

Lease between

TERRANOMICS CROSSROADS ASSOCIATES,

a California limited partnership

as Landlord and

CITY OF BELLEVUE,

a municipal corporation of the State of Washington,

as Tenant

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SHOPPING CENTER LEASE

THIS SHOPPING CENTER LEASE (this "Lease") is made and entered into on _____, 2021 (the "Effective Date"), by and between **TERRANOMICS CROSSROADS ASSOCIATES, a California limited partnership**, (hereinafter referred to as "**Landlord**") and **CITY OF BELLEVUE, a municipal corporation of the State of Washington** (hereinafter referred to as "**Tenant**"). Landlord and Tenant are individually referred to hereinafter as a "Party" and collectively as the "Parties."

WHEREAS, Landlord owns or is ground leasing that certain real property and the improvements now or hereafter located thereon as described in the legal description attached hereto as **Exhibit A** (which real property and improvements are hereinafter referred to as the "**Shopping Center**"), which Shopping Center is depicted on the site plan attached hereto as **Exhibit B** (hereinafter referred to as the "**Site Plan**");

WHEREAS, Landlord desires to lease certain space in the Shopping Center to Tenant, as more fully set forth herein, and Tenant desires to take and lease such space from Landlord, as more fully described below (hereinafter referred to as the "**Premises**");

NOW THEREFORE, for and in consideration of the rents reserved hereunder and the terms and conditions hereof, Landlord hereby rents, demises and leases to Tenant, and Tenant takes and leases from Landlord, the Premises all upon the following terms and conditions:

1. BASIC LEASE PROVISIONS AND ENUMERATION OF EXHIBITS.

1.1 Basic Lease Provisions.

Effective Date:	The date upon which this Lease is last executed by the Parties as set forth above.
Landlord:	Terranomics Crossroads Associates
Address of Landlord:	Terranomics Crossroads Associates c/o Retail Opportunity Investments Corp. 11250 El Camino Real, Suite 200 San Diego, CA 92130
Notice Address of Landlord:	Terranomics Crossroads Associates c/o Retail Opportunity Investments Corp. Attn: Chief Operating Officer 11250 El Camino Real, Suite 200 San Diego, CA 92130
With a copy to:	Terranomics Crossroads Associates c/o Retail Opportunity Investments Corp. Attn: Property Manager 15600 N.E. 8 th Street, Suite K15 Bellevue, WA 98008
Landlord's Address for Payment:	Terranomics Crossroads Associates c/o Retail Opportunity Investments Corp. MS 631099, P.O. Box 3953 Seattle, WA 98124-3953
Landlord's Sustainability Contact:	Carol Merriman
Telephone No.:	(858) 255-7426
Email Address:	esg@roireit.net

Tenant: **City Of Bellevue**

Legal Notice Address of Tenant: **Beverly Ni, Fiscal Manager
City Of Bellevue
P.O. Box 90012
Bellevue, WA 98009-9012**

Telephone No.: **(425) 452-4296**

Email Address: **bni@bellevuewa.gov**

Tenant's Sustainability Contact: **Beverly Ni, Fiscal Manager**

Telephone No.: **(425) 452-4296**

Email Address: **bni@bellevuewa.gov**

Shopping Center Address: **15600 N.E. 8th Street, Suite C3
Bellevue, WA 98008**

Tenant Tax ID #: _____

Tenant's Trade Name: **Bellevue Police Crossroads Community Station**

Premises: **Crossroads Shopping Center
(the "Shopping Center")
Unit C3;
Containing approximately 1,361
square feet of Premises.**

Lease Term: **Five (5) years plus any partial month in which the Lease
Commencement Date occurs.**

Prior Lease: **The Parties acknowledge that Tenant is currently in
possession of the Premises pursuant to that certain lease
between Landlord and Tenant dated July 24, 1995, as
amended, which expired as of September 30, 2020 (the "Prior
Lease") for the premises comprised of approximately 1,361
square feet of leasable space located in Suite C3 at Crossroads
Shopping Center. Tenant has continued to occupy the
Premises as a month-to-month tenant. Notwithstanding
anything therein to the contrary, upon the Effective Date, the
Prior Lease shall be automatically terminated without
further action required by Landlord or Tenant, and such
Prior Lease shall be of no further force and effect, and neither
Landlord nor Tenant shall have any further obligations
thereunder, except for those obligations which expressly
survive the expiration or earlier termination of such lease.**

Lease Commencement Date: **October 1, 2021.**

Tenant shall, at Landlord's request, execute a Commencement Date Certificate in the form attached hereto as Exhibit H. If Tenant does not execute and return a completed Commencement Date Certificate within fifteen (15) days of Tenant's receipt of the same from Landlord, the terms set forth therein by Landlord shall be deemed true and correct.

Expiration Date: **September 30, 2026.**

Rent Commencement Date: **October 1, 2021.**

Fixed Minimum Rent: **\$18.39** per square foot per annum or, **\$25,031.72** per annum for the first Lease Year as increased by three percent (3%) annually pursuant to the terms of this Lease below, in installments of **\$2,085.98** per month.

