in Landlord's Restoration Notice (which periods shall be subject to extension for Force Majeure and Tenant caused delays, so long as Landlord is diligently proceeding to overcome any such delay), Tenant shall have the right as its sole remedy to terminate this Lease by delivering written notice to Landlord within five (5) business days following the expiration of such 240-day (or 60-day) period, as it may be extended as noted above, which termination notice, if timely given, shall be effective on the date which is thirty (30) days thereafter unless within such thirty (30) day period, the repair and restoration work has been completed by Landlord, in which event the termination notice delivered by Tenant pursuant to the provisions hereof shall automatically be rendered null and void.

18.7. Waiver of Termination Right. This Lease sets forth the terms and conditions upon which this Lease may terminate in the event of any damage or destruction. Accordingly, the parties hereby waive the provisions of California Civil Code Section 1932, Subsection 2, and Section 1933, Subsection 4 (and any successor statutes thereof permitting the parties to terminate this Lease as a result of any damage or destruction).

19. Eminent Domain.

19.1. Substantial Taking. Subject to the provisions of Section 19.4 below in case the whole of the Premises, or such part thereof as shall substantially interfere with Tenant's use and occupancy of the Premises as reasonably determined by Landlord, shall be taken for any public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation or eminent domain, or sold to prevent such taking, Landlord, subject to space availability, shall have the right to relocate Tenant to comparable space within the Project, and if no such space is then available, Landlord shall notify Tenant and either party shall have the right to terminate this Lease effective as of the date possession is required to be surrendered to said authority.

19.2. Partial Taking; Abatement of Rent. In the event of a taking of a portion of the Premises which does not substantially interfere with the conduct of Tenant's business, then, except as otherwise provided in the immediately following sentence, neither party shall have the right to terminate this Lease and Landlord shall thereafter proceed to make a functional unit of the remaining portion of the Premises (but only to the extent Landlord receives proceeds therefor from the condemning authority), and rent shall be abated with respect to the part of the Premises which Tenant shall be so deprived on account of such taking. Notwithstanding the immediately preceding sentence to the contrary, if any part of the Building or the Project shall be taken (whether or not such taking substantially interferes with Tenant's use of the Premises), Landlord may terminate this Lease upon thirty (30) days' prior written notice to Tenant as long as Landlord also terminates leases of other tenants leasing comparably sized space within the Building for comparable lease terms.

19.3. Condemnation Award. Subject to the provisions of Section 19.4 below, in connection with any taking of the Premises or Building, Landlord shall be entitled to receive the entire amount of any award which may be made or given in such taking or condemnation, without deduction or apportionment for any estate or interest of Tenant, it being expressly understood and agreed by Tenant that no portion of any such award shall be allowed or paid to Tenant for any so-called bonus or excess value of this Lease, and such bonus or excess value shall be the sole property of Landlord. Tenant shall not assert any claim against Landlord or the taking authority for any compensation because of such taking (including any claim for bonus or excess value of this Lease); provided, however, if any portion of the Premises is taken, Tenant shall be granted the right to recover from the condemning authority (but not from Landlord) any compensation as may be separately awarded or recoverable by Tenant for the taking of Tenant's

furniture, fixtures, equipment and other personal property within the Premises, for Tenant's relocation expenses, and for any loss of goodwill or other damage to Tenant's business by reason of such taking.

19.4. Temporary Taking. In the event of a taking of the Premises or any part thereof for temporary use, (a) this Lease shall be and remain unaffected thereby and at Landlord's election, (b) rent shall abate, or (c) Tenant shall receive for itself such portion or portions of any award made for such use with respect to the period of the taking which is within the Term, provided that if such taking shall remain in force at the expiration or earlier termination of this Lease, Tenant shall perform its obligations under Section 9 above with respect to surrender of the Premises and shall pay to Landlord the portion of any award which is attributable to any period of time beyond the Term expiration date. For purpose of this Section 19.4, a temporary taking shall be defined as a taking for a period of two hundred seventy (270) days or less.

19.5. Waiver of Termination Right. This Lease sets forth the terms and conditions upon which this Lease may terminate in the event of a taking. Accordingly, the parties waive the provisions of the California Code of Civil Procedure Section 1265.130 and any successor or similar statutes permitting the parties to terminate this Lease as a result of a taking.

20. Tenant's Insurance.

20.1. Types of Insurance. On or before the earlier of the Commencement Date or the date Tenant commences or causes to be commenced any work of any type in or on the Premises pursuant to this Lease, and continuing during the entire Term, Tenant shall obtain and keep in full force and effect, the following insurance:

- (a) Special Form (formerly known as All Risk) insurance, including fire and extended coverage, sprinkler leakage, vandalism, malicious mischief upon property of every description and kind owned by Tenant and located in the Premises or Building, or for which Tenant is legally liable or installed by or on behalf of Tenant including, without limitation, furniture, equipment and any other personal property, and any Tenant Changes (but excluding the initial Tenant Improvements previously existing or installed in the Premises), in an amount not less than the full replacement cost thereof. In the event that there shall be a dispute as to the amount which comprises full replacement cost, the decision of Landlord or the mortgagees of Landlord shall be presumptive.
- (b) Commercial general liability insurance coverage on an occurrence basis, including personal injury, bodily injury (including wrongful death), broad form property damage, operations hazard, owner's protective coverage, contractual liability (including Tenant's indemnification obligations under this Lease, including Section 17 hereof), liquor liability (if Tenant serves alcohol on the Premises), products and completed operations liability, and owned/non-owned auto liability, with an initial combined single limit of liability of not less than Three Million Dollars (\$3,000,000.00) per occurrence.
- (c) Worker's compensation and employer's liability insurance, in statutory amounts and limits, covering all persons employed in connection with any work done on or about the Premises for which claims for death or bodily injury could be asserted against Landlord, Tenant or the Premises.
- (d) Loss of income, extra expense and business interruption insurance in such amounts as will reimburse Tenant for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises as a result of such perils.
- (e) Any other form or forms of insurance as Tenant or Landlord or the mortgagees of Landlord may reasonably require from time to time, in form, amounts and for insurance risks against which a prudent tenant would protect itself, but only to the extent such risks and amounts are available in the insurance market at commercially reasonable costs.

20.2. Requirements. Each policy required to be obtained by Tenant hereunder shall: (a) be issued by insurers are authorized to do business in the state in which the Building is located and rated not less than financial class X, and not less than policyholder rating A in the most recent version of Best's Key Rating Guide (provided that, in any event, the same insurance company shall provide the coverages described in Sections 20.1(a) and 20.1(d) above); (b) be in form reasonably satisfactory from time to time to Landlord; (c) name Tenant as named insured thereunder and shall name Landlord, Landlord's mortgagee(s) of which Tenant has been informed in writing, and, at Landlord's request, such other persons or entities of which Tenant has been informed in writing, as additional insureds thereunder, all as their respective interests may appear; (d) shall not have a deductible amount exceeding Five Thousand Dollars (\$5,000.00), which deductible amount shall be deemed self-insured with full waiver of subrogation; (e) specifically provide that the insurance afforded by such policy for the benefit of Landlord and any other additional insureds shall be primary, and any insurance carried by Landlord or any other additional insureds shall be excess and non-contributing; (f) contain an endorsement that the insurer waives its right to subrogation as described in Section 22 below; (g) if any insurance which Tenant is required to maintain under this Lease shall be cancelled by the carrier thereof, then Tenant, prior to cancellation, shall deliver to Landlord a copy of the insurance carrier's cancellation notice (by facsimile or electronic mail, followed by paper mail) within three (3) business days after Tenant's receipt thereof; (h) contain a cross liability or severability of interest endorsement; and (i) be in amounts sufficient at all times to satisfy any

coinsurance requirements thereof. Each such policy shall also provide that any loss otherwise payable thereunder shall be payable notwithstanding (i) any act or omission of Landlord or Tenant which might, absent such provision, result in a forfeiture of all or a part of such insurance payment, (ii) the occupation or use of the Premises for purposes more hazardous than permitted by the provisions of such policy, (iii) any foreclosure or other action or proceeding taken by any mortgagee pursuant to any provision of the mortgage upon the happening of a default thereunder, or (iv) any change in title or ownership of the Premises. Tenant agrees to deliver to Landlord, as soon as practicable after the placing of the required insurance certificates from the insurance company evidencing the existence of such insurance and Tenant's compliance with the foregoing provisions of this Section 20. Tenant shall cause certificates to be delivered to Landlord promptly and in no case later than two (2) business days following the renewal of any such policy or policies (which certificates may be provided electronically, with hard copies to follow). If any such initial or replacement certificates are not furnished within the time(s) specified herein, Landlord or Landlord's lender shall have the right, but not the obligation, to procure the required insurance at Tenant's expense.

20.3. Effect on Insurance. Tenant shall not do or permit to be done anything which will (a) violate or invalidate any insurance policy maintained by Landlord or Tenant hereunder, or (b) increase the costs of any insurance policy maintained by Landlord pursuant to Section 21 below or otherwise with respect to the Building or the Project. If Tenant's occupancy or conduct of its business in or on the Premises results in any increase in premiums for any insurance carried by Landlord with respect to the Building or the Project, Tenant shall pay such increase as additional rent within ten (10) days after being billed therefor by Landlord. If any insurance coverage carried by Landlord pursuant to Section 21 below or otherwise with respect to the Building or the Project shall be cancelled or reduced (or cancellation or reduction thereof shall be threatened) by reason of the use or occupancy of the Premises by Tenant or by anyone permitted by Tenant to be upon the Premises, and if Tenant fails to remedy such condition within five (5) days after notice thereof, Tenant shall be deemed to be in default under this Lease, without the benefit of any additional notice or cure period specified in Section 23.1 below, and Landlord shall have all remedies provided in this Lease, at law or in equity, including, without limitation, the right (but not the obligation) to enter upon the Premises and attempt to remedy such condition at Tenant's cost.

21. Landlord's Insurance.

During the Term, Landlord shall insure the Project Common Areas, the Building, the Premises and the Tenant Improvements initially installed in the Premises pursuant to the Work Letter Agreement attached here to as Exhibit C (excluding, however, Tenant's furniture, equipment and other personal property and any Tenant Changes) against damage by fire and standard extended coverage perils and with vandalism and malicious mischief endorsements, rental loss coverage, at Landlord's option, earthquake damage coverage, and such additional coverage as Landlord deems appropriate. Landlord shall also carry commercial general liability insurance, in such reasonable amounts and with such reasonable deductibles as would be carried by a prudent owner of a similar building in the state in which the Building is located. At Landlord's option, all such insurance may be carried under any blanket or umbrella policies which Landlord has in force for other buildings and projects. In addition, at Landlord's option, Landlord may elect to self-insure all or any part of such required insurance coverage. Landlord may, but shall not be obligated to, carry any other form or forms of insurance as Landlord or the mortgagees or ground lessors of Landlord may reasonably determine is advisable. The cost of insurance obtained by Landlord pursuant to this Section 21 (including self-insured amounts and deductibles) shall be included in Common Insurance Costs, except that any increase in the premium for the property insurance attributable to the replacement cost of the Tenant Improvements in excess of Building standard shall not be included as Common Insurance Costs, but shall be paid by Tenant concurrently with Tenant's monthly installment of its share of Common Insurance Costs.

22. Waiver of Claims; Waiver of Subrogation.

22.1. Mutual Waiver of Parties. Landlord and Tenant hereby waive their rights against each other with respect to any claims or damages or losses, including any deductibles and self-insured amounts, which are caused by or result from (a) any occurrence insured against under any insurance policy (other than the commercial general liability insurance) carried by Landlord or Tenant (as the case may be) pursuant to the provisions of this Lease and enforceable at the time of such damage or loss, or (b) any occurrence which would have been covered under any insurance (other than the commercial general liability insurance) required to be obtained and maintained by Landlord or Tenant (as the case may be) under Sections 20 and 21 of this Lease (as applicable) had such insurance been obtained and maintained as required therein and (c) any occurrence which is insurable (except for occurrences covered by commercial general liability insurance), whether or not a party is required to carry such insurance hereunder. The foregoing waivers shall be in addition to, and not a limitation of, any other waivers or releases contained in this Lease.

22.2. Waiver of Insurers. Each party shall cause each insurance policy (other than the commercial general liability insurance) required to be obtained by it pursuant to Sections 20 and 21 above to provide that the insurer waives all rights of recovery by way of subrogation against either Landlord or Tenant, as the case may be, in connection with any claims, losses and damages covered by such policy. If either party fails to maintain insurance for an insurable loss, such loss shall be deemed to be self-insured with a deemed full waiver of subrogation as set forth in the immediately preceding sentence.

23. Tenant's Default and Landlord's Remedies.

23.1. Tenant's Default. The occurrence of any one or more of the following events shall constitute a default under this Lease by Tenant:

- (a) the vacation or abandonment of the Premises by Tenant coupled with no payment of rent. "**Abandonment**" is herein defined to include, but is not limited to, any absence by Tenant from the Premises for five (5) business days or longer and not paying rent;
- (b) the failure by Tenant to make any payment of rent or additional rent or any other payment required to be made by Tenant hereunder, when such failure continues for three (3) days after written notice thereof from Landlord that such payment was not received when due;
- (c) the failure by Tenant to observe or perform any of the express or implied covenants or provisions of this Lease to be observed or performed by Tenant, other than as specified in Sections 23.1(a) or (b) above, where such failure shall continue for a period of ten (10) days after written notice thereof from Landlord to Tenant; provided, however, that, if the nature of Tenant's default is such that more than ten (10) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant shall commence such cure within said ten (10) day period and thereafter diligently prosecute such cure to completion, which completion shall occur not later than sixty (60) days from the date of such notice from Landlord; and
- (d) (i) the making by Tenant or any guarantor hereof of any general assignment for the benefit of creditors, (ii) the filing by or against Tenant or any guarantor hereof of a petition to have Tenant or the guarantor adjudged a bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against the Tenant or the guarantor, the same is dismissed within sixty (60) days), (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease or of substantially all of the guarantor's assets, where possession is not restored to Tenant or the guarantor within sixty (60) days, or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease or of substantially all of the guarantor's assets where such seizure is not discharged within sixty (60) days.
- (e) any material representation or warranty made by Tenant in this Lease or any other document delivered in connection with the execution and delivery of this Lease or pursuant to this Lease proves to be incorrect in any material respect; and
- (f) Tenant shall be liquidated or dissolved or shall begin proceedings towards its liquidation or dissolution.

Any notice sent by Landlord to Tenant pursuant to this Section 23 shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure, Section 1161.

23.2. Landlord's Remedies; Termination. In the event of any such default by Tenant as described in Section 23.1 above, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder. In the event that Landlord shall elect to so terminate this Lease, then Landlord may recover from Tenant:

- (a) the worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus
- (b) the worth at the time of the award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
- (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus
- (d) 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 including, but not limited to: unamortized Tenant Improvement costs; attorneys' fees; brokers' commissions; the costs of refurbishment, alterations, renovation and repair of the Premises; and removal (including the repair of any damage caused by such removal) and storage (or disposal) of Tenant's personal property, equipment, fixtures, Tenant Changes, Tenant Improvements and any other items which Tenant is required under this Lease to remove but does not remove.

As used in Sections 23.2(a) and 23.2(b) above, the "**worth at the time of award**" is computed by allowing interest at the Interest Rate set forth in Section 1.15 of the Summary. As used in Section 23.2(c) above, the "**worth at the time of award**" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

23.3. Landlord's Remedies; Re-Entry Rights. In the event of any such default by Tenant as described in Section 23.1, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall also have the right, with or without terminating this Lease, to re-enter the Premises and remove all persons and property from the Premises; such property may be removed, stored and/or disposed of pursuant to Section 12.4 of this Lease or any other procedures permitted by applicable law. No re-entry or taking possession of the Premises by Landlord pursuant to this Section 23.3, and no acceptance of surrender of the Premises or other action on Landlord's part, shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

23.4. Landlord's Remedies; Continuation of Lease. In the event of any such default by Tenant as described in Section 23.1, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall have the right to continue this Lease in full force and effect, whether or not Tenant shall have abandoned the Premises. The foregoing remedy shall also be available to Landlord pursuant to California Civil Code Section 1951.4 and any successor statute thereof in the event Tenant has abandoned the Premises. In the event Landlord elects to continue this Lease in full force and effect pursuant to this Section 23.4, then Landlord shall be entitled to enforce all of its rights and remedies under this Lease, including the right to recover rent as it becomes due. Landlord's election not to terminate this Lease pursuant to this Section 23.4 or pursuant to any other provision of this Lease, at law or in equity, shall not preclude Landlord from subsequently electing to terminate this Lease or pursuing any of its other remedies.

23.5. Landlord's Right to Perform. Except as specifically provided otherwise in this Lease, all covenants and agreements by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement or offset of rent. If Tenant shall fail to pay any sum of money (other than Monthly Basic Rent) or perform any other act on its part to be paid or performed hereunder and such failure shall continue for three (3) days with respect to monetary obligations (or ten (10) days with respect to non-monetary obligations) after Tenant's receipt of written notice thereof from Landlord, Landlord may, without waiving or releasing Tenant from any of Tenant's obligations, make such payment or perform such other act on behalf of Tenant. All sums so paid by Landlord and all necessary incidental costs incurred by Landlord in performing such other acts shall be payable by Tenant to Landlord within five (5) days after demand therefor as additional rent.

23.6. Interest. If any monthly installment of Rent or Project Operating Expenses, or any other amount payable by Tenant hereunder is not received by Landlord by the date when due, it shall bear interest at the Interest Rate set forth in Section 1.15 of the Summary from the date due until paid. All interest, and any late charges imposed pursuant to Section 23.7 below, shall be considered additional rent due from Tenant to Landlord under the terms of this Lease.

23.7. Late Charges. Tenant acknowledges that, in addition to interest costs, the late payments by Tenant to Landlord of any Monthly Basic Rent or other sums due under this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impractical to fix. Such other costs include, without limitation, processing, administrative and accounting charges and late charges that may be imposed on Landlord by the terms of any mortgage, deed of trust or related loan documents encumbering the Premises, the Building or the Project. Accordingly, if any monthly installment of Monthly Basic Rent or Project Operating Expenses or any other amount payable by Tenant hereunder is not received by Landlord within five (5) days of the due date thereof (it being acknowledged that the due date shall be deemed the first (1st) day of such five (5) day period), Tenant shall pay to Landlord an additional sum of ten percent (10%) of the overdue amount as a late charge, but in no event more than the maximum late charge allowed by law, provided, however, Tenant shall not be charged a late charge for the first late payment each calendar year on the condition that Tenant promptly makes such payment within five (5) business following written notice of late payment. The parties agree that such late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of any late payment as hereinabove referred to by Tenant, and the payment of late charges and interest are distinct and separate in that the payment of interest is to compensate Landlord for the use of Landlord's money by Tenant, while the payment of late charges is to compensate Landlord for Landlord's processing, administrative and other costs incurred by Landlord as a result of Tenant's delinquent payments. Acceptance of a late charge or interest shall not constitute a waiver of Tenant's default with respect to the overdue amount or prevent Landlord from exercising any of the other rights and remedies available to Landlord under this Lease or at law or in equity now or hereafter in effect.

23.8. Rights and Remedies Cumulative. All rights, options and remedies of Landlord contained in this Section 23 and elsewhere in this Lease (including Section 28 below) shall be construed and held to be cumulative, and no one of them shall be exclusive of the other, and Landlord shall have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law or in equity, whether or not stated in this Lease. Nothing in this Section 23 shall be deemed to limit or otherwise affect Tenant's indemnification of Landlord pursuant to any provision of this Lease.

23.9. Tenant's Waiver of Redemption. Tenant hereby waives and surrenders for itself and all those claiming under it, including creditors of all kinds, (i) any right and privilege which it or any of them may have under any present or future law to redeem any of the Premises or to have a continuance of this Lease after termination of this Lease or of Tenant's right of occupancy or possession pursuant to any court order or any provision hereof, and (ii) the benefits of any present or future law which exempts property from liability for debt or for distress for rent.

23.10. Costs Upon Default and Litigation. Tenant shall pay to Landlord and its mortgagees as additional rent all the expenses incurred by Landlord or its mortgagees in connection with any default by Tenant as described in Section 23.1 above or the exercise of any remedy by reason of such default by Tenant hereunder, including reasonable attorneys' fees and expenses. If Landlord or its mortgagees shall be made a party to any litigation commenced against Tenant or any litigation pertaining to this Lease or the Premises, at the option of Landlord and/or its mortgagees, Tenant, at its expense, shall provide Landlord and/or its mortgagees with counsel approved by Landlord and/or its mortgagees and shall pay all costs incurred or paid by Landlord and/or its mortgagees in connection with such litigation.

24. Landlord's Default.

Landlord shall not be in default in the performance of any obligation required to be performed by Landlord under this Lease unless Landlord has failed to perform such obligation within thirty (30) days after the receipt of written notice from Tenant specifying in detail Landlord's failure to perform; provided however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed in default if it commences such performance within such thirty (30) day period and thereafter diligently pursues the same to completion. Upon any such uncured default by Landlord, Tenant may exercise any of its rights provided at law or in equity; provided, however: (a) Tenant shall have no right to offset or abate rent in the event of any default by Landlord under this Lease, except to the extent offset rights are specifically provided to Tenant in this Lease; (b) Tenant shall have no right to terminate this Lease, except to the extent termination rights are specifically provided to Tenant in this Lease; (c) Tenant's rights and remedies hereunder shall be limited to the extent (i) Tenant has expressly waived in this Lease any of such rights or remedies and/or (ii) this Lease otherwise expressly limits Tenant's rights or remedies, including the limitation on Landlord's liability contained in Section 31 hereof; and (d) in no event shall Landlord be liable for consequential damages.

25. Subordination.

Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, and at the election of Landlord or any mortgagee of a mortgage or a beneficiary of a deed of trust now or hereafter encumbering all or any portion of the Building or the Project, or any lessor of any ground or master lease now or hereafter affecting all or any portion of the Building or the Project, this Lease shall be subject and subordinate at all times to such ground or master leases (and such extensions and modifications thereof), and to the lien of such mortgages and deeds of trust (as well as to any advances made thereunder and to all renewals, replacements, modifications and extensions thereof). Notwithstanding the foregoing, Tenant's agreement to enter into a written agreement to subordinate its interest under this Lease to a lien or ground lease not in existence as of the date of this Lease shall be conditioned upon the holder of such lien, or a ground lessor, as applicable, confirming in writing (pursuant to a commercially reasonable form of non-disturbance agreement) that Tenant's leasehold interest hereunder shall not be disturbed so long as no default by Tenant exists under this Lease. Further, notwithstanding the foregoing, Landlord and any mortgagee and/or ground lessor of Landlord, as applicable, shall have the right to subordinate or cause to be subordinated any or all ground or master leases or the lien of any or all mortgages or deeds of trust to this Lease. In the event that any ground or master lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, at the election of Landlord's successor in interest, Tenant shall attorn to and become the tenant of such successor. Tenant covenants and agrees to execute and deliver to Landlord within ten (10) business days after receipt of written demand by Landlord and in the form reasonably required by Landlord, any additional commercially reasonable documents evidencing the priority or subordination of this Lease with respect to any such ground or master lease or the lien of any such mortgage or deed of trust or Tenant's agreement to attorn. Should Tenant fail to sign and return any such documents within said ten day period, Tenant shall be in default hereunder without the benefit of any additional notice or cure periods specified in Section 23.1 above. Prior to or concurrently with Landlord's execution and delivery of this Lease, Landlord agrees to obtain from the current lender holding a lien on the Real Property as of the date hereof a subordination, non-disturbance and attornment agreement ("**SNDA**") in favor of Tenant with respect to this Lease, substantially in the form attached. As a condition to Tenant agreeing in writing to subordinate its interest under this Lease to a future lien or mortgage, Landlord agrees to use commercially reasonable efforts to obtain from any future lenders a SNDA substantially in the form attached hereto.

26. Estoppel Certificate.

26.1. Tenant's Obligations. Within ten (10) business days following Landlord's written request, Tenant shall execute and deliver to Landlord an estoppel certificate, in a form substantially similar to the form of Exhibit F attached hereto and provided that it is factually correct, certifying: (a) the Commencement Date of this Lease; (b) that this Lease is unmodified and in full force and effect except as specified in such certificate (or, if modified, that this Lease is in full force and effect as modified, and stating the date and nature of such modifications); (c) the date to which the rent and other sums payable under this Lease have been paid; (d) that there are not, to the best of Tenant's knowledge, any defaults under this Lease by either Landlord or Tenant, except as specified in such certificate; and (e) such other matters as are reasonably requested by Landlord. Any such estoppel certificate delivered pursuant to this Section 26.1 may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of any portion of the Project, as well as their assignees.

26.2. **Tenant's Failure to Deliver.** Tenant's failure to deliver such estoppel certificate shall, at Landlord's option, be conclusive upon Tenant that: (a) this Lease is in full force and effect without modification, except as may be represented by Landlord; (b) there are no uncured defaults in Landlord's or Tenant's performance (other than Tenant's failure to deliver the estoppel certificate); and (c) not more than one (1) month's rental has been paid in advance. Further, if Tenant fails to deliver to Landlord an estoppel within three (3) days following a second written estoppel request to Tenant, such failure shall constitute a material default by Tenant under this Lease.

27. **Intentionally Deleted.**

28. **Modification and Cure Rights of Landlord's Mortgagees and Lessors.**

28.1. **Modifications.** Subject to the terms of any SNDA executed by Tenant and any lender or ground lessor, if, in connection with Landlord's obtaining or entering into any financing or ground lease for any portion of the Building or the Project, the lender or ground lessor shall request modifications to this Lease, Tenant shall, within ten (10) days after request therefor, execute an amendment to this Lease including such modifications, provided such modifications are reasonable, do not increase the obligations of Tenant hereunder and do not adversely affect the leasehold estate created hereby or Tenant's rights hereunder.

28.2. **Cure Rights.** Subject to the terms of any SNDA executed and delivered by Tenant and any lender or ground lessor, in the event of any default on the part of Landlord, Tenant will give notice by overnight courier to any beneficiary of a deed of trust or mortgagee covering the Premises or ground lessor of Landlord whose address shall have been furnished to Tenant, and shall offer such beneficiary, mortgagee or ground lessor a reasonable opportunity to cure the default (including with respect to any such beneficiary or mortgagee, time to obtain possession of the Premises, subject to this Lease and Tenant's rights hereunder, by power of sale or a judicial foreclosure, if such should prove necessary to effect a cure).

29. **Title and Quiet Enjoyment.**

29.1. **Superior Agreements.** Tenant agrees that it will not violate the terms and conditions of (i) covenants, conditions, restrictions, easements, encumbrances and other matters of record (collectively referred to herein as the "**Agreements**"); or (ii) the entitlements for the Project (collectively referred to herein as the "**Entitlements**"). The Agreements and Entitlements are sometimes collectively referred to herein as the "**Underlying Agreements**".

29.2. **Quiet Enjoyment.** Landlord covenants and agrees with Tenant that, upon Tenant performing all of the covenants and provisions on Tenant's part to be observed and performed under this Lease (including payment of rent hereunder), Tenant shall have the right to use and occupy the Premises in accordance with and subject to the terms and conditions of this Lease as against all persons claiming by, through or under Landlord. It is acknowledged that the Project is a mixed use project with retail uses and Common Areas open to the public and that such public access rights shall not constitute a breach of Tenant's quiet enjoyment hereunder.

30. **Transfer of Landlord's Interest.**

The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of the Landlord are concerned, shall be limited to mean and include only the owner or owners, at the time in question, of the fee title to, or a lessee's interest in a ground lease of, the Project. In the event of any transfer or conveyance of any such title or interest (other than a transfer for security purposes only), the transferor shall be automatically relieved of all covenants and obligations on the part of Landlord contained in this Lease accruing after the date of such transfer or conveyance. Landlord and Landlord's transferees and assignees shall have the absolute right to transfer all or any portion of their respective title and interest in the Project, the Building, the Premises and/or this Lease without the consent of Tenant, and such transfer or subsequent transfer shall not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease.

31. **Limitation on Landlord's Liability.**

Notwithstanding anything contained in this Lease to the contrary, the obligations of Landlord under this Lease (including any actual or alleged breach or default by Landlord) do not constitute personal obligations of the individual partners, directors, officers, members or shareholders of Landlord or Landlord's members or partners, and Tenant shall not seek recourse against the individual partners, directors, officers, members or shareholders of Landlord or against Landlord's members or partners or any other persons or entities having any interest in Landlord, or any of their personal assets for satisfaction of any liability with respect to this Lease. In addition, in consideration of the benefits accruing hereunder to Tenant and notwithstanding anything contained in this Lease to the contrary, Tenant hereby covenants and agrees for itself and all of its successors and assigns that the liability of Landlord for its obligations under this Lease (including any liability as a result of any actual or alleged failure, breach or default hereunder by Landlord), shall be limited solely to, and Tenant's and its successors' and assigns' sole and exclusive remedy shall be against, Landlord's interest in the Building, and no other assets of Landlord.

32. Miscellaneous.

32.1. Governing Law. This Lease shall be governed by, and construed pursuant to, the laws of the state in which the Building is located.

32.2. Successors and Assigns. Subject to the provisions of Section 30 above, and except as otherwise provided in this Lease, all of the covenants, conditions and provisions of this Lease shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, personal representatives and permitted successors and assigns; provided, however, no rights shall inure to the benefit of any Transferee of Tenant unless the Transfer to such Transferee is made in compliance with the provisions of Section 14 above, and no options or other rights which are expressly made personal to the original Tenant hereunder or in any rider attached hereto shall be assignable to or exercisable by anyone other than the original Tenant under this Lease.

32.3. No Merger. The voluntary or other surrender of this Lease by Tenant or a mutual termination thereof shall not work as a merger and shall, at the option of Landlord, either (a) terminate all or any existing subleases, or (b) operate as an assignment to Landlord of Tenant's interest under any or all such subleases.

32.4. Professional Fees. If either Landlord or Tenant should bring suit against the other with respect to this Lease, including for unlawful detainer or any other relief against the other hereunder, then all costs and expenses incurred by the prevailing party therein (including, without limitation, its actual appraisers', accountants', attorneys' and other professional fees and court costs), shall be paid by the other party.

32.5. Waiver. The waiver by either party of any breach by the other party of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant and condition herein contained, nor shall any custom or practice which may become established between the parties in the administration of the terms hereof be deemed a waiver of, or in any way affect, the right of any party to insist upon the performance by the other in strict accordance with said terms. No waiver of any default of either party hereunder shall be implied from any acceptance by Landlord or delivery by Tenant (as the case may be) of any rent or other payments due hereunder or any omission by the non-defaulting party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect defaults other than as specified in said waiver. The subsequent acceptance of rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease other than the failure of Tenant to pay the particular rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

32.6. Terms and Headings. The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. Words used in any gender include other genders. The Section headings of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof. Any deletion of language from this Lease prior to its execution by Landlord and Tenant shall not be construed to raise any presumption, canon of construction or implication, including, without limitation, any implication that the parties intended thereby to state the converse of the deleted language.

32.7. Time. Time is of the essence with respect to performance of every provision of this Lease in which time or performance is a factor. All references in this Lease to "days" shall mean calendar days unless specifically modified herein to be "business" days.

32.8. Prior Agreements; Amendments. This Lease (and the Exhibits and Riders attached hereto) contain all of the covenants, provisions, agreements, conditions and understandings between Landlord and Tenant concerning the Premises and any other matter covered or mentioned in this Lease, and no prior agreement or understanding, oral or written, express or implied, pertaining to the Premises or any such other matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors in interest. The parties acknowledge that all prior agreements, representations and negotiations are deemed superseded by the execution of this Lease to the extent they are not expressly incorporated herein.

32.9. Separability. The invalidity or unenforceability of any provision of this Lease (except for Tenant's obligation to pay Monthly Basic Rent and Excess Expenses, Excess Real Property Taxes and Assessments, Excess Common Insurance Costs, and Excess Common Utilities Costs) shall in no way affect, impair or invalidate any other provision hereof, and such other provisions shall remain valid and in full force and effect to the fullest extent permitted by law.

32.10. Recording. Neither Landlord nor Tenant shall record this Lease. In addition, neither party shall record a short form memorandum of this Lease without the prior written consent (and signature on the memorandum) of the other, and provided that prior to recordation Tenant executes and delivers to Landlord, in recordable form, a properly acknowledged quitclaim deed or other instrument extinguishing all of the Tenant's rights and interest in and to the Project, the Building and the Premises, and designating Landlord as the transferee, which deed or other instrument shall be held by Landlord and may be recorded by Landlord once the Lease terminates or expires (but not prior thereto). If such short form memorandum is recorded in accordance with the foregoing, the party requesting the recording shall pay

for all costs of or related to such recording, including, but not limited to, recording charges and documentary transfer taxes.

32.11. Exhibits and Riders. All Exhibits and Riders attached to this Lease are hereby incorporated in this Lease as though set forth at length herein.

32.12. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the rent payment herein stipulated shall be deemed to be other than on account of the 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. Tenant agrees that each of the foregoing covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by any statute or at common law.

32.13. Financial Statements. Upon ten (10) business days prior written request from Landlord (which Landlord may make at any time during the Term but no more often than two (2) times in any calendar year), Tenant shall deliver to Landlord (a) a current financial statement of Tenant, and (b) financial statements of Tenant for the two (2) years prior to the current financial statement year. Such statements shall be prepared by Tenant in accordance with Tenant's standard practices and certified as true in all material respects by an authorized officer, member/manager or general partner of Tenant (if Tenant is a corporation, limited liability company or partnership, respectively).

32.14. No Partnership. Landlord does not, in any way or for any purpose, become a partner of Tenant in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with Tenant by reason of this Lease.

32.15. Force Majeure. In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, governmental moratorium or other governmental action or inaction (including failure, refusal or delay in issuing permits, inspections, approvals and/or authorizations), injunction or court order, riots, insurrection, war, terrorism, bioterrorism, fire, earthquake, flood or other natural disaster or other reason of a like nature not the fault of the party delaying in performing work or doing acts required under the terms of this Lease (but excluding delays due to financial inability) (herein collectively, "**Force Majeure**"), then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section 32.15 shall not apply to nor operate to excuse Tenant from the payment of Monthly Basic Rent, Project Operating Expenses, additional rent or any other payments strictly in accordance with the terms of this Lease.

32.16. Counterparts; Electronic Delivery. This Lease may be executed in one or more counterparts, each of which shall constitute an original and all of which shall be one and the same agreement. The parties may exchange counterpart signatures by facsimile or electronic transmission and the same shall constitute delivery of this Lease with respect to the delivering party. If a variation or discrepancy among counterparts occurs, the copy of this Lease in Landlord's possession shall control.

32.17. Nondisclosure of Lease Terms. Tenant acknowledges and agrees that the terms of this Lease are confidential and constitute proprietary information of Landlord. Disclosure of the terms could adversely affect the ability of Landlord to negotiate other leases and impair Landlord's relationship with other tenants. Accordingly, Tenant agrees that it, and its partners, officers, directors, employees, agents and attorneys, shall not intentionally and voluntarily disclose the terms and conditions of this Lease to any newspaper or other publication or any other tenant or apparent prospective tenant of the Building or other portion of the Project, or real estate agent (other than Tenant's Broker), either directly or indirectly, without the prior written consent of Landlord, provided, however, that Tenant may disclose the terms to prospective subtenants or assignees under this Lease or as required by law. The parties hereby agree that, except as specifically set forth below, there shall be no press releases or other publicity originated by the parties hereto, or any representatives thereof, concerning this Lease, without the prior consent of both parties; provided, however, following the execution and delivery of this Lease, Landlord shall have the right to make a public announcement or issue a press release regarding the execution and delivery of this Lease, which communication may include the following information without Tenant's prior consent: (i) identity of the Tenant, (ii) the Term of the Lease, and (iii) the square footage of the Premises. If Landlord wishes to include additional information in the announcement or press release, Landlord shall first obtain Tenant's written approval, which approval shall be at Tenant's sole discretion.

32.18. Non-Discrimination. Tenant acknowledges and agrees that there shall be no discrimination against, or segregation of, any person, group of persons, or entity on the basis of race, color, creed, religion, age, sex, marital status, national origin, or ancestry in the leasing, subleasing, transferring, assignment, occupancy, tenure, use, or enjoyment of the Premises, or any portion thereof.

32.19. Waiver of Jury Trial; Judicial Reference. LANDLORD AND TENANT EACH ACKNOWLEDGES THAT IT IS AWARE OF AND HAS HAD THE ADVICE OF COUNSEL OF ITS CHOICE WITH RESPECT TO ITS RIGHTS TO TRIAL BY JURY, AND, TO THE EXTENT ENFORCEABLE UNDER CALIFORNIA LAW, EACH PARTY DOES HEREBY EXPRESSLY AND KNOWINGLY WAIVE AND RELEASE ALL SUCH RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY HERETO AGAINST THE OTHER

(AND/OR AGAINST ITS MEMBERS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR SUBSIDIARY OR AFFILIATED ENTITIES) ON ANY MATTERS WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, TENANT'S USE OR OCCUPANCY OF THE PREMISES AND/OR ANY CLAIM OF INJURY OR DAMAGE. FURTHERMORE, THIS WAIVER AND RELEASE OF ALL RIGHTS TO A JURY TRIAL IS DEEMED TO BE INDEPENDENT OF EACH AND EVERY OTHER PROVISION, COVENANT, AND/OR CONDITION SET FORTH IN THIS LEASE.

33. Lease Execution.

33.1. Tenant's Authority. If Tenant executes this Lease as a partnership, corporation or limited liability company, then Tenant and the persons and/or entities executing this Lease on behalf of Tenant represent and warrant that: (a) Tenant is a duly organized and existing partnership, corporation or limited liability company, as the case may be, and is qualified to do business in the state in which the Building is located; (b) such persons and/or entities executing this Lease are duly authorized to execute and deliver this Lease on Tenant's behalf in accordance with the Tenant's partnership agreement (if Tenant is a partnership), or a duly adopted resolution of Tenant's board of directors and the Tenant's by-laws (if Tenant is a corporation) or with Tenant's operating agreement (if Tenant is a limited liability company); and (c) this Lease is binding upon Tenant in accordance with its terms. Concurrently with Tenant's execution and delivery of this Lease to Landlord and/or at any time during the Term within ten (10) days of Landlord's request, Tenant shall provide to Landlord a copy of any documents reasonably requested by Landlord evidencing such qualification, organization, existence and authorization.

33.2. Joint and Several Liability. If more than one person or entity executes this Lease as Tenant: (a) each of them is and shall be jointly and severally liable for the covenants, conditions, provisions and agreements of this Lease to be kept, observed and performed by Tenant; and (b) the act or signature of, or notice from or to, any one or more of them with respect to this Lease shall be binding upon each and all of the persons and entities executing this Lease as Tenant with the same force and effect as if each and all of them had so acted or signed, or given or received such notice.

33.3. Guaranty. (Intentionally Omitted)

33.4. No Option. The submission of this Lease for examination or execution by Tenant does not constitute a reservation of or option for the Premises and this Lease shall not become effective as a Lease until it has been executed by Landlord and delivered to Tenant, and Landlord's lender holding a lien encumbering all or any portion of the Building or the Project has approved this Lease and the terms and conditions hereof.

34. Patio and Balcony Areas.

34.1. West Patio. Subject to the terms and conditions of the Work Letter Agreement attached hereto as Exhibit C, and Landlord's reasonable approval and the Operation and Easement Agreement (the "OEA"), and the approval of Oxnard, California (the "City"), which shall be at the City's sole discretion, Tenant, at Tenant's cost (which cost may be deducted from the Allowance, subject to and in accordance with the terms and conditions of the Work Letter Agreement attached hereto as Exhibit C), shall have the right to create, with the assistance and cooperation of Landlord's architect, a secured exterior patio area with landscaping, hardscaping, heaters, outdoor furniture, umbrellas, etc., on the west side of the Building adjacent to and in front of the Premises for Tenant's exclusive use (the "West Patio"), an approximately 1,400 square foot patio outside of Tenant's first (1st) floor premises, the exact location, dimensions and design to be mutually agreed upon by Landlord and Tenant. Landlord and Tenant shall mutually agree on the size, shape and scope of the work for the West Patio. The West Patio and the furnishings therefor, must be consistent with the balance of the exterior of Park View Court. Notwithstanding anything to the contrary contained herein, Tenant shall be responsible for maintaining West Patio in clean condition and free of debris, provided however, that Landlord, at Landlord's sole cost (and except for any damage caused by Tenant), shall be responsible for all structural repairs to the West Patio, ordinary wear and tear and regular maintenance.

34.2. Second Floor Balcony. Subject to Landlord's reasonable approval and the OEA, and subject to the terms and conditions of this Section 34, Tenant shall have the right to use the second (2nd) floor balcony adjacent to the portion of the Premises on the second (2nd) floor of the Building (the "Second Floor Balcony"). At Tenant's sole cost (which cost may be deducted from the Allowance, subject to and in accordance with the terms and conditions of the Work Letter Agreement attached hereto as Exhibit C), Tenant shall be permitted to install furniture (i.e., chairs, tables, umbrellas, etc.) on the Second Floor Balcony. Notwithstanding anything to the contrary contained herein, Tenant shall be responsible for maintaining Second Floor Balcony in clean condition and free of debris, provided however, that Landlord, at Landlord's sole cost, (and except for any damage caused by Tenant) shall be responsible for all structural repairs to the Second Floor Balcony, ordinary wear and tear and regular maintenance

34.3. Acceptance; Grant of Rights. Tenant's employees, contractors and invitees may use the West Patio and the Second Floor Balcony at no additional cost to Tenant, subject to the terms, covenants, and conditions set forth in this Section 34. Tenant acknowledges and agrees that neither Landlord nor Landlord's agents have made any representations or promises with respect to the West Patio or the Second Floor Balcony, except as herein expressly set forth, and Tenant accepts the West Patio and the Second Floor Balcony "AS-IS" subject to Landlord's obligation to repair and maintain set forth in this Lease. Landlord shall not be obligated to perform any work or make any improvements to the West Patio

or the Second Floor Balcony or any means of access thereto and Landlord need not take any action to prepare the West Patio or the Second Floor Balcony for Tenant's use hereunder. The Premises shall be deemed to include the West Patio and the Second Floor Balcony for all purposes of the Lease, except for purposes of calculating Monthly Basic Rent or Tenant's Percentage of Operating Expenses; Real Property Taxes and Assessments; Common Insurance Costs and Common Utilities Costs. Tenant shall not be obligated to pay any additional rent with respect to the West Patio or the Second Floor Balcony, and except that the obligation to repair and maintain the West Patio shall be as set forth in this Section 34.3.

34.4. Restrictions on Use. The West Patio and the Second Floor Balcony shall be used solely for casual and intermittent use by Tenant's employees and clients for use during work breaks or lunch or as an occasional work or meeting space, weather permitting. Tenant may also use the West Patio and the Second Floor Balcony for its Events (as defined below), subject to the terms and conditions of Section 34.10 hereof. Tenant, at its sole cost and expense, shall promptly comply with all local, state or federal laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereinafter be in force with respect to the West Patio and the Second Floor Balcony. In addition, Tenant shall not allow more than the number of people allowed by fire code or other applicable law on the West Patio or the Second Floor Balcony at any one time under any circumstances. Tenant shall not place or use barbecues or hibachis or similar items on the West Patio or the Second Floor Balcony nor permit any smoking on the West Patio or the Second Floor Balcony. Tenant shall not allow alcohol to be consumed on the West Patio or the Second Floor Balcony, except during occasional corporate cocktail mixers ("**Events**"), which Events shall occur after ordinary business hours. Tenant shall not permit intoxicated parties to use the West Patio or the Second Floor Balcony. Tenant shall comply with all the Project's rules and regulations with respect to use of the West Patio and the Second Floor Balcony, and shall only use the West Patio and the Second Floor Balcony in a manner that does not disturb other tenants in the Project. Finally, Tenant shall not use or permit the West Patio or the Second Floor Balcony to be used in any manner nor do any acts which would increase the existing rate of insurance on the Building nor cause the cancellation of any insurance policy covering the Building, nor shall Tenant permit to be kept, used or sold, in or about the West Patio or the Second Floor Balcony, any article which may be prohibited by the standard form of fire insurance policy. Without limiting the generality of any provision limiting Landlord liability in this Lease, Tenant expressly assumes all risk with respect to use of the West Patio and the Second Floor Balcony and Landlord shall have no liability with respect thereto.

34.5. Revocation of West Patio and/or Second Floor Balcony Use. Tenant acknowledges that Tenant's use of the West Patio and the Second Floor Balcony is conditioned upon Tenant's compliance with the terms and conditions set forth in this Section 34. If Tenant fails to comply with the provisions set forth in this Section 34 after written notice to Tenant and a reasonable opportunity to cure, Landlord may, in addition to any other rights or remedies Landlord may have under the terms of this Lease, revoke Tenant's right to use the West Patio and/or the Second Floor Balcony upon providing Tenant with written notice of such revocation. Notwithstanding the foregoing, if Tenant cures such non-compliance or default in connection with West Patio and the Second Floor Balcony after the cure period, Tenant's rights set forth in this Lease in connection with the West Patio and the Second Floor Balcony shall be reinstated.

34.6. Alterations. Tenant shall not make any alterations, additions or improvements to the West Patio or the Second Floor Balcony without the Landlord's written approval which shall not be unreasonable withheld or conditioned provided that such alterations comply with the provisions set forth in Section 12.1(a) above, provided, however, Landlord's consent may be granted or withheld in Landlord's sole discretion if and to the extent the proposed alterations affect structural portions of the Building, increase the risk of water leaks or damage or will be visible from outside the Premises.

34.7. Outdoor Furniture. Tenant may place properly secured and appropriate all-weather furniture, plants, trees, planter boxes and other personal property on the West Patio and the Second Floor Balcony in a manner consistent with the use contemplated under this Lease. The design, size, style, color and quantity of any such furniture or other items placed on the West Patio or the Second Floor Balcony shall at all times be subject to Landlord's prior approval, which approval shall not be unreasonably withheld.

34.8. No Assignment or Subletting. Except in connection with an assignment of this Lease in its entirety or a sublease of a substantial portion of the Premises, Tenant shall not directly or indirectly, voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer or hypothecate all of its interest in or rights with respect to the West Patio or the Second Floor Balcony, or permit all or any portion of the West Patio or the Second Floor Balcony to be occupied by anyone other than Tenant or sublet all or any portion of the West Patio or the Second Floor Balcony or transfer a portion of its interest in or rights with respect to the West Patio and the Second Floor Balcony.

34.9. Services. Landlord shall have no obligation to provide any services or utilities to the West Patio or the Second Floor Balcony, other than existing lighting. Tenant shall not be entitled to any Building water service to the West Patio or the Second Floor Balcony. Tenant shall be solely responsible for cleaning and maintaining the West Patio and the Second Floor Balcony throughout the Term of this Lease. Tenant shall provide trash receptacles on the West Patio and the Second Floor Balcony and shall arrange for the regular emptying of trash and for regular janitorial services for the West Patio and the Second Floor Balcony with Landlord's janitorial service at Tenant's sole cost and expense.

34.10. Events. If Tenant wishes to host an Event at the Premises, Tenant shall, at least five (5) days prior to the date of such Event, (i) notify Landlord that Tenant intends to have an Event at the Premises

and of the general specifics of such Event, including the approximate number of guests, the nature of the Event and when such Event will occur, (ii) obtain additional insurance coverage for the Event, which shall include host liquor liability insurance in the amount of no less than \$1,000,000.00, which insurance shall be in a form reasonably satisfactory to Landlord, and shall name Landlord as an additional insured with respect thereto, and (iii) deliver to Landlord copies or certificates evidencing the existence of the amounts and forms of coverage of such host liquor liability insurance. Tenant shall obtain, at its sole cost, all permits and approvals necessary for the Event and shall comply with all laws, rules and regulations applicable to the Project. If Tenant hosts an Event, Tenant shall take all necessary steps to safeguard and respect the operations of other tenants and occupants of the Project, including, without limitation, holding such Event during non-business hours and minimizing all noise and disruption and Tenant agrees to immediately close and shut down the Event if it becomes disruptive to the Project or its tenants or occupants. If appropriate or reasonably requested by Landlord, Tenant shall provide additional security for the Event (including, without limitation, security escorts to parking areas), which security shall be compatible with Landlord's security measures and personnel. It is understood and agreed that Landlord shall have no liability or responsibility to provide any security for an Event. Tenant shall store all trash and refuse from the Event in adequate containers in a neat and clean manner and so as not to create a health or fire hazard, and shall arrange for the removal and disposal of such supplementary refuse at Tenant's sole cost. Tenant shall not use Landlord's name or the name of the Project in any manner, connected with the Event or otherwise.

[SIGNATURES ON NEXT PAGE]

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

LANDLORD:

SOCM I, LLC,
a Delaware limited liability company

By: Shea Properties Management Company, Inc.,
a Delaware corporation, its Manager


By: 
Printed Name: Lillian Kuo
Its: Assistant Secretary
DRE # _____


By: 
Printed Name: Colm Macken
Its: President
DRE # _____

CA Broker's License #01382566

TENANT:

YARDI SYSTEMS, INC.,
a California corporation

By: 
Print Name: Arnold Brier
Print Title: VP

By: 
Print Name: Gordon Morrell
Print Title: Secretary

***NOTE:**

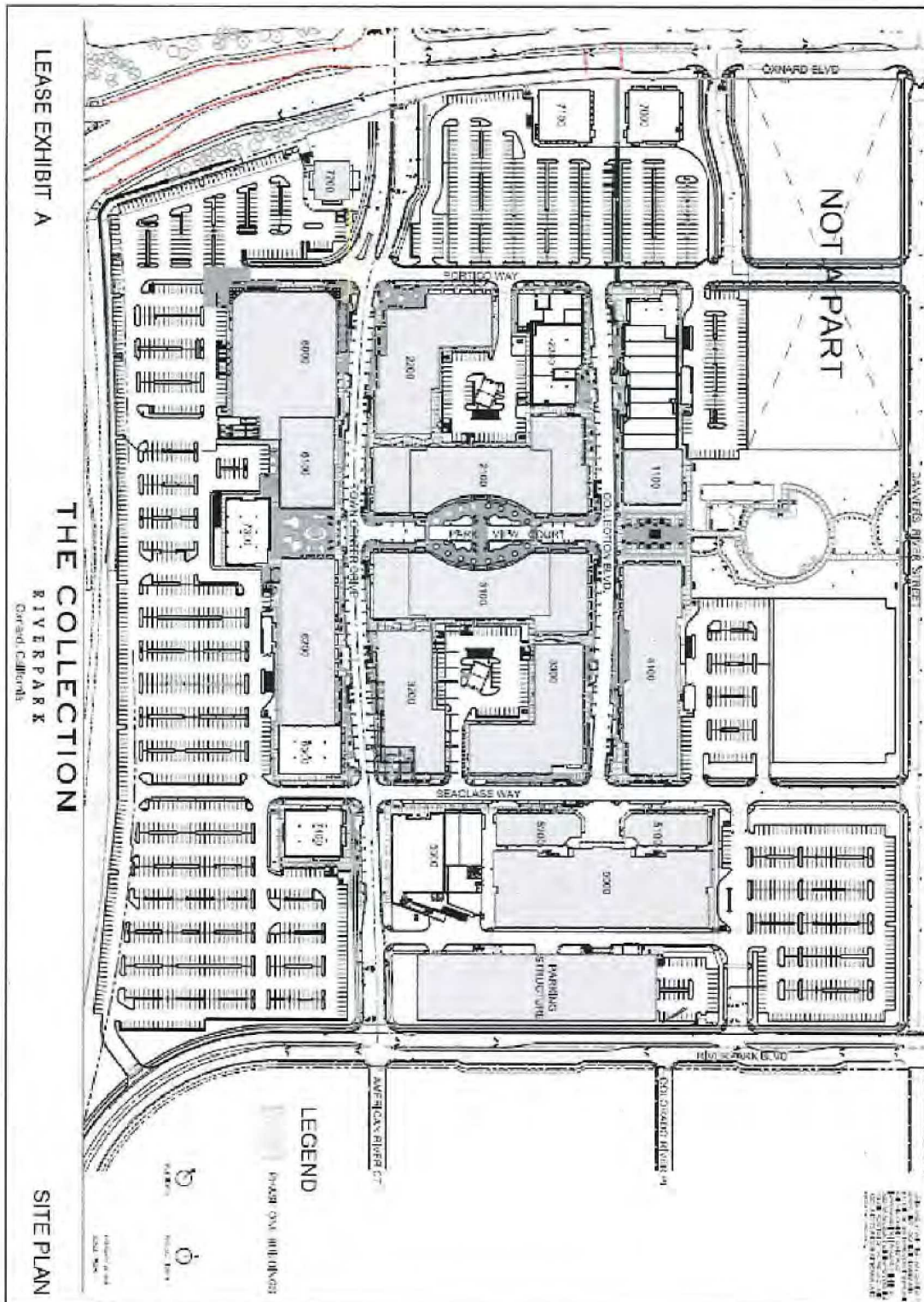
If Tenant is a California corporation, then one of the following alternative requirements must be satisfied:

(A) This Lease must be signed by two (2) officers of such corporation: one being the chairman of the board, the president or a vice president, and the other being the secretary, an assistant secretary, the chief financial officer or an assistant treasurer. If one (1) individual is signing in two (2) of the foregoing capacities, that individual must sign twice; once as one officer and again as the other officer.

(B) If there is only one (1) individual signing in two (2) capacities, or if the two (2) signatories do not satisfy the requirements of (A) above, then Tenant shall deliver to Landlord a certified copy of a corporate resolution in a form reasonably acceptable to Landlord authorizing the signatory(ies) to execute this Lease.

SITE PLAN

SITE PLAN



THE COLLECTION

RIVER PARK

Cor and Callions

SITE PLAN

LEGEND

CONCLUSIONS

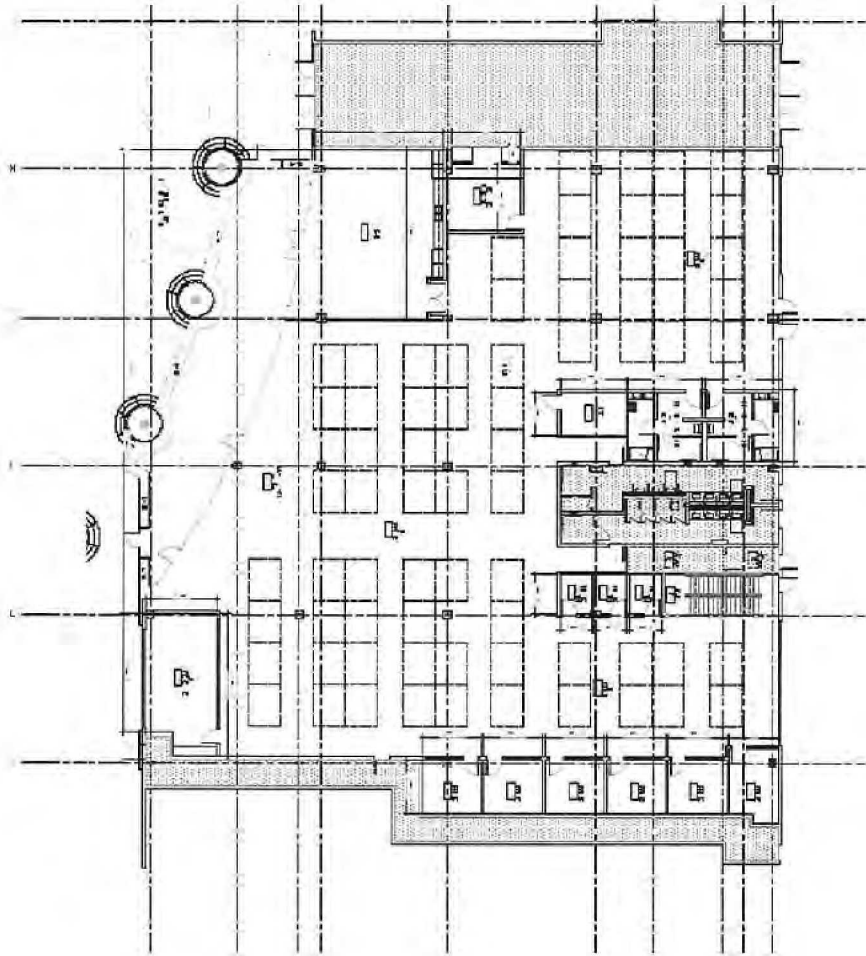
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TENANT'S INITIALS HERE

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EXHIBIT B
FLOOR PLAN

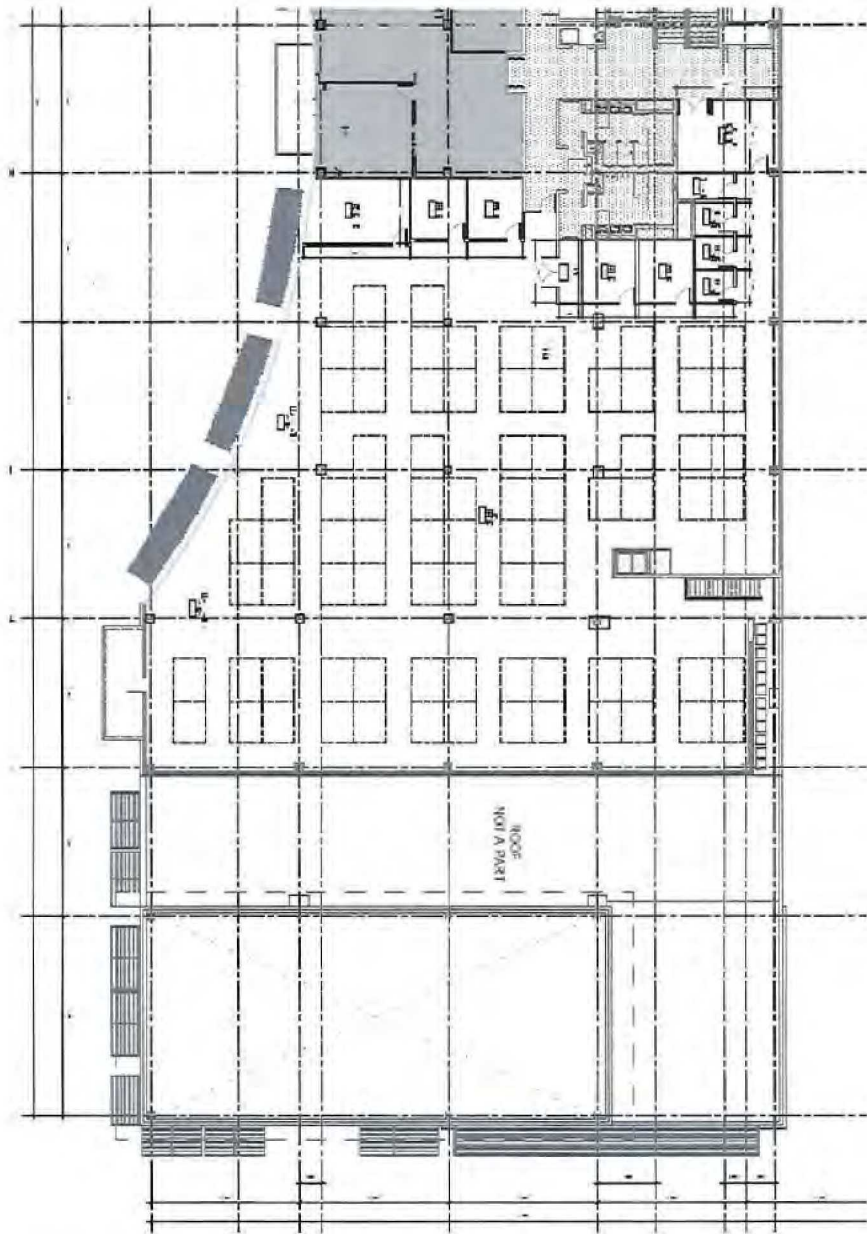


<p>AS21</p> <p>YARDI</p> <p>First Floor</p> <p>Space Plan</p>	<p>YARDI</p> <p>2750 Peninsula Court, Concord, CA</p> <p>YARDI SYSTEMS, INC.</p>	<p>oke</p> <p>pk architecture</p>
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TENANT'S INITIALS HERE:

AB

Am



Proposed 2nd Floor Space Plan

A2.2

YARDI

2750 Riverwalk Court, Culver City, CA

YARDI SYSTEMS, INC.

oke

OK Architecture

TENANT'S INITIALS HERE: AB cin

EXHIBIT C

WORK LETTER AGREEMENT

THIS WORK LETTER AGREEMENT ("Work Letter Agreement") is entered into as of the 9th day of March, 2016, by and between **SOCM I, LLC**, a Delaware limited liability company ("Landlord"), and **YARDI SYSTEMS, INC.**, a California corporation ("Tenant").

RECITALS:

A. Concurrently with the execution of this Work Letter Agreement, Landlord and Tenant have entered into a lease (the "**Lease**") covering certain premises (the "**Premises**") more particularly described in **Exhibit B** attached to the Lease. All terms not defined herein have the same meaning as set forth in the Lease. To the extent applicable, the provisions of the Lease are incorporated herein by this reference.

B. In order to induce Tenant to enter into the Lease and in consideration of the mutual covenants hereinafter contained, Landlord and Tenant agree as follows:

1. **TENANT IMPROVEMENTS.** As used in the Lease and this Work Letter Agreement, the term "**Tenant Improvements**" or "**Tenant Improvement Work**" or "**Tenant's Work**" means those items of general tenant improvement construction shown on the Final Plans (described in **Section 4** below), more particularly described in **Section 5** below. Tenant hereby accepts the base, shell and core (i) of the Premises and (ii) of the floors of the Building on which the Premises are located in its current "**AS-IS**" condition existing as of the date of this Lease and the Delivery Date subject to all obligations to repair and maintain by Landlord set forth in the Lease, and subject to being delivered (i) in compliance with all applicable building, safety and other applicable laws and codes, including ADA, (ii) in broom clean condition, and (iii) with all the Building systems servicing the Premises in good working order. Notwithstanding the foregoing, if it is determined that the Premises were not in good condition and in compliance with the foregoing requirements and applicable laws, rules and regulations as of the Delivery Date (including the "path of travel" to the Premises through the Common Areas complying with the Americans with Disabilities Act), and such non-compliance is not due to Tenant's particular use of, or activities or work in, the Premises, Landlord shall (as Tenant's sole remedy therefor) correct such non-compliance at Landlord's cost within a commercially reasonable time after Landlord's receipt of written notice thereof (provided that such notice must be received within ninety (90) days following the Delivery Date).

2. **WORK SCHEDULE.** Prior to commencing construction, Tenant will deliver to Landlord, for Landlord's review and approval, a schedule ("**Work Schedule**") which will set forth the timetable for the planning and completion of the installation of the Tenant Improvements.

3. **CONSTRUCTION REPRESENTATIVES.** Landlord hereby appoints the following person as Landlord's representative ("**Landlord's Representative**") to act for Landlord in all matters covered by this Work Letter Agreement: Ron Revi, Telephone: (949) 389-7279; Email: ron.revi@sheaproperties.com.

Tenant hereby appoints the following person) as Tenant's representative ("**Tenant's Representative**") to act for Tenant in all matters covered by this Work Letter Agreement: Gordon Morrell, Telephone: (805) 699-2040 ext. 1105; Email Gordon.Morrell@Yardi.com.

All communications with respect to the matters covered by this Work Letter Agreement are to be made to Landlord's Representative or Tenant's Representative, as the case may be, in writing in compliance with the notice provisions of the Lease. Either party may change its representative under this Work Letter Agreement at any time by written notice to the other party in compliance with the notice provisions of the Lease.

4. **TENANT IMPROVEMENT PLANS.**

(a) **Preparation of Space Plans: Space Planning Allowance.** Tenant shall have the right, subject to Landlord's prior written approval, to select its own architect and MEP and Fire & Life Engineer(s) for the preparation of the space plans and construction drawings. Landlord hereby approves PKA as the Tenant's architect (the "**Tenant's Architect**"). In accordance with the Work Schedule, Landlord agrees to meet with Tenant's Architect for the purpose of promptly reviewing preliminary space plans for the layout of the Premises prepared by Tenant ("**Space Plans**"). The Space Plans are to be sufficient to convey the architectural design of the Premises and layout of the Tenant Improvements therein and are to be submitted to Landlord in accordance with the Work Schedule for Landlord's approval. If Landlord reasonably disapproves any aspect of the Space Plans, Landlord will advise Tenant in writing of such disapproval and the reasons therefor in accordance with the Work Schedule. Landlord shall not unreasonably withhold, condition or delay any approval of the Space Plans. Tenant will then submit to Landlord for Landlord's approval, in accordance with the Work Schedule, a redesign of the Space Plans incorporating the revisions reasonably required by Landlord. In addition to the Allowance, Landlord agrees to reimburse Tenant for its actual costs relating to the preliminary space planning performed by Tenant's Architect, in an amount not to exceed [REDACTED] (calculated at the rate of [REDACTED]).

within thirty (30) days of Landlord's receipt of a copy of Tenant's Architect's invoice from Tenant, which invoice shall detail such actual space planning costs. Notwithstanding the foregoing, Landlord hereby approves Tenant's Preliminary Space Plans in Schedule 2 attached hereto.

(b) **Preparation of Final Plans.** Based on the approved Space Plans by Landlord, and in accordance with the Work Schedule, Tenant's Architect will prepare complete architectural plans, drawings and specifications and complete (or cause and engineer selected by Tenant and reasonably approved by Landlord) engineered mechanical, structural and electrical working drawings for all of the Tenant Improvements for the Premises (collectively, the "**Final Plans**"). The Final Plans will show (a) the subdivision (including partitions and walls), layout, lighting, finish and decoration work (including carpeting and other floor coverings) for the Premises; (b) all internal and external communications and utility facilities which will require conduiting or other improvements from the base Building shell work and/or within common areas; and (c) all other specifications for the Tenant Improvements. The Final Plans will be submitted to Landlord for approval and signature to confirm that they are consistent with the approved Space Plans. If Landlord reasonably disapproves any aspect of the Final Plans based on any inconsistency with the Space Plans, Landlord agrees to advise Tenant in writing of such disapproval and the reasons therefor within the time frame set forth in the Work Schedule. In accordance with the Work Schedule, Tenant will then cause Tenant's Architect to redesign the Final Plans incorporating the revisions reasonably requested by Landlord so as to make the Final Plans consistent with the Space Plans. Landlord's shall not unreasonably withhold, condition or delay any approval of the Final Plans.

(c) **Requirements of Tenant's Final Plans.** Tenant's Final Plans will include locations and complete dimensions, and the Tenant Improvements, as shown on the Final Plans, will: (i) be compatible with the Building shell and with the design, construction and equipment of the Building; (ii) if not comprised of the Building standards dated January 26, 2016, set forth in the written description thereof (the "**Standards**"), attached hereto as Schedule 3, then compatible with and of at least equal quality as the Standards and reasonably approved by Landlord; (iii) comply with all applicable laws, ordinances, rules and regulations of all governmental authorities having jurisdiction, and all applicable insurance regulations; (iv) not require Building service beyond the level normally provided to other tenants in the Building (unless Tenant agrees to pay for such additional Building service) and will not overload the Building floors; and (v) be of a nature and quality consistent with the overall objectives of Landlord for the Building, as determined by Landlord in its reasonable discretion.

(d) **Submittal of Final Plans.** Once approved by Landlord and Tenant, Tenant's Architect will submit the Final Plans to the appropriate governmental agencies for plan checking and the issuance of a building permit. Tenant's Architect, with Landlord's cooperation, will make any changes to the Final Plans which are requested by the applicable governmental authorities to obtain the building permit. After approval of the Final Plans no further changes may be made without the prior written reasonable approval of both Landlord and Tenant, and then only after agreement by Tenant to pay any excess costs resulting from the design and/or construction of such changes.

(e) **Changes to Shell of Building.** If the Final Plans or any amendment thereof or supplement thereto shall require changes in the Building shell, the increased cost of the Building shell work caused by such changes will be paid for by Tenant or charged against the "Allowance" described in Section 5 below.

(f) **Work Cost Estimate and Statement.** Prior to the commencement of construction of any of the Tenant Improvements shown on the Final Plans, Tenant will submit to Landlord a written estimate of the cost to complete the Tenant Improvement Work, which written estimate will be based on the Final Plans taking into account any modifications which may be required to reflect changes in the Final Plans required by the City or County in which the Premises are located (the "**Work Cost Estimate**"). Landlord will either approve the Work Cost Estimate or disapprove specific items and submit to Tenant revisions to the Final Plans to reflect reasonable deletions of and/or reasonable substitutions for such disapproved items. Submission and approval of the Work Cost Estimate will proceed in accordance with the Work Schedule. Upon Landlord's approval of the Work Cost Estimate (such approved Work Cost Estimate to be hereinafter known as the "**Work Cost Statement**"), Tenant will have the right to purchase materials and to commence the construction of the Tenant Improvements including the items included in the Work Cost Statement pursuant to Section 6 hereof. If the total costs reflected in the Work Cost Statement exceed the Allowance described in Section 5 below, Tenant agrees to pay such excess.

5. PAYMENT FOR THE TENANT IMPROVEMENTS

(a) **Allowance.** Landlord hereby grants to Tenant a tenant improvement allowance (the "**Allowance**") of up to [REDACTED] per rentable square foot of the Premises (i.e., [REDACTED]). The Allowance is to be used only for the following "**Construction Costs**":

(i) Payment of the cost of preparing the Space Plans and the Final Plans, including mechanical, electrical, plumbing and structural drawings and of all other aspects and fees necessary to complete the Final Plans. The Allowance will not be used for the payment of any other consultants, designers or architects other than Landlord's architect (only if applicable) and Tenant's Architect, engineers, project manager, and other consultants or vendors in connection with the completion of the Space Plans and Final Plans and the design of the Tenant Improvements (collectively "Tenant's Agents"), and the fees in connection with Tenant's Agents shall be commercially reasonable and competitive market fees.

(ii) The payment of plan check, permit and license fees relating to construction of the Tenant Improvements.

(iii) Construction of the Tenant Improvements, including the payment to the general contractor and, including, without limitation, the following:

(aa) Installation within the Premises of all partitioning, doors, floor coverings, ceilings, wall coverings and painting, millwork and similar items;

(bb) All electrical wiring, lighting fixtures, outlets and switches, and other electrical work necessary for the Premises;

(cc) The furnishing and installation of all duct work, terminal boxes, diffusers and accessories necessary for the heating, ventilation and air conditioning systems within the Premises, including the cost of meter and key control for after-hour air conditioning;

(dd) Any additional improvements to the Premises required for Tenant's use of the Premises including, but not limited to, odor control, special heating, ventilation and air conditioning, noise or vibration control or other special systems or improvements;

(ee) All fire and life safety control systems such as fire walls, sprinklers, halon, fire alarms, including piping, wiring and accessories, necessary for the Premises;

(ff) All plumbing, fixtures, pipes and accessories necessary for the Premises;

(gg) Testing and inspection costs; and

(hh) Fees and costs attributable to general conditions associated with the hard costs to complete the Tenant Improvements plus a one percent (1%) construction administration fee ("**Construction Administration Fee**") to Landlord to cover the services of Landlord's tenant improvement coordinator; provided, that the total Construction Administration Fee shall not exceed [REDACTED]

(iv) Intentionally deleted.