Fixed Minimum Rent Increases: The fixed minimum rent shall be increased as follows:

Lease Years	Monthly Rent	Annual Rent
<u>1</u>	<u>\$2,085.98</u>	<u>\$25,031.72</u>
<u>2</u>	<u>\$2,148.56</u>	<u>\$25,782.67</u>
<u>3</u>	<u>\$2,213.01</u>	<u>\$26,556.15</u>
<u>4</u>	<u>\$2,279.40</u>	<u>\$27,352.84</u>
<u>5</u>	<u>\$2,347.79</u>	<u>\$28,173.42</u>

CAM, Taxes and Insurance Commencement Date: **October 1, 2021.**

Percentage Rent Rate: None.

Permitted Uses: **Tenant shall use the Premises principally for the operation of a community police station.**

Delivery Date: Tenant acknowledges that Tenant is currently in possession of the Premises pursuant to the Prior Lease.

Advanced Rent: None.

Security Deposit: None.

Guarantor: None.

Minimum Hours of Operation: As is normal and customary for a Bellevue Police Department community substation.

Broker's Name, Company and Address: None.

1.2 Significance of Basic Lease Provision.

Each reference in this Lease to any of the Basic Lease Provisions contained in Section 1.1 shall be deemed and construed to incorporate all the terms provided under each such Basic Lease Provision; provided, that the Basic Lease Provisions shall be controlled by the specific terms and provisions of this Lease relating to the subject matter of those Basic Lease Provisions.

1.3 Enumeration of Exhibits.

The exhibits enumerated in this Section and attached to this Lease are incorporated herein by reference and are to be construed as a part of this Lease. Each Party agrees to perform any obligations on its part stated in any and all such Exhibits.

- Exhibit A Legal Description of the Shopping Center
- Exhibit B Site Plan of the Shopping Center
- Exhibit C Description of Landlord's and Tenant's Work – **Intentionally omitted**
- Exhibit D Guaranty of Lease – **Intentionally omitted**
- Exhibit E Signage Criteria
- Exhibit F Hazardous Materials

- Exhibit G Rules and Regulations
- Exhibit H Form of Commencement Date Certificate
- Exhibit I Form of Tenant's Estoppel Certificate

2. PREMISES.

2.1 Shopping Center.

(a) Definition.

Landlord is the owner or ground lessee of the Shopping Center of which the Premises is a part. The legal description of the Shopping Center is in **Exhibit A** and the Shopping Center and Premises are depicted in **Exhibit B-Site Plan**. Tenant shall have only such rights in and to the Shopping Center as are specifically set forth herein.

(b) No Representations.

The depiction of the Shopping Center on **Exhibit B** does not constitute a representation, covenant or warranty of any kind and Landlord reserves the right from time to time to change the size, layout, ingress, egress, visibility and dimensions of the Shopping Center, locate, relocate, alter and/or modify the number and location of buildings, building dimensions, the number of floors in any of the buildings, the parking areas, store dimensions, identity and type of other stores and of other tenants and tenancies, the nature of the businesses, activities and uses to be conducted and the Common Areas located from time to time in or on the Shopping Center. Landlord makes no representation or warranty with respect to: the occupancy by any tenant (whether a major tenant, an anchor tenant, a small shop tenant or the tenant of any pad or lot within the Shopping Center), the date on which any such tenant accepted or will accept occupancy of its space or the use to which any other tenant will put its leased space. Landlord shall have the full right to lease space in the Shopping Center to any tenant and for any purpose Landlord deems appropriate, including, retail, office, non-retail, and commercial purposes. The use of the term "Shopping Center" shall not constitute a representation or warranty that the Shopping Center shall be used exclusively or primarily for retail purposes. Tenant agrees that it shall look solely to that portion of the Shopping Center which constitutes the Premises with respect to any liability accruing hereunder, and the remainder of the Shopping Center and any other real estate which may constitute any other portion of the Shopping Center shall be free from any such liability.

(c) Improvements.

The Premises shall be improved pursuant to **Exhibit C - Description of Landlord's and Tenant's Work**.

2.2 Premises and Demise.

Landlord hereby leases, rents and demises to Tenant, and Tenant hereby accepts from Landlord, subject to and with the benefit of the terms and provisions as of this Lease, the Premises as generally depicted in cross hatching on the Site Plan. The Premises are leased subject to any and all existing encumbrances, conditions, rights, covenants, easements, restrictions and rights-of-way of record, operation and easement agreements, Common Area agreements, and other matters of record, if any, applicable zoning and building laws, regulations and codes, and such matters as may be disclosed by inspection or survey and the Rules and Regulations referenced in Section 13.4.

2.3 Reserved to Landlord.

Landlord reserves the use of the exterior walls (other than store fronts), demising walls, and the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits and wires leading through the Premises in locations which will not materially interfere with Tenant's use thereof and serving other parts of the Shopping Center. Further, Landlord has the right to use the land below and the area above the Premises in any manner which does not materially interfere with Tenant's use of the Premises.

3. LANDLORD’S AND TENANT’S WORK.

3.1 Commencement of Term.

This Lease shall become legally binding on the Parties as of the Effective Date, the Lease Term shall commence on the Lease Commencement Date, and both this Lease and the Lease Term shall continue in effect until the Expiration Date or such earlier date as this Lease is terminated in accordance herewith. Landlord agrees to deliver to Tenant, and Tenant agrees to accept from Landlord, possession of the Premises in the condition described in Section 3.2 hereof and Exhibit C. Notice from Landlord that the Premises are being delivered in the above-described condition shall be conclusive and binding upon the Parties hereto. Notwithstanding the foregoing definition of “Lease Commencement Date”, the Parties agree that, excepting for the payment of Minimum Rent and Additional Rent, the obligations of Tenant hereunder shall commence upon the Effective Date, including, without limitation, the obligations of Tenant pursuant to Exhibit C attached hereto and Sections 5 and 14 of this Lease. To the fullest extent legally permissible, Tenant waives the provisions of all laws now or hereafter existing which allow a tenant to terminate its lease for failure of Landlord to deliver possession thereof.