(v) Tenant shall be entitled to use up to [REDACTED] of the Allowance in the amount of [REDACTED] toward Tenant's telecommunications cabling, security system, furniture, fixtures and equipment, signage, moving costs in connection with Tenant's move to the Premises, and/or as a credit toward Monthly Basic Rent next coming due under the Lease by providing written notice to Landlord of when such credit shall occur. If any balance of the Allowance has not been requested for reimbursement as required herein or applied as set forth herein by the last day of the twenty-fourth (24th) month of the initial Term, such balance shall be deemed forfeited by Tenant and Tenant shall have no further rights with respect thereto.

(b) **Excess Costs.** The cost of each item referenced in Section 5(a) above shall be charged against the Allowance. If the work cost exceeds the Allowance, Tenant shall be solely responsible for payment of all excess costs, including the Construction Administration Fee, which fee shall be paid to Landlord within fifteen (15) business days after invoice therefor. Except as otherwise set forth in Section 5 (a) (v) above, in no event will the Allowance be used to pay for Tenant's furniture, artifacts, equipment, telephone systems or any other item of personal property which is not affixed to the Premises.

(c) **Changes.** Any changes to the Final Plans will be approved by Landlord and Tenant in the manner set forth in Section 4 above. Tenant shall be solely responsible for any additional costs associated with such changes including the Construction Administration Fee, which fee shall be paid to Landlord within fifteen (15) business days after invoice therefor. Landlord will have the right to decline Tenant's request for a change to the Final Plans if such changes are inconsistent with the provisions of Section 4 above.

(d) **Governmental Cost Increases.** If increases in the cost of the Tenant Improvements as set forth in the Work Cost Statement are due to requirements of any governmental agency, Tenant (except as set forth in and subject to Section 1 in Schedule 1 to Exhibit C attached hereto) shall be solely responsible for such additional costs including the Construction Administration Fee, which fee shall be paid to Landlord within fifteen (15) business days after invoice therefor; provided, however, that Landlord will first apply toward any such increase any remaining balance of the Allowance.

(e) **Unused Allowance Amounts.** If any balance of the Allowance has not been requested as required herein or applied as set forth herein by the last day of the twenty-fourth (24th) month of the initial Term, such balance shall be deemed forfeited by Tenant and Tenant shall have no further rights with respect thereto.

(f) **Disbursement of the Allowance.** Provided Tenant is not in default following the giving of notice and passage of any applicable notice and cure period under the Lease or this Work Letter Agreement, Landlord shall disburse the Allowance to Tenant to reimburse Tenant for the actual Construction Costs which Tenant incurs in connection with the construction of the Tenant Improvements in accordance with the following:

(i) Thirty-five percent (35%) of the Allowance shall be disbursed to Tenant when Landlord shall have received "Evidence of Completion and Payment" as to approximately fifty percent (50%) of Tenant's Work having been completed and paid for by Tenant as described hereinbelow;

(ii) Fifty percent (50%) of the Allowance shall be disbursed to Tenant when Landlord shall have received "Evidence of Completion and Payment" as to approximately seventy-five percent (75%) of Tenant's Work having been completed and paid for by Tenant as described hereinbelow;

(iii) Five percent (5%) of the Allowance shall be disbursed to Tenant when Landlord shall have received "Evidence of Completion and Payment" as to approximately ninety percent (90%) of Tenant's Work having been completed and paid for by Tenant as described hereinbelow;

(iv) The final ten percent (10%) of the Allowance shall be disbursed to Tenant when Landlord shall have received "Evidence of Completion and Payment" as to one hundred percent (100%) of Tenant's Work having been substantially completed (excluding punch list items) and paid for by Tenant as described hereinbelow and satisfaction of the items described in subparagraph (vi) below;

(v) As to each phase of completion of Tenant's Work described in subparagraphs (i) through (iv) above, the appropriate portion of the Allowance shall be disbursed to Tenant with thirty (30) days of Tenant's written request to Landlord only when Landlord has received the following **"Evidence of Completion and Payment"**:

(A) Tenant has delivered to Landlord a draw request ("**Draw Request**") in a form reasonably satisfactory to Landlord and Landlord's lender with respect to the Tenant Improvements specifying that the requisite portion of Tenant's Work has been completed, together with invoices, receipts and bills evidencing the costs and expenses set forth in such Draw Request and evidence of payment by Tenant for all costs which are payable in connection with such Tenant's Work covered by the Draw Request. The Draw Request shall constitute a representation by Tenant that the Tenant's Work identified therein has been completed in a good and workmanlike manner and in accordance with the Final Plans and the Work Schedule and has been paid for as required above;

(B) Tenant's Architect for the Tenant Improvements has certified to Landlord that the Tenant Improvements have been completed to the level indicated in the Draw Request in accordance with the Final Plans;

(C) Tenant has delivered to Landlord such other evidence of Tenant's payment of the general contractor and subcontractors for the portions of Tenant's Work covered by the Draw Request and the absence of any liens generated by such portions of the Tenant's Work as may be required by Landlord (i.e., either unconditional lien releases in accordance with California Civil Code Section 3262 or release bond(s) in accordance with California Civil Code Sections 3143 and 3171);

(D) Landlord or Landlord's architect or construction representative has inspected the Tenant Improvements and reasonably determined that the portion of Tenant's Work covered by the Draw Request has been completed in a good and workmanlike manner;

(vi) The final disbursement of the balance of the Allowance shall be disbursed to Tenant only when Landlord has received Evidence of Completion and Payment as to all of Tenant's Work as provided hereinabove and the following conditions have been satisfied:

(A) Tenant has substantially completed all of Tenant's Work;

(B) Thirty-five (35) days shall have elapsed following the filing of a valid notice of completion by Tenant for the Tenant Improvements;

(C) Tenant has commenced business operations from the Premises;

(D) All required inspections of Tenant's Work by the applicable governmental agencies have taken place and the completed Tenant's Work has passed all such inspections;

(E) Landlord has reasonably determined that no work exists which adversely affects the mechanical, electrical, plumbing, heating, ventilating and air conditioning, life-safety or other systems of the Building, the curtain wall of the Building, the structure or exterior appearance of the Building, or any other tenant's use of such other tenant's leased premises in the Building;

(F) Tenant has delivered to Landlord evidence satisfactory to Landlord that all construction costs in excess of the Allowance (if any) have been paid for by Tenant; and

(G) Tenant has submitted to Landlord the following **"Close-Out Package"** documentation:

1. Notice of Completion. Tenant shall obtain, record and post on the Premises a Notice of Completion and forward to Landlord a conformed copy of the recorded Notice of

Completion within three (3) days thereafter.

2. Certificate of Occupancy. Tenant shall obtain a Certificate of Occupancy (or other appropriate documentation permitting the Premises to be occupied) within thirty (30) days following substantial completion of Tenant's Work.

3. Permits. Tenant shall obtain and provide Landlord with a copy of all building permits with sign-offs executed by appropriate governmental agencies following substantial completion of Tenant's Work.

4. AIA Document Requirements. Tenant shall obtain and deliver to Landlord AIA Document G702, completed, executed and certified by Tenant's Architect, together with AIA Document G703, completed and to which shall be affixed Tenant's Contractor's signed certification, after substantial completion of Tenant's Work.

5. Invoices & Lien Waivers. Tenant shall submit to Landlord (a) all invoices and proof of payment for all of Tenant's Work; and (b) executed, final unconditional lien waivers for all work performed, and materials furnished, by Tenant's Contractor, all subcontractors and all materials and services suppliers, as well as an affidavit from Tenant's Contractor that no liens exist as a result of Tenant's Work, and shall provide Landlord with copies of each within thirty (30) days after substantial completion of Tenant's Work. Without limiting the foregoing, Tenant shall have delivered to Landlord: (i) properly executed mechanics lien releases from all of Tenant's contractors, agents and suppliers in compliance with both California Civil Code Section 3262(d)(2) and either Section 3262(d)(3) or Section 3262(d)(4), which lien releases shall be conditional with respect to the then-requested payment amounts and unconditional with respect to payment amounts previously disbursed by Landlord; (ii) an application and certificate for payment (AIA form G702-1992 or equivalent) signed by Tenant's Architect; (iii) original stamped building permit plans; (iv) copy of the building permit; (v) original stamped building permit inspection card with all final sign-offs; (vi) a reproducible copy (in hard copy and auto-CAD format) of the "as-built" drawings of the Tenant Improvements; (vii) HVAC air balance report; (viii) all obtained warranty letters from Tenant's contractor or subcontractors; (x) manufacturer's warranties and operating instructions as received by Tenant; (xi) final punchlist completed and signed off by Tenant's Architect; and (xii) an acceptance of the Premises signed by Tenant;

6. As Built Plans. As-Built drawings as set forth in Section 9(g) below.

7. Certification. Tenant shall obtain an architect's certification that the Premises were constructed in accordance with Tenant's Final Plans and deliver the same to Landlord upon substantial completion of Tenant's Work.

8. HVAC. Tenant shall submit to Landlord an independent Certified Air Balance Report certifying that the HVAC serving the Premises is adequately distributed in accordance with the approved Final Plans.

Notwithstanding anything to the contrary contained hereinabove, all disbursements of the Allowance shall be subject to the prior deduction of the portion of the Construction Administration Fee allocable to the Tenant Improvements as set forth in this Work Letter.

(g) Books and Records. At its option, Landlord, at any time within two (2) years after final disbursement of the Allowance to Tenant, and upon at least thirty (30) days prior written notice to Tenant, may cause an audit to be made of Tenant's books and records relating to Tenant's expenditures in connection with the construction of the Tenant Improvements. Tenant shall maintain complete and accurate books and records in accordance with generally accepted accounting principles of these expenditures for at least two (2) years. Tenant shall make available to Landlord's auditor at the Premises within thirty (30) business days following Landlord's notice requiring the audit, all books and records maintained by Tenant pertaining to the construction and completion of the Tenant Improvements. In addition to all other remedies which Landlord may have pursuant to the Lease, Landlord may recover from Tenant the reasonable cost of its audit if the audit discloses that Tenant falsely reported to Landlord expenditures which were not in fact made or falsely reported a material amount of any expenditure or the aggregate expenditures.

6. CONSTRUCTION OF TENANT IMPROVEMENTS. Following Landlord's approval of the Final Plans and the Work Cost Statement described in Section 4(f) above, Tenant's contractor (selected as provided in Section 9(n) below) will commence and diligently proceed with the construction of the Tenant Improvements. Tenant shall use diligent efforts to cause its contractor to complete the Tenant Improvements in a good and workmanlike manner in accordance with the Final Plans and the Work Schedule. Tenant agrees to use diligent efforts to cause construction of the Tenant Improvements to commence promptly following the issuance of a building permit for the Tenant Improvements. Landlord shall have the right to enter upon the Premises to inspect Tenant's construction activities following reasonable advance notice Tenant of no less than 24 hours.

7. FREIGHT/CONSTRUCTION ELEVATOR. Landlord will, consistent with its obligation to other tenants in the Building, if appropriate and necessary, make the freight/construction elevator reasonably available to Tenant, at no charge to Tenant, in connection with the construction of the Tenant Improvements.

8. **DELIVERY OF POSSESSION; TERM AND RENT COMMENCEMENT DATE.**

(a) **Delivery of Possession.** Landlord shall deliver the Premises to Tenant in accordance with Section 2.3 of this Lease. The Tenant's contractor will complete the Landlord's work more particularly set forth in Schedule 1 to Exhibit C attached hereto (collectively, the "**Base Building Work**") and Landlord will reimburse Tenant (or, if provided for in the contract with such contractor, architect, engineer etc. pay directly to such contractor, architect, engineer) within forty-five (45) days or within the time frame set forth in the contract with such contractor, architect, engineer which in no case shall be earlier than thirty (30) days following submission to Landlord each of the following with respect to the Base Building Work completed as of the date of the submission of such invoice:

(A) Tenant has delivered to Landlord a statement ("**Base Building Work Statement**") in a form reasonably satisfactory to Landlord and Landlord's lender with respect to the Base Building Work specifying the portion of Base Building Work that has been completed, together with invoices, receipts and bills evidencing the costs and expenses set forth in such Base Building Work Statement and evidence of payment by Tenant for all costs which are payable in connection with the Base Building Work covered by the Base Building Work Statement. The Base Building Work Statement shall constitute a representation by Tenant, to the best of Tenant's knowledge, that the Base Building Work identified therein has been completed in a good and workmanlike manner and in accordance with the plans and specifications therefor;

(B) Tenant has delivered to Landlord such other evidence of Tenant's payment of the general contractor and subcontractors for the portions of Base Building Work covered by the Base Building Work Statement and the absence of any liens generated by such portions of the Base Building Work Statement as may be required by Landlord (i.e., either unconditional lien releases in accordance with California Civil Code Section 3262 or release bond(s) in accordance with California Civil Code Sections 3143 and 3171); and

(C) Landlord's architect or construction representative has inspected the Base Building Work and reasonably determined that the portion of the Base Building Work covered by the Base Building Work Statement has been completed in a good and workmanlike manner.

Tenant shall endeavor to contract with the contractor for a retention in an amount between five and ten percent. As a condition to Landlord's payment of the retention to be paid to the contractor with respect to the Base Building Work, Tenant shall provide to Landlord a close-out package with respect to the Base Building Work, consisting of the following documentation:

1. **Permits.** Tenant shall obtain and provide Landlord with a copy of all building permits with sign-offs executed by appropriate governmental agencies following substantial completion of the Base Building Work.

2. **AIA Document Requirements.** Tenant shall obtain and deliver to Landlord AIA Document G702, completed, executed and certified by Tenant's Architect, together with AIA Document G703, completed and to which shall be affixed Tenant's Contractor's signed certification, after substantial completion of the Base Building Work.

3. **Invoices & Lien Waivers.** Tenant shall submit to Landlord (a) all invoices and proof of payment for all of the Base Building Work; and (b) executed, final unconditional lien waivers for all work performed, and materials furnished, by Tenant's Contractor, all subcontractors and all materials and services suppliers, as well as an affidavit from Tenant's Contractor that no liens exist as a result of the Base Building Work, and shall provide Landlord with copies of each within thirty (30) days after substantial completion of the Base Building Work. Without limiting the foregoing, Tenant shall have delivered to Landlord: (i) properly executed mechanics lien releases from all of Tenant's contractors, agents and suppliers in compliance with both California Civil Code Section 3262(d)(2) and either Section 3262(d)(3) or Section 3262(d)(4), which lien releases shall be conditional with respect to the then-requested payment amounts and unconditional with respect to payment amounts previously disbursed by Landlord; (ii) original stamped building permit plans; (iii) building permit inspection card with all final sign-offs with respect to the Base Building Work; (iv) any applicable warranty letters from Tenant's contractor or subcontractors; (v) manufacturer's warranties and operating instructions as received by Tenant; and (vi) final punchlist completed and signed off by Tenant's Architect.

(b) **Commencement Date.** The Term of the Lease and Tenant's obligation to pay rent will commence upon the earlier of (i) substantial completion of the Tenant Improvements (as defined in Section 8(c) below), or (ii) the date Tenant commences business from the Premises, or (iii) the Outside Commencement Date defined in Section 8(d) below (which earlier date shall be the "**Commencement Date**").

(c) **Substantial Completion; Punch-List.** For purposes of Section 8(b) above, the Tenant Improvements will be deemed to be "**substantially completed**" when Tenant's contractor certifies in writing to Landlord and Tenant that Tenant has substantially performed all of the Tenant Improvement Work required to be performed by Tenant under this Work Letter Agreement, other than decoration and minor "punch-list" type items and adjustments which do not materially interfere with Tenant's use of the Premises; and Tenant has obtained a temporary certificate of occupancy or other required equivalent approval from the local governmental authority permitting occupancy of the Premises. Within ten (10)

days after receipt of such certificates, Tenant and Landlord will conduct a walk-through inspection of the Premises and Landlord shall provide to Tenant a written punch-list specifying those decoration and other punch-list items which require completion, which items Tenant will thereafter diligently complete.

(d) **Outside Commencement Date.** Notwithstanding anything in the Lease to the contrary, in no event shall the Lease Commencement Date be later than **December 1, 2016** (the "**Outside Commencement Date**"), unless and to the extent substantial completion of the Tenant Improvements is delayed by reason of a Landlord Delay (defined below) or Force Majeure (as defined in Section 32.15 of the Lease). As referenced herein, a "**Landlord Delay**" shall occur if and to the extent a delay in the substantial completion of the Tenant Improvements arises out of or results from (i) Landlord's failure to provide access to the Building from and after the date of execution and delivery of this Lease, or (ii) any other wrongful acts or omissions, negligence or willful misconduct of Landlord, its agents, employees or contractors, provided, however, no Landlord Delay (other than failure to deliver possession, for which no notice is required) shall be deemed to have occurred unless Tenant has given Landlord written notice that an act or omission on the part of Landlord or its agents has occurred which will cause a delay in the completion of the Tenant Improvements and Landlord has failed to cure such delay within two (2) business days after Landlord's receipt of such notice. Notwithstanding anything to the contrary herein, a Landlord Delay or Force Majeure shall extend the Outside Commencement Date only if and to the extent substantial completion of the Tenant Improvements in the Premises is actually delayed despite Tenant's commercially reasonable efforts to adapt and compensate for such delays.

9. MISCELLANEOUS CONSTRUCTION COVENANTS.

(a) **No Liens.** Tenant shall not allow the Tenant Improvements or the Building or any portion thereof to be subjected to any mechanic's, materialmen's or other liens or encumbrances arising out of the construction of the Tenant Improvements.

(b) **Diligent Construction.** Tenant will promptly, diligently and continuously pursue construction of the Tenant Improvements to successful completion in full compliance with the Final Plans, the Work Schedule and this Work Letter Agreement. Landlord and Tenant shall cooperate with one another during the performance of Tenant's Work to effectuate such work in a timely and compatible manner.

(c) **Compliance with Laws.** Tenant will construct the Tenant Improvements in a safe and lawful manner. Tenant shall, at its sole cost and expense or from the Allowance, comply with all applicable laws and all regulations and requirements of, and all licenses and permits issued by, all municipal or other governmental bodies with jurisdiction which pertain to the installation of the Tenant Improvements. Copies of all filed documents and all permits and licenses shall be provided to Landlord within ten (10) days following Landlord's request. Any portion of the Tenant Improvements which is not acceptable to any applicable governmental body, agency or department, or not reasonably satisfactory to Landlord, shall be promptly repaired or replaced by Tenant at Tenant's expense. Notwithstanding any failure by Landlord to object to any such Tenant Improvements, Landlord shall have no responsibility therefor.

(d) **Indemnification.** Subject to the terms of the Lease regarding insurance and waiver of subrogation by the parties, Tenant, except in the event of Landlord and Landlord's negligence or willful misconduct, hereby indemnifies and agrees to defend and hold Landlord, the Premises and the Building harmless from and against any and all suits, claims, actions, losses, costs or expenses of any nature whatsoever, together with reasonable attorneys' fees for counsel of Landlord's choice, arising out of or in connection with the Tenant Improvements or the performance of Tenant's Work (including, but not limited to, claims for breach of warranty, worker's compensation, personal injury or property damage, and any materialmen's and mechanic's liens).

(e) **Insurance.** Construction of the Tenant Improvements shall not proceed without Tenant first acquiring workers' compensation and commercial general liability insurance and property damage insurance, as well as Builder's risk insurance (which may be maintained by Contractor), with minimum coverage of \$5,000,000 in the aggregate (which may be provided through a combination of primary and excess (umbrella) coverage) and \$2,000,000 per occurrence, or such other amount as may be approved by Landlord in writing and issued by an insurance company reasonably satisfactory to Landlord. In addition to the foregoing, at Landlord's request, Tenant shall furnish to Landlord a completion and lien indemnity bond or other surety satisfactory to Landlord with respect to the performance of the Tenant Improvements. Not less than thirty (30) days before commencing the construction of the Tenant Improvements, certificates of such insurance shall be furnished to Landlord. All insurance policies maintained by Tenant pursuant to this Work Letter Agreement shall name Landlord and any lender with an interest in the Premises as additional insureds and comply with all of the applicable terms and provisions of the Lease relating to insurance. Tenant's contractor shall be required to maintain the same insurance policies as Tenant, and such policies shall name Tenant, Landlord and any lender with an interest in the Premises as additional insureds.

(f) **Construction Defects.** Landlord shall have no responsibility for the Tenant Improvements and Tenant will remedy, at Tenant's own expense, and be responsible for any and all defects in the Tenant Improvements that may appear during or after the completion thereof whether the same shall affect the Tenant Improvements in particular or any parts of the Premises in general. Tenant shall indemnify, hold harmless and reimburse Landlord for any costs or expenses incurred by Landlord by reason of any defect in any portion of the Tenant Improvements constructed by Tenant or Tenant's contractor or subcontractors, or by reason of inadequate cleanup following completion of the Tenant Improvements.

(g) **Additional Services.** If the construction of the Tenant Improvements shall require that additional services or facilities (including, but not limited to, hoisting, cleanup or other cleaning services, trash removal, field supervision, or ordering of materials) be provided by Landlord, then if such services are requested or used by Tenant, then Tenant shall pay Landlord for such items at Landlord's actual incurred cost with no markup or additional supervision fee. Electrical power and heating, ventilation and air conditioning, and washrooms on the first and 2nd floors shall be available to Tenant during normal business hours for construction purposes at no charge to Tenant.

(h) **Coordination of Labor.** All of Tenant's contractors, subcontractors, employees, servants and agents must work in harmony with and shall not interfere with any labor employed by Landlord, or Landlord's contractors or by any other tenant or its contractors with respect to the any portion of the Project. Nothing in this Work Letter shall, however, require Tenant to use union labor.

(i) **Work in Adjacent Areas.** Any work to be performed in areas adjacent to the Premises shall be performed only after obtaining Landlord's express written permission, which shall not be unreasonably withheld, conditioned or delayed, and shall be done only if an agent or employee of Landlord is present; Tenant will reimburse Landlord for the actual expense incurred in connection with any such employee or agent.

(j) **HVAC Systems.** Tenant agrees to be entirely responsible for the maintenance or the balancing of any supplemental heating, ventilating or air conditioning system installed by Tenant and/or maintenance of the electrical outlets and cabling and wiring, or plumbing fixtures installed by Tenant and/or for maintenance of lighting fixtures, partitions, doors, hardware or any other installations made by Tenant as part of the Tenant Improvements, all subject to repairs and maintenance obligations of Tenant and Landlord set forth in the Lease. All supplemental HVAC units shall be submetered, and all units shall be designed and installed in a manner that is integrated with the existing building management system (BMS) at the Project.

(k) **Coordination with Lease.** Nothing herein contained shall be construed as (i) constituting Tenant as Landlord's agent for any purpose whatsoever, or (ii) a waiver by Landlord or Tenant of any of the terms or provisions of the Lease. Any default by Tenant following the giving of notice and the passage of any applicable cure period with respect to any portion of this Work Letter Agreement shall be deemed a breach of the Lease for which Landlord shall have all the rights and remedies as in the case of a breach of said Lease.

(l) **Approval of Plans.** Landlord will not check Tenant drawings for building code compliance. Approval of the Final Plans by Landlord is not a representation that the drawings are in compliance with the requirements of governing authorities, and it shall be Tenant's responsibility to meet and comply with all federal, state, and local code requirements. Approval of the Final Plans does not constitute assumption of responsibility by Landlord or its architect for their accuracy, sufficiency or efficiency, and Tenant shall be solely responsible for such matters.

(m) **Tenant's Deliveries.** Tenant shall deliver to Landlord, at least five (5) days prior to the commencement of construction of Tenant's Work, the following information:

(i) The names, addresses, telephone numbers, and primary contacts for the general contractor, mechanical and electrical subcontractors contractors and other applicable Tenant's Agents Tenant intends to engage in the performance of Tenant's Work; and

(ii) The date on which Tenant's Work will commence, together with the estimated dates of completion of Tenant's construction and fixturing work.

(n) **Qualification of Contractors.** Once the Final Plans have been proposed and approved, Tenant shall select and retain a contractor and subcontractors from a list of contractors and subcontractors submitted by Tenant and approved by Landlord (which approval shall not be unreasonably withheld, delayed or conditioned) for the construction of the Tenant Improvement Work in accordance with the Final Plans. Tenant shall have the right to competitively bid the construction of the Tenant Improvements and select the general contractor and/or subcontractors (union or non-union, at Tenant's sole option), subject to Landlord's reasonable approval. All contractors engaged by Tenant shall be bondable, licensed contractors, possessing good labor relations, capable of performing quality workmanship and working in harmony with Landlord's general contractor and other contractors on the job, if any, all as reasonably determined by Landlord. All work shall be coordinated with general construction work within the Project, if any. Notwithstanding the foregoing, the Fire Alarm subcontractor must be Edwards EST-3 approved, provided that their fees are market competitive. Any roofing work must be completed by a Carlisle Syntec TPO approved applicator, provided that their fees are market competitive.

(o) **Warranties.** Tenant shall endeavor to cause its contractor to provide warranties for not less than one (1) year (or such shorter time as may be customary and available without additional expense to Tenant) against defects in workmanship, materials and equipment, which warranties shall run to the benefit of Landlord or shall be assignable to Landlord to the extent that Landlord is obligated to maintain any of the improvements covered by such warranties.

(p) **Landlord's Performance of Work.** Within ten (10) working days after receipt of Landlord's notice of Tenant's failure to perform its obligations under this Work Letter Agreement, if Tenant shall fail to

commence to cure such failure, Landlord shall have the right, but not the obligation, to perform, on behalf of and for the account of Tenant, subject to reimbursement of the cost thereof by Tenant, any and all of Tenant's Work which Landlord determines, in its reasonable discretion, should be performed immediately and on an emergency basis for the best interest of the Premises including, without limitation, work which pertains to structural components, mechanical, sprinkler and general utility systems, roofing and removal of unduly accumulated construction material and debris; provided, however, Landlord shall give Tenant at least ten (10) days prior notice to the performance of any of Tenant's Work.

(q) **As-Built Drawings**. Tenant shall cause "**As-Built Drawings**" in hard copy and auto CAD format (excluding furniture, fixtures and equipment) to be delivered to Landlord and/or Landlord's representative no later than sixty (60) days after the completion of Tenant's Work. In the event these drawings are not received by such date, Landlord may, at its election, cause said drawings to be obtained and Tenant shall pay to Landlord, as additional rent, the cost of producing these drawings.

(r) **No Miscellaneous Charges**. Landlord shall provide, subject to commercially reasonable availability, and neither Tenant nor the Allowance shall be charged for freight elevators and/or loading docks to the extent utilized in connection with the design and construction of the Tenant Improvements and Tenant's move into the Premises. The Allowance shall not be charged for Building security in connection with the construction of the Tenant Improvements. Neither Tenant nor the Allowance shall not be charged for parking for contractors or agents or for Tenant's vendors during the construction or move-in period. Further, neither Tenant nor the Allowance shall not be charged for electricity, water, toilet facilities or HVAC during the Business Hours for the Building, or during other times if Landlord required that the work be performed during other than Business Hours for the Building.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned Landlord and Tenant have caused this Work Letter Agreement to be duly executed by their duly authorized representatives as of the date of the Lease.

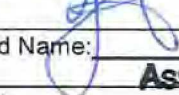
LANDLORD:


TENANT:


SOCM I, LLC,
a Delaware limited liability company

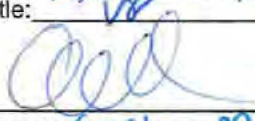
YARDI SYSTEMS, INC.,
a California corporation

By: Shea Properties Management Company, Inc.,
a Delaware corporation, its Manager

By: 
Printed Name: Lillian Kuo
Its: Assistant Secretary
DRE # _____

By: 
Print Name: Aramis PRIER
Print Title: VP

By: 
Printed Name: Colm Macken
Its: President
DRE # _____

By: 
Print Name: Gordon Morrell
Print Title: Secretary

CA Broker's License #01382566

SCHEDULE 1 TO EXHIBIT C

BASE BUILDING WORK

Landlord, at its sole cost and expense, and separate and apart from the Allowance, shall deliver the Building's shell and core in the following condition which complies with all applicable building codes, including, but not limited to, the Americans with Disabilities Act (the "Landlord's Base Building Work"). LEED is not a Landlord requirement.

The Landlord's Base Building Work shall be completed on time to support and in coordination with the Tenant Improvements schedule, and shall include the following:

1. Any work required in connection with the Tenant Improvements by a governmental agency outside the Premises and in the Building common areas (including any common area restrooms) in order to comply with any laws and codes, including ADA.
2. Any work required in connection with latent defects in the Building systems and shell & core discovered during the construction of the Tenant Improvements
3. The removal or encapsulation of any hazardous materials.
4. Landlord and Tenant shall mutually agree on the scope of work to provide new restrooms to exclusively service the Premises on the first floor at Tenant's cost or from the Allowance, and Landlord shall reimburse Tenant 50% of the actual cost to construct the first floor restrooms which Landlord's total contribution shall not exceed \$25,000.00. Notwithstanding the foregoing, Tenant shall have the right to provide access from the Premises and use the existing common area restrooms servicing the retail customers located on the first floor adjacent to the 1st Floor Premises at Tenant's cost or from the Allowance.
5. Building HVAC system shall (i) provide a minimum of One (1) ton of tempered air per every 300 usable square feet, and (ii) have the capacity to maintain a temperature of 72 degrees (+/- 2 degrees) in the Premises. Building HVAC system shall deliver required minimum outside air per code.
6. Existing fire sprinklers protection consisting of main loop, laterals and uprights, to be delivered in good working order and in compliance with Building Code.
7. Base building fire protection alarm and communication systems installed according to Building Code, including annunciation panels in good working order.
8. New Building standard window treatments.
9. PK Architecture has the Base Building electrical service, transformers and panels – to be reviewed by Tenant's engineer. Landlord shall provide Tenant the transformer and main electrical panel for the first floor Premises for normal office use.
10. Where missing or as needed, Landlord shall deliver a concrete slab within "level tolerances" pursuant to industry standards (i.e. one quarter of an inch (1/4") over ten feet (10') in any direction non-cumulative), and suitable for the installation of general office improvements and floor covering. Minimal feathering of the slab outside this tolerance may be necessary to achieve a connection to the ground floor lobby however any slope will meet ADA requirements. (Under review by Tenant's architect)
11. Landlord and Tenant shall mutually agree on the scope of work to install additional glass and exterior windows on the east wall of the 1st Floor Premises, and shall equally splits such costs 50/50.

TENANT'S INITIALS HERE: AB Cm

SCHEDULE 3 TO EXHIBIT C

BUILDING STANDARDS

THE COLLECTION AT RIVERPARK

TENANT IMPROVEMENT BUILDING STANDARDS

REVISED 01-26-2016 (Section 1.7.2)

Below are the Tenant Improvement Building Standards for 2740 and 2741 Park View Court, Oxnard, California. The Offices – Riverpark. All drawings and specifications shall be prepared by a registered architect and/or professional engineer prior to submittal to City.

1. TENANT'S WORK

1.1 Interior Partition.

- 1.1.1 Minimum 3 5/8" 25-gauge metal studs – 24" on center with seismic bracing u.n.o.
- 1.1.2 5/8" drywall type "X" one layer on each side of stud.
- 1.1.3 Height from floor slab to underside of Tenant ceiling grid or to underside of roof structure ± 10'
- 1.1.4 Partition taped smooth to receive flat paint.
- 1.1.5 "L" metal at termination of partition at ceiling.
- 1.1.6 Sound sealed gasket closure (black neoprene) at mullion termination or glass curtain wall.
- 1.1.7 Horizontal bracing per code.
- 1.2.8 Corner bead to termination or partition to ceiling.
- 1.2.9 All walls to receive 5/8" drywall.
- 1.2.10 All columns within office areas will be furred to 6" above ceiling line.

1.2 Demising Partition

- 1.2.1 3 5/8" 20-gauge metal studs – 24" on center with seismic bracing u.n.o.
- 1.2.2 5/8" drywall type "X" one layer on tenant's side of partition.
- 1.2.3 Height from floor slab to structure above.
- 1.2.4 Partition taped smooth to receive flat paint to underside of suspended ceiling.
- 1.2.5 R-11 Batt insulation in cavity.
- 1.2.6 "L" metal at termination of partition at ceiling.
- 1.2.7 Straight line termination at building columns. Sound sealed gasket closure (black neoprene) at mullion termination.
- 1.2.8 Stagger and caulk around electrical outlets and other boxes. Caulk around conduit and other through-the-wall penetrations. Caulk entire perimeter of wall at floor, exterior wall and ceiling, and between "L" metal finished drywall and intersected surface.
- 1.2.9 Framing as required for fire damped ducts, where occur.
- 1.2.10 Break metal cap with neoprene gasket at exterior glazing.
- 1.2.11 Air transfer grilles per code.

To Be Used: • Separation Tenant to Tenant

- 1.3 **Window Furring.**
 - 1.3.1 Sill, Head & Jambs: Buildings exterior metal stud wall framing to receive Tenant's 5/8" type "X" gypsum board.
 - 1.3.2 Corner bead at outside corners.
- 1.4 **Corridor Door Assembly.**
 - 1.4.1 Office – 3'-0" x 8'-0" x 1-3/4" solid core wood doors (plain sliced white maple veneer with Toast 28-95 [Marshfield Door Systems] color stain). Control sample to be approved by Landlord (20 minute rated).
 - 1.4.2 Hardware – Schlage 'L' Series, dull chrome finish 626, mortise with matching strike 40" A.F.F to centerline of lever. Lever: Schlage 'Sparta' Finish: 626 Chromium Plated
 - 1.4.3 Hinges – 4-1/2" x 4-1/2" Stanley – CB 19020 5 knuckle butt hinges, 2 pair finish to match door frame. Ball bearing hinges at all doors with closers.
 - 1.4.4 Door Stop – Builders Brass Works #1210 dome floor stop. Dull chrome finish, 626.
 - 1.4.5 Closer – Norton P8501-M parallel arm door closer. Aluminum finish.
 - 1.4.6 Frame – 3'-0" x 8'-0", Western Integrated aluminum. (20 minute rated).
 - 1.4.7 Color- Clear anodized aluminum.
 - 1.4.8 Threshold – Aluminum finish.
- 1.5 **Interior Door Assembly.**
 - 1.5.1 Office – 3'-0" x 8'-0" x 1-3/4" solid core wood doors (plain sliced white maple veneer with Toast 28-95 [Marshfield Door Systems] color stain). Control sample to be approved by Landlord.
 - 1.5.2 Latchset – Schlage 'ND' Series, dull chrome finish 626, cylindrical with matching strike 40" A.F.F. to centerline lever. Lever: Schlage 'Sparta' Finish: 626 Chromium Plated
 - 1.5.3 Lockset – Schlage 'ND' Series with lock, Dull chrome finish 626, cylindrical with matching strike 40" A.F.F. to centerline lever. (Above Standard) Lever: Schlage 'Sparta' Finish: 626 Chromium Plated
 - 1.5.4 Hinges – 4-1/2" x 4-1/2" Stanley – CB 19020 5 knuckle butt hinges, 2 pair finish to match door frame. Ball bearing hinges at all doors with closers.
 - 1.5.5 Door Stop – Builders Brass Works #1210 dome floor stop. Dull chrome finish, 626.
 - 1.5.6 Frame – 3'-0" x 8'-0", Western Integrated aluminum. Color- Clear anodized aluminum.
 - 1.5.7 Glass Sidelight – 1/4" tempered clear glass in a 3'-0" x 8'-0", Western Integrated aluminum frame. Color- Clear anodized aluminum.
- 1.6 **Ceiling Requirements.**
 - 1.6.1 Office Areas – Standard 2'x2' suspended "Armstrong Silhouette XL 9/16" bolt slot grid with 1/4" reveal grid with 2'x2' white with 24 x 24" Armstrong Dune Tegular ceiling tile or equivalent. Ceiling height to be 9'x 0" A.F.F. on Level 2.
 - 1.6.2 Wire suspension per code. Seismic and compression posts to meet current code
- 1.7 **Lighting.**
 - 1.7.1 **2'X4' LED Dimmable Light Fixture.**
 - 1.7.1.1 2'X4' LED dimmable light fixture. Lithonia Lighting, Volumetric Troffer (VT), 2VTL4-48L-ADP-EZ1-LP835-N80 (or approved equal)
 - 1.7.1.2 Wire: Suspension per code.
 - 1.7.1.4 Connect one fixture per 1,500 square feet to be emergency 24-hour lighting.

- 1.7.1.5 One Fixture for each 80 square feet of floor area.
- 1.7.2 Light Switch / Occupancy Sensor**
- 1.7.2.1 Wall Mounted Single Load: Wallstopper, DW-100 Dual Technology Wall Switch Sensor
- 1.7.2.2 Wall Mounted Bi-Level Switching: Wallstopper DW-200 Dual Technology Dual Relay Wall Switch Sensor
- 1.7.2.3 Wall Mount at 40" A.F.F. to center of switch.
- 1.7.2.4 Ceiling Mounted: Wallstopper DT-300 Dual Technology Ceiling Sensor
- 1.7.2.5 Power Pack: Wallstopper BZ-150 Universal Voltage Power Pack
- 1.7.3 Exit Signs**
- 1.7.3.1 Edge-lit LED Exit Sign, Signtex Inc. Lighting, Crystal Recessed Series CRR, Green letters with directional arrows as required.
- 1.8 Electrical Wall Outlet.**
- 1.8.1 Levinton Decora, or equal, duplex receptacle #16252 self-grounding, white finish.
- 1.8.2 No more than eight outlets per single 120 volts circuit.
- 1.8.3 Mounted vertically at 18" A.F.F. to centerline of outlet.
- 1.9 Data/Communications Outlet.**
- 1.9.1 Ring Pullstring and Backbox.
- 1.9.2 3/4" metal conduit in wall cavity snubbed to above ceiling with protective plastic bushing.
- 1.9.3 White coverplate and all wiring at Tenant's cost and by Tenant's vendor.
- 1.9.4 Tenant's cable to be plenum rated.
- 1.10 Tenant Telephone Closet.**
- 1.10.1 Provide (1) 4x8x3/4" fire rated plywood backboard. Paint to match wall.
- 1.10.2 Provide 20-amp separate circuit outlet for phone system.
- 1.11 Heating and Air Conditioning**
- 1.11.1 Office Areas: Provide supply and return HVAC ducting to all areas. Provide (1) zone per 800 square feet (average). Note: Interior open plan areas can be on larger zones.
- Note:
- Furnish and install low-pressure distribution ductwork.
 - Furnish and install air registers, flush mounted with perforated face.
 - Furnish and install return air grilles, flush mounted with perforated face as required.
 - Balance system by independent agency in accordance with engineered plans and submit balance report upon completion of improvements. (Subject to approval by owner).
 - All thermostats to be programmable.
 - Return air plenum.
- 1.11.2 The HVAC system shall be controlled (temperature control as well as after-hours usage) by the Landlord's existing building energy management system. Automated Logic is Landlord's approved vendor for HVAC controls, system design, controls, component selection, equipment ordering arrangements and construction support. Contact is Douglas Rakowski, Project Manager, Automated Logic, office 770-427-7443.

1.12 **Fire Protection**

- 1.12.1 Sprinkler heads to be semi-recessed chrome. Center in ceiling tile.
- 1.12.2 Fire Extinguishers type and location by local Fire Marshall.

1.13 **Floor Covering Requirements**

- 1.13.1 Carpet : Bigelow: End Result: Color: to be selected. 12' width. Installation: Direct Glue Down.
- 1.13.2 Vinyl Composition Tile: Mannington. 12x12 gauge "Progressions or equivalent. Color: to be selected.

1.14 **Rubber Base**

- 1.14.1 Base (throughout): Johnsonite 2-1/2" rubber cove base. Color: to be selected. (or approved equal)
- 1.14.2 Required throughout facility unless specified otherwise.
- 1.14.3 Based on both sides of interior partition.
- 1.14.4 Based on perimeter of building at drywall.
- 1.14.5 Based on perimeter of columns.

1.15 **Wall Finish**

- 1.15.1 Paint: Glidden or equal. Color: to be selected.
- 1.15.2 One coat of primer and two coats flat interior latex paint to cover walls with one accent color in conference rooms.
- 1.15.3 Paint both sides of interior partition. Paint on perimeter of building at drywall bulkhead.

1.16 **Window Coverings**

- 1.16.1 Levelor perforated vertical blinds. 68-4-01-156. "Cool Grey". or equal.

Note: Shea Properties reserves the right to modify these finishes prior to construction of the tenant improvements.

EXHIBIT D

SAMPLE FORM OF NOTICE OF LEASE TERM DATES

To: _____ Date: _____

Re: Office Lease dated March 9, 2016, between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), concerning certain space located on the first (1st) and second (2nd) floors ("**Premises**") of that certain building located at 2750 Park View Court, Oxnard, California 93036.

Ladies and Gentlemen:

In accordance with the above-referenced Lease, we wish to advise and/or confirm as follows:

1. That Tenant has accepted and is in possession of the Premises, and acknowledges that under the provisions of the Lease, the Term of the Lease is for one hundred twenty (120) months, with one (1) option to renew for an additional period of five (5), and commenced upon the Commencement Date of _____, __, and is currently scheduled to expire on _____, __, subject to earlier termination as provided in the Lease.
2. That in accordance with the Lease, rental payment has commenced (or shall commence) on _____, __.
3. If the Commencement Date of the Lease is other than the first (1st) day of the month, the first (1st) billing will contain a pro rata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Rent is due and payable in advance on the first day of each and every month during the Term of the Lease. Your rent checks should be made payable to SOCM I, LLC at _____.
5. The exact number of rentable square feet within the Premises is 28,887 square feet. The exact number of usable square feet within the Premises is 26,701 square feet.

AGREED AND ACCEPTED

TENANT:

YARDI SYSTEMS, INC.,
a California corporation

By: _____
Print Name: _____
Print Title: _____

By: _____
Print Name: _____
Print Title: _____

[*SAMPLE ONLY – NOT FOR EXECUTION*]

EXHIBIT E

RULES AND REGULATIONS

Notwithstanding anything to the contrary contained in this Exhibit E, in the event of a conflict between the terms of the Lease and this Exhibit E, the terms of the Lease shall prevail.

1. Except as set forth in the Lease, no sign, advertisement, name or notice shall be installed or displayed on any part of the outside or inside of the Building without the prior written consent of Landlord. Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved by Landlord, using materials and in a style and format approved by Landlord and pursuant to the terms of the Lease.

2. Except for typical office furniture, fixtures or equipment, Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition or wall which may appear unsightly from outside the Premises. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises, other than Building standard materials, without the prior written consent of Landlord.

3. Tenant shall not obstruct any sidewalks, halls, passages, exits, entrances, elevators, escalators or stairways of the Building. The halls, passages, exits, entrances, elevators, escalators and stairways are not for the general public, and Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interests of the Building and its tenants; provided, that nothing herein contained shall be construed to prevent such access to persons with whom any tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Tenant and no employee, invitee, agent, licensee or contractor of Tenant shall go upon or be entitled to use any portion of the roof of the Building except as set forth in the Lease including Rider No. 4.

4. The directory of the Building will be provided exclusively for the display of the name and location of tenants only, and Landlord reserves the right to exclude any other names therefrom. Tenant shall be entitled to three lines on the Building lobby directory to identify Tenant and other signage set forth in the Lease.

5. All cleaning and janitorial services for the Building and the Premises shall be provided exclusively through Landlord or Landlord's janitorial contractors in accordance with the provisions of Section 16.1(d) of the Lease and Exhibit I in the Lease. No person or persons other than those approved by Landlord shall be employed by Tenant or permitted to enter the Building for the purpose of cleaning the same. Tenant shall not cause any unnecessary labor by carelessness or indifference to the good order and cleanliness of the Premises. Landlord shall not in any way be responsible to Tenant for loss of property on the Premises, however occurring, or for any damage to Tenant's property by the janitors or any other employee or any other person.

6. Landlord will initially furnish Tenant, free of charge, with one hundred sixteen (116) card keys for the Premises. Tenant shall pay for any additional or replacement card keys, at Landlord's actual cost. Tenant may install its own access control system for the Premises. Tenant may not make or have made additional mechanical keys, and Tenant shall have the right to alter locks or install a new additional lock or bolt on any door or window of its Premises subject to coordination with Landlord. Tenant, upon termination of its tenancy, shall deliver to Landlord the keys of all doors which have been furnished to by Landlord, or otherwise procured by Tenant in Tenant's possession, and, in the event of loss of any keys that were provided by Landlord, shall pay Landlord the actual cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change.

7. Electric wires, telephones, telegraphs, burglar alarms or other similar apparatus shall not be installed in the Premises except as set forth in the Lease and with the approval and under the direction of Landlord, which approval shall not be unreasonably withheld, delayed or conditioned. The location of telephones, call boxes and any other equipment affixed to the Premises shall be subject to the approval of Landlord which approval shall not be unreasonably withheld, delayed or conditioned. Any installation of telephones, telegraphs, electric wires or other electric apparatus made without permission shall be removed by Tenant at Tenant's own expense within 30 days upon Landlord's notice. No machines other than standard office machines, such as typewriters and calculators, photo copiers, personal computers, scanners and word processors, and vending machines permitted by the Lease, shall be used in the Premises without the approval of Landlord.

8. No furniture, freight, or equipment of any kind shall be brought into the Building without prior notice to Landlord and all moving of the same into or out of the Building shall be done at such time and in such reasonable manner as Landlord shall reasonably designate. No furniture, equipment or merchandise shall be received in the Building or carried up or down in the elevator, except between such hours as shall be reasonably designated by Landlord. Deliveries during normal office hours shall be limited to normal office supplies and other small items. No deliveries shall be made which impede or interfere with other tenants or the operation of the Building.

9. Tenant shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by law. Landlord shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects, if such objects are considered necessary by Tenant, as determined by Landlord, shall stand on such platforms as determined by Landlord to be necessary to properly distribute the weight. Business machines and mechanical equipment which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to Landlord or to any tenants in the Building, shall be placed and maintained by Tenant, at Tenant's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. Landlord will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of Tenant.

10. Tenant shall not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment or other typical office supplies as permitted under the Lease. Tenant shall not use or permit to be used in the Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors or vibrations, nor shall Tenant bring into or keep in or about the Premises any birds or animals.

11. Tenant shall not use any method of heating or air-conditioning other than that supplied by Landlord.

12. Tenant shall not waste electricity, water or air-conditioning and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's heating and air-conditioning and to comply with any governmental energy-saving rules, laws or regulations of which Tenant has actual notice, and shall not adjust controls other than room thermostats installed for Tenant's use. Tenant shall keep corridor doors closed and shall close window coverings at the end of each business day at Tenant's sole option.

13. Landlord reserves the right from time to time, in Landlord's sole and absolute discretion, exercisable with prior notice and without liability to Tenant, to: (a) name or change the name of the Building or the Project; (b) change the address of the Building or Project, and/or (c) install, replace or change any signs in, on or about the Common Areas, the Building or the Project (except for Tenant's signs, if any, which are expressly permitted by the Lease). If such change is initiated by Landlord, Landlord will pay reasonable costs associated with changing stationery, business cards and other marketing materials.

14. Landlord reserves the right to exclude from the Building between the hours of 6:00 p.m. and 7:00 a.m., or such other hours as may be reasonably established from time to time by Landlord, and on legal holidays, any person unless that person is known to the person or employee in charge of the Building and has a pass or is properly identified. Landlord shall not be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. Tenant shall be responsible for all persons for whom it requests passes and shall be liable to Landlord for all acts of such persons subject to the terms of the Lease. Landlord reserves the right to prevent access to the Building in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

15. Tenant shall close and lock all doors of its Premises and entirely shut off all water faucets or other water apparatus, and, except with regard to Tenant's computers and other equipment which reasonably require electricity on a 24-hour basis, all electricity, gas or air outlets before Tenant and its employees leave the Premises. Subject to the terms of the Lease, Tenant shall be responsible for any damage or injuries sustained by other tenants or occupants of the Building or by Landlord for noncompliance with this rule.

16. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substances of any kind whatsoever shall be thrown therein.

17. Tenant shall not sell, or permit the sale at retail, of newspapers, magazines, periodicals, theater tickets, or any other goods or merchandise to the general public in or on the Premises. Tenant shall not make any room-to-room solicitation of business from other tenants in the Project. Tenant shall not use the Premises for any business or activity other than that specifically provided for in the Lease.

18. Tenant shall not install any radio or television antenna, loudspeaker or other device on the roof or exterior walls of the Building except as set forth in the Lease including Rider No. 4 attached to the Lease. Tenant shall not interfere with radio or television broadcasting or reception from or in the Building or elsewhere.

19. Except as expressly permitted in the Lease, Tenant shall not mark, drive nails, screw or drill into the partitions, window mullions, woodwork or plaster, or in any way deface the Premises or any part thereof, except to install normal wall hangings such as shelving, pictures, decorations and office fixtures, furniture and equipment. Tenant shall repair any damage resulting from noncompliance under this rule.

20. Tenant shall not install, maintain or operate upon the Premises any vending machines without the prior written consent of Landlord, which shall not be unreasonably withheld, delayed or conditioned.

21. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in and around the Project or the Building are expressly prohibited, and each tenant shall cooperate to prevent same.

22. Landlord reserves the right to exclude or expel from the Project and/or the Building any person who, in Landlord's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations of the Project or the Building.

23. Tenant shall store all its trash and garbage within its Premises or in designated trash containers or enclosures within the Project. Tenant shall not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All cardboard boxes must be "broken down" prior to being placed in the trash container. All styrofoam chips must be bagged or otherwise contained prior to placement in the trash container, so as not to constitute a nuisance. Pallets may not be disposed of in the trash container or enclosures. Any expense incurred by Landlord to clean up any excess trash attributable to Tenant will be borne by Tenant. All garbage and refuse disposal shall be made in accordance with directions reasonably issued from time to time by Landlord.

24. The Premises shall not be used for the storage of merchandise held for sale to the general public, or for lodging or for manufacturing of any kind. No cooking shall be done or permitted by Tenant on the Premises, except for brewing coffee, tea, hot chocolate and similar beverages shall be permitted and the use of a microwave shall be permitted, provided that such equipment and use is in accordance with all applicable federal, state, county and city laws, codes, ordinances, rules and regulations.

25. Tenant shall not use in any space, or in the public halls of the Building, any hand trucks except those equipped with rubber tires and side guards, or such other material-handling equipment as Landlord may reasonably approve. Tenant shall not bring any other vehicles of any kind into the Building.

26. Tenant shall not use the name of the Project or the Building in connection with, or in promoting or advertising, the business of Tenant, except for Tenant's address and except as set forth in the Lease.

27. Tenant agrees that it shall comply with all fire and security reasonable regulations that may be issued from time to time by Landlord, and Tenant also shall provide Landlord with the name of a designated responsible employee to represent Tenant in all matters pertaining to such fire or security regulations. Tenant shall cooperate fully with Landlord in all matters concerning fire and other emergency procedures.

28. Tenant assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage. Such responsibility shall include keeping doors locked and other means of entry to the Premises closed.

29. Landlord may waive any one or more of these Rules and Regulations for the benefit of Tenant or any other tenant, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of Tenant or any other such tenant, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any and all of the tenants in the Building.

30. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any lease of premises in the Project or the Building.

31. Landlord reserves the right to make such other and reasonable Rules and Regulations as, in its judgment, may from time to time be needed for safety, security, care and cleanliness of the Project and/or the Building and for the preservation of good order therein. Tenant agrees to abide by all such reasonable Rules and Regulations hereinabove stated and any additional reasonable rules and regulations which are adopted.

32. Tenant shall be responsible for the observance of all of the foregoing rules by Tenant's employees, agents, clients, customers, invitees or guests.

33. Tenant shall lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in a manner pursuant to the Work Letter Agreement - Exhibit C in the Lease. The method of affixing any such linoleum, tile, carpet or other similar floor covering shall be subject to the approval of Landlord pursuant to the Work Letter Agreement - Exhibit C in the Lease. The expense of repairing any damage resulting from a violation of this rule shall be borne by Tenant subject to the terms of the Lease.

34. Tenant shall not without Landlord's consent, which may be given or withheld in Landlord's sole and absolute discretion, receive, store, discharge, or transport firearms, ammunition, or weapons or explosives of any kind or nature at, on or from the Premises, the Building or the Project.

35. Tenant at all times shall maintain the entire Premises in a neat and clean, first class condition free

of debris. Landlord shall notify Tenant of such violation and Tenant shall promptly relocate such items away from the windows.

36. Tenant's employees shall take "employee breaks" only in those portions of the Common Area from time to time reasonably designated for such purpose by Landlord, which shall be located near the Building. Tenant shall be responsible for ensuring that its employees comply with this rule, and shall prohibit its employees from assembling, loitering or taking "employee breaks" in any other portion of the Common Area. If Tenant violates this rule, Landlord shall notify Tenant of such violation and Tenant shall comply Landlord's rules as set forth herein. Any Tenant's non-compliance of these rules shall be determined pursuant to the terms of the Lease.

37. Furniture, freight, packages, equipment, safes, bulky matter or supplies of any description shall be moved in or out of the Building only after the Building manager has been given prior notice and given its approval (which approval shall not be unreasonably withheld, delayed or conditioned) and only during such hours and in such manner as may be reasonably prescribed by Landlord from time to time. The scheduling and manner of all tenant move-ins and move-outs shall be subject to the discretion and approval of Landlord (which approval shall not be unreasonably withheld, delayed or conditioned), and said move-ins and move-outs shall only take place after 6:00 P.M. on weekdays, on weekends, or at such other times as Landlord may reasonably designate. Landlord shall have the right to approve or disapprove the movers or moving company employed by Tenant, and Tenant shall cause such movers to use only the loading facilities and elevators designated by Landlord. In the event Tenant's movers damage the elevator or any other part of the Premises or Building, Tenant shall pay to Landlord the amount required to repair such damage within 30 days following Tenant's receipt of Landlord's invoice. The moving of safes or other fixtures or bulky or heavy matter of any kind must be done under the Building manager's supervision, and the person employed by Tenant for such work must be acceptable to Landlord, but such persons shall not be deemed to be agents or servants of the Building manager or Landlord, and Tenant shall be responsible for all acts of such persons. Landlord reserves the right to inspect all safes, freights, or other bulky or heavy articles to be brought into the Building, and to exclude from the Building all safes, freight or the bulky or heavy articles which violate any of the Rules or the Lease of which these Rules are a part. Landlord reserves the right to determine the location and position of all safes, freight, furniture or bulky or heavy matter brought onto the Premises, which must be placed upon supports approved by Landlord to distribute the weight.

PARKING RULES AND REGULATIONS

In addition to the parking provisions contained in the Lease to which this Exhibit E is attached, the following rules and regulations shall apply with respect to the use of the Project's parking facilities. In the event of a conflict between the terms of the Lease and the terms of the Exhibit E, the terms of this Exhibit E shall govern.

1. Every parker is required to park and lock his/her own vehicle. All responsibility for damage to or loss of vehicles is assumed by the parker and Landlord shall not be responsible for any such damage or loss by water, fire, defective brakes, the act or omissions of others, theft, or for any other cause.
2. Tenant shall not park or permit its employees to park in any parking areas designated by Landlord as areas for parking by visitors to the Project. Tenant shall not park any vehicles in the parking areas other than automobiles, vans, SUVs, motorcycles, motor driven or non-motor driven bicycles or four wheeled trucks.
3. Parking stickers or any other device or form of identification supplied by Landlord as a condition of use of the parking facilities shall remain the property of Landlord. Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable and any device in the possession of an unauthorized holder will be void.
4. No extended term storage of vehicles shall be permitted without the consent of Landlord or Landlord's property manager. Overnight parking of vehicles shall be permitted only upon Tenant's prior written notice to Building security or Landlord's property manager.
5. Vehicles must be parked entirely within painted stall lines of a single parking stall.
6. All directional signs and arrows must be observed.
7. The speed limit within all parking areas shall be five (5) miles per hour.
8. Parking is prohibited: (a) in areas not striped for parking; (b) in aisles; (c) where "no parking" signs are posted; (d) on ramps; (e) in cross-hatched areas; and (f) in reserved spaces and in such other areas as may be designated by Landlord or Landlord's parking operator.
9. Loss or theft of parking identification devices must be reported to the Management Office immediately, and a lost or stolen report must be filed by the Tenant or user of such parking identification device at the time. Landlord has the right to exclude any vehicle from the parking facilities that does not have an identification device.

10. Any parking identification devices reported lost or stolen found on any unauthorized car will be confiscated and the illegal holder will be subject to prosecution.
11. Washing, waxing, cleaning or servicing of any vehicle in any area not specifically reserved for such purpose is prohibited.
12. The parking operators, managers or attendants are not authorized to make or allow any exceptions to these rules and regulations.
13. Tenant's continued right to park in the parking facilities is conditioned upon Tenant abiding by these rules and regulations and those contained in this Lease. Further, if the Lease terminates for any reason whatsoever, Tenant's right to park in the parking facilities shall terminate concurrently therewith.
14. Tenant agrees to sign a parking agreement with Landlord or Landlord's parking operator within thirty (30) days of request, which agreement shall be consistent with the Lease and these rules and regulations and be subject to terms of the Lease and which shall in no event alter or reduce Tenant's parking rights under the Lease.
15. Landlord reserves the right to refuse the sale or use of monthly stickers or other parking identification devices to any tenant or person who willfully refuses to comply with these rules and regulations and all city, state or federal ordinances, laws or agreements.
16. Landlord reserves the right to establish and change parking fees for other tenants, and to modify and/or adopt such other reasonable and non-discriminatory rules and regulations for the parking facilities as it deems necessary for the operation of the parking facilities. Landlord may refuse to permit any person who violates these rules to park in the parking facilities, and any violation of the rules shall subject the vehicle to removal, at such vehicle owner's expense. Notwithstanding the foregoing, Tenant's parking rights shall be free of charge (including for Tenant's agents, employees, customers invitees, guests or licensees) pursuant to the terms of the Lease.

ELECTRICAL AND TELECOMMUNICATIONS CABLING AND WIRING RULES

Subject to the terms and conditions of the Lease to which this Exhibit E is attached, Tenant, at its sole cost and expense, shall have the right to install, upgrade, maintain, operate, repair and remove electrical lines and telecommunications conduit and cabling (collectively, "**Cabling Work**"), including telephone conduit ducts, risers and cabling from the existing copper wire telephone point of entry at the Building to the Premises (collectively, the "**Wires**"), within the Premises and as necessary, in common area portions of the Building outside of the Premises, including within the plenums and risers of the Building, so long as Tenant complies with each of the rules and regulations set forth herein.

1. All Wires shall be capped or sealed at each end and at each telecommunications/electrical closet and junction box connection, and shall be clearly labeled with Tenant's name and suite number in all areas of the Building outside of the Premises where Wires are installed.
2. Tenant shall use Landlord's designated telecommunications contractor for the Building or a contractor selected by Tenant which shall be approved by Landlord, and which approval shall not be unreasonably withheld, delayed or conditioned, to complete any Cabling Work and shall comply with all applicable laws, codes, statutes, rules and regulations and shall not interfere with access to, or the use and enjoyment of, the Building, the Common Areas or any other portions of the Project by Landlord and other tenants and occupants of the Building. Tenant shall coordinate all Cabling Work with Landlord so as not to interfere with the business operations of Landlord or any other tenants or occupants of the Building.
3. Prior to commencing any Cabling Work, Tenant shall submit to Landlord for Landlord's approval, a detailed plan showing the proposed location of any Wires ("**Cabling Plan**") which shall include a description of the type(s) and quantity of Wires, points of commencement and termination, routing of the Wires and such other reasonable information as Landlord may request. All subsequent changes to the original Cabling Plan shall require Landlord's prior written approval, which approval shall not be unreasonably withheld, delayed or conditioned, and changes occurring after the Commencement Date shall be deemed "Tenant Changes" under the terms of the Lease. In no event shall any Cabling Work be deemed pre-approved by Landlord.
4. [Intentionally omitted]
5. Tenant shall comply with all applicable laws with respect to the Wires, and Tenant shall have no obligation to remove any of the Wires at the expiration or earlier termination of the Lease. Landlord hereby agrees to retain the Wires.
6. Condition of Wires. Tenant covenants that:
 - (i) Tenant shall be the sole owner of the Wires, Tenant shall have the sole right to surrender the Wires, and the Wires shall be free of all liens and encumbrances; and
 - (ii) All Wires shall be left in good condition and, working order, except for normal wear and tear and without any representation or warranty made by Tenant, labeled and capped or sealed at each

end and in each telecommunications/electrical closet and junction box, and in safe condition in a manner as determined by Tenant.

7. [Intentionally omitted]

8. [Intentionally omitted]

9. Tenant's obligations with respect to the Wires as set forth herein shall survive the expiration or earlier termination of the Lease.

10. In addition to Tenant's rights under the Lease, if and to the extent Tenant determines that it requires additional riser space than currently exists at the Building, then Tenant, at no charge to Tenant, shall have (i) the right to install additional risers for Tenant's cabling, and (ii) reasonable access to all areas within the Premises and the Building, including the Building's MPO (main point of entry), to install the required infrastructure to services Tenant's IT and telecommunications requirements, subject to plans and specifications specifically approved in writing by Landlord in advance, which approval shall not be unreasonably withheld, delayed or conditioned.

EXHIBIT F

SAMPLE FORM OF TENANT ESTOPPEL CERTIFICATE

TENANT: **YARDI SYSTEMS, INC.**, a California corporation

PROJECT: The Collection at Riverpark, Oxnard, California

TENANT ESTOPPEL CERTIFICATE

To: KeyBank National Association, as Agent, its successors and assigns

Re: Lease Pertaining to 2750 Park View Court, Oxnard, California 93036 (the "Premises")
and the project commonly known as The Collection at Riverpark in Oxnard, California
(the "Project")

Ladies and Gentlemen:

The undersigned, as tenant ("Tenant"), hereby states and declares as follows as of _____, 201_:

1. Tenant is the lessee or tenant under that certain lease (the "Lease") pertaining to the Project which is dated _____.

2. The name of the current Landlord is: SOCM I, LLC.

3. The Lease is for the following portion of the Project: 28,887 rentable square feet (the "Demised Premises").

4. The Lease has not been modified or amended except by the following documents (if none, so state): _____.

5. The initial term of the Lease commenced on _____, 2____ and shall expire on _____, 2____, unless sooner terminated in accordance with the terms of the Lease. Tenant has one (1) option to renew or extend the term of the Lease for five (5) years as set forth in the Lease

6. The Lease, as it may have been modified or amended, contains the entire agreement of Landlord and Tenant with respect to the Demised Premises, and is in full force and effect, except as follows (if none, so state): _____.

7. As of the date hereof, Tenant _____ is / _____ is not [CHECK ONE] occupying the Demised Premises and is paying rent on a current basis under the Lease. If Tenant is not occupying the Demised Premises, please explain: _____.

(a) The minimum monthly or base rent currently being paid by Tenant for the Demised Premises pursuant to the terms of the Lease is \$_____ per month for the month of _____, 20____.

(b) Common area maintenance, taxes, insurance and other charges (the "Reimbursables"), if any, due under the Lease have been paid through _____, in the amount of _____ for the month of _____, 20____.

8. Except as provided in paragraph 7 above, Tenant has accepted possession of the Demised Premises pursuant to the terms of the Lease. All items of an executory nature relating thereto to be performed by Landlord have been completed, including, but not limited to, completion of construction thereof (and all other improvements required under the Lease) in accordance with the terms of the Lease and within the time periods set forth in the Lease, except as follows: _____ Landlord has paid in full any required contribution towards work to be performed by Tenant under the Lease, except as follows (if none, so state): _____.

9. The Demised Premises shall be expanded by the addition of the following space on the dates hereinafter indicated (if none, so state): _____.

10. No default or event of default (hereinafter collectively a "Default") on the part of Tenant exists as of the date hereof under the Lease in the performance of the terms, covenants and conditions of the Lease required to be performed on the part of Tenant.

11. To the best of Tenant's knowledge, as of the date hereof, no Default on the part of Landlord exists under the Lease in the performance of the terms, covenants and conditions of the Lease required to be performed on the part of Landlord.

12. Tenant has no option or right to purchase all or any part of the Project.

13. Tenant has not assigned, sublet, transferred, hypothecated or otherwise disposed of its interest in the Lease and/or the Premises, or any part thereof, except for (if none, so state)_____.

14. Neither the Lease nor any obligations of Tenant thereunder have been guaranteed by any person or entity.

15. No hazardous substances are being generated, used, handled, stored or disposed of by Tenant on the Demised Premises or on the Project in violation of any applicable laws, rules or regulations or the terms of the Lease.

16. No rentals are accrued and unpaid under the Lease, except for Operating Expenses Reimbursables as set forth in the Lease, if any, which are not yet due and payable.

17. No prepayments of rentals due under the Lease have been made for more than one month in advance. No security or similar deposit has been made under the Lease, except for the sum of \$_____ which has been deposited by Tenant with Landlord pursuant to the terms of the Lease.

18. Tenant has no defense as to its obligations under the Lease and asserts no setoff, claim or counterclaim against Landlord, except for (if none, so state)_____.

19. Tenant has not received notice of any assignment, hypothecation, mortgage or pledge of Landlord's interest in the Lease or the rents or other amounts payable thereunder, except as follows (if none, so state): _____.

20. The undersigned is authorized to execute this Tenant Estoppel Certificate on behalf of Tenant.

21. This Tenant Estoppel Certificate may be executed in any number of separate counterparts, each of which shall be deemed an original, but all of which, collectively and separately, shall constitute one and the same instrument.