3.1 As-Is Delivery.

Tenant is currently in possession of the Premises and accepts the Premises "As Is" with no additional improvements, changes, installations, alterations, repairs or replacements are expected by Tenant to be made by Landlord and Landlord shall have no obligation to perform any work or repairs therein (including, without limitation, demolition of any improvements existing therein, construction or alteration to the storefront, demising walls or structural walls, or construction of any tenant finish work or other improvements therein). Tenant acknowledges that: (i) the Premises are in satisfactory condition and are suitable for the use contemplated hereunder; (ii) Landlord has complied with all of the requirements imposed upon it under the terms of this Lease; and (iii) Tenant’s taking of possession of the Premises conclusively establishes that the condition of the Premises is acceptable and suitable for Tenant’s contemplated use. Tenant agrees that it shall accept administrative possession of the Premises without the keys if Tenant fails to provide the insurance as outlined in Section 14 of this Lease. If there is a tenant occupying the Premises prior to Tenant accepting possession, or any personalty located in the Premises, Tenant acknowledges and understands that Landlord does not warrant that any items in the Premises on the date of Tenant’s inspection(s) prior to the execution of this Lease will be in the Premises on the date Tenant executes this Lease and/or takes possession of the Premises except those fixtures specifically listed in this Lease.

Landlord shall notify Tenant of the date that the Premises is available for delivery to Tenant in the condition required by Exhibit C of this Lease. Promptly thereafter, Tenant shall commence construction of Tenant’s Work and shall diligently pursue completion thereof so that Tenant may initially open the Premises for business upon the Opening Date specified in Section 1.1. Upon delivery of the Premises to Tenant, Tenant shall acknowledge to Landlord in writing within three (3) days of delivery of possession of the Premises to Tenant that Tenant has inspected the Premises and accepts them in their then condition or else, within said three (3) day period, shall notify Landlord in writing of any deficiencies then apparent; provided, that a failure by Tenant to provide the above written notices to Landlord within said three (3) day period shall be deemed acceptance of the Premises in their then condition. Landlord’s obligation and/or liability to Tenant for deficiencies shall be strictly limited to the correction of the noted deficiencies, which correction shall be made only to the extent of compliance with Landlord’s Work as set forth in Exhibit C. By taking possession of the Premises, Tenant shall be deemed to have accepted the Premises as being in good and sanitary order, condition and repair, except as otherwise provided in this Section.

3.2 Tenant’s Work – INTENTIONALLY DELETED.

3.3 Statement as to Lease Term.

When the Lease Commencement Date and Expiration Date of the Lease Term have been determined as provided in Section 3.1, at Landlord’s request, Tenant shall execute, acknowledge and deliver to Landlord, a written statement in recordable form specifying therein the Lease Commencement Date and Expiration Date of the Lease Term as determined by Landlord, and such dates shall be deemed inserted in Sections 1.1 and 3.1 above.

3.4 Lease Year.

The first "Lease Year" shall commence on the Lease Commencement Date and shall end on the last day of the calendar month following the first (1st) anniversary of the Lease Commencement Date (unless the Lease Commencement Date occurs on the first day of any calendar month, in which event the first Lease Year shall end on the day before the first anniversary of the Lease Commencement Date); thereafter a Lease Year shall consist of successive periods of twelve (12) calendar months. The period from the end of the last full Lease Year through the end of the Term, or the Expiration Date, shall constitute the "Final Partial Lease Year" and Minimum Rent and all Rent shall be apportioned therefore.

3.5 Option to Extend – INTENTIONALLY DELETED.

4. RENT.

4.1 Minimum Rent.

(a) Minimum Rent.

Tenant shall pay to Landlord, without notice or demand and without set-off or reduction whatsoever, as fixed annual minimum rent the sum stated in Section 1.1 hereof, per annum, which shall be paid in installments as stated in Section 1.1 hereof (the "Minimum Rent"), which Minimum Rent shall be paid in advance on or before the first day of each calendar month of the Lease Term commencing with the Rent Commencement Date and shall be considered delinquent if not so paid on or before the first day of each calendar month thereafter. If the Lease Term commences or expires on a day other than the last day of a calendar month, the Minimum Rent for such month shall be a prorated portion of the monthly Minimum Rent, based upon a thirty (30) day month. Tenant shall deposit with Landlord, the first month's Minimum Rent upon the execution of this Lease.

(b) Minimum Rent Increases.

The annual Minimum Rent shall increase on the dates set forth in Section 1.1 by the amount set forth in Section 1.1.

4.2 Security Deposit – INTENTIONALLY DELETED.

4.3 Percentage Rent – INTENTIONALLY DELETED.

4.4 Adjustments.

(a) Taxes and Insurance.

(1) In addition to the Section 4.1 Minimum Rent, and commencing on the CAM Commencement Date, Tenant shall pay to Landlord in monthly installments, Tenant's pro rata share of all real estate taxes (as defined below) and insurance costs, including land, building and improvements thereon. Said insurance shall include all insurance costs for fire, liability, loss of rents insurance, and any other insurance and endorsements which may include special form or any other insurance, that Landlord or Landlord's lender deems appropriate on the Premises.

(2) The term "real estate taxes" shall include all real estate taxes and assessments, whether special or general and including any taxes on the sale, rental, lease and/or license of commercial real estate, any road improvement districts, water improvement district, if any, and any other utility installation hookup, tie in or similar charges or assessments that are levied upon and/or assessed against the Premises or the Shopping Center and/or payable during or with respect to the Lease Term and the costs of professional consultants and/or counsel to analyze tax bills and prosecute any protests, refunds and appeals; provided, that all such payments shall be paid on a cash basis without regard to whether such real estate taxes apply to a period before or after the Lease Term and without regard to whether Tenant was in possession of the Premises during the time covered by the particular tax statement.

(3) Landlord shall be entitled to all tax credits, carbon credits and other credits or entitlements ("Green Credits") that may be created, credited, provided or recoverable due to energy savings or other sustainable activities conducted or provided in the Shopping Center and/or the Premises

(exclusive of Green Credits to which Tenant is entitled in accordance with applicable law). Landlord shall further be entitled to allocate, as it reasonably determines, any Green Credits created or provided with Tenant's and other tenants' participation.

(b) Common Area Maintenance and Charges.

(1) The term "**Common Areas**" refers to all areas within the exterior boundaries of the Shopping Center (exclusive of building pad and/or footprint sites reserved for future buildings and the like, if any, after the commencement of construction of leasehold improvements thereon) which are now or hereafter made available for general use, convenience and benefit of Landlord and other persons entitled to occupy space in the Shopping Center which areas shall include but not be limited to parking areas, driveways, open or enclosed malls, sidewalks, landscaped and planted areas.

(2) Landlord shall keep or cause to be kept the Common Areas in a neat, clean, and orderly condition, properly lighted and landscaped, and shall repair any damage to the facilities thereof but all expenses in connection with the Common Areas ("**Common Area Expenses**") shall be charged and prorated in the manner hereinafter set forth. The expenses incurred by Landlord pursuant to Section 10.3 shall include, but not be limited to, all of Landlord's costs, charges and expenses of operating, managing, policing, equipping, lighting, repairing, replacing and maintaining the Shopping Center, including, without limitation, the cost of lighting and supplying water and other common utilities; HVAC costs relating to the Common Area; fire protection, security alarm, lighting, storm drainage, electrical and any other utility or similar systems; cleaning and janitorial services; snow and ice removal; striping, painting, resurfacing, repaving, sweeping, repairing or replacing the parking lot, sidewalks, curbs, the exterior of all buildings; supervision, policing and security; painting; planting, sprinkler systems and landscaping; operating and maintaining garbage compaction equipment, rubbish receptacles and rubbish removal services (if Landlord elects to provide the same); maintaining, repairing and replacing, as required, the roof of all buildings comprising the Shopping Center; Shopping Center identification signs, entrance signs, traffic control signs, directional signs and other markers, and parking bumpers; tools, supplies, machinery and equipment for use in connection with the Common Area; maintenance and repair of any management, merchants' association or promotional offices or of any storage space in the Common Area or of parking area equipment; purchase and replacement of Christmas and other seasonal decorations for the Common Area; management fees; all on-site costs and personnel expenses of Landlord, including wages, salaries, payroll taxes and benefits; the reasonable rental value of space or equipment utilized by Landlord in connection with the operation and maintenance of the Shopping Center; repairs and replacements to the Shopping Center required by any governmental or other agency regulating the Shopping Center; any public utility or governmental charges, surcharges, and any other costs levied, assessed or imposed pursuant to laws, statutes, regulations, codes and ordinances promulgated by any governmental or quasi-governmental authority in connection with the Common Area; real property taxes, personal property taxes, business taxes, place of business taxes and any other taxes levied in respect of or fairly attributable to the Shopping Center together with the costs of contests or appeals against assessments for such taxes (including fees and expenses of consultants, attorneys, appraisers, experts and others rendering professional services in connection therewith); insurance costs (including, but not limited to, general liability, rental interruption and building insurance to include fire and extended coverage, earthquake insurance and other insurance as deemed reasonably necessary in Landlord's sole discretion); the cost to maintain and replace all the machinery, equipment and fixtures associated with the Common Areas including the pylon signs, the public address, intercom, music, and alarm systems (if purchased); maintenance, janitorial and cleaning equipment; garbage compaction equipment; and an administrative fee for administering the accounting, bookkeeping and collection of the expenses in connection with the Common Areas equal to fifteen percent (15%) of the total of the aforementioned expenses for each calendar year. The preceding list is for definitional purposes only and shall not impose any obligation upon Landlord to incur such expenses or provide such service. Common Area Expenses shall specifically include capital expenditures for the replacement of Common Areas; provided, however, Tenant shall only be obligated to pay for the cost of capital expenditures for replacing Common Areas based on the cost of such replacement amortized over the useful life of the

Common Area item being replaced. Notwithstanding anything herein to the contrary, capital expenditures may include the costs of certain capital improvements intended to improve energy efficiency in operating expenses of tenants' premises. The amount passed through by Landlord to Tenant in any year shall not exceed the prorated capital cost of such improvement. Additionally, costs incurred by Landlord for retro-commissioning the Shopping Center for the purpose of verifying and documenting the systems are planned, designed, installed, tested, maintained and operated efficiently, provide a safe work environment and optimize overall performance may be included in Common Area Expenses.