Very truly yours,

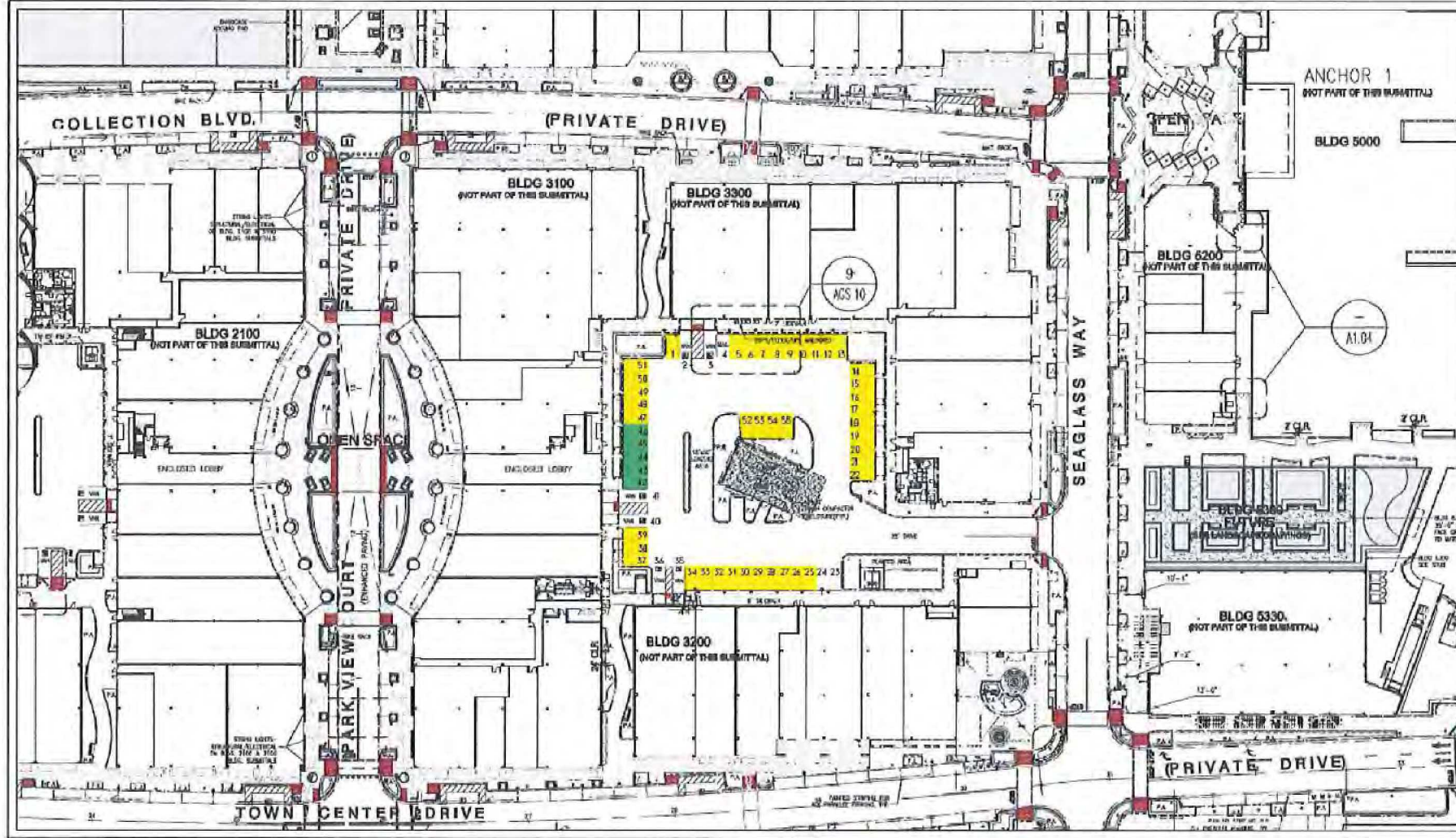
TENANT:

YARDI SYSTEMS, INC.,
a California corporation

By: _____
Print Name: _____
Print Title: _____

By: _____
Print Name: _____
Print Title: _____

EXHIBIT G
OFFICE PARKING AREA



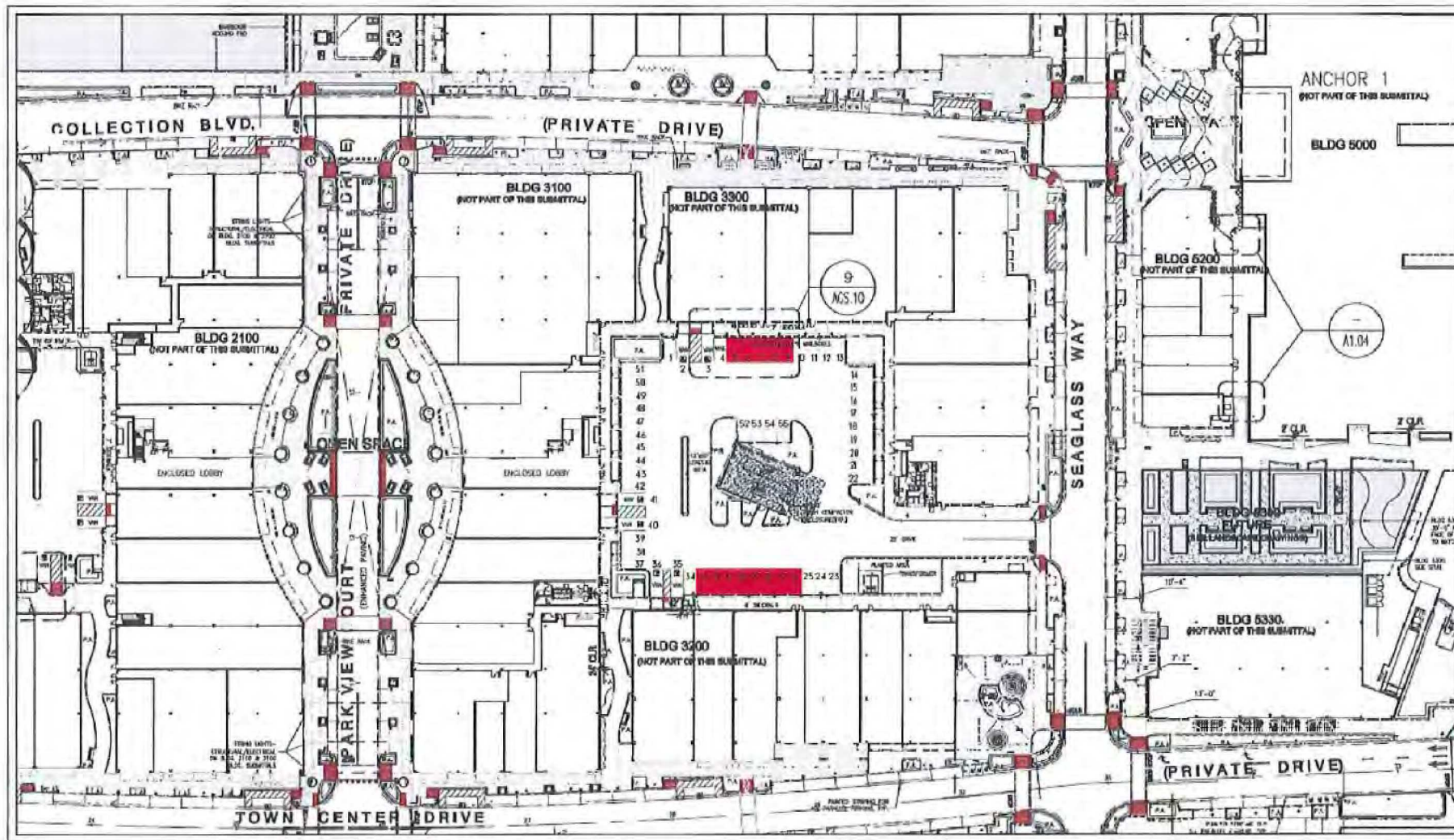
YARDI PARKING EXHIBIT

- RESERVED OFFICE SPACES (41)
- OFFICE VISITORS RESERVED SPACES (5)

THE COLLECTION
RIVERPARK

TENANT'S INITIALS HERE: *AB*

CM



YARDI PARKING EXHIBIT

■ YARDI RESERVED SPACES (13)

THE COLLECTION
RIVERPARK

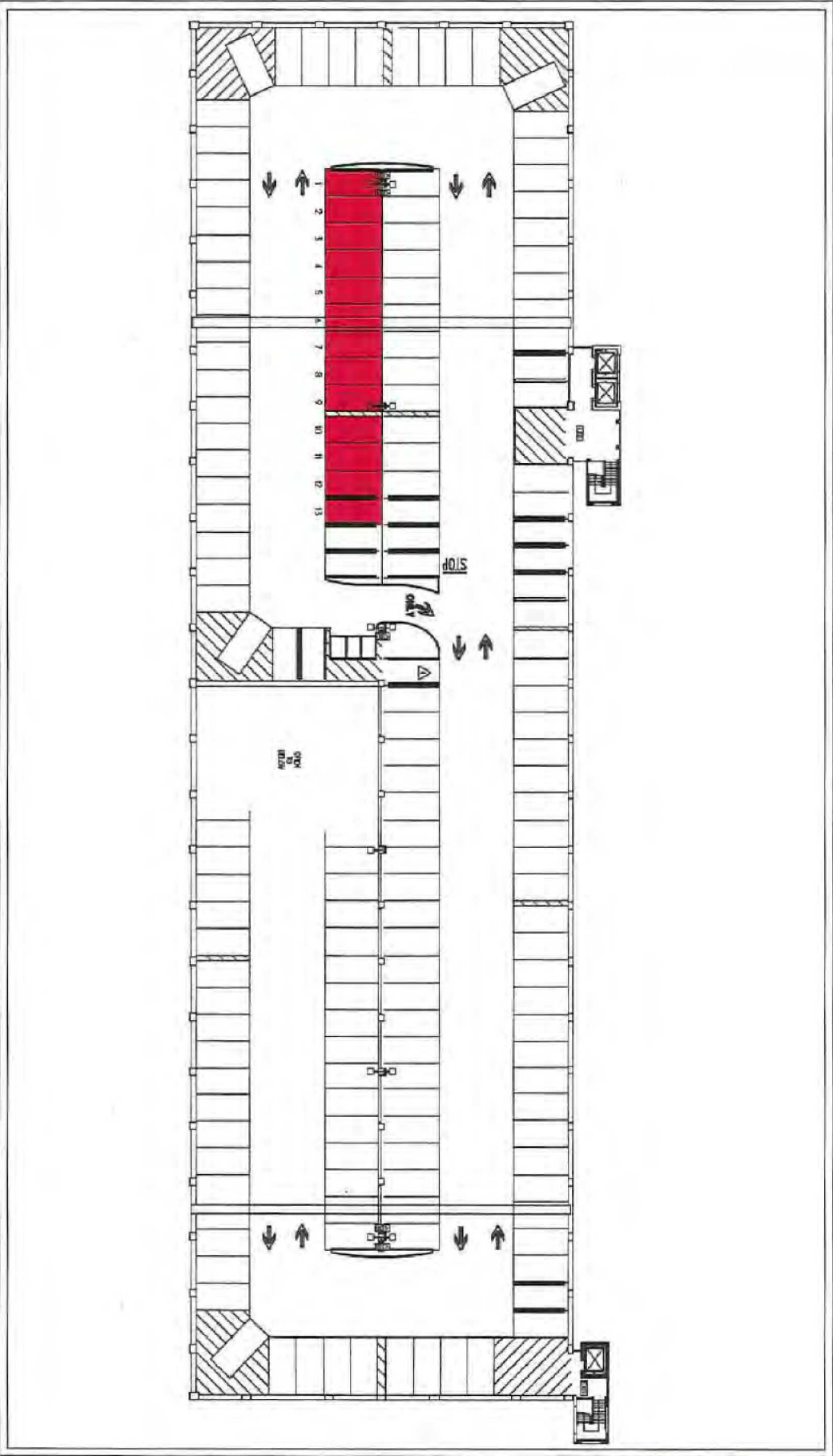
TENANT'S INITIALS HERE: *AB*

CM

YARDI PARKING EXHIBIT (PARKING STRUCTURE - 3RD FLOOR)

 YARDI RESERVED SPACES (18)

THE COLLECTION
RIVERPARK



TENANT'S INITIALS HERE: AB CM

EXHIBIT H
SIGN PROGRAM

7/16/12

Purpose of Office Tenant Signage Design Criteria

This Signage Design Criteria is provided to guide designers, architects, and tenants in the development of tenant identity signs for the office tenants at The Collection.

- A. A location plan of designated signage locations is attached. Tenants and their designers are to refer to the location plan for specifics of tenant signage layout options.
- B. Any signs fabricated and installed without prior approval in writing from the Landlord will be removed by the Landlord. All costs for removal, including but not limited to patch and repair of the building, will be at the tenant's expense.
- C. The Tenant Signage Design Criteria is part of the Tenant's Lease and the Tenant is required to comply with these requirements.

Office Tenant Signage Guidelines:

Allowable Sign Types:

- 1. Primary Signage:
 - a. Reverse pan channel halo lit individual dimensional letters
 - b. Color to be consistent on all tenant signs
 - c. Letters to be constructed of aluminum painted Matthews Paint # MP20160
 - d. Warm white 3500 LEDs are to be used on all tenant signage

Signage Size Guidelines:

- 1. The maximum height of individual letters is 20 inches
- 2. If letters are stacked, the maximum height of the combined sign to be 22 inches
- 3. The maximum width of the sign to be 20 feet

Prohibited Sign Types

- A. The following sign types and finishes shall be prohibited at The Collection:
 - 1. Face illuminated signs.
 - 2. Signs with tag lines, slogans, phone numbers, service description, or advertising.
 - 3. Temporary signage.
 - 4. Signs located on any elevation other than those shown in the exhibits.
 - 5. Signs with exposed raceways, conduit, junction boxes, transformers visible lamps, tubing, or neon crossovers of any type.
 - 6. Rotating, animated and flashing signs.

7. Pennants, banners, or flags identifying individual tenants.
8. Vehicle signs, except for the identification of a business enterprise or advertisement upon a vehicle used primarily for business purposes, provided the identification is affixed in a permanent manner.
9. Any sign designed to be moved from place to place.
10. Balloons and inflatable signs.
11. Any signs including freestanding signs advertising the availability of employment opportunities.
12. Sign colors other than those indicated in the criteria.
13. Signs made with plastic, lexan, or acrylic, translucent or opaque. Clear faces are allowed if used to protect neon.

Calculating Sign Height and Width:

Copy area shall be computed by surrounding each graphic element / lettering with a square. Elements such as swashes, simple lines, back plates or other decorative touches must be included within limits of the geometric shape shall be included as part of the copy area.

General Signage Design Guidelines**A. Design Objective**

1. Signs may be located at the specified locations indicated in the lease.
2. All sign concepts are to be generated from "camera-ready" logo artwork prepared by a professional graphic designer, and submitted to the Landlord for approval prior to concept development of any sign.
3. Store name to consist of "Trade Name" only. Tag lines, bylines, merchandise or service descriptions are not allowed.

B. Typestyles

Tenants may adapt established typestyles, logos and/or images that are in use on similar buildings operated by them, provided that said images are architecturally compatible and approved by the Landlord. Type may be arranged in multiple lines of copy and may consist of upper and/or lower case letters.

C. Lighting

1. Warm white 3500 LEDs are to be used in the signage.
2. Light baffles are required to cover all weep holes.

D. Colors

1. All tenants are to be the same color.
2. The color of the letter face and letter return shall be the same, Matthews Paint # MP20160

E. Materials

1. Acceptable sign material treatments are:
 - a. Painted aluminum with a minimum thickness of .080 for faces and returns
2. The following materials are prohibited on all signs:
 - a. Sintra
 - b. Cardboard
 - c. Colored plastics or acrylics
 - d. Fluorescent or reflective materials such as polished mirror
 - e. Simulated materials, i.e. wood-grained plastic laminate and wall covering
 - f. Trim cap retainers

Construction Requirements

A. General

1. All signs shall be designed, installed, illuminated, located, and maintained in accordance with the provisions set forth in these regulation and all other applicable codes and ordinances.
2. All signs must meet all standards set forth by The Collection Sign Criteria and must be approved by the Landlord before permit submittal.
3. The Landlord does not accept the responsibility of checking for compliance with any codes having jurisdiction over The Collection nor for the safety of any sign, but only for aesthetic compliance with this sign criteria and its intent.

B. Fabrication Requirements

1. All sign fabrication work shall be of excellent quality and identical of Class A workmanship. All logo images and typestyles shall be accurately reproduced. Lettering that approximates typestyles shall not be acceptable. The Landlord reserves the right to reject any fabrication work deemed to be below standard.
2. Signs must be made of durable rust-inhibiting materials that are appropriate and complementary to the design of The Collection.
3. All formed metal, such as letterforms, shall be fabricated using full-weld construction with all joints ground smooth.
4. Threaded rods or anchor bolts shall be used to mount sign letters, which are spaced out from background panel and must be covered with a PVC sleeve painted to match the wall surface, Benjamin Moore "Shaker Beige" HC-45. Angle clips will not be permitted.

5. Paint colors and finishes must be reviewed and approved by the Landlord. Color coatings shall exactly match the colors specified on the approved plans.
6. Joining of materials (e.g., seams) shall be finished in such a way as to be unnoticeable. Visible welds shall be continuous and ground smooth. Rivets, screws, and other fasteners that extend to visible surfaces shall be flush, filled, and finished so as to be unnoticeable.
7. Finished surfaces of metal shall be free from canning and warping. All sign finishes shall be free of dust, orange peel, drips, and runs and shall have a uniform surface conforming to the highest standards of the industry.
8. All lighting must match the exact specifications of the tenant criteria.
9. Surface brightness of all illuminated materials shall be consistent in all letters and components of the sign. Light leaks will not be permitted.
10. All conduit, raceways, crossovers, wiring, ballast boxes, transformers, and other equipment necessary for sign connection shall be concealed. All bolts, fastenings and clips shall consist of enameling iron with porcelain enamel finish; stainless steel, anodized aluminum, brass or bronze; or carbon-bearing steel with painted finish. No black iron material will be allowed.
11. Underwriter's Laboratory-approved labels shall be affixed to all electrical fixtures. Fabrication and installation of electrical signs shall comply with UBC, NEC, and local building and electrical codes.
12. Penetrations into building walls, where required, shall be made waterproof by the tenant's sign contractor.
13. Location of all openings for conduit sleeves and support in sign panels and building walls shall be indicated by the sign contractor on the above shop drawings submitted to the Landlord. Sign contractor shall install same in accordance with the approved drawings.
14. In no case shall any manufacturer's label be visible from the street or from normal viewing angles.
15. Signs illuminated with neon shall use 30 m.a. transformers. The ballast for fluorescent lighting shall be 430 m.a. Fluorescent lamps will be single pin (slimline) with 12" center-to-center lamp separation maximum.

Approvals of Tenant Signage

A. Artwork Submittals

1. All sign concepts are to be generated from "camera-ready" logo artwork prepared by a professional graphic designer, and submitted to the Landlord for approval prior to development of any signage.

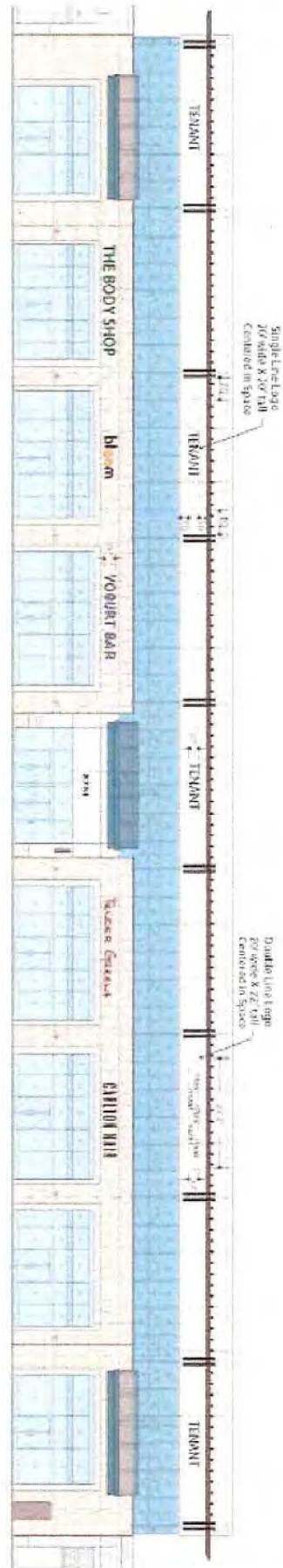
B. Concept Drawing Submittal

1. Prior to shop drawings and sign fabrication, tenant shall submit for Landlord approval three sets of Concept drawings reflecting the design of all sign types.

2. Sign concept drawings are to be submitted concurrently with storefront design and awning design. Partial submittals will not be accepted.
- C. Shop Drawing Submittal
1. Upon approval of concept plans in writing from Landlord, three complete sets of shop drawings are to be submitted for Landlord approval, including:
 - a. Fully-dimensioned and scaled shop drawings @ 1/2"=1'-0" specifying exact dimensions, copy layout, typestyles, materials, colors, means of attachment, electrical specifications, and all other details of construction.
 - b. Elevations of storefront @ 1/2"=1'-0" showing design, location, size and layout of sign drawn to scale indicating dimensions, attachment devices and construction detail.
 - c. Sample board showing colors and materials including building fascia, letter faces, returns, and other details as requested by the Landlord.
 - d. Section through letter and/or sign panel @ 1/2"=1'-0" showing the dimensioned projection of the face of the letter and/or sign panel and the illumination.
 - e. Cut-sheets of any external light fixtures.
 - f. Full-size line diagram of letters and logo may be requested for approval if deemed necessary by the Landlord.
 2. All Tenant sign shop drawing submittals shall be reviewed by the Landlord for conformance with the sign criteria and with the concept design as approved by the Landlord.
 3. Within fifteen (15) working days after receipt of Tenant's working drawings, Landlord shall either approve the submittal contingent upon any required modifications or disapprove Tenant's sign submittal, which approval or disapproval shall remain the sole right and discretion of the Landlord. The Tenant must continue to resubmit revised plans until approval is obtained. A full set of final shop drawings must be approved and stamped by the Landlord prior to permit application or sign fabrication.
 4. Requests to establish signs that vary from the provisions of this sign criteria shall be submitted to the Landlord for approval. The Landlord may approve signs that depart from the specific provisions and constraints of this Sign Plan in order to:
 - a. Encourage exceptional sign design and creativity.
 - b. Accommodate imaginative, unique, and otherwise tasteful signage that is deemed to be within the spirit and intent of the sign criteria.
 5. Following Landlord's approval of sign shop drawings and with a wet signature approval attached, Tenant or his agent shall submit to the City of Oxnard sign plans signed by the Landlord and applications for all permits for fabrication and installation by Sign Contractor. Tenant

shall furnish the Landlord with a copy of said permits prior to installation of Tenant's sign.

6. Signs shall be inspected upon installation to assure conformance. Any work unacceptable shall be corrected or modified at the Tenant's expense as required by the Landlord.



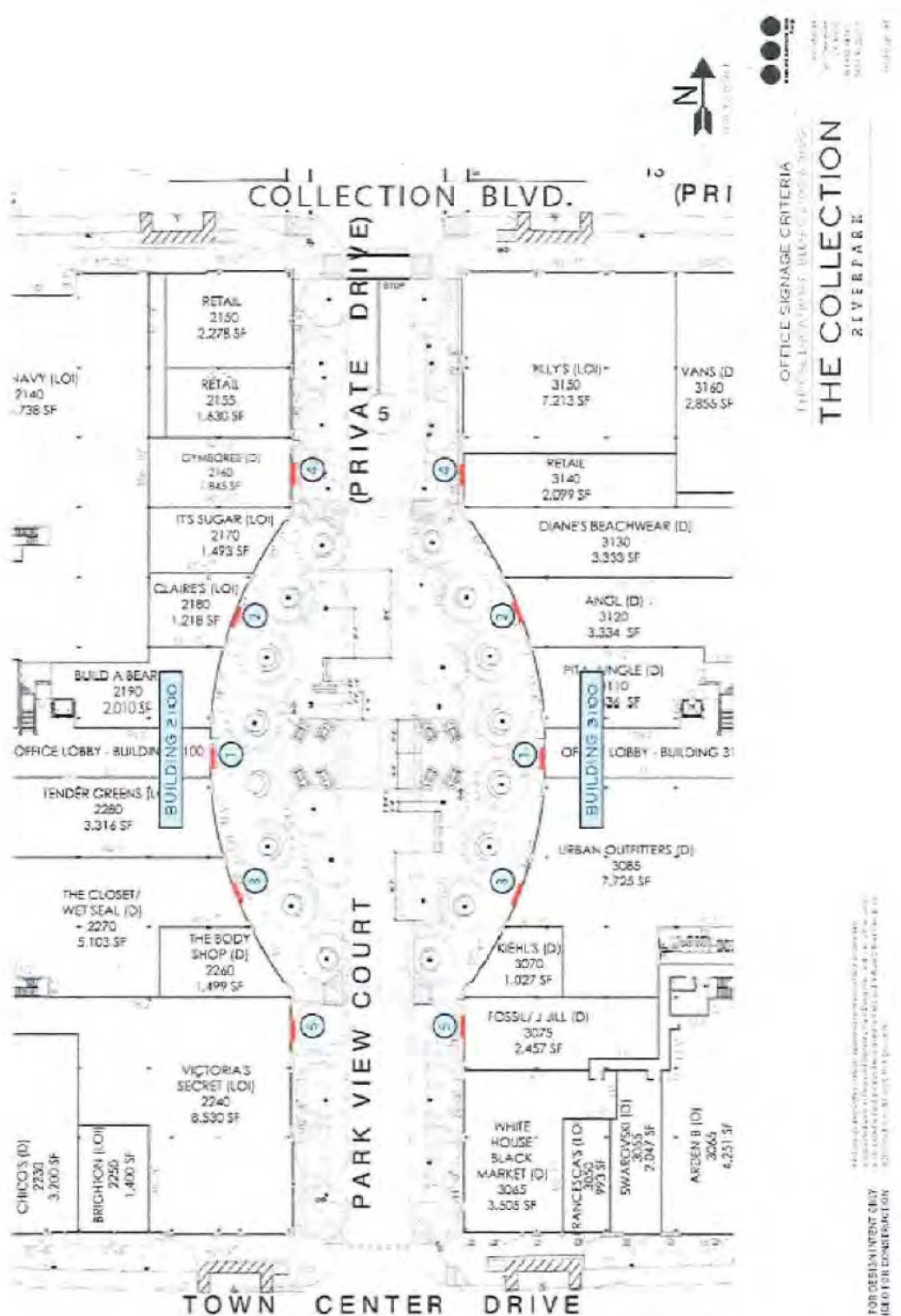


EXHIBIT I

CURRENT BUILDING STANDARD CLEANING AND JANITORIAL SPECIFICATIONS

OFFICE CLEANING SCHEDULE

DAILY:

EMPTY TRASH RECEPTACLES, AND CLEAN ALL ASHTRAYS. SWEEP ENTRANCES, LOBBIES, AND CORRIDORS. SPOTSWEET FLOORS AND SPOT VACUUM CARPETS. SWEEP AND DAMP MOP OR SCRUB TOILET ROOMS. CLEAN ALL TOILET FIXTURES, AND REPLENISH TOILET SUPPLIES. DISPOSE OF ALL TRASH AND GARBAGE GENERATED IN OR ABOUT THE SPACE. WASH INSIDE AND OUT OR STEAM CLEAN CANS USED FOR COLLECTION OF FOOD REMNANTS FROM SNACK BARS AND VENDING MACHINES. DUST HORIZONTAL SURFACES THAT ARE READILY AVAILABLE AND VISIBLY REQUIRE DUSTING. CLEAN ELEVATORS AND REMOVE CARPET STAINS. CLEAN GLASS ENTRY DOORS.

THREE TIMES A WEEK:

DETAILED SWEEP AND VACUUM.... MONDAY, WEDNESDAY, AND FRIDAY OF EVERY WEEK

WEEKLY:

DAMP MOP AND SPRAY BUFF RESILIENT FLOORS IN TOILETS AND HEALTH UNITS....TUESDAY OF EVERY WEEK.

EVERY TWO WEEKS:

DAMP MOP AND SPRAY BUFF HARD AND RESILIENT FLOORS IN LOBBIES, AND OFFICE SPACE.... EVERY OTHER THURSDAY OF THE MONTH

MONTHLY:

DUST FURNITURE. COMPLETELY SWEEP AND / OR VACUUM CARPETS. SWEEP STORAGE SPACE. SPOT CLEAN ALL WALL SURFACES WITHIN 70 INCHES OF THE FLOOR..... THE LAST FRIDAY OF THE MONTH.

EVERY TWO MONTHS:

DAMP WIPE TOILET WASTEPAPER RECEPTACLES, STALL PARTITIONS, DOORS, WINDOW SILLS, AND FRAMES. SHAMPOO ENTRANCE AND ELEVATOR CARPETS - FIRST SATURDAY OF EVERY OTHER MONTH.

THREE TIMES A YEAR:

DUST WALL SURFACES WITHIN 70 INCHES OF THE FLOOR, VERTICLE AND UNDER SURFACE. CLEAN METAL AND MARBLE SURFACES IN LOBBIES....ON WEDNESDAYS OF THE FOLLOWING MONTHS: JANUARY, MAY, AND SEPTEMBER.

TWICE A YEAR:

WASH ALL INTERIOR AND EXTERIOR WINDOWS AND OTHER GLASS SURFACES. STRIP AND APPLY 2 COATS OF FINISH RESILIENT FLOORS IN RESTROOMS....ONE (1) SATURDAY IN THE FOLLOWING MONTHS: FEBRUARY AND JULY.

ANNUALLY:

WASH ALL VENETIAN BLINDS, AND DUST 6 MONTHS AFTER WASHING. VACUUM OR DUST ALL SURFACES IN THE BUILDING OF 70 INCHES FROM THE FLOOR INCLUDING LIGHT FIXTURES. SHAMPOO CARPETS IN CORRIDORS.....SECOND SATURDAY IN THE MONTH OF MARCH AND FOLLOW UP DUSTING ON BLINDS IN SEPTEMBER.

EVERY TWO YEARS:

SHAMPOO ALL CARPETS IN ALL OFFICES AND OTHER- NON PUBLIC AREAS....ON ANY FRIDAY IN APRIL OF EVERY OTHER YEAR.

EXHIBIT J

(Intentionally Omitted)

EXHIBIT K

EXCLUSIVE USES

[UPDATED AS OF JANUARY 8, 2016]

The provisions set forth in this Exhibit are taken from leases and other agreements relating to the Project which are effective, executed or in the process of being negotiated. Although certain provisions may be stated in terms of prohibitions or restrictions regarding Landlord, or may provide that a tenant or occupant of the Project has rent reduction, termination or other special rights upon the violation of certain provisions or the failure of certain conditions, Tenant acknowledges and agrees that it shall not use the Premises in any way that will violate (or cause Landlord to violate) any such provisions or conditions or in any manner that will give the tenant or occupant under the agreement any such special remedy. In each instance in which a provision below refers to premises of a particular store, the provisions shall continue to be applicable to the premises originally occupied or to be occupied by such store, including in respect of the operations of any successor, transferee or other occupant under the applicable agreement or otherwise in possession of the store premises. In each instance in which the terms of any provision below are stated to be applicable to a particular area or zone, Tenant acknowledges that the provision is not material to Tenant's operations or that Tenant has obtained from Landlord a description of the area or zone to which the provision is applicable and has determined that the Premises are not located within such area or zone. The provisions set forth below reflect revisions to the clauses included in particular agreements to conform to certain of the defined terms used in the Lease (except that references below to "Tenant" refer to the tenant benefited by the provision), redact certain language not relevant for purposes of this Exhibit, and in other respects appropriately describe the applicable restrictions. In no event shall Tenant have the right to enforce any of the following provisions against Landlord or any other tenant or occupant of the Project.

EXCLUSIVE, RESTRICTIVE AND PROHIBITED USES

WHOLE FOODS

7.1(b) Restrictive Covenant. Except as prohibited by law, Landlord shall not permit (i) in any other portion of the Project, (A) any grocery store, supermarket or organic foods or natural foods market (including, without limitation, a Fresh Market, Central Market, Trader Joe's, Wild Oats or any similar organic foods, natural foods or upscale grocery store); (B) any movie theater, bowling alley, dance hall or discotheque, gasoline or service station or automotive service or repair business; (C) any health club, fitness center, weight room, gymnasium or the like; (D) any restaurant (including, without limitation, a restaurant that specializes in, and primarily serves, foods that are uniquely "organic" or "natural" and markets itself as an "organic" or "natural" foods restaurant, such as O'Naturals), salad bar, delicatessen, any other business that sells any prepared foods (including, without limitation, pizza, salad, sandwiches or soups) for on or off premises consumption, bar, coffee store and/or coffee bar, or juice and/or smoothie bar; (E) any salon (or other business) in excess of 2,000 gross square feet that provides hair treatments (haircuts, hair coloring, permanents, etc.), manicures, facials, massages or similar services; (F) the sale of produce, meat, poultry, seafood, dairy, cheese, cereals, grains, fruits and vegetables, frozen foods, grocery products, bulk foods, gourmet foods, bakery goods, alcoholic beverages (including beer and wine) for off premises consumption, vitamins, body care products, cosmetics, health care items, beauty aids, plants, flowers, medicinal herbs, naturopathic or homeopathic remedies, nutritional supplements, coffee beans, smoothies and/or fresh fruit drinks, ice cream and/or frozen yogurt ("Exclusive Items"); or (G) any use inconsistent with the customary character of a first-class retail shopping center (such as, without limitation, a "sex", "head" or "pawn" shop use or a "massage parlor"). Notwithstanding the foregoing, the restrictions set forth in clauses (B) through (F) of this Section 7.1(b)(i) shall not apply to any tenant whose premises (i) are located outside of the "Zone of Use Controls," and (ii) are larger than 50,000 square feet of Rentable Area. However, no such tenant shall be permitted to operate for any of the uses described in clauses (A) or (G) of this Section 7.1(b)(i) or to have a "supermarket/grocery store department" (as hereinafter defined) within its premises. For purposes hereof, the term "supermarket/grocery store department" means a supermarket or grocery store "sub-store" or department within a tenant's premises of a proportionate size, scale and scope currently typically operated in a "Super Target" or a "Wal-Mart Super Center" and selling items of a scale and scope typically sold in stand-alone supermarkets (including perishable items, such as fresh and frozen meat, poultry, and seafood, dairy products and/or fresh fruit and produce); provided, however, the term "supermarket/grocery store department" shall not mean or refer to a department in a tenant's premises selling grocery items on a smaller or less extensive scale, such as the manner in which food products and grocery items are currently sold in a typical Target or Wal-Mart store that is not operating as a so-called "Super Target" or "Wal Mart Super Center".

(c) Notwithstanding the foregoing, the provisions of Section 7.1(b) shall not:

(i) Prohibit the operation within the Project of a conventional drug store such as "CVS" "Longs" "Rite Aid" or "Walgreens" (including, without limitation, the sale of grocery items, alcoholic beverages body care products, cosmetics, health care items, beauty aids and other items commonly sold by a drug store).

(ii) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to a movie theater.

(iii) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to a bowling alley, dance hall or discotheque.

(iv) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to a Cost Plus store, provided that such store shall be subject to the following limitations: (A) a maximum of 6,000 sq. ft. of area will be dedicated to the sale of alcohol and food products; (B) no food products requiring refrigeration may be sold; (C) no "fresh" food or plant items including meats, fruit, plants, and dairy products may be sold; and (D) no vitamins and supplements may be sold.

(v) Prohibit Landlord from leasing premises in any portion of the Project to Smith & Hawken or a similar type of gardening- oriented retailer.

(vi) Prohibit Landlord from leasing premises in any portion of the Project to either Williams-Sonoma or Sur La Table, as the same may typically operate.

(vii) [intentionally omitted]

(viii) [intentionally omitted]

(ix) [intentionally omitted]

(x) Prohibit Landlord from leasing one (1) kiosk or cart on Collection Boulevard to a florist or other retailer that sells live or cut plants and flowers.

(xi) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to a health club, fitness center, weight room, gymnasium or the like.

(xii) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to a bar or club.

(xiii) Prohibit Landlord from leasing premises in any portion of the Project to a retailer such as Beauty Brands, Pacifica, Sephora, Aveda, Kiehl's, Bare Escentuals or Ulta that specializes in beauty and/or body care products, but (except in the case of Aveda, Kiehl's or Bare Escentuals, which shall be permitted to sell "natural" or "organic" beauty and body care products as their primary business) only if such tenant's primary business is not the sale of "natural" or "organic" beauty and body care products.

(xiv) Prohibit any clothing, fashion or lingerie retailer (such as, without limitation, Anthropologie, The Gap, Urban Outfitters and Victoria's Secret) from selling body care products, cosmetics, health care items, and/or beauty aids, but only so long as (A) such tenant's primary business is as a clothing, fashion or lingerie retailer, and (B) except with respect to Victoria's Secret, the aggregate floor area in such tenant's premises devoted to the display of body care products, cosmetics, health care items, and beauty aids does not exceed ten percent (10%) of the Rentable Area of such tenant's premises. Victoria's Secret shall be exempt from the foregoing ten percent (10%) of Rentable Area restriction and shall not be limited in any way from selling body care products, cosmetics, health care items, and/or beauty aids.

(xv) Prohibit Landlord from leasing premises located more than two hundred (200) feet from the Whole Foods premises to Starbucks, Peets, Caribou Coffee, Coffee Bean and Tea Leaf, or a similar quality coffee bar. Dunkin Donuts is expressly prohibited, however.

(xvi) Prohibit Landlord from leasing premises in any portion of the Project located outside of the "No Spa Zone" to a day spa or salon. For purposes hereof the term "day spa or salon" shall not be deemed to include a hair cutting salon such as Cost Cutters or the like. Any hair cutting salon such as Cost Cutters or the like shall be permitted, subject to the 2,000 gross square foot size limitation set forth in Section 7.1(b).

(xvii) Prohibit Landlord from leasing premises in the Project located outside of the "No Restaurant Zone" to one (1) or more restaurants (other than a restaurant that specializes in, and primarily serves, foods that are uniquely "organic" or "natural" and markets itself as an "organic" or "natural" foods restaurant, such as O'Naturals). Nothing herein shall prohibit the operation of quick service restaurants outside of the No Restaurant Zone or the operation outside of the No Restaurant Zone of convenience food providers such as, without limitation, Mrs. Fields Cookies, Auntie Anne's and Rocky Mountain Chocolate Factory.

(xviii) Prohibit any restaurant permitted hereby from having a bar so long as the primary business of such tenant is as a restaurant and such tenant does not sell alcoholic beverages (including beer and wine) for off premises consumption (it being understood and agreed that the foregoing provisions of this clause (xviii) are in addition to, and do not in any way limit, the terms of Section 7.1(c)(xii) above or any other provision of this Lease).

(xix) Prohibit any restaurant permitted hereby from having a dance hall or discotheque so long as the primary business of such tenant is as a restaurant (it being understood and agreed that the foregoing provisions of this clause (xix) are in addition to, and do not in any way limit, the terms of Section 7.1(c)(iii) above or any other provision of this Lease).

(xx) Prohibit Landlord from leasing premises in the Project located more than two hundred feet (200) feet from the Whole Foods premises to an ice cream or frozen yogurt or custard (or other frozen dessert) parlor (e.g., Maggie Moos, Cold Stone Creamery, Baskin Robbins, Ben & Jerry's, Haagen Dazs, and the like); provided, however, no such ice cream, yogurt or custard parlor may sell gelato.

(xxi) Prohibit any bookstore or other non-food use tenant located in the Project from having a coffee bar and/or café, so long as the primary business of such tenant is a bookstore or other non-food use.

(xxii) Prohibit Landlord from leasing premises in any portion of the Project located outside of the Zone of Use Controls to Jamba Juice or similar business that sells smoothies and fresh fruit drinks.