There shall be excluded from Common Area Expenses (or deducted there from or offset against to the extent otherwise included) the following items:

(a) periodic depreciation on the capital cost to Landlord of the Shopping Center at the time that the Shopping Center was first constructed, except as expressly set forth above;

(b) payments of principal and interest under any mortgages on the Shopping Center;
and

(c) corporate, income, profits or excess profits taxes assessed upon the income of Landlord.

(3) Should Landlord acquire or make available land not shown as part of the Shopping Center on **Exhibit B** and make the same available for parking or other Common Area purposes, or should Landlord sell, transfer, assign or otherwise dispose of any land shown as part of the Common Area of the Shopping Center, then said expenses in connection with the Common Areas shall also include all of the aforementioned expenses incurred and paid in connection with said additional or reduced amount of land, and if applicable, Tenant's proportionate share of Common Area Expenses shall be adjusted accordingly.

(4) In addition to the Section 4.1 Minimum Rent, and commencing on the CAM Commencement Date, Tenant shall pay to Landlord monthly Tenant's pro rata share of the Common Area maintenance charge. The amount of the monthly Common Area maintenance charge shall be equal to Tenant's pro rata share of Common Area maintenance charges as set forth in Section 4.4(c) below, multiplied by the operating cost budget or statement of anticipated monthly Adjustments pursuant to Section 4.4(e) below.

(5) Landlord may temporarily close parts of the Common Areas for such periods of time as may be necessary for (i) temporary use as a work area in connection with the construction of buildings or other improvements within the Shopping Center or contiguous property, (ii) repairs or alterations in or to the Common Areas or to any portion of the Shopping Center or to any utility, or (iii) doing and performing such other acts as in the use of good business judgment Landlord shall determine to be appropriate for the Shopping Center, provided however, that Landlord shall use reasonable efforts not to unduly interfere with Tenant's business. Further, Landlord shall at all times have the right and privilege from time to time, to (i) close any part of the Common Areas to whatever extent required in the opinion of Landlord's counsel to prevent a dedication of any part of the Common Areas or the accrual of any rights of any person or of the public to the Common Areas; (ii) designate other property outside of the boundaries of the Shopping Center to become part of the Common Areas of the Shopping Center or to be entitled to use the Common Areas on a reciprocal basis; (iii) sell, transfer, assign or otherwise dispose of any portion of the Center in its discretion without notice to Tenant, and in such event, Landlord makes no representation or warranty as to the future use(s), or types of uses of owners, tenants or occupants of the portion of the Shopping Center not owned or controlled by Landlord, and (iv) to do and perform such other acts (whether similar or dissimilar to the foregoing) in, to and with respect to the Common Areas as in the use of good business judgment Landlord shall determine to be appropriate for the Shopping Center.

(c) Definition of Tenant's Pro Rata Share.

For the purposes of this Lease, the term "**Tenant's pro rata share**" shall be determined as follows:

A non-Public Market tenant's pro rata share of Adjustments (defined below) relating to all areas of the Shopping Center other than those which are under a ground lease, the interior mall and the Public Market shall be determined by multiplying the aggregate of such Adjustments by a fraction, the numerator of which is the gross leasable area of the Premises, and the denominator of which is the total of the first floor gross leasable area and the adjusted first floor gross leasable area (gross leasable area of Public Market tenants as adjusted upward to include Public Market Common Area) of all premises in the Shopping Center other than those which are constructed upon an area under a ground lease and those leased to tenants renting more than 30,000 square feet of the Shopping Center plus seventy-five percent (75%) of the first floor gross leasable area of all premises leased to tenants renting more than 30,000 square feet. Those non-Public Market tenants whose premises open upon the interior mall of the Shopping Center shall in addition pay a pro rata share of the Adjustments applicable only to the interior mall as determined by multiplying the aggregate of such interior mall Adjustments by a fraction, the numerator of which is the gross leasable area of the Premises and the denominator of which is the total of the first floor gross leasable area and the adjusted first floor gross leasable area of all premises opening onto the interior mall other than those leased to tenants renting more than 30,000 square feet plus twenty-five percent (25%) of the first floor gross leasable area of all premises opening onto the interior mall and leased to tenants renting more than 30,000 square feet. Notwithstanding any other provision of this Section 4.4, expenses unique to the area designated as the "Public Market" or "Public Market Common Area" shall be assessed and prorated only among tenants of the Public Market. The portions of the Shopping Center and Common Area within the "Public Market" are depicted on the site plan attached as **Exhibit B**.

Notwithstanding the language in this Lease with respect to the definition of Tenant's pro rata share, to the extent Landlord is not obligated to incur costs for any component of Common Area maintenance, taxes and/or insurance with respect to any individual tenant or occupant of the Shopping Center, Tenant's pro rata share of such item shall be based on Tenant's leasable square footage divided by the square footage of all tenants benefiting from such service. (For example: If the anchor tenants of the Shopping Center provide their own rubbish removal services and the Shopping Center is 100% leased, then Tenant's share of the rubbish removal shall be prorated to those tenants who are benefiting from Landlord's rubbish removal services, exclusive of the anchor tenants. Therefore, Tenant's pro rata share of rubbish removal under this example would be as follows:

$$\text{Prorata share} = \frac{\text{Rubbish Removal Cost X Tenant's square footage}}{(\text{Shopping Center GLA} - \text{Anchor s.f.})}$$

In addition, notwithstanding the language in this Lease with respect to the definition of Tenant's pro rata share, to the extent another tenant in the Shopping Center is not obligated for any reason to pay any component of Common Area maintenance, taxes and/or insurance with respect to its premises, Tenant's pro rata share of such item shall be based on Tenant's leasable square footage divided by the square footage of all tenants obligated to pay for such services.

In each Lease Year, as defined in Section 3.5 hereof, Tenant will pay to Landlord, in addition to the rents specified in Section 4.1 hereof, as further Additional Rent, subject to the limitation hereinafter set forth, a proportionate share of the Common Area Expenses, herein defined, based upon the ratio of the square feet of Floor Area of the Premises to the total leasable square feet of floor area of all the building space constructed in the Shopping Center or according to any other formula that Landlord may deem fair and equitable. Portions of the Shopping Center may be owned or leased from time to time by various persons or entities occupying freestanding facilities or other facilities containing a substantial amount of floor area and designated by Landlord as "Other Stores." The contributions, if any, of the Other Stores towards the Common Area Expenses shall be credited toward payment of Common Area Expenses and Tenant shall pay its proportionate share of the balance of the Common Area Expenses, based upon the ratio of the square feet of Floor Area of the Premises, to the total leasable square feet of floor area of all the building space constructed in the Shopping Center less the square feet of floor area of the Other Stores, or according to any other formula that Landlord may deem fair and equitable.

(d) Definition of Adjustments.

For the purposes of this Lease, the term “Adjustments” (sometimes referred to as “Additional Rent”) shall collectively include real estate taxes, insurance, Common Area Expenses and other costs and expenses to be paid pursuant to this Section 4.

(e) Statement of Adjustments.

Upon commencement of the obligation to pay Adjustments, Landlord shall submit to Tenant a statement of the anticipated monthly Adjustments and other charges, if any, as determined by Landlord for the period between such commencement and the following January and Tenant shall pay the same and all subsequent monthly payments concurrently with the payment of Minimum Rent or if no Minimum Rent is due, such Adjustments shall be due and payable on or before the first day of each month, in advance without adjustment or offset. Tenant shall continue to make said monthly payments until notified by Landlord of a change thereof. By April 1 of the year Landlord shall endeavor to give Tenant a statement showing the total Adjustments and other charges, if any, for the Shopping Center actually incurred for the prior calendar year and Tenant’s pro rata share thereof. The first and last such statements during the Lease Term shall be prorated from the commencement of the obligation to pay Adjustments and the expiration of the Lease Term as is appropriate. In the event the total of the monthly payments which Tenant has made for the prior calendar year shall be less than Tenant’s actual pro rata share of such Adjustments and other charges, then Tenant shall pay the difference in a lump sum within ten (10) days after receipt of such statement from Landlord and shall concurrently pay the difference in monthly payments which are then calculated as monthly Adjustments and other charges next coming due. Even though the Term has expired or has been terminated and Tenant has vacated the Premises, when the final determination is made of Tenant’s pro rata share of said Adjustments and other charges for the year in which this Lease expires or terminates, Tenant shall immediately pay any increase due over the estimate Adjustments and other charges previously paid and, conversely, any overpayment made shall be immediately rebated by Landlord to Tenant; provided, that all or any part of such refund may be applied by Landlord in payment of any delinquency or past due sum, including Minimum Rent, Percentage Rent, charges or any other amounts due from Tenant.

5. USE.

5.1 Permitted Uses.

Tenant shall not use on or permit or suffer the use of the Premises for any business or purpose other than the purpose set forth in Section 1.1, without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord deems appropriate, in Landlord’s sole discretion.

5.2 Uses Prohibited.

Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which will in any way increase the existing rate of, or affect any, fire or other insurance upon the Premises, Shopping Center or the building (hereinafter referred to as the “Building”) of which the Premises is a part, or cause a cancellation of any insurance policy covering said Premises, Shopping Center or Building or any part thereof or any of its contents. Tenant shall not do or permit or suffer anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Building or Shopping Center or injure or annoy them, nor shall Tenant use or allow the Premises to be used for any improper, immoral, unlawful or objectionable or offensive purpose, nor shall Tenant cause, maintain, or suffer or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises and shall refrain from using or permitting the use of the Premises or any portion thereof as living quarters, sleeping quarters or for lodging purposes. Tenant shall not use sign spinners or human directionals on the perimeter of the Shopping Center or walkways adjacent to the Shopping Center.

5.3 Leasing to Other Tenants.

Tenant specifically acknowledges that by the provisions of this Section 5.3, that Landlord has not granted to Tenant any exclusive business right within the Shopping Center or elsewhere. The Permitted Use of the Premises shall only limit Tenant’s use thereof in accordance with this Section 5. No exclusive business right shall be implied or

inferred. Landlord reserves the absolute right to effect such other tenancies in the Shopping Center and to use, permit or occupy portions of the Shopping Center for retail and/or non-retail uses, including but not limited to office, residential, hotel/motel, or otherwise, as Landlord shall determine, in the exercise of its sole and absolute business judgment, is best to promote the interests of the Shopping Center. Tenant shall not rely on the fact, nor does Landlord represent, that any specific tenant or occupant or number or type of tenants or occupants or types of uses shall or shall not during the Lease Term occupy any space in the Shopping Center, nor does Tenant rely on any other tenant or tenants or occupants operating its or their business and affairs at the Shopping Center at any particular time or times. Moreover, no conduct by any tenant, subtenant, licensee, concessionaire, owner, or other occupant of, customer of, supplier to or use of any portion of the Shopping Center by others shall constitute an eviction, constructive or otherwise, of Tenant from the Premises, and Tenant hereby waives any and all claims that, but for this sentence, it might have against Landlord by reason of such conduct by one or more of such persons and entities.