(xxiii) Prohibit Landlord from leasing premises in the Project to a wine bar that sells wine by the glass or bottle for on premises consumption; provided, however, no such wine bar shall be permitted to sell wine by the bottle if intended for off premises consumption except for incidental sales (as hereinafter defined) thereof. The taking off premises of a bottle of wine that was opened and partially consumed on premises shall not constitute the sale of wine by the bottle intended for off premises consumption.

(xxiv) Prohibit Landlord from leasing premises located outside of the No Restaurant Zone to any operator that sells baked goods on other than a full-service bakery basis (i.e., as an operation that primarily sells an assortment of freshly baked goods, including cookies, cakes and breads, baked on-site), including without limitation any restaurant selling bakery goods as part of the operation of its restaurant, such as "Panera Bread", "Corner Bakery", "Boudin" and Cheesecake Factory", restaurants or food users that bake their own products for use in connection with the service of other food items (such as a sandwich shop that bakes its own bread), donut shops, bagel shops and operators that sell freshly baked pretzels, muffins or cookies; all of which uses listed in this clause (xxiv) shall be permitted (it being understood and agreed that the foregoing provisions of this clause (xxiv) are in addition to, and do not in any way limit, the terms of Section 7.1(c)(xxi) above or any other provision of this Lease).

(xxv) Prohibit "incidental sales" of any of the prohibited items described in Section 7.1(b) (other than vitamins, medicinal herbs, naturopathic or homeopathic remedies, and nutritional supplements) by any tenant in the Project. For purposes of the foregoing, a tenant shall be deemed to be conducting only "incidental sales" of such prohibited items only if the aggregate floor area in such tenant's premises devoted to the display of such items (other than vitamins, medicinal herbs, naturopathic or homeopathic remedies, and nutritional supplements) does not exceed the lesser of (1) five percent (5%) of the Rentable Area of such tenant's premises, or (2) 100 square feet. Notwithstanding the foregoing, however, the sale of vitamins, naturopathic or homeopathic remedies and/or nutritional supplements by any tenant in the Project other than a conventional drug store is expressly prohibited.

For purposes of the foregoing provisions the "Rentable Area" of any premises in the Project shall be the actual, as-built number of square feet of rentable area within such premises including, if applicable, the area occupied by walls, columns, elevators, dumb waiters, stairs, escalators, conveyors or other interior construction and equipment measured from the exterior face of the exterior demising walls of such premises and from the center line of the interior demising walls (i.e. the common, party walls) of such premises; provided, however, that notwithstanding the foregoing, the Rentable Area of such premises shall exclude any basement and/or mezzanine areas that are used for non-retail purposes (e.g., for storage or office use), the exterior portions of the loading dock and the receiving area, any trash compactor areas, outside seating areas, and outside sales areas (such as an outdoor garden center).

Paragraph 6 of the Whole Foods Eleventh Amendment permits the following:

Restrictive Covenant; Section 7(b)(i). Tenant agrees that notwithstanding anything to the contrary contained in the Lease including, without limitation, Sections 7.1(b)(i)(C), (D), (E) and (F), Tenant agrees as follows:

- a. Up to 6,000 square feet of Rentable Area of that portion of the Recaptured Space identified as Suite 6400 on Exhibit A attached hereto ("Suite 6400") may be used for a health club, fitness center, weight room, gymnasium or the like.
- b. Up to 6,000 square feet of Rentable Area of Suite 6400 may be used for a restaurant provided, however, that such restaurant (i) shall neither specialize in, nor primarily serve, foods that are uniquely "organic" or "natural" or market itself as an "organic" or "natural" foods restaurant such as O'Naturals; (ii) shall not primarily operate as a salad bar, delicatessen, or juice and/or smoothie bar; (iii) shall not primarily sell pizza-by-the-slice, sandwiches, salads and/or soups; and (iv) may be a bar, coffee store and/or coffee bar. For the avoidance of any doubt, Tenant agrees that an occupant of Suite 6400 may sell pizza-by-the-slice,

sandwiches, salads, soups, juices and/or smoothies so long as such sales are incidental to the occupant's primary use therein.

- c. The Recaptured Space, or any part thereof, may be used as an "Aveda" and/or "Ulta" branded salon.
- d. The Recaptured Space, or any part thereof, may be used as a "Cost Plus" branded store selling those items and products sold in a majority of Cost Plus stores in California.

24 HOUR FITNESS

Exclusivity. Landlord shall not use nor permit any other space in the Center to be used as a health and/or physical fitness club, nor for any of the following activities: aerobic classes, yoga or Pilates (excluding a lululemon athletica or similar store where yoga or Pilates activities are incidental to the use, indoor cycling, personal training, weight training, basketball, babysitting (provided Landlord may lease space to one (1) child care center in the Center not to exceed Four Thousand (4,000) square feet), volleyball, swimming, racquetball, sports and rehabilitation therapy (excluding any doctor's office where rehabilitation is an incidental use), and the sale of vitamins, nutritional supplements and related products (except by a retailer specializing in something other than the sale of nutritional and/or energy supplements or products [e.g., Whole Foods or other grocery store; drug store or pharmacy]) (collectively, "Tenant's Exclusive Uses").

BEN & JERRY'S

7.9 **Restricted Use.** Except as otherwise provided in this Section 7.9, Landlord shall not enter into a lease for a term commencing during the Term for the operation in that portion of the Project as depicted on Exhibit "H" as the Exclusive Area, to an occupant that Primarily Serves ice cream.

CENTURY THEATRES

Landlord agrees that it and/or any entity of which Landlord or any principal of Landlord is a part shall not lease or sell any space in the Project, including out-parcels, pads, or future phases or additions to the Project to any other entity for the operation of a motion picture theatre. Further, Landlord will not sell or suffer or permit to be sold the following: (a) in the "No Popcorn/Candy Zone," popcorn; (b) in the "No Popcorn/Candy Zone," packaged, bulk or bin type candy (other than in specialty stores primarily engaged in the sale of high-quality chocolates and similar specialty candies and confections such as Godiva Chocolates or See's Candies, but not Sweet Factory or similar concepts); or (c) in the "Restricted Retail Area," the "No Kiosk/Plaza Zone" or the "Building 5300 PBA," soft drinks on a take-out or "to go" basis other than in restaurants (it being acknowledged that soft drinks may be sold by a full-serve or quick-serve restaurant, both for on-premises consumption and on a take-out or "to go" basis).

CHARMING CHARLIE

32.1 Tenant shall have the exclusive right to sell women's fashion accessories in the Shopping Center and Landlord shall not permit or suffer any other tenant or occupant of the Shopping Center to conduct the retail sale of women's fashion accessories (the "Exclusive Right") provided that the Exclusive Right shall not apply to: (a) any store or (subject to Section 6.1, above) kiosk in the Shopping Center that contains or occupies less than 3,500 square feet of leasable area, or (b) Incidental Sales, or (c) fashion tenants such as, but not limited to, Chico's, White House/Black Market, Ann Taylor Loft, Wet Seal, Coach, Rue 21, Dress Barn, etc., or (d) current tenants or their replacements without the Landlord permitting amendments to the existing tenants permitted use, or (e) any tenant exceeding 10,000 square feet, so long as their primary use is not the sale of women's fashion accessories, as defined the Permitted Use. Notwithstanding the foregoing, the terms and provisions of this Article XXXII shall not apply to nor be of any force or effect with respect to any existing tenant or occupant of the Shopping Center (i.e., any tenant or occupant under a lease or occupancy or purchase agreement which was fully executed on or before the date of this Lease), or any successor or assignee of such existing tenant or occupant without expanding the permitted use, for so long as any such existing tenant's lease, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder during the term of such lease or occupancy agreement. Notwithstanding anything herein to the contrary, Landlord shall not permit or suffer any other tenant or occupant of the Shopping Center to operate under the trade name of either "Compass Trading Co.," "Versona," "Accessorize" or "XSRE". "Incidental Sales" means the sale by another tenant of items covered by the Exclusive Right from the lesser of (i) 200 square feet of surface display area or (ii) 5% of the aggregate leasable retail area leased or occupied by such tenant; provided that in each such case the Incidental Sales are related to the primary retail use of such tenant's premises (which is other than the sale of women's fashion accessories).

EMC SEAFOOD & RAW BAR

7.10 (a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default after the lapse of any applicable notice and cure period, and (ii) Tenant is open and operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project to a Competing Restaurant during the Term. A "Competing Restaurant" is hereby defined

as a full service restaurant (as defined above) serving primarily fresh seafood. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Restaurant who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (B) a Pre-Existing Tenant (hereinafter defined), or (C) any tenant or occupant using or occupying less than two thousand (2,000) square feet of Floor Area in the Project. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (I) who is open for business on or prior to the Effective Date, or (II) whose lease is dated on or prior to the Effective Date hereof, or (III) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (I) or (II) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (IV) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (I), (II) and/or (III). Notwithstanding the foregoing, if any Pre-Existing Tenant proposes to change the use of its premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would result in such Pre-Existing Tenant operating a Competing Restaurant unless (x) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, or (y) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use.

EUROPEAN WAX CENTER

7.9 Restrictive Use. Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project to an occupant for the primary use of facial waxing or body waxing services. The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant fails to operate its business in the entire Premises on all days and at all times required by this Lease after applicable notice and cure periods, (ii) Tenant operates all or any portion of the Premises for a use other than the Permitted Use specified in Section 1.7; (iii) Tenant defaults under this Lease after applicable notice and cure periods; or (iv) the expiration or earlier termination of the Lease. This Restriction shall not apply to: (a) any lease and its provisions that are in effect upon the Effective Date nor to any renewals, replacements or extensions of such leases; provided, however, if any existing tenant or occupant proposes to change its use or enter into an assignment or sublease transaction, and the proposed use of such tenant's or occupant's premises is different from the present use of such premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would violate the Restriction of Tenant hereunder unless (x) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, (y) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use, or (z) Landlord's failure to approve or consent to a change in use would be unreasonable under the terms of any such lease or occupancy agreement for which Landlord's consent is required to be reasonable; (b) any tenant or occupant using or occupying five thousand (5,000) square feet or more in the Project; or (c) any spa, day spa or beauty salon that offers waxing services as a portion of its overall service menu.

FAMOUS DAVE'S

28.1 Landlord agrees that so long as Tenant has not stopped operating in the Premises (subject to closures specifically permitted under this Lease) primarily for the operation of a full service American Barbecue Style Restaurant (as defined below), except as otherwise provided in Section 8.1, Landlord will refrain from leasing or otherwise permitting the use or occupancy of any space in the area depicted on the Site Plan as the "Exclusive Area" (including the Outlots) to any future tenant or occupant for the purpose of conducting as a primary business for the operation of a full-service, quick-serve, or fast food American Barbecue Style Restaurant; provided, however: (i) the terms and provisions of this Article XXVIII shall not apply to nor be of any force or effect with respect to (a) any existing tenant or occupant of the Exclusive Area (i.e. any tenant or occupant under an executed lease or occupancy or purchase agreement in effect as of the date of this Lease), or any successor, assignee or sublessee of such existing tenant or occupant, for so long as any such existing tenant's lease or any renewal, extension or replacement (in connection with a bankruptcy or leasehold mortgage foreclosure proceeding) thereof, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder; provided, however, Landlord agrees that Landlord shall not enter into any amendment of any lease or occupancy agreement, or new lease or occupancy agreement, with any such existing tenant or occupant that would permit any such existing tenant or occupant to operate for either or both of the Exclusive Uses as a primary business, (b) any restaurant which primarily serves Mongolian, Korean, Hawaiian or other non-American Barbecue Style Restaurant, (c) any restaurant operating under the trade name "ParkStone", "ParkStone Wood Kitchen + Bar", "Toby Keith's I Love This Bar and Grill", or "Yard House" (d) any restaurant containing 2,000 square feet or less of Floor Area, (e) any steak house such as Morton's, Flemings, Outback Steak House, Pampas, and Fogo de Chao; or (f) any premises leased or owned by any of the foregoing, subject to the same limitations as stated therein; (ii) Landlord's covenant to refrain from leasing space as aforesaid shall, except in the event Tenant has previously exercised its right to extend the then current Term of this Lease, expire without further act of the parties by the date nine (9) months prior to the expiration of the Term or any renewal or extension thereof, provided any future tenant operating as a primary business the operation of an Exclusive Use shall not open before the Term has expired; and (iii) the terms of this Article XXVIII shall expire without further act of the parties if

Landlord validly terminates Named Tenant's right to possession of the Premises following an uncured Event of Default (with or without a termination of this Lease) in accordance with the requirements herein following an Event of Default or Named Tenant fails to conduct the Permitted Use subject to and in accordance with the conditions and limitations contained herein for a period of sixty (60) days, subject to closures specifically permitted under this Lease. Landlord hereby represents that the tenants and prospective tenants exclusives listed on Exhibit E-1 attached hereto and made a part hereof are the only tenants, occupants, or prospective tenants with leases or occupancy agreements in effect in the Exclusive Area as of the date of this Lease.

28.2 For purposes hereof:

(a) "American Barbecue Style Restaurant" shall mean a restaurant where food typically served in other Famous Dave's restaurants (e.g., ribs, beef, beef brisket, chopped or pulled pork, chopped or pulled chicken, chicken, and tri-tip) is smoked or grilled. Typical American Barbecue Style Restaurants include Lucille's, Wood Ranch, Dicky's, Rudy's, Bandit's, Smokey's, Beach Pit BBQ, StoneFire Grill and Red's BBQ restaurants.

(b) The operation of a full service American Barbecue Style Restaurant as a primary business by Tenant shall mean that greater of fifty percent (50%) or more of Tenant's Gross Sales consists of the operation of such primary businesses.

(c) The operation by any tenant or occupant other than Tenant of a full-service, quick-serve, or fast food American Barbecue Style Restaurant in the Shopping Center of the type and manner described in the Menu (including for take-out, delivery and/or catering services) as a primary business shall mean that the greater of thirty percent (30%) or more of any such tenant's gross food sales from the operation of such primary business conducted at such tenant's or occupant's premises consist of the operation of such primary business.

FINISH LINE

6.1 ...except for vendors existing on the date of this Lease, any permanent or temporary vendors within thirty feet (30') of Tenant's customer service entrance shall not offer sports-related or athletic shoes.

FIVE GUYS FAMOUS BURGERS & FRIES

7.9 Restrictive Use. During the Lease Term, Landlord shall not sell, lease, or consent to the use of any other property owned or controlled by it within the Project at any time during the Term of the Lease or any extension to any person or entity whose primary business is the sale of hamburgers/cheeseburgers whether freestanding or inline and which occupies a premises Floor Area of less than four thousand (4,000) square feet. Without limiting the foregoing, during the Lease Term Landlord further agrees that Landlord shall not enter into a lease for a term commencing during the Term for the operation in the Project of the following named tenants (including the successors of such named tenants provided such successor operates under the same use): The Habit Burger®, The Counter®, Johnny Rockets®, Jack-in-the-Box®, Wendy's®, Burger King®, McDonalds®, Carl's Jr.®, Smash Burger® and In-N-Out Burger®. The restrictions set forth in this Section (the "Restrictions") shall automatically terminate and be of no further force or effect upon and after the first of the following events to occur: (a) Tenant's failure to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to casualty, eminent domain taking or other Force Majeure, (b) Tenant operates all or any portion of the Premises for a use other than the original Permitted Use specified in Section 1.7, (c) any Assignment other than a Permitted Transfer, and (d) the expiration or earlier termination of the Lease. This Restriction shall not apply to: (i) any lease in effect upon the Effective Date nor to any renewals or extensions of such leases or (ii) any tenant or occupant using or occupying at four thousand (4,000) square feet of Floor Area or more in the Project.

GANDOLFO'S NY DELICATESSEN

7.9 Restrictive Use. Subject to the terms and conditions of this Section 7.9, Landlord shall not enter into a lease for a term commencing during the Term for the operation in the Project of any of the following named tenants: "Subway", "Jersey Mike's", "Quizno's", "Au Bon Pain", "Firehouse Subs", "Which Wich?", "Einstein Bros. Bagels", "Noah's Bagels", "Brent's Deli", "Jerry's Deli", "Togo's", "Old New York Deli & Bakery Co." or "Jimmy John's Gourmet Sandwiches", hereinafter "Named Tenants".

GENERAL CHOW

7.10 Competing Restaurant.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default after the lapse of any applicable notice and cure period, and (ii) Tenant is open and operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project to a Competing Restaurant during the Term. A "Competing Restaurant" is hereby defined as a full service restaurant (as defined above) serving primarily (i) cuisine from the country of China, or (ii) Asian inspired dumplings (including, without limitation, a Chinese restaurant serving Asian inspired dumplings). Notwithstanding anything to the contrary in the foregoing, this

provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Restaurant who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (B) a Pre-Existing Tenant (hereinafter defined), or (C) any tenant or occupant using or occupying less than two thousand (2,000) square feet of Floor Area in the Project. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (I) who is open for business on or prior to the Effective Date, or (II) whose lease is dated on or prior to the Effective Date hereof, or (III) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (I) or (II) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (IV) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (I), (II) and/or (III). Notwithstanding the foregoing, if any Pre-Existing Tenant proposes to change the use of its premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would result in such Pre-Existing Tenant operating a Competing Restaurant unless (x) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, or (y) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use. Further, nothing contained herein shall be deemed to preclude or otherwise limit any tenant of the Project from offering Asian-inspired dumplings on an incidental basis.

GEN KOREAN BBQ HOUSE

7.10 Restrictive Use. Except as provided in this Section 7.10, Landlord agrees not to enter into any lease for space within the Project with any other full-service, sit down Korean BBQ-style restaurant with a Floor Area greater than one thousand five hundred (1,500) square feet (the "Restricted Use").

H & M

13.3 Prohibited Uses

(A) Landlord covenants that no portion of the Shopping Center shall be used for any of the following purposes: a bowling alley within three hundred (300) feet of the front entrance to the Premises; a video or amusement arcade within one hundred (100) feet of the front entrance to the Premises (other than as an incidental use); a movie theatre (except in the area identified on Exhibit A-1 therefor); a health club, fitness center, gymnasium, aerobics studio or weightlifting center within two hundred (200) yards of the Premises (except in the area identified on Exhibit A-1 therefor); the sale of automotive parts including tires (other than as an incidental use) or automotive services including repair services; the sale, rental or display of materials that are pornographic in nature (provided, however, that the sale of books, magazines and other publications by a national bookstore of the type normally located in first class shopping centers in the State in which the Shopping Center is located (such as, for example, Barnes and Noble, as said store currently operates) shall not be deemed "pornographic"); any unusual fire, explosive or dangerous hazards (including the storage, display or sale of explosives or fireworks other than "sparklers"); a restaurant contiguous to the Premises; a carnival or amusement park; a drilling operation; storage (other than as an incidental use); a commercial laundry or dry cleaning plant; any establishment (including a pet supply store) that allows animals (other than guide dogs) to be brought into such space unless Landlord maintains, or causes to be maintained, a vigorous and active program to promptly remove any pet waste and repair at any damage resulting therefrom at no cost to Tenant; a veterinarian or veterinary hospital (other than as an incidental use); a mortuary or funeral establishment; the sale of coffins or caskets; a pawn shop; a flea market; a shooting gallery; any use that permits a pest infestation without prompt action to eliminate the infestation; any use that permits music or sounds to be heard inside of the Premises when all doors are opened; any use that permits noxious odors to be smelled outside of the premises; and any use that permits vibrations to be readily felt inside of the Premises. Landlord shall immediately take all prudent actions to ensure that such uses are prohibited, including, without limitation, taking prompt legal action as necessary or prudent to enforce such prohibitions. To the extent that all other occupants of the Shopping Center observe the prohibitions of this Section 13.3, Tenant covenants that no portion of the Premises shall be used for any of the prohibited uses described in this Section 13.3, except for those uses that are prohibited only in certain proximity to the Premises under this Section 13.3 (e.g., a use that is prohibited only within one hundred (100) yards of the front entrance to the Premises).

(B) Landlord shall not allow any kiosk, pushcart and mobile retail unit within two hundred (200) feet of the Premises to sell any product sold by Tenant.

IT'SUGAR

32.1 Landlord agrees that during the time that Tenant is the Tenant under the terms of this Lease and so long as Tenant is conducting business in the Premises for its Permitted Use, Landlord shall not permit or suffer any other tenant or occupant of the Shopping Center to sell at retail bulk candy (it being understood that candy which is pre-packaged by the manufacturer is not bulk candy for the purposes hereof; provided, however, that if multiple units of such candy are individually packaged but the manufacturer then packages the multiple units into one larger unit to be sold, then the removal of the multiple units from the larger unit and the individual sale thereof shall constitute the sale of bulk candy. By way of example only, Landlord and Tenant agree that the sale of a package of Starburst candy will not

violate the terms and conditions of this Section but that sales of individual Starburst pieces would constitute a violation of the terms and conditions of this Section). For purposes hereof, the prohibited retail sale of bulk candy shall not include (i) any store selling small, incidental sales of bulk candy of two (2) bins or less, (ii) stores offering "free" courtesy candy bowls to customers, or (iii) upscale specialty chocolate stores such as Godiva Chocolates, Rocky Mountain Chocolate, Lindt and See's Candy selling its own brand of chocolate and candy by weight, piece or package so long as such specialty stores do not sell other brands of candy by weight, piece or package. Notwithstanding the foregoing, the terms and provisions of this Article XXXII shall not apply to nor be of any force or effect with respect to any (a) existing tenant or occupant of the Shopping Center (i.e. any tenant or occupant under an executed lease or occupancy or purchase agreement), any replacement tenant conducting a substantially similar use as that of such existing tenant or occupant, or any successor, assignee or sublessee of such existing tenant or occupant, for so long as any such existing tenant's lease or any renewal, extension or replacement (in connection with a bankruptcy or leasehold mortgage foreclosure proceeding) thereof, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder; provided, however, if any existing tenant or occupant of the Shopping Center proposes to change its use of the premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would violate the exclusive rights of Tenant hereunder unless (i) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, or (ii) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use, or (b) any tenant or occupant of the Shopping Center leasing or occupying more than 15,000 contiguous square feet of space in the Shopping Center; provided, that such stores do not maintain more than three (3) bins of bulk candy.

JOS. A. BANK

7.10 Competing Businesses.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in monetary default beyond all applicable notice and cure periods, and (ii) Tenant is operating a business in the Premises under the Trade Name in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project as a "Competing Business." A Competing Business is hereby defined as any business which primarily sells men's business suits and tuxedo apparel. For purposes of this Lease, a business by a tenant of a business selling men's business suits and tuxedo apparel as a primary business shall mean that the greater of fifty-one (51%) or more of Gross Sales consists of, or fifty-one percent (51%) or more of the retail Floor Area of the premises is dedicated by such tenant to, the operation of such primary business.

(b) Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) a Pre-Existing Tenant (as defined herein), (ii) any tenant who leases at least 10,000 square feet of Floor Area, (iii) any tenant or occupant who has been permitted to operate a Competing Business based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, or (iv) a "high-end" or custom suit tailor carrying exclusive brands not found in a majority of Jos. A. Bank stores. A "Pre-Existing Tenant" shall mean any tenant or occupant (whether such tenant or occupant occupies its original premises or relocated and/or expanded its premises) (A) who is open for business on or prior to the date of this Lease, or (B) whose lease is dated on or prior to the date hereof, or (C) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (A) or (B) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (D) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (A), (B) and/or (C). Notwithstanding the foregoing, (x) if any Pre-Existing Tenant requests that Landlord consent to a change in use, (y) such changed use would result in such Pre-Existing Tenant operating a Competing Business, and (z) Landlord has the right to approve or disapprove such change in use in its sole and absolute discretion, then Landlord agrees that Landlord shall not consent to such change in use.

KABUKI

7.9 Restrictive Use. Landlord shall not enter into a lease with a tenant operating a full-service, sit down Japanese-style restaurant greater than 1,000 square feet for a term commencing at any time during the Term. The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant's failure to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to casualty, eminent domain taking or other Force Majeure; (ii) Tenant's failure to operate all or any portion of the Premises in strict accordance with the Permitted Use specified in Section 1.7 above; (iii) Tenant's failure to perform any of its obligations under this Lease within all applicable notice and cure periods, if any; or (iv) the expiration or earlier termination of the Lease. In addition, Tenant agrees that this Restriction shall not apply to: (x) any lease in effect upon the Effective Date or to any renewals or extensions of such leases; or (y) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet in the Project.

KRIZA AVEDA SALON

7.10. Competing Business. Landlord agrees not to lease any portion of the Project identified on Exhibit A-1 as the "Exclusive Area" as a Competing Business. A "Competing Business" is hereby defined as any business which is primarily operating as a hair salon offering cutting, coloring, styling, perming, relaxing and retexturizing services or any combination of the foregoing. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Business who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (B) a Pre-Existing Tenant (hereinafter defined), (C) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet of Floor Area in the Project, (D) a men's barbershop or hair salon such as The Art of Shaving, The Barbershop Lounge, the Grooming Lounge and Truefitt & Hill, and (E) a children's hair salon such as Cool Cuts 4 Kids. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (I) who is open for business on or prior to the Effective Date, or (II) whose lease is dated on or prior to the Effective Date hereof, or (III) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (I) or (II) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (IV) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (I), (II) and/or (III).

LARSEN'S

7.10 Competing Business. Provided that (a) Tenant is not in default beyond all applicable notice and cure periods, and (b) Tenant is operating a business in the Premises in accordance with the Permitted Use, then Landlord agrees not to lease any portion of the Project as a "Competing Business." A Competing Business is hereby defined as a restaurant operating under any of the following trade names: Houston's, Hillstone, Bandera's and The Grill on the Alley.

LOHO LOVE & HOPE

7.9 Competing Tenant.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in monetary or material non-monetary default beyond applicable notice and cure periods, and (ii) Tenant is open and operating a business in the Premises (subject to reasonable periods of closure due to fire, casualty, force majeure or periodic remodeling in accordance herewith) in accordance with the Permitted Use and primarily operating as a boutique children's toy store, Landlord agrees not to lease or sell any portion of the Project to a Competing Tenant during the Term. A "Competing Tenant" is hereby defined as a tenant operating primarily as a boutique children's toy store. For purposes hereof, "primarily as a boutique children's toy store" shall mean that thirty (30%) or more of the Competing Tenant's Gross Sales consist of the sale of children's toys. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (x) national children toy retailers including, without limitation, Disney®, American Girl®, Toys R Us®, Build a Bear®, Lego® and F.A.O. Schwartz®; (y) operation by a tenant or occupant in the Project as a Competing Tenant who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court; or (z) a Pre-Existing Tenant (hereinafter defined). For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (A) who is open for business on or prior to the Effective Date, or (B) whose lease is dated on or prior to the Effective Date hereof, or (C) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (A) or (B) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (D) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (A), (B) and/or (C).

LUNA GRILL

7.10 Competing Business.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default, and (ii) Tenant is operating a business in the Premises in accordance with the Permitted Use, but in all events as a restaurant selling Mediterranean and Near Eastern food which would, itself, qualify as a Competing Business for which protection is sought, Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business which primarily operates as a restaurant selling Mediterranean and Near Eastern food under 4,000 square feet or less and is located in the "Exclusive Zone" as shown on Exhibit A. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (x) operation of a Competing Business by a tenant or occupant in the Project who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (y) a Pre-Existing Tenant (hereinafter defined), or (z) any Other Stores. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (I) who is open for business on or prior to the Effective Date, or (II) whose lease is dated on or prior to the Effective Date hereof, (III) who is in possession of its space pursuant to a renewal, extension or replacement of the lease of a tenant described in either of the

immediately preceding clauses (I) or (II) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (IV) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (I), (II) or (III) and whose use remains the same as prior to the assignment and/or subletting.

LAZY DOG RESTAURANT

7.6 Protected Use. Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in Default and (ii) Tenant is operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project to a "Competing Business." A "Competing Business" is defined as the following: T.G.I Fridays, Applebees, BJ's Restaurant, Cheesecake Factory, Ruby Tuesday, Buffalo Wild Wings, Tilted Kilt, and Chili's; provided, however, that from and after the fifth (5th) anniversary of the Commencement Date, Cheesecake Factory shall no longer constitute a Competing Business so long as the Cheesecake Factory leases space in the Project that was previously occupied by another restaurant user. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, who currently have leases in effect which do not prohibit such tenants, their successors and assigns, to operate a Competing Business, and (ii) operation of a Competing Business by a tenant or occupant in the Project in violation of this Section who has been permitted to do so based upon or as a result of a bankruptcy, proceeding or otherwise permitted to do so as a result of an action or order by a court.

LEVITY LIVE

7.2 (a) Landlord agrees that during the time that Comedy Club Oxnard, LLC, a California limited liability company ("CCO") is the Tenant under the terms of this Lease and has not assigned or otherwise transferred its interest in this Lease or sublet the Premises or any part thereof, and so long as CCO is conducting as a primary business in the Premises the operation of a venue for live comedy under the trade name Levity Live or another name approved by Landlord, Landlord will refrain from leasing any space in the Project to any future tenant or occupant for the permitted purpose of conducting as a primary business the operation of a venue for live comedy; provided, however: (i) the terms and provisions of this Section 7.2 shall not apply to nor be of any force or effect with respect to any existing tenant or occupant of the Project (i.e. any tenant or occupant under an executed lease or occupancy or purchase agreement), or any successor, assignee or sublessee of such existing tenant or occupant, for so long as any such existing tenant's lease or any renewal, extension or replacement (in connection with a bankruptcy or leasehold mortgage foreclosure proceeding) thereof, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder; (ii) Landlord's covenant to refrain from leasing space as aforesaid shall expire without further act of the parties by the date nine (9) months prior to the expiration of the Term or any renewal or extension thereof; and (iii) the terms of this Section 7.2 shall expire without further act of the parties if Landlord terminates CCO's right to possession of the Premises (with or without a termination of the Lease) or CCO fails to conduct the Permitted Use subject to and in accordance with the conditions and limitations contained herein for a period of ninety (90) days.

LOFT

8.2 Notwithstanding anything contained to the contrary contained in this Lease, Landlord shall not lease any portion of the Shopping Center to any "dollar" store, liquor store (excluding (a) upscale wine or liquor stores such as BevMo, Binny's and Total Wine, and (b) incidental sales for general merchandise retailers such as Cost Plus), check cashing store, any store selling drug paraphernalia, arcade (except as part of an upscale restaurant such as Big Al's and Dave & Busters) or adult book/video store (collectively, the "Prohibited Uses").

LUNA GRILL

7.10 Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default, and (ii) Tenant is operating a business in the Premises in accordance with the Permitted Use, but in all events as a restaurant selling Mediterranean and Near Eastern food which would, itself, qualify as a Competing Business for which protection is sought, Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business which primarily operates as a restaurant selling Mediterranean and Near Eastern food. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (x) operation of a Competing Business by a tenant or occupant in the Project who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (y) a Pre-Existing Tenant (hereinafter defined), or (z) any Other Stores.

MARIA'S ITALIAN KITCHEN

7.9 Restrictive Use. Subject to the terms and conditions of this Section 7.9, and for so long as this Lease is in effect, Landlord shall not enter into a lease for a term commencing during the Term for the operation in the Project of an fast-casual or full service sit-down Italian restaurant, in each case leasing three thousand (3,000) square feet or less and whose Primary Use (as defined herein) is the sale of Italian food (including, without limitation, Italian-style pasta and pizza). For purposes hereof, "Primary

Use" shall be defined as fifty percent (50%) of the menu items of such restaurant represent the sale of Italian food (including, without limitation, Italian-style pasta and pizza).

MESSAGE ENVY

7.11 Restrictive Use. Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project of the following named tenants: "The Massage Place", "The Massage Company", "Massage Heights", "Elements Therapeutic Massage", "Hand and Stone", "Michelle Lea Massage Therapy", "My Massage People", "N8 Touch", or any massage establishment using a membership model for massage substantially similar to Massage Envy's membership model as of the Effective Date. Additionally, Landlord shall not enter into a lease for a term commencing during the Lease Term for any space in the "No Spa Zone" as depicted on the attached Exhibit A, for use as massage therapy or for a massage therapist or for muscle therapy. The restrictions set forth in this Section (the "Restrictions") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant fails to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to casualty, eminent domain taking or other Force Majeure; (ii) Tenant operates all or any portion of the Premises for a use other than the Permitted Use specified in Section 1.7; (iii) a failure by Tenant to perform any of its obligations under this Lease as to which Landlord shall have given written notice to Tenant, the continuation of such failure beyond any applicable cure period; (iv) any Assignment other than a Permitted Transfer; and (iv) the expiration or earlier termination of the Lease.

The Restriction shall not apply to: (a) any lease in effect upon the Effective Date; (b) any Other Store; or (c) any health or fitness club establishment (which may or may not offer spa and/or massage services) using a membership model.

MENCHIES

7.9 Restrictive Use. Landlord shall not enter into a lease with a tenant that will sell frozen yogurt as its primary use for (a) a term commencing at any time during the Term for any premises within the area depicted on Exhibit "A" as "Tenant's Restrictive Use Area"; or (b) for a period of one (1) year commencing on the Commencement Date and terminating on the first anniversary thereof for any premises within the area cross-hatched on Exhibit A and designated as "Tenant's One Year Use Protected Area" The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant's failure to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to casualty, eminent domain taking or other Force Majeure; (ii) Tenant's failure to operate all or any portion of the Premises in strict accordance with the Permitted Use specified in Section 1.7 above; (iii) Tenant's failure to perform any of its obligations under this Lease within all applicable notice and cure periods, if any; or (iv) the expiration or earlier termination of the Lease. In addition, Tenant agrees that this Restriction shall not apply to: (x) any lease in effect upon the Effective Date or to any renewals or extensions of such leases; (y) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet in the Project; or (z) to occupants of the Project located outside of Tenant's Restrictive Use Area and the Tenant's One Year Use Protected Area, as applicable.

PAINTED CABERNET

7.10 Restrictive Use. Throughout the Term, Landlord agrees, subject to the terms of this Section 7.10, not to enter into any lease for space within the Project with any other tenant or licensee for the use of its premises primarily for the operation of a retail art studio for adults offering one-on-one and group art instruction classes serving wine and beer (the "Restricted Use").

PANERA CAFÉ

7.11 Restrictive Use. From and after the Effective Date of this Lease, Landlord shall not permit the occupancy or otherwise enter into a lease for the operation in the Project of the following named tenants (including the successors of such named tenants provided such successor operates under the same use): Boudin, Pain Quotidien, La Boulangerie, La Brea Bakery, Corner Bakery, Cosi, Jason's Deli, Au Bon Pain, Atlanta Bread, Calistoga, Tim Horton's or Champagne Bakery (the "Restriction").

PET FOOD EXPRESS

7.9 Tenant's Exclusive.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default after the lapse of any applicable notice and cure period, and (ii) Tenant is open and operating under the Trade Name (or another trade name permitted hereunder) for the Primary Use, Landlord agrees not to lease any portion of the Project to a Competing Business for a term commencing during the Term. A "Competing Business" is hereby defined as retail store selling pet food or related supplies and pet accessories and/or pet services (including self-service pet wash). Notwithstanding

anything to the contrary in the foregoing, this provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Business who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court; (B) a Pre-Existing Tenant (hereinafter defined), (C) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet of Floor Area in the Project; provided, however, that, notwithstanding the foregoing, Landlord shall not execute a Lease after the date of this Lease for any premises containing more than twenty thousand (20,000) contiguous square feet of Floor Area in the Project with a "big box" pet store and/or pet supply store, and (D) the sale by other tenants in the Project of pet accessories so long as such sales are incidental to the primary use of such other tenant (and such sales shall be deemed "incidental" if such sales constitute ten percent (10%) or less of such tenant's total annual gross sales). For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (1) who is open for business on or prior to the Effective Date, (2) whose lease is dated on or prior to the Effective Date hereof, or (3) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (1) or (2) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (4) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (1), (2) and/or (3). Notwithstanding the foregoing, provided that the conditions (i) and (ii) above have been satisfied, Landlord agrees that if the lease of a Pre-Existing Tenant provides that such tenant shall not change its permitted use without the prior written consent of Landlord and Landlord is entitled to withhold its consent to such change in use in its sole and absolute discretion, then, except to the extent required to consent pursuant to Applicable Laws, Landlord agrees not to consent to a change in use that would constitute a Competing Business.