5.4 Operation of Business.

Tenant shall conduct its business on the Premises during the entire Lease Term hereof with diligence and efficiency so as to produce all of the Gross Sales which may be produced by such manner of operation. Subject to the provisions of this Lease, Tenant shall open for business fully stocked, staffed and fixturized no later than the Opening Date and thereafter continuously during the entire Lease Term hereof conduct and carry on Tenant's business on the Premises and shall keep the Premises open for business and cause Tenant's business to be conducted therein during such reasonable hours as **set forth in Section 1.1 of this Lease**. If Tenant shall fail to open for business by the Opening Date or fail to continuously and uninterruptedly operate its business at the Premises, then the Minimum Rent payable herein shall increase by fifty percent (50%) during the period and time in which Tenant has failed to continuously operate its business from the Premises. Further, if Tenant fails to operate the business for a period of five (5) consecutive days Tenant shall be in default under this Lease and Landlord shall have the right to pursue any and all remedies set out in Section 16.2, or as otherwise available under applicable law.

5.5 Compliance with Laws.

Tenant shall, at its sole cost and expense, promptly comply with all local, state or federal laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force with respect to Tenant's use and occupancy of the Premises and Tenant's business conducted thereon and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to or affecting the conditions, use or occupancy of the Premises, (excluding structural changes not related to or affected by Tenant's improvements or acts). The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirements, shall be conclusive of that fact as between Landlord and Tenant.

5.6 Charge for Unpermitted Use.

Tenant hereby acknowledges that Tenant's use of the Premises for any business or purpose other than the purpose set forth in Section 1.1 above will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, administrative and legal fees incurred to address complaints from other tenants in the Shopping Center, including claims that Tenant is violating the exclusive use rights of other tenants. Accordingly, if Tenant uses the Premises for any business or purpose other than the purpose set forth in Section 1.1 above, then Tenant shall pay to Landlord an unpermitted use charge in the amount of \$1,000, plus any attorneys' fees incurred by Landlord by reason of Tenant's unpermitted use of the Premises, per occurrence. The Parties hereby agree that such unpermitted use charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of Tenant's unpermitted use of the Premises. Acceptance of such unpermitted use charges by Landlord shall in no event constitute a waiver of Tenant's default with respect to such unpermitted use, limit or cap Tenant's liability for Landlord's damages caused by Tenant's unpermitted use, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

5.7 Energy and Environmental Initiatives.

Landlord and Tenant acknowledge and agree that Landlord is committed to employing sustainable operating and maintenance practices for the Shopping Center, including but not limited to, reducing the carbon footprint by

reducing the energy consumption and reducing water consumption in the Common Areas of the Shopping Center. Landlord shall track energy consumption data of the Common Areas on a monthly basis based upon available data and water usage of the Common Areas on at least a quarterly basis based upon available data. Tenant shall reasonably cooperate with Landlord in any programs in which Landlord may elect to participate relating to the Shopping Center's (i) energy efficiency, management and conservation; (ii) water conservation and management; (iii) environmental standards and efficiency; (iv) recycling and reduction programs; and/or (v) safety, which participation may include, without limitation, the Leadership in Energy and Environmental Design (LEED) program and related Green Building Rating System promoted by the U.S. Green Building Council and any other sustainability and well-being focused certification such as, but not limited to, the Institute for Real Estate Management Certified Sustainability Properties (REM CSP), certification, BREEAM certification, Green Globes certification, Fitwel certification and WELL certification. All carbon tax credits and similar credits, offsets and deductions are the sole and exclusive property of Landlord. Tenant affirms its support of these practices, and agrees to cooperate with Landlord by implementing reasonable conservation practices. Periodically, Landlord may offer additional examples, guidance and practices related to energy conservation measures, which Tenant agrees to consider for implementation. In connection with the foregoing, the following shall apply:

Issues related to sustainability and energy, including but not limited to retrofit projects, billing issues, energy efficiency upgrades, and data access shall be discussed by the Parties as reasonably necessary. Landlord's and Tenant's respective "Sustainability Contact" information is set forth in Section 1.1 of this Lease.

Further, all in-house leasing agents of Landlord shall complete at least one hour of sustainability training covering the fundamentals of energy efficiency in commercial buildings as feasible.

Should any specific practice(s) proposed by Landlord be deemed to be inconsistent with Tenant's business operations, Tenant shall so advise Landlord in writing as its reason for declining to implement such specific practice(s).