REI

No tenant in the Project other than Tenant shall operate any business primarily engaged in the sale of outdoor gear, equipment and clothing, including related footwear ("Exclusive Use"). Notwithstanding anything in the preceding to the contrary, Tenant's Exclusive Use rights shall not apply to (i) the general retail sale of footwear and/or men's, women's and children's apparel by other occupants of the Project (including without limitation any department stores and any discount department stores, such as Target) so long as any such occupant is not primarily engaged in the sale of apparel and/or footwear associated with hiking, climbing, cycling, skiing/snowboarding or paddling; (ii) occupants engaged in the retail sale of gear, footwear and/or apparel associated with golf or tennis; (iii) occupants engaged in the retail sale of gear, footwear and/or apparel associated with team sports (such as basketball, baseball, football, hockey, volleyball, and softball), so long as any such occupant is not primarily engaged in the sale of apparel and/or footwear associated with hiking, climbing, cycling, skiing/snowboarding or paddling; (iv) occupants such as but not limited to: Nine Star, Oakley, Beach Bums, Lululemon, Nau, Tommy Bahama, Pac Sun, Footlocker/Lady Footlocker, Global Feet, Active, Val Surf, Tilly's, Finish Line or a Yoga Works "studio" (but not a Yoga Works "retail store"); or (v) occupants engaged in the retail sale of gear, footwear and/or apparel associated with hunting or fishing. In addition, Landlord shall not lease premises in the Project for the operation of Sporting Goods Stores. For this purpose, "Sporting Goods Stores" shall mean sporting goods stores offering a range and types of merchandise generally comparable to the range and types of merchandise carried by the stores operated as of the date of this Lease under the trade names Dick's, Sports Authority and Sports Chalet (the parties acknowledging that the foregoing list is illustrative only and not an exhaustive list of Sporting Goods Stores, which shall include all other stores of the character and type described above).

SETTEBELLO PIZZERIA NAPOLETANA

29.1 Landlord agrees that during the time that Tenant is conducting as a primary business in the Premises the operation of a pizza restaurant primarily selling, at retail in the Shopping Center, fresh made pizza under the Trade Name, Landlord will refrain from leasing any space in the Shopping Center for the permitted purpose of conducting as a primary business the operation of a restaurant selling, at retail, pizza (the "Restricted Use"); provided, however: (i) the terms and provisions of this Article 29 shall not apply to nor be of any force or effect with respect to (a) any existing tenant or occupant of the Shopping Center (i.e. any tenant or occupant under an executed lease or occupancy or purchase agreement in effect as of the date of this Lease), or any successor, assignee or sublessee of such existing tenant or occupant, for so long as any such existing tenant's lease or any renewal, extension or replacement (in connection with a bankruptcy or leasehold mortgage foreclosure proceeding) thereof, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder; provided, however, if any existing tenant or occupant proposes to change its use or enter into an assignment or sublease transaction, and the proposed use of such tenant's or occupant's premises is different from the present use of such premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would violate the exclusive rights of Tenant hereunder unless (x) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, (y) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use, or (z) Landlord's failure to approve or consent to a change in use would be unreasonable under the terms of any such lease or occupancy agreement for which Landlord's consent is required to be reasonable, (b) any traditional Italian restaurant such as Brio and Brava, provided (i) the word "pizza" is not in such restaurant's trade name or in substantially all of such restaurant's advertising, it being understood that restaurants such as California Pizza Kitchen and CPK Express shall not be permitted, (ii) pizza does not represent more than twenty percent (20%) of the menu items for such traditional Italian restaurant at its premises, and (iii) notwithstanding the provisions of

Section 29.2, below, the revenues received from the sale of pizza by such restaurant at its premises does not exceed twenty percent (20%) of such traditional Italian restaurant's revenues from its overall sales at such premises, or (d) any premises leased or owned by any of the foregoing; (ii) Landlord's covenant to refrain from leasing space as aforesaid shall expire without further act of the parties by the date eleven (11) months prior to the expiration of the Term or any further renewal or extension thereof; and (iii) the terms of this Article 29 shall expire without further act of the parties if Landlord terminates Tenant's right to possession of the Premises (with or without a termination of the Lease) or Tenant fails to conduct the Permitted Use subject to and in accordance with the conditions and limitations contained herein for a period of one hundred eighty (180) consecutive days, other than for Permitted Closures. Landlord represents that, as of the date of this Lease, the tenants or occupants set forth on Exhibit M attached hereto and made a part hereof, are the only tenants or occupants in the Shopping Center with leases or other occupancy agreements existing prior to the date of this Lease and not subject to this Article 29.

29.2 For purposes hereof, the operation by Tenant of a restaurant selling, at retail in the Shopping Center, pizza, shall mean that the greater of ninety percent (90%) or more of Gross Sales consists of, or ninety percent (90%) or more of the retail Floor Area of the Premise is dedicated by Tenant to, the operation of such primary business.

29.3 For purposes hereof, the operation of a restaurant selling, at retail in the Shopping Center, pizza as a primary business shall mean that the greater of twenty percent (20%) or more of any future tenant's or occupant's overall revenues from the operation of its business conducted at such future tenant's or occupant's premises result from, or twenty percent (20%) or more of the retail Floor Area of such existing or future tenant's or occupant's premises is dedicated by such existing or future tenant or occupant to, the sale of pizza.

SLEEP NUMBER

7.10 Restrictive Use. Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project to an occupant that offers for sale any air-controlled mattresses or air-controlled sleep systems. The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant fails to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to casualty, eminent domain taking, remodeling work (to the extent permitted in Section 8.3) or other Force Majeure; (ii) Tenant operates all or any portion of the Premises for a use other than the Permitted Use specified in Section 1.7; (iii) a failure by Tenant to perform any of its obligations under this Lease as to which Landlord shall have given written notice to Tenant, the continuation of such failure beyond any applicable cure period; (iv) any Assignment other than a Permitted Transfer; or (v) the expiration or earlier termination of the Lease. This Restriction shall not apply to: (a) any lease in effect upon the Effective Date nor to any renewals or extensions of such leases or (b) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet in the Project.

STARBUCKS

5.4 EXCLUSIVITY. So long as Tenant is open and operating in the Premises for the permitted use set forth in Section 5.1 of this Lease, Landlord shall not use or lease to any other person or entity (except Tenant) any portion of the area designated on Exhibit H attached hereto and by this reference incorporated herein ("**Tenant's Main Exclusive Area**") for the sale of: (a) whole or ground coffee beans, (b) espresso, espresso-based drinks or coffee-based drinks, (c) tea or tea-based drinks, (d) brewed coffee and/or (e) coffee based blended beverages.

Notwithstanding the foregoing, other tenants may sell non-gourmet, non-brand identified brewed coffee or brewed tea as well as pre-bottled tea or pre-bottled tea-based beverages and other tenants in Tenant's Main Exclusive Area may sell, as an ancillary use not to exceed ten percent (10%) of tenants' gross sales, a combination of gourmet brand identified brewed coffee, espresso and tea. In no event, however, shall any tenants' sales of espresso within the Tenant's Main Exclusive Area exceed more than five percent (5%) of tenants' gross sales. For purposes of this Lease, "gourmet" shall be defined as: (a) beverages made using Arabica beans or (b) sourced from a gourmet coffee brand such as Coffee Bean & Tea Leaf, Intelligentsia, Peets, Caribou or other nationally or regionally recognized gourmet coffee purveyor. For purposes of this Lease, "brand identified" shall mean beverages advertised or marketed within the applicable retail space using a brand name.

Landlord shall not lease space to more than one direct competitor of Tenant's in the area designated on Exhibit I attached hereto and by this reference incorporated herein ("**Tenant's Direct Competitor Area**"). Tenant's direct competitors include only: (i) Peets Coffee and Tea; (ii) Coffee Bean and Tea Leaf; (iii) Dunkin' Donuts; (iv) Tully's; (v) It's a Grind; (vi) Caribou Coffee, and (vii) any other retailer whose primary business is the sale of whole or ground coffee beans, espresso, espresso-based drinks or coffee-based drinks, tea or tea-based drinks, brewed coffee, and/or coffee based blended beverages.

Notwithstanding anything to the contrary contained above, Tenant's exclusive shall not apply to all of the following: (i) full service, sit-down restaurants with a wait staff and table service serving a complete dinner menu may sell brewed coffee or tea, and hot espresso drinks; (ii) tenants occupying

twenty thousand (20,000) contiguous square feet or more; (iii) full line grocery store tenants occupying ten thousand (10,000) contiguous square feet or more; (iv) tenants operating as a Panera Bread restaurant or like retailer; (v) the sale of non-gourmet, non-brand identified brewed coffee, espresso or non-gourmet, non-brand identified brewed tea; (vi) the sale of pre-bottled tea or pre-bottled tea based drinks; or (vii) to tenants and their successors and assigns under leases executed prior to the date of full execution of this Lease identified on Exhibit J attached hereto and by this reference incorporated herein.

THE CONTAINER STORE

PROHIBITED USES:

(i) a bar, pub, nightclub, music hall or disco in which less than thirty-five percent (35%) of its space or revenue is devoted to and derived from food service, except that first-class establishments such as Toby Keith's "I Love This Bar & Grill", Yard House, Gordon Biersch, Stone Brewery, Elephant Bar, wine bars and microbreweries and the like shall not be prohibited;

(ii) a bowling alley other than a first-class establishment such as a Lucky Strike;

(iii) a billiard parlor other than a first-class establishment such as a "Jillians";

(iv) a flea market;

(v) a massage parlor; provided, however, professional massage by licensed clinicians such as a Massage Envy location or another occupant offering primarily health, fitness, hair, beauty, wellness or medical services shall not be prohibited;

(vi) a funeral home;

(vii) a facility for the sale of paraphernalia for use with illicit drugs;

(viii) a facility for the sale or display of pornographic material (as determined by community standards for the area in which the Shopping Center is located);

(ix) an off-track betting or bingo parlor; provided, however, that the foregoing prohibition shall not be applicable to government-sponsored gambling activities or charitable gambling activities, so long as such activities are incidental to the business operation being conducted by the occupant;

(x) a carnival, amusement park or circus;

(xi) a gas station, stand-alone car wash or auto repair or body shop;

(xii) a facility for the sale of new or used motor vehicles, trailers or mobile homes; provided, however, that a new car showroom that displays solely new luxury cars entirely within its lease premises (e.g., a Tesla or Maserati dealership) shall not be prohibited, provided, further, that the foregoing shall not preclude the use of the Common Area of the Shopping Center for car shows or similar special events for the temporary marketing of automobiles, provided such car shows or similar special events are not located in the Critical Access Points, the Critical Area, the Parking Field or the Truck Access Routes and the duration of each such car show or similar special event does not exceed three (3) consecutive days.

(xiii) a facility for any use which is illegal or dangerous, constitutes a nuisance or is inconsistent with an integrated, community-oriented retail and commercial shopping center as reasonably determined by Landlord;

(xiv) skating rink except for temporary special events; provided, however, in no event shall such skating rink be located in the Critical Area or Parking Field;

(xv) an arcade, pinball or computer game room, provided that retail facilities in the Shopping Center may operate no more than four (4) such electronic games incidentally to their primary operations; provided, further, however, that a motion picture theatre shall not be subject to the foregoing limitation so long as such arcade, pinball or computer game room does not have a separate exterior entrance or exit (other than a fire or emergency exit);

(xvi) service-oriented offices such as, by way of example, medical or employment offices, real estate agencies or dry cleaning establishments (other than an onsite service provided solely for pick up and delivery by retail customers) within one hundred (100) feet of the perimeter wall of the Premises, except for offices and storage facilities incidental to a primary retail operation and offices located on the second floor of any building in the Shopping Center; provided however, the following shall not apply to day spas, first class massage providers (e.g., Massage Envy),

salons, optometrists that sell eyeglasses, an urgent care clinic, pharmacy, or any space on the second floor of any buildings in the Shopping Center;

(xvii) a banquet hall, auditorium or other place of public assembly;

(xviii) a training or educational facility, including, without limitation, a beauty school, barber college, reading room, school or other facility catering primarily to students or trainees rather than customers;

(xix) a theater, except in the location designated on Exhibit B in the Lease;

(xx) auction, fire or going-out-of-business sale; provided that all tenants shall be allowed to have a store closing sale at the end of the Term if such tenant is not renewing its lease; provided, further, that such sale is completed in accordance with the terms and conditions of the Lease.

(xxi) a gymnasium, sport club or health club over 5,000 square feet other than in the location designated on Exhibit B; provided, however, that the forgoing, shall not prohibit or otherwise limit (a) any Lululemon, Athletica or similar store or day spa or salon where yoga, Pilates or similar activities are offered incidental to the primary use, or (b) an indoor cycling studio such as SoulCycle.

7.4 So long as Tenant has not vacated the Premises and complies with the Permitted Use provision of this Lease, and no Event of Default then exists, Landlord, its successors and assigns, shall not, under any circumstances, lease, rent or occupy or permit any other premises in the Shopping Center to be occupied, except to the extent otherwise permitted under any lease for space in the Shopping Center existing as of the Effective Date, for (a) the operation of a store that sells or displays for sale storage and organization products as its primary use, as described below (the "**Primary Use Exclusive**") or (b) the operation of a store that sells or displays for sale any customized closets and/or offers customized closet planning and installation services (the "**Exclusive Items**"). Existing Tenants of the Shopping Center and current or future assignees or sublessees of such tenants shall nevertheless be subject to the restrictions contained in this Section 7.4 in the event that the lease between Landlord and any such Existing Tenant requires the consent of Landlord to any assignment or subletting or to a change in the use of the applicable premises to a use which would violate the restrictions contained in this Section 7.4 and Landlord has the right to withhold its consent thereto in its sole and absolute discretion. For purposes of the Primary Use Exclusive, "primary use" shall mean the lesser of five percent (5%) of an occupant's total Floor Area or 500 square feet of Floor Area. For purposes of this Lease, an "**Existing Tenant**" shall mean any tenant of the Shopping Center (whether such tenant occupies its original premises or relocated and/or expanded its premises) who is open for business at the Shopping Center or has executed a written lease or an amendment to a written lease to occupy space at the Shopping Center on or prior to the Effective Date and such Existing Tenant's future assignees and sublessees.

TARGET

5.1 Uses

5.1.1 During the term of this OEA, the Shopping Center shall be used only for the following uses: retail sales, commercial sales, general office, Restaurants, hotels, residential and urban parks.

5.1.2 No use shall be permitted in the Shopping Center which is inconsistent with the operation of a first class mixed use shopping center and Section 5.1.1 of this OEA. Without limiting the generality of the foregoing, the following uses shall not be permitted:

- (A) Excepting those odors, noises or sounds that are customarily associated with a Restaurant use or Shopping Center-provided music that is typically provided at a first class shopping center, no use shall be permitted in the Shopping Center which emits an obnoxious odor, noise or sound which can be heard or smelled outside of any Building in the Shopping Center.
- (B) An operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling (excluding a microbrewery, winery and/or distiller of fine spirits operated as an ancillary part of a Restaurant), refining, smelting, agricultural or mining operation.
- (C) Any "second hand" store, "surplus" store, or pawn shop.
- (D) Any mobile home park, trailer court, labor camp, junkyard, or stockyard; provided, however, this prohibition shall not be applicable to the temporary use of construction trailers during periods of construction, reconstruction or maintenance.

- (E) Any dumping, disposing, incineration or reduction of garbage; provided, however, this prohibition shall not be applicable to garbage compactors located near the rear of any Building, grease traps and collection for Restaurants, or consumer trash or recycling collection receptacles/areas.
- (F) Any fire sale, bankruptcy sale (unless pursuant to a court order) or auction house operation.
- (G) Any central laundry, dry cleaning plant or laundromat; provided, however, this prohibition shall not be applicable to nominal supportive facilities for on-site service oriented to pickup and delivery by the ultimate consumer as the same may be found in retail shopping centers in the metropolitan area where the Shopping Center is located.
- (H) Any automobile, truck, trailer or recreational vehicle sales, leasing, display or body shop repair operation within the Common Area of the Protected Area; provided, however, that nothing contained herein shall preclude the use of the balance of the Shopping Center for car shows or similar special events for the temporary marketing of automobiles; provided such car shows or similar special events do not impact the Permanent Access Drives and/or Front Drives and the duration of such car shows or similar special events does not exceed three (3) consecutive days.
- (I) Any veterinary hospital or animal raising or boarding facility; provided, however, this prohibition shall not be applicable to pet shops. Notwithstanding the foregoing exception, any veterinary or boarding services provided in connection with the operation of a pet shop shall only be incidental to such operation; the boarding of pets as a separate customer service shall be prohibited; all kennels, runs and pens shall be located inside the Building; and the combined incidental veterinary and boarding facilities shall occupy no more than fifteen percent (15%) of the Floor Area of the pet shop.
- (J) Any mortuary or funeral home.
- (K) Any establishment selling or exhibiting "obscene" material, except that this provision shall not prohibit (i) first class videotape (for purposes hereof, the term "videotape" shall include DVDs, CDs, and other media used to show motion pictures now or in the future) retailers with a national presence which primarily rent or sell "G" to "R"-rated videotapes but which also rent or sell "non-rated or NC-17 videotapes" for off-premises viewing only, provided such retailers do not rent or sell "x-rated videotapes", (ii) first-class book stores with a national presence which are not perceived to be, nor hold themselves out as "adult book" stores, but which incidentally sell books, magazines and other periodicals which may contain pornographic materials, so long as such sale is not from any special or segregated section in the store and provided further that such pornographic materials are not considered objectionable or offensive to accepted standards of decency within the local community; or (iii) a first-class, first-run movie theatre that may show or display "R"-rated or "NC-17"rated films or telecasts or "X"-rated films or telecasts; provided, however, that (i) such operator believes, in its reasonable business judgment, that such "X"-rated motion picture or telecast has artistic merit or is a so-called "legitimate" film, and (ii) such operator, as a general policy, does not exhibit "X"-rated films and telecasts.
- (L) Any establishment selling or exhibiting drug-related paraphernalia or which exhibits either live or by other means to any degree, nude or partially clothed dancers or wait staff.

5.1.4 No merchandise, sales equipment or services, including but not limited to vending machines, promotional devices and similar items, shall be displayed, offered for sale or lease, or stored within the Common Area within the Protected Area; provided, however, the foregoing prohibition shall not be applicable to:

- (A) the storage of shopping carts on the Target Tract or on the Common Area outside of the Protected Area (in connection with the foregoing, each Party agrees, at its sole cost and expense, to take commercially reasonable efforts to prevent its shopping carts from entering another's Parcel);
- (B) the installation of an "ATM" banking facility within an exterior wall of any Building;
- (C) the seasonal display and sale of bedding plants on the sidewalk in front of any Building located on the Target Tract; provided, however, that any such

display shall be professionally prepared and not impede the free flow of pedestrian traffic along any sidewalk;

- (D) the placement of spherical bollards (Target's brand) on the sidewalk in front of any Building on the Target Tract; temporary Shopping Center promotions, except that no promotional activities will be allowed in the Common Area within the Protected Area without the prior written approval of the Approving Parties except as expressly permitted in Sections 2.1.1 and 3.2.6 of this OEA;
- (F) any recycling center required by law, the location of which shall be subject to the reasonable approval of the Approving Parties;
- (G) any designated Outside Storage Areas;
- (H) any designated Outside Sales Area; provided, however, with respect to any Outside Sales Area which is not included within a Building Area, such space may be used not more than three (3) times per calendar year, and the duration of such use shall be subject to the following limitations: during the period commencing on October 15th and ending on December 27th — no limitation on the number of days of consecutive use; during the period commencing February 15th and ending on July 10th — not more than one hundred twenty-five (125) consecutive days of use; and, during any other period — not more than thirty (30) consecutive days of use;
- (I) Kiosks and retail merchandising units ("RMUs") in the Common Areas of the Protected Area as shown and designated as such on the Site Plan; provided, however, that nothing contained herein shall limit the use of RMUs in any other portions of the Shopping Center outside of the Protected Area, except within the Permanent Access Drives and Front Drive where RMUs shall not be permitted.

5.1.5 The following use and occupancy restrictions shall be applicable only to the Protected Area:

- (A) Except as designated on the Site Plan, no Restaurant shall be located thereon within two hundred (200) feet of the main entrance to the Building (as shown on the Site Plan) located on the Target Tract.
- (B) No toy store exceeding five thousand (5,000) square feet of Floor Area shall be permitted.
- (C) No store, department or operation of any size selling or offering for sale any pharmaceutical drugs requiring the services of a licensed pharmacist shall be permitted.
- (D) No pet shop shall be located thereon within two hundred (200) feet of the Building Area located on the Target Tract.
- (E) No gas station and/or other facility that dispenses gasoline, diesel or other petroleum products as fuel shall be permitted.
- (F) No automotive service/repair station or any other facility that both sells and installs any lubricants, tires, batteries, transmissions, brake shoes or any other similar vehicle accessories shall be permitted.
- (G) No liquor store offering the sale of alcoholic beverages for off-premises consumption within three (300) feet of the Building Area on the Target Tract shall be permitted, nor shall any liquor store offering the sale of alcoholic beverages for off-premises consumption exceeding 5,000 square feet of Floor Area be permitted. Subject to the restriction set forth in Section 5.1.5(I), the foregoing shall not prohibit microbreweries, Yard House, Gordon Biersch, Elephant Bar or wine bars.
- (H) No freestanding convenience store shall be permitted.
- (I) Any bar, tavern, Restaurant or other establishment whose reasonably projected annual gross revenues from the sale of alcoholic beverages for on-premises consumption exceeds thirty-five percent (35%) of the gross revenues of such business, except that a Yard House, Gordon Biersch or Elephant Bar shall not be prohibited.
- (J) Any massage parlor or similar establishment; provided however, professional massage by licensed clinicians in connection with an

- Occupant offering primarily health, fitness, hair, beauty or medical services uses shall not be prohibited.
- (K) Any health spa, fitness center or workout facility exceeding 3,500 square feet of Floor Area.
 - (L) Any flea market, amusement or video arcade, pool or billiard hall, car wash or dance hall.
 - (M) Any training or educational facility, including but not limited to: beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers; provided, however, this prohibition shall not be applicable to on-site employee training by an Occupant incidental to the conduct of its business at the Shopping Center.
 - (N) Any gambling facility or operation, including but not limited to: off-track or sports betting parlor; table games such as blackjack or poker; slot machines, video poker/blackjack/keno machines or similar devices; or bingo hall. Notwithstanding the foregoing, this prohibition shall not be applicable to government sponsored gambling activities or charitable gambling activities, so long as such activities are incidental to the business operation being conducted by the Occupant.
 - (O) Any bowling alley or skating rink.
 - (P) Any movie theater or live performance theater.
 - (Q) Any hotel, motel, short or long term residential use, including but not limited to: single family dwellings, townhouses, condominiums, other multi-family units and other forms of living quarters, sleeping apartments or lodging rooms.
 - (R) No space exceeding 500 square feet that is exclusively used for outdoor seating for customers of Restaurants and/or food service businesses unless designated on the Site Plan.

ULTA

5.3 Prohibited Uses/Restricted Uses. So long as Tenant is not in default under this Lease beyond applicable cure and notice periods, then the Prohibited Uses set forth on Exhibit E shall be prohibited throughout the Shopping Center throughout the Term. Additionally, the following "Restricted Uses" shall not be permitted within the area identified on the Site Plan as the Restricted Area ("Restricted Area"): drive-throughs; children's recreational, educational or day-care facilities; restaurants occupying more than 5,000 square feet of Gross Floor Area (excluding restaurants up to 10,000 square feet of Gross Floor Area in the portion of the Shopping Center depicted as "Permissible Restaurant Area" on the Site Plan); and the use of the word "beauty" in the name or signage of any other tenant or occupant of the building in which the Premises are located; offices and professional uses (except for (i) those located on the second level of Buildings 2100 and 3100 (as identified on the Site Plan), (ii) offices used for purposes of managing the Shopping Center, (iii) offices used by any tenant so long as such office is incidental to such tenant's use of any portion of the Shopping Center, and (iv) so-called "retail office" (i.e., any office which provides services directly to customers such as financial institutions, stock brokerages, real estate brokerages, escrow and title offices, travel agencies and insurance agencies)); and schools of any kind. As used herein, a "school" includes, but is not limited to, a beauty school, barber's college, reading room, place of instruction or any other operation serving primarily students or trainees rather than retail customers. It is the intent of this Paragraph that the Tenant's Protected Area, including the parking and the other common facilities therein, shall not be burdened by either excessive or protracted use. Notwithstanding the foregoing, such Prohibited Uses and Restricted Uses shall not apply to existing tenants in the Shopping Center (or their respective assignees, subtenants or licensees) who are not subject to such Restricted Uses pursuant to their respective leases, or any renewals or extensions thereof, provided, however, if Landlord has the right to approve or consent to a change of use thereunder in connection with an assignment, subletting or otherwise, Landlord shall enforce the foregoing restrictions in exercising such right.

5.4 Tenant shall have the exclusive right ("**Tenant's Exclusive**") to conduct any portion of Tenant's Protected Uses in the Shopping Center, and all other tenants or other occupants of any portion of the Shopping Center shall be prohibited from engaging in any portion of Tenant's Protected Uses for so long as Tenant (i) is operating any portion of Tenant's Protected Uses in the Premises (excepting Permitted Closures), and (ii) is not in default hereunder beyond all applicable notice and cure periods. Notwithstanding the foregoing, Tenant's Exclusive shall not apply to uses associated with (a) existing tenants in the Shopping Center who are as of the Effective Date not prohibited from selling such products and/or providing the services that are covered by Tenant's exclusive rights pursuant to their respective leases and except to the extent Landlord has any control thereover, their respective assignees, subtenants and licensees, (b) any national retail tenant in excess of twenty-five thousand (25,000) square feet that sells the goods and/or provides the services that are covered by Tenant's exclusive rights as a part of its normal business operations, but not as its primary use, (c) any full service spa, (d) up to two (2) full-service salons, under three thousand (3,000) square feet and located outside the Restricted Area, (e)

incidental sales (less than 250 square feet total of such tenant's premises is used to sell any of the products that comprise Tenant's Protected Uses), or (f) the sale by a tenant of private labeled or branded products that otherwise constitute products that comprise Tenant's Protected Uses. Notwithstanding the foregoing, Landlord's agreement under this Section 5.4 shall be effective only to the extent such agreement is not contrary to applicable law. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or number of tenants shall, during the Term of this Lease, occupy any space in the Shopping Center.

"Tenant's Protected Uses" shall mean (i) the retail sale of cosmetics, fragrances, health and beauty products, hair care products and accessories; personal care appliances; skin care products, and body care products; and (ii) the operation of a full service beauty salon. The term "full service beauty salon" for purposes of this Section shall be defined as the offering of any of or a combination of the following services: hair care (including, without limitation, cutting, styling, hair treatments, highlighting, tinting, coloring, texturizing, smoothing and hair extensions); facials; esthetician services; skin care services (skin treatments for face and body); beauty treatments/services; hair removal (including, without limitation, waxing, threading and tweezing for face and body); eye lash extension services; nail services; and therapeutic massage.

VENTURA COUNTY CREDIT UNION

7.9 Restrictive Use. Subject to the terms and conditions hereof, Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project to a credit union (i.e., a cooperative financial institution owned by individual members). The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (i) Tenant's delivery of a Termination Notice pursuant to Section 3.6, (ii) Tenant operates all or any portion of the Premises for a use other than the Permitted Use specified in Section 1.7; provided, however, that the foregoing shall not constitute Landlord's consent to the use of the Premises for any use other than the Permitted Use; (iii) a failure by Tenant to perform any of its obligations under this Lease as to which Landlord shall have given written notice to Tenant, the continuation of such failure beyond any applicable cure period; (iv) any Assignment other than a Permitted Assignment (except in the event of a Divestiture, in which case the Restriction shall terminate); (v) the last nine (9) months of the Term unless Tenant has previously exercised the then-applicable option to extend the term pursuant to Section 3.5, above, and (vi) the expiration or earlier termination of the Lease. This Restriction shall not apply to (i) operation by a tenant or occupant in the Project in violation of the Restriction who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (ii) a Pre-Existing Tenant (hereinafter defined), or (iii) any tenant or occupant using or occupying more than twenty thousand (20,000) square feet of Floor Area in the Project. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (A) who is open for business on or prior to the Effective Date, or (B) whose lease is dated on or prior to the Effective Date hereof, (C) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (A) or (B) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (D) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (A), (B) or (C) and whose use remains the same as prior to the assignment and/or subletting.

VICTORIA'S SECRET

29.1 Landlord agrees that during the time that VSS is the Tenant under the terms of this Lease and has not assigned or otherwise transferred its interest in this Lease or sublet the Premises or any part thereof, and so long as VSS is conducting as a primary business in the Premises the retail sale of lingerie and intimate apparel under the trade name Victoria's Secret or any other trade name permitted in Section 1.1(zzz), Landlord will refrain from leasing any space in the Shopping Center to any future tenant or occupant for the permitted purpose of conducting as a primary business the retail sale of lingerie and intimate apparel; provided, however: (i) the terms and provisions of this Article XXIX shall not apply to nor be of any force or effect with respect to (a) any existing tenant or occupant of the Shopping Center (i.e. any tenant or occupant under an executed lease or occupancy or purchase agreement listed on Exhibit J attached hereto), or any successor, assignee or sublessee of such existing tenant or occupant, for so long as any such existing tenant's lease or any renewal, extension or replacement (in connection with a bankruptcy or leasehold mortgage foreclosure proceeding) thereof, or any such existing occupant's occupancy agreement, is in effect, or to the premises demised thereunder; provided, however, if any existing tenant or occupant of the Shopping Center proposes to enter into an assignment or sublease transaction, and the proposed use of the premises is different from the present use of such premises, then to the extent Landlord's consent or approval is required for any such change in use, Landlord shall not consent to any such change in use if such change would violate the exclusive rights of Tenant hereunder unless (x) such change in use is for a purpose presently permitted by such lease or occupancy agreement which does not require the consent of Landlord thereunder, (y) Landlord is not permitted pursuant to the terms of such lease or occupancy agreement to enforce Tenant's rights hereunder in connection with such change in use, or (z) Landlord's failure to approve or consent to a change in use would be unreasonable under the terms of any such lease or occupancy agreement for which Landlord's consent is required to be reasonable, or (b) any retailer operating under the trade name Target, H & M, or Soma, or such other trade name as is later used by a majority of the stores previously operated under the trade name Target, H & M, or Soma; or (c) any premises leased or owned by any of the foregoing; (ii) Landlord's covenant to refrain from leasing space as aforesaid shall expire without further act of the

parties by the date six (6) months prior to the expiration of the Term or any renewal or extension thereof, provided any tenant which would be operating in violation of this Article XXIX may not open for business in the Shopping Center until after the end of the Term or any renewal or extension thereof; and (iii) the terms of this Article XXIX shall expire without further act of the parties if Landlord terminates VSS's right to possession of the Premises (with or without a termination of the Lease) or VSS fails to conduct the Permitted Use subject to and in accordance with the conditions and limitations contained herein for a period of sixty (60) days.

29.2 For purposes hereof, the retail sale of lingerie and intimate apparel under the trade name Victoria's Secret or any other trade name permitted in Section 1.1(zzz) as a primary business shall mean that fifty percent (50%) or more of the retail Floor Area of the Premises is dedicated by VSS to the operation of such primary business (or fifty percent (50%) or more of the retail Floor Area of such future tenant's or occupant's premises is dedicated to, the operation of such primary business).

YARD HOUSE

7.9 Restrictive Use. Except as otherwise provided in this Section 7.9, Landlord shall not enter into a lease for a term commencing during the Term for the operation in the Project to an occupant that will have or sell beer from eighteen (18) or more beer taps and shall not permit any occupants of the Project to have or sell beer from eighteen (18) or more beer taps. The restriction set forth in this Section (the "Restriction") shall automatically terminate and be of no further force or effect upon and after any of the following events: (a) Tenant fails to operate its business in the entire Premises on all days and at all times required by this Lease, excepting closures due to a Permitted Closure (as defined below); (b) Tenant operates all or any portion of the Premises for a use other than the Permitted Use specified in Section 1.7 or under a trade name other than the Trade Name specified in Section 1.4 (or other name permitted pursuant to Section 7.1); (c) a failure by Tenant to perform any of its obligations under this Lease as to which Landlord shall have given written notice to Tenant, the continuation of such failure beyond any applicable cure period; (iv) any Assignment other than a Permitted Transfer; or (d) the expiration or earlier termination of the Lease. This Restriction shall not apply to (i) operation by a tenant or occupant in the Project in violation of the Restriction who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (ii) a Pre-Existing Tenant (hereinafter defined), (iii) any tenant or occupant using or occupying more than thirty thousand (30,000) Square feet of Floor Area in the Project, or (iv) any tenant or occupant operating under the trade name "Toby Keith's I Love This Bar & Grill". For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (A) who is open for business on or prior to the Effective Date, or (B) whose lease is dated on or prior to the Effective Date hereof, (C) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (A) or (B) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (D) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (A), (B) or (C) and whose use remains the same as prior to the assignment and/or subletting.

PROHIBITED USES AND NUISANCES

A. No use or operation will be made, conducted or permitted on or with respect to all or any part of the Site, which use or operation is obnoxious to or out of harmony with the development, including, but not limited to, the following:

(i) Any public or private nuisance (as defined in California Civil Code Section 3479) connected with business operations conducted on the Site;

(ii) Any obnoxious odor;

(iii) Any noxious, toxic or caustic, or corrosive fuel or gas;

(iv) Any dust, dirt or particulate matter in excessive quantities;

(v) Any unusual fire, explosion, or other damaging or dangerous hazard;

(vi) Any warehouse, other than that which is incidental to the primary commercial use or business operation, and any assembly, manufacturing, distillation, refining, smelting, agriculture, or mining operation;

(vii) Any pawn shop or retail sales operation involving second-hand merchandise, unless otherwise first approved in writing by the Executive Director of the Oxnard Community Development Commission (the "Commission");

(viii) Any adult business or facility as defined and regulated in the City's Municipal Code. Such uses include, without limitation, massage establishments, adult news racks, adult bookstores, adult motion picture theaters, and paraphernalia businesses;

(ix) Any gun shop or retail sales operation for which the main commercial use or business operation is the sale of guns;

(x) Any retail sales operation for which the average price of merchandise is \$5.00 or less, unless otherwise first approved in writing by the Executive Director of the Commission; and

(xi) Any use or operation which is incompatible with the existing uses or operations at the Site as reasonably determined by the Commission.

B. The Project shall not be used for (a) a cocktail lounge, tavern, bar or restaurant (with or without a bar component) which has revenue from the sale of alcoholic beverages in excess of forty percent (40%) of the gross revenue of such restaurant; provided, however, that the foregoing shall not be deemed to restrict the use and operation of any restaurant chain such as, by way of example only, Chili's, Applebee's, Ruby Tuesdays, Cheddars, Reno's, TGI Fridays, Macaroni Grill, Houlihans, Outback Steakhouse, Lone Star Steak House, Longhorn or any other casual dining restaurant typically found in a first-class shopping center that is part of a national chain, (b) a night club or discotheque, (c) any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction), (d) any dumping, disposing, incineration, or reduction of garbage (exclusive of dumpsters located in the rear or side designated locations of any building), (e) an auction house operation or flea market, (f) any automobile, truck, trailer, or R.V. sales, leasing, display, or repair; provided, however, an auto parts sales or tire sales location with repair operations is allowed, (g) any bingo parlor, (h) any animal raising facilities, (i) a mortuary, (j) any establishment renting, selling, or exhibiting pornographic materials (other than materials which are incidental to the establishment's normal retail sales), (k) a manufacturing, assembling or warehouse facility or any distilling, refining, smelting, agricultural or mining operation, (l) a nursing home or hospice home, (m) any massage parlors or similar establishments, (n) any use which emits an obnoxious odor, noise or sound which can be heard or smelled outside of any Building, provided that food odors from restaurants shall not be deemed to violate this prohibition, and odors and noises typically smelled or heard outside of movie theaters shall not be deemed to violate this prohibition, (o) any central laundry or dry cleaning plant with no on-site service oriented to pickup and delivery by the ultimate consumer, (p) any bowling alley or retail skating rink or (q) tattoo parlor.

C. The following uses shall not be permitted at the Project:

1. a skating rink or a bowling alley, except that higher quality bowling alleys such as (but not limited to) those operated under the "Lucky Strike" trade name shall be permitted;

2. an off track betting or other gambling facility or a pool hall, provided that the restriction regarding pool halls shall not apply to higher quality businesses such as (but not limited to) those operated under the trade names "House of Billiards," "Hollywood Billiards" and "Jillian's";

3. a video or pinball arcade, or amusement arcades or game rooms as a primary use, incidental use shall be permitted, or amusement centers or for carnivals or fairs;

4. within 300 feet of the Premises, a karate, health club, fitness facility or gymnasium (except climbing gym), provided that the restriction regarding health clubs and fitness facilities shall not apply to any premises operated in connection with a commercial office development and containing less than 10,000 square feet;

5. any fire sale, going out of business sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;

6. any central laundry or dry cleaning plant or laundromat (except that this prohibition shall not be applicable to onsite service provided solely for pick up and delivery by a retail customer, including nominal supporting facilities);

7. any veterinary hospital, but the furnishing of veterinarian services (but not boarding of animals) in conjunction with a retail store primarily selling pets, pet food, supplies, accessories, and other pet products shall not be prohibited;

8. any establishment which stocks, displays, sells, rents or offers, for sale or rent any merchandise or material commonly used or intended for use with or in consumption of any narcotic, dangerous drug, or other controlled substance (except for prescription drugs commonly sold by pharmacies);

9. a church or related religious or educational facility or religious reading room, or within 300 feet of the Premises, an auditorium or meeting hall (which restriction shall not apply to theaters and shall not prohibit presentations, book readings, puppet shows and similar activities which are incidental to a use otherwise permitted hereunder); or

10. any retail sales operation for which the average price of merchandise is \$5.00 or less.

RIDER NO. 1 TO OFFICE LEASE

EXTENSION OPTION RIDER

THIS RIDER NO. 1 is made and entered into by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. Landlord hereby grants to Tenant one (1) option (the "**Extension Option**") to extend the initial Term of the Lease for an additional period of five (5) years (the "**Option Term**"), on the same terms, covenants and conditions as provided for in the Lease during the initial Term, except for the Monthly Basic Rent, which shall equal the "fair market rental rate" for the Premises for the Option Term as defined and determined in accordance with the provisions of the Fair Market Rental Rate Rider attached to the Lease as Rider No. 2.

2. The Extension Option must be exercised, if at all, by written notice ("**Extension Notice**") delivered by Tenant to Landlord no sooner than that date which is twelve (12) months and no later than that date which is nine (9) months prior to the expiration of the then current Term of the Lease. The Extension Option shall, at Landlord's sole option, not be deemed to be properly exercised if, at the time the Extension Option is exercised or on the scheduled commencement date for the Option Term, Tenant has (a) committed an uncured event of default whose cure period has expired pursuant to Section 23 of the Lease, (b) assigned all of the Lease or its interest therein, or (c) sublet all of the Premises. Provided Tenant has exercised the Extension Option pursuant to the terms and time frames set forth in this Rider No. 1 or Rider No. 2 and as otherwise set forth in the Lease, the then current Term of the Lease shall be extended by the Option Term, and all terms, covenants and conditions of the Lease shall remain unmodified and in full force and effect, except that the Monthly Basic Rent shall be as set forth above and as set forth in Rider No. 2 attached hereto.

3. Tenant's Extension Option is further subject to the terms and conditions of Rider No. 3 attached to the Lease.

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RIDER NO. 2 TO OFFICE LEASE

FAIR MARKET RENTAL RATE RIDER

THIS RIDER NO. 2 is made and entered into by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. The term "**fair market rental rate**" as used in the Lease and any Rider attached thereto shall mean the annual amount per square foot, projected during the Option Term that a willing, non-equity renewal tenant (excluding sublease and assignment transactions) would pay, and a willing, landlord of a comparable Class "A" office building located in the Oxnard, Camarillo and Ventura, California office market areas (the "**Comparison Area**") would accept, in an arm's length transaction (what Landlord is accepting in then current transactions for the buildings located in the Project may also be used for purposes of projecting rent for the Option Term), for space of comparable size, quality and floor height as the Premises, taking into account the age, quality and layout of the existing improvements in the Premises, taking into account items that professional real estate brokers or professional real estate brokers customarily consider, including, but not limited to, rental rates, space availability, tenant size, tenant improvement allowances, operating expense charges, including a base year, if applicable, parking charges and any other lease considerations and/or concessions such as rent abatement, if any, then being charged or granted by Landlord or the lessors of such similar office buildings, and taking into account and adjusting the Base Year to be the calendar year during which the Option Term commences. All economic terms other than Monthly Basic Rent, such as tenant improvement allowance amounts, if any, operating expense allowances, parking charges, if any, rent abatement, etc., will be established by Landlord and will be factored into the determination of the fair market rental rate for the Option Term. Accordingly, the fair market rental rate will be an effective rate, not specifically including, but accounting for, the appropriate economic considerations described above. The fair market rental rate shall include the periodic rental increases that would be included for space leased for the period of the Option Term.

2. Landlord shall provide written notice of Landlord's determination of the fair market rental rate not later than ten (10) days following Landlord's receipt of Tenant's Extension Notice. Tenant shall have ten (10) days ("**Tenant's Review Period**") after receipt of Landlord's notice of the fair market rental rate within which to accept such fair market rental rate or to reasonably object thereto in writing. Failure of Tenant to so object to the fair market rental rate submitted by Landlord in writing within Tenant's Review Period shall conclusively be deemed Tenant's disapproval and rejection thereof. If within Tenant's Review Period Tenant objects to or is deemed to have disapproved the fair market rental rate submitted by Landlord, Landlord and Tenant will discuss their individual determinations of the fair market rental rate for the Premises under the parameters set forth in Section 1 above and shall diligently and in good faith attempt to negotiate a rental rate on the basis of such individual determinations. Such discussion shall occur no later than ten (10) days after the expiration of Tenant's Review Period. The parties shall each provide the other with such supporting information and documentation as they deem appropriate. At such meeting if Landlord and Tenant are unable to agree upon the fair market rental rate, they shall each submit to the other their respective best and final offer as to the fair market rental rate. If Landlord and Tenant fail to reach agreement on such fair market rental rate within fifteen (15) days following such a discussion (the "**Outside Agreement Date**"), the Extension Option will be deemed null and void unless Tenant demands appraisal, in which event each party's determination shall be submitted to appraisal in accordance with the provisions of Section 3 below.

3. (a) Landlord and Tenant shall each appoint one (1) competent, independent and impartial commercial real estate broker with at least ten (10) years full time commercial real estate appraisal experience in the Comparison Area (each a "**broker**"). The determination of the brokers shall be limited solely to the issue of whether Landlord's or Tenant's last proposed (as of the Outside Agreement Date) best and final fair market rental rate for the Premises is the closest to the actual fair market rental rate for the Premises as determined by the brokers, taking into account the requirements specified in Section 1 above. Each such broker shall be appointed within fifteen (15) days after the Outside Agreement Date.

(b) The two (2) brokers so appointed shall within fifteen (15) days of the date of the appointment of the last appointed broker agree upon and appoint a third broker who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) brokers.

(c) The three (3) brokers shall within thirty (30) days of the appointment of the third broker reach a decision as to whether the parties shall use Landlord's or Tenant's submitted best and final fair market rental rate, and shall notify Landlord and Tenant thereof. During such thirty (30) day period, Landlord and Tenant may submit to the brokers such information and documentation to support their respective positions as they shall deem reasonably relevant and Landlord and Tenant may each appear before the brokers jointly to question and respond to questions from the brokers.

(d) The decision of the majority of the three (3) brokers shall be binding upon Landlord and Tenant and neither party shall have the right to reject the decision or to nullify the exercise of the Extension Option. If either Landlord or Tenant fails to appoint a broker within the time period specified in Section 3(a) hereinabove, the broker appointed by one (1) of them shall within thirty (30) days following the date on which the party failing to appoint a broker could have last appointed such broker reach a decision based upon the same procedures as set forth above (i.e., by selecting either Landlord's or Tenant's submitted best and final fair market rental rate), and shall notify Landlord and Tenant thereof, and such broker's decision shall be binding upon Landlord and Tenant and neither party shall have the right to reject the decision or to nullify the exercise of the Extension Option.

(e) If the two (2) brokers fail to agree upon and timely appoint a third broker, either party, upon ten (10) days written notice to the other party, can apply to the Presiding Judge of the Superior Court of Ventura County to appoint a third broker meeting the qualifications set forth herein. The third broker, however, selected, shall be a person who has not previously acted in any capacity for either party.

(f) The cost of each party's broker shall be the responsibility of the party selecting such broker, and the cost of the third broker (or arbitration, if necessary) shall be shared equally by Landlord and Tenant.

(g) If the process described hereinabove has not resulted in a selection of either Landlord's or Tenant's submitted best and final fair market rental rate by the commencement of the applicable lease term, then the fair market rental rate estimated by Landlord will be used until the broker(s) reach a decision, with an appropriate rental credit and other adjustments for any overpayments of Monthly Basic Rent or other amounts if the brokers select Tenant's submitted best and final estimate of the fair market rental rate. The parties shall promptly enter into an amendment to the Lease confirming the terms of the decision.

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RIDER NO. 3 TO OFFICE LEASE

RIGHT OF FIRST OFFER TO EXPAND RIDER

THIS RIDER NO. 3 is made and entered into by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. **Right of First Offer.** During the first (1st) seven (7) years of the initial Term only (the "**ROFO Period**"), Tenant shall have the right of first offer (the "**ROFO Right**") with respect to Reserved Area set forth in Section 1.20 of the Summary (as referred to in this Rider, the "**ROFO Space**") which is depicted in Schedule 1 attached hereto, under the same terms and conditions hereof, except that the rental rate and the improvement allowance with respect to the ROFO Space shall be the rate specified in the applicable ROFO Notice (referenced below). Notwithstanding the foregoing, the lease term for Tenant's lease of the ROFO Space pursuant to Tenant's exercise of the ROFO Right shall commence only following the expiration or earlier termination of any existing lease pertaining to the ROFO Space as of the date hereof (the "**Existing Leases**"), including the any extension or renewal of any of the Existing Leases regardless of whether pursuant to a stated right or otherwise. It is further understood and agreed that the term for Tenant's lease of any ROFO Space leased by Tenant shall be coterminous with Tenant's lease of the Premises.

2. **Procedure for Offer.** During the ROFO Period, Tenant shall have the right to send to Landlord a notice ("**Request Notice**") advising Landlord that Tenant is interested in leasing additional space at the Building. Within ten (10) business days following receipt of Tenant's Request Notice, Landlord shall notify Tenant in writing (the "**Expansion Notice**") if the ROFO Space (or any portion thereof) will become or is expected to become available for lease to third parties in the next twelve (12) months, subject to the rights of tenants under Existing Leases, which rights shall be noted accordingly. The Expansion Notice shall describe the space so offered to Tenant (including the rentable square feet thereof) and shall set forth all of Landlord's proposed economic terms and conditions applicable to Tenant's lease of such space (collectively, the "**Expansion Terms**").

3. **Procedure for Acceptance.** If Tenant wishes to exercise Tenant's ROFO Right with respect to the space described in the Expansion Notice, then within fifteen (15) days after delivery of the Expansion Notice to Tenant, Tenant shall deliver to Landlord written notice ("**Exercise Notice**") of Tenant's exercise of its ROFO Right with respect to the entire space described in the Expansion Notice and on the Expansion Terms contained therein. If Tenant does not exercise its ROFO Right within the fifteen (15) day period (on all of the Expansion Terms, subject to the terms of this Section 3 below), then Landlord shall be free to lease the space described in the Expansion Notice to anyone to whom Landlord desires on any terms Landlord desires and Tenant's ROFO Right shall thereupon automatically terminate and this Rider shall be null and void and of no further force or effect with respect only to the space described in the Expansion Notice. Notwithstanding anything to the contrary contained herein, Tenant must elect to exercise its ROFO Right, if at all, with respect to all of the space comprising the ROFO Space offered by Landlord to Tenant at any particular time, and Tenant may not elect to lease only a portion thereof or object to any of the Expansion Terms set forth in Landlord's Expansion Notice except as specifically set forth in the terms of this Section 3 below. Notwithstanding the foregoing, if Tenant exercises its ROFO Right with respect to the entire space described in the Expansion Notice within said 15-day period, Tenant shall have the one-time right to specifically object to the rental rate set forth in the Expansion Terms stated in the Expansion Notice, in which event Tenant shall remain bound to lease the ROFO Space at the rental rate to be determined in accordance with the terms of Section 3 in Rider No. 2. Upon receipt of Tenant's Exercise Notice confirming exercise and requesting that the rental rate for the ROFO Space be determined pursuant to appraisal, the parties shall promptly commence the process set forth in Section 3 in Rider No. 2. In any event, Tenant's delivery of an Exercise Notice shall be irrevocable.

4. **Construction of ROFO Space.** Tenant shall take the ROFO Space in its "**AS-IS**" condition subject to Landlord's obligations to repair and maintain the Premises (which would include the ROFO Space) as set forth in the Lease (and unless otherwise provided in the Expansion Notice as part of the Expansion Terms or otherwise determined pursuant to Section 3 in Rider No. 2 as referenced above), and Tenant shall be entitled to construct improvements in the ROFO Space at Tenant's expense, in accordance with and subject to the provisions of Section 12 of the Lease.

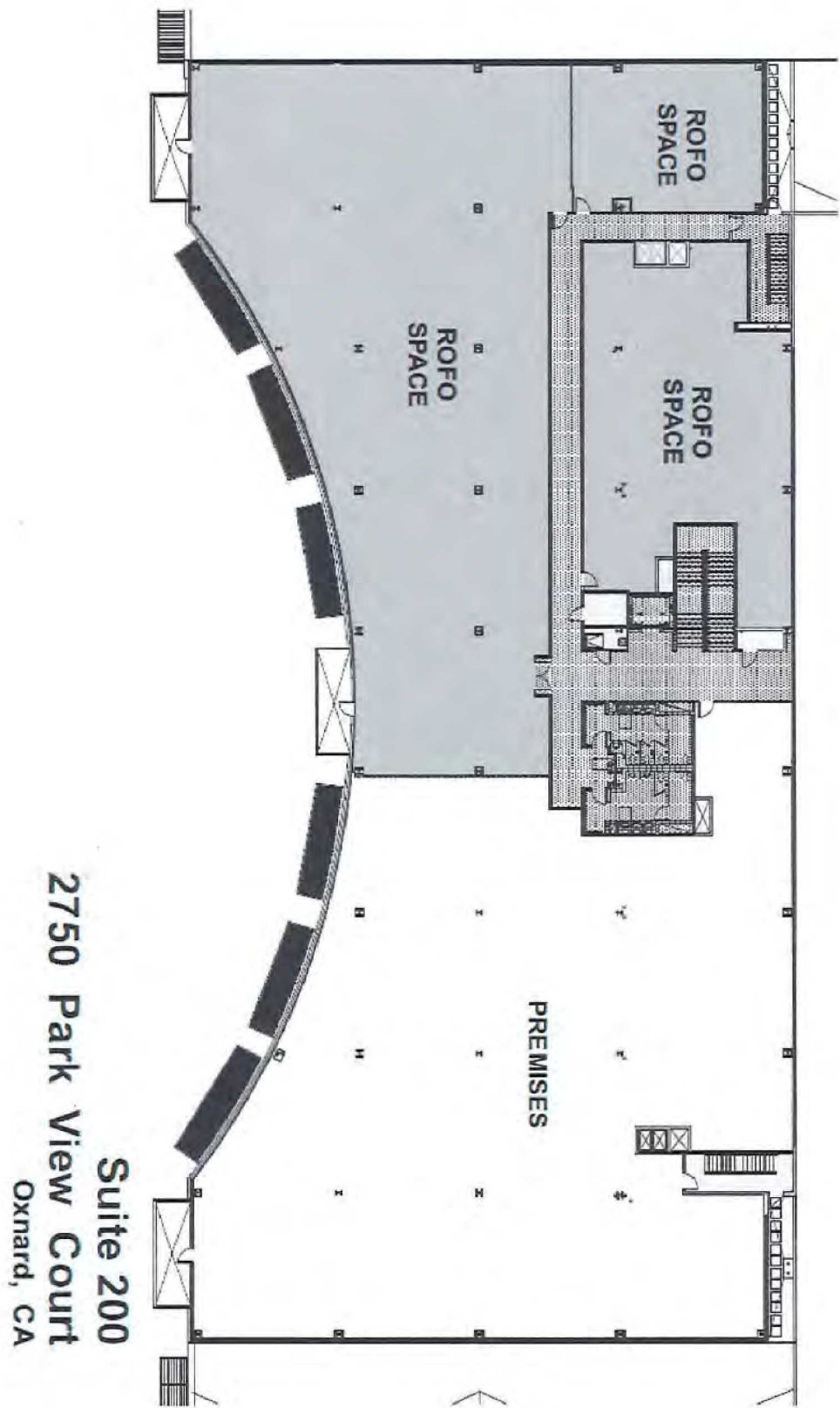
5. **Lease of ROFO Space.** If Tenant exercises within the time frames above Tenant's right to lease the ROFO Space as set forth herein, Landlord and Tenant shall execute an amendment adding such ROFO Space to the Lease upon the Expansion Terms set forth in Landlord's Expansion Notice or otherwise pursuant to terms that are mutually agreed by Landlord and Tenant (or as determined pursuant to Section 3 in Rider No. 2 as referenced above), and furthermore upon the same non-economic terms and conditions as applicable to the original Premises. Tenant shall commence payment of rent for the ROFO Space and the lease term of the ROFO Space shall commence upon the date of delivery of such space to Tenant, except as set forth in Landlord's Expansion Notice or otherwise pursuant to terms that

are mutually agreed by Landlord and Tenant (or as determined pursuant to Section 3 in Rider No. 2 as referenced above). The lease term for the ROFO Space shall, unless otherwise provided in the Expansion Notice as part of the Expansion Terms or otherwise pursuant to terms that are mutually agreed by Landlord and Tenant, expire coterminously with Tenant's lease of the original Premises, but in no event shall Tenant lease the ROFO Space for a period of less than twenty-four (24) months, unless otherwise agreed by Landlord. Tenant's ROFO Right is further subject to the terms and conditions of Rider No. 5 attached to the Lease. The rights contained in this Rider may only be exercised if the Tenant occupies the entire Premises then being leased by Tenant as of the date of Tenant's exercise of its ROFO Right. Tenant's right to exercise its ROFO Right is subject to Landlord's review and approval of Tenant's current financials upon Tenant's exercise of its ROFO Right. In addition, Tenant shall not have the right to lease the Expansion Space as provided in this Rider if Landlord's lender disapproves the Expansion Terms.

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SCHEDULE 1 TO RIDER NO. 3

ROFO SPACE



TENANT'S INITIALS HERE:

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RIDER NO. 4 TO OFFICE LEASE

ROOFTOP SPACE RIDER

THIS RIDER NO. 4 is made and entered into by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

1. **Right to Install Rooftop Equipment.** During the Term, and, subject to Tenant's compliance with all applicable Laws (defined below) and covenants, conditions and restrictions, and Landlord's prior review and reasonable approval of plans and specifications for all such installation, Tenant and Tenant's contractors (which shall first be reasonably approved by Landlord) shall have the right to access, install, replace, remove, operate and maintain, subject to the terms of Section 12 of the Lease and this Rooftop Space Rider, certain equipment reasonably approved in advance by Landlord in writing, including, telecommunication and/or television equipment (antennas and/or dishes) or other reasonable equipment required for Tenant's business such as additional HVAC units (the "**Tenant Roof Equipment**") on the rooftop of the Building at the location approved by Landlord in writing, including the cabling and connecting equipment (collectively, the "**Connecting Equipment**"), provided that Tenant shall not be entitled to use more than its fair prorata share of space on the rooftop. The Tenant Roof Equipment and the Connecting Equipment are collectively referred to as the "**Rooftop Equipment**".

2. **Fee.** No fee shall be charged for Tenant's maintenance of the Rooftop Equipment on the rooftop, and for these roof rights set forth herein during the Term of the Lease and any extensions thereof.

3. **Conditioned Upon Lease.** This Rooftop Space Rider is contingent upon the Lease being in effect and compliance by Tenant with all of the terms and provisions hereof. If the Lease terminates or expires for any reason, Tenant's rights under this Rooftop Space Rider shall also terminate concurrently therewith unless otherwise agreed in writing by Landlord in its sole and absolute discretion.

4. **No Assignment.** Notwithstanding anything to the contrary set forth in Section 14 of the Lease, Tenant's rights under this Rooftop Space Rider may not be assigned, transferred to or used by any other person or entity except with respect to a Permitted Transfer or a sublease or assignment to a Permitted Transferee.

5. **Installation.** Tenant's installation and operation of the Rooftop Equipment shall be governed by the following terms and conditions:

a. Installation shall be conducted by licensed contractors reasonably approved by Landlord. If any roof penetration is required, unless Landlord elects to perform such penetrations at Tenant's sole cost and expense, Tenant shall retain Landlord's designated roofing contractor (whose fees shall be market competitive) to make any necessary penetrations and associated repairs to the roof in order to preserve Landlord's roof warranty.

b. All plans and specifications for the Rooftop Equipment shall be subject to Landlord's prior review and approval which approval shall not be unreasonably withheld, delayed or conditioned, and subject to not adversely interfering with other tenants or occupants of the Building maintaining or operating rooftop equipment and related equipment at the Building. Upon Landlord's request, Tenant shall prepare and submit a detailed set of plans and specifications for the proposed Rooftop Equipment, methods of installation and proposed locations thereof to all tenants and occupants having a right to review Tenant's proposed Rooftop Equipment.

c. Tenant, at Tenant's sole cost and expense, shall be responsible for any modifications to the rooftop, risers, utility areas or other facilities or portions of the Building which may be necessary to accommodate the Rooftop Equipment.

d. It is expressly understood that Landlord retains the right to use the roof of the Building for any purpose whatsoever (including granting rights to third parties to utilize any portion of the roof not utilized by Tenant) all in compliance with the terms of the Lease.

e. For the purposes of determining Tenant's obligations with respect to its use of the roof of the Building herein provided, all of the provisions of the Lease relating to compliance with requirements as to insurance, indemnity, and compliance with Laws shall apply to the installation, use and maintenance of the Rooftop Equipment. Landlord shall not have any obligations with respect to the Rooftop Equipment. Landlord makes no representation that the Rooftop Equipment will function properly and Tenant agrees that Landlord shall not be liable to Tenant therefor.

f. Tenant shall (i) be solely responsible for any damage caused as a result of the Rooftop Equipment, (ii) promptly pay any tax, license or permit fees charged pursuant to any Laws in

connection with the installation, maintenance or use of the Rooftop Equipment and comply with all Laws pertaining to the use of the Rooftop Equipment, and (iii) pay for all necessary repairs, replacements to or maintenance of the Rooftop Equipment.

g. To the extent not installed by Tenant in accordance with the terms and conditions of the Work Letter attached to the Lease, the installation of the Rooftop Equipment shall constitute Tenant Changes and shall be performed in accordance with and subject to the provisions of Section 12 of the Lease, including, without limitation, Tenant's obligation to obtain Landlord's prior consent to the size and other specifications of the Rooftop Equipment, which consent shall not be unreasonably withheld, conditioned or delayed.

6. Design Considerations.

a. All Rooftop Equipment shall be properly screened from view for aesthetic reasons, and must not be visible from street level.

b. The Tenant Roof Equipment may not protrude above a height equal to the highest point of the Building structure.

c. Tenant, at Tenant's sole cost and expense, shall install and maintain such fencing and other protective equipment and/or visual screening on or about the Rooftop Equipment as Landlord may reasonably determine.

d. The Rooftop Equipment shall be clearly marked to show the name, address, telephone number of the person to contact in case of emergency.

e. The Rooftop Equipment must be properly secured and installed so as not to be affected by high winds or other elements.

f. The weight of the Rooftop Equipment shall not exceed the load limits of the Building.

7. **Compliance with Laws.** Tenant's rights set forth in this Rooftop Space Rider shall be subject to all applicable laws, rules and regulations, including, without limitation, zoning rules, health and safety rules (including OSHA requirements), and applicable building and fire codes, including any required conditional use permit (collectively, "**Laws**"). Landlord makes no representation that any such Laws permit such installation and operation, and Tenant shall be solely responsible to determine the feasibility and legality of installing the Rooftop Equipment. Without limiting the generality of the foregoing, if any testing, sampling or disclosures relating to rooftop equipment at the Building are required to satisfy OSHA or other governmental agencies (including for radio frequency [RF] or electromagnetic field [EMF] emissions), Tenant shall pay the costs of any such required tests and studies (or its prorata share thereof if the cost is properly shared by other rooftop users). Landlord shall have no liability or responsibility for the maintenance or compliance with laws of any towers, antennas or structures, including, without limitation, compliance with Part 17 of the Federal Communications Commissions' Rules.

8. No Interference.

a. The Rooftop Equipment and operations shall not interfere with the communications configurations, frequencies or operating equipment of any existing users on the rooftop (collectively, "**Existing Users**"), including any equipment which the Existing Users have the right to install or operate but have not yet installed. Further, the Rooftop Equipment and operations shall comply with all non-interference rules of the Federal Communications Commission ("**FCC**"). Upon receipt of written notice of apparent interference by Tenant with Existing Users, Tenant shall have the responsibility to promptly terminate such interference or to demonstrate with competent information that the apparent interference in fact is not caused by Tenant's Rooftop Equipment or operations. Subsequent to the date Tenant commences the operation of the Rooftop Equipment, Landlord shall not knowingly install or permit the installation of new equipment at the Property if such new equipment is likely to cause interference with the operation of the Rooftop Equipment, it being acknowledged that Landlord shall have no right or responsibility to prevent the installation of equipment any party has the right to install under the terms of its lease or occupancy agreement, or pursuant to applicable laws or regulations. With respect to equipment which the installing party has no right to install, Landlord shall require the installing party to first provide Tenant with notice of the equipment to be installed and Tenant shall then have the reasonable opportunity to meet with the party wishing to install the additional equipment so that any potential interference can be resolved to the satisfaction of Tenant. If in the future equipment is installed at the Property which interferes with the operation of the Rooftop Equipment, Tenant agrees to reasonably cooperate with such other user to resolve such interference in a mutually acceptable manner, subject to and in accordance with the rules of the FCC and the terms of any rights of Existing Users to operate new or revised equipment at the Building. Notwithstanding anything to the contrary herein, in no event shall Landlord have any liability with respect to interference with Tenant's operations or any loss of business or profits, and Tenant's sole remedy in the event of a breach of this provision shall be to pursue an action for injunctive relief.

b. In no event shall the Tenant Roof Equipment or any Connecting Equipment damage or adversely affect or interfere with the normal operation of the Building (including, but not limited

to mechanical, electrical, life-safety, structural systems, window washing or other maintenance functions of the Building). Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, costs, damages, expenses and liabilities (including reasonable attorneys' fees) arising out of Tenant's failure to comply with the provisions of this Rooftop Space Rider, provided that Tenant's indemnification obligation hereunder shall not apply to the extent same is caused by the negligence or willful misconduct of Landlord or its employees, agents or contractors. Should the use of the Rooftop Equipment by Tenant interfere with systems of the Building or telecommunications systems of any tenant, Tenant shall make such adjustments to the Rooftop Equipment or its related equipment as may be reasonably required by Landlord.

9. Access. Subject to the terms of this Rooftop Space Rider, Tenant shall have the right to access its Rooftop Equipment during Building Service Hours as referenced in the Lease, and during other hours in the case of emergency. In exercising its right of access to the roof, Tenant agrees to cooperate and comply with any reasonable security procedures, access requirements and rules and regulations utilized by Landlord for the Building and further agrees not to unduly disturb or interfere with the business or other activities of Landlord or of other tenants or occupants of the Property. Notwithstanding the foregoing, Tenant shall have the right to provide to Landlord a list of authorized representatives and approved maintenance contractors who are entitled to access the roof immediately and without any prior notification or delay (each an "**Authorized Roof Access Party**" and, collectively, from time to time, "**Authorized Roof Access Parties**"). Landlord shall provide such list to Building security and shall direct Building security to provide the Authorized Roof Access Parties with roof access during Building Service Hours upon checking with Building security on duty. With respect to any parties other than Authorized Roof Access Parties, at least one (1) Authorized Roof Access Party must accompany such parties seeking access to the roof, and such Authorized Roof Access Party shall remain with them until all such parties have left the roof and the Building.

10. Costs. Tenant shall be solely responsible for and shall pay all costs, expenses and taxes incurred in connection with the ownership, installation, operation, maintenance, use and removal of the Rooftop Equipment and the appurtenant equipment located in or on the Building, plus a market standard administrative fee.

11. Insurance. Tenant shall cause the insurance policies maintained by Tenant pursuant to the Lease to include the Rooftop Equipment and all related equipment and materials as part of Tenant's insured property.

12. Indemnity. Tenant specifically agrees that the indemnification of Landlord by Tenant in accordance with the Lease is deemed to include any claims arising from the installation, operation, use, maintenance or removal of the Rooftop Equipment, and the provisions of Section 17 of the Lease are incorporated herein by reference.

13. Relocation. Landlord shall have the right, at its option and from time to time, upon not less than thirty (30) days prior notice to Tenant, to relocate the Rooftop Equipment to another location in the Building adequate to afford equivalent service to Tenant. Landlord shall pay the costs of relocation reasonably incurred by Tenant in connection with such substituted location, subject to adequate substantiation of such costs.

14. Removal and Restoration. Upon the expiration or earlier termination of the Lease, the Tenant Roof Equipment and the Connecting Equipment shall be removed from the Building by Tenant, at Tenant's sole cost and expense, and Tenant shall pay to repair any damage caused by such removal. If Tenant fails to remove the Tenant Roof Equipment (if requested by Landlord to be removed) and any related Connecting Equipment (to the extent applicable) and repair the Building upon the expiration or earlier termination of the Lease, Landlord, upon thirty (30) days' written notice to Tenant, may do so at Tenant's expense. The provisions of this Section 14 of the Rooftop Space Rider shall survive the expiration or earlier termination of the Lease. Notwithstanding anything to the contrary contained in this Rooftop Space Rider or in the Lease, Tenant shall not be responsible for the removal of any HVAC units installed in connection with these roof rights or the Rooftop Equipment.

15. Termination. Landlord shall have the right to terminate this Rooftop Space Rider and the rights of Tenant hereunder (i) upon three (3) months prior written notice in the event Landlord determines that due to a change of law or codes and if determined by a governmental agency, the Rooftop Equipment can no longer be operated (provided that any election to terminate in such event shall be made on a non-discriminatory basis); or (ii) Tenant's use unreasonably interferes with an essential Building system or function, which interference cannot be remedied; or (iii) the operation of the Rooftop Equipment adversely interferes with the equipment or operations of any of the existing tenants, licensees, or occupants of the Project. This Rooftop Space Rider shall also terminate upon any destruction or condemnation affecting the use or operation of the Rooftop Equipment hereunder, unless otherwise agreed in writing by Landlord and Tenant. If this Rooftop Space Rider is terminated as set forth herein, no amounts will be refunded or otherwise paid to Tenant and Tenant shall remain responsible for removing Tenant's Rooftop Equipment and restoring the Building in accordance with the terms of this Rooftop Space Rider.

16. Default. If any of the conditions set forth in this Rooftop Space Rider are not complied with by Tenant following the giving of notice and passage of applicable cure period, then such failure shall constitute a default by Tenant under the Lease. Except to the extent modified or superseded by the

terms and provisions of this Rooftop Space Rider, the terms and provisions of the Lease are incorporated by reference herein.

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RIDER NO. 5 TO OFFICE LEASE

OPTIONS IN GENERAL

THIS RIDER NO. 5 is made and entered into by and between **SOCM I, LLC**, a Delaware limited liability company ("**Landlord**"), and **YARDI SYSTEMS, INC.**, a California corporation ("**Tenant**"), as of the day and year of the Lease between Landlord and Tenant to which this Rider is attached. Landlord and Tenant hereby agree that, notwithstanding anything contained in the Lease to the contrary, the provisions set forth below shall be deemed to be part of the Lease and shall supersede any inconsistent provisions of the Lease. All references in the Lease and in this Rider to the "Lease" shall be construed to mean the Lease (and all exhibits and Riders attached thereto), as amended and supplemented by this Rider. All capitalized terms not defined in this Rider shall have the same meaning as set forth in the Lease.

(a) **Definition.** As used in the Lease and any Rider or Exhibit attached hereto, the word "**Option**" has the following meaning:

- (i) The Extension Option pursuant to Rider No. 1 attached to the Lease; and
- (ii) The Right of First Offer pursuant to Rider No. 3 attached to the Lease.

(b) **Options Personal.** Each Option granted to Tenant is personal to the original Tenant executing the Lease and also to a Permitted Transferee succeeding to Tenant's entire interest under this Lease, and may be exercised only by the original Tenant executing the Lease or by such Permitted Transferee while occupying the entire Premises as it relates to the Right of First Offer, and at least 50% of the Premises as it relates the Extension Option, and may not be exercised or be assigned, voluntarily or involuntarily, by any person or entity other than the original Tenant executing the Lease or to such Permitted Transferee. The Options, if any, granted to Tenant under the Lease are not assignable separate and apart from the Lease, nor may any Option be separated from the Lease in any manner, either by reservation or otherwise.

(c) **Effect of Default on Options.** Tenant will have no right to exercise any Option, notwithstanding any provision of the grant of option to the contrary, and Tenant's exercise of any Option may be nullified by Landlord and deemed of no further force or effect, if (i) Tenant is in default of any monetary obligation or material non-monetary obligation under the terms of the Lease beyond all applicable notice and cure periods as of Tenant's exercise of the Option in question or at any time after the exercise of any such Option and prior to the commencement of the Option event, or (ii) Landlord has given Tenant two (2) or more notices of default, whether or not such defaults are subsequently cured, during any twelve (12) consecutive month period of the Lease.

(d) **Options as Economic Terms.** Each Option is hereby deemed an economic term which Landlord, in its sole and absolute discretion, may or may not offer in conjunction with any future extensions of the Term.

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