6. UTILITIES.

6.1 Tenant's Obligation.

Tenant shall pay all charges for water, gas, garbage collection, sewage disposal, electricity and for other expenses associated with utilities used in connection with the Premises including, but not limited to, charges for air conditioning equipment, utility meters, back flow preventers, services, penalties, tap-in fees, impact fees, hook-up fees, security deposits and special assessments, within ten (10) days before the charges become due and payable. In the event Tenant fails to pay these charges within this time period, Landlord, at its sole discretion, may pay these charges and bill Tenant for the sums paid plus a twenty percent (20%) service charge, as Rent. All utilities to the Premises shall be separately metered or submetered at Tenant's sole expense. Notwithstanding the foregoing, if any such services or utilities shall be billed to Landlord and are not separately metered to the Premises, the amount thereof shall be prorated, and Tenant shall pay to Landlord upon demand as Additional Rent hereunder, its equitable share of such costs as determined by Landlord in its sole judgment and any such payment shall be included within the definition of Adjustments as set out in Section 4.4(d). Landlord shall have no liability to Tenant for disruption of any utility service and in no event shall such disruption constitute constructive eviction or entitle Tenant to an abatement of rent or other charges.

6.2 Utility Service Provider.

Notwithstanding anything herein to the contrary, in the event there is more than one utility provider offering service to the Shopping Center, Landlord shall have the right, in its reasonable discretion, to select provider(s) and to enter into exclusive arrangements with such provider(s). In making such decision, Landlord shall consider relative environmental impacts of each provider, in addition to the cost of service and such other factors as Landlord deems reasonably relevant. If Landlord elects to install an on-site electricity generation system, including without limitation, photovoltaic solar panels, Tenant shall purchase energy from, on-site renewables as provided by Landlord via a Power Purchase Agreement (PPA). In such event, Landlord shall install, own and maintain the onsite generation and sell power directly to Tenant at a fixed rate that is at or below the rate for electricity offered by local utility companies and Landlord shall install an electric meter or submeter to service the Premises to measure the consumption of electricity in the Premises. Landlord shall charge and Tenant shall pay as an additional charge hereunder such amounts as are invoiced by Landlord for Tenant's actual electricity usage as measured by such submeter, without markup by Landlord. If and

to the extent applicable, Landlord shall make appropriate adjustments to the electricity charges included in Common Area Expenses so that Tenant's proportionate share of the cost thereof will not include amounts which are separately metered or sub-metered and paid for by Tenant.

Landlord shall have the right to adjust the utility services provided under this Lease as reasonably necessary in order to comply with any applicable, mandatory laws, rules or regulations relating the energy usage and/or environmental performance and/or to participate in any voluntary energy savings or environmental performance programs. The Parties shall reasonably cooperate in good faith to minimize the disruption to Tenant's business related to compliance with such laws, rules or regulations, provided that Landlord shall have no liability with respect thereto.

7. PERSONAL PROPERTY TAXES.

7.1 Tenant's Obligation.

Tenant shall pay, or cause to be paid, before delinquency, any and all taxes levied, assessed and/or which become payable during the Lease Term hereof upon all or any part of Tenant's leasehold improvements, equipment, furniture, fixtures, and any other personal property located in the Premises. In the event any or all of Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxed with the real property, Tenant shall pay to Landlord its share of such taxes within ten (10) days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.

8. LICENSES AND TAXES.

8.1 Tenant's Obligation.

Tenant shall be liable for, and shall pay throughout the Lease Term, all license and excise fees and occupation taxes covering the business conducted on the Premises. If any governmental authority or unit under any present or future law effective at any time during the Lease Term hereof shall in any manner levy a tax on rents payable under this Lease or rents accruing from use of the Premises or a tax in any form against Landlord because of or measured by, income derived from the leasing or rental of said property, such tax shall be paid by Tenant, whether directly or through Landlord, and upon Tenant's default therein, Landlord shall have the same remedies as upon failure to pay Minimum Rent. It is understood and agreed, however, that Tenant shall not be liable to pay any net income tax imposed on Landlord unless, and then only to the extent that, the net income tax is a substitute for or extension of real estate taxes.

9. ALTERATIONS.

9.1 Alterations by Tenant.

Tenant shall not make any alterations, additions or improvements in or to the Premises without the prior written consent of Landlord which consent may be subject to such conditions as Landlord may deem appropriate, in Landlord's sole discretion. Any such alterations, additions or improvements consented to by Landlord shall be made at Tenant's sole cost and expense. Tenant shall provide its own trash container or containers for construction debris; shall use service entrances to the Premises, if any; will conduct no core drillings during business hours; and will not disrupt other tenants. Tenant shall secure any and all governmental permits, approvals or authorization required in connection with any such works, and shall hold Landlord harmless from any and all liability costs, damages, expenses (including attorneys' fees) and any and all liens resulting therefrom. All work that will involve impairing any Fire Protection System, which includes, but is not limited to, any fire sprinkler valves and/or fire alarm monitoring systems, requires a "Red Tag Permit". This tag is issued by calling the Landlord at 858-677-0900. This permit shall be obtained 24 hours prior to work being performed. This work may require a shut-down of alarm systems, approved ventilation to the outside, possession of an appropriate fire extinguisher and a stand-by person on fire watch. In addition, the "fire watch person" will be expected to have the Landlord's emergency telephone number in their possession and be able, in an emergency, to explain their exact location. System shutdown shall not occur more than once weekly. All alterations, additions and improvements (and expressly including all light fixtures and floor coverings), except trade fixtures, appliances and equipment which do not become a part of the Premises, shall immediately become the property of Landlord without any obligation to pay therefor. Upon the Expiration Date or sooner termination of the Term hereof, Tenant shall, upon written demand by Landlord, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions or improvements made by Tenant, designated by Landlord to be removed, and Tenant shall, forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by

such removal. Tenant shall, upon the request of Landlord, execute and deliver to Landlord a Consent to Alteration letter in form and content required by Landlord.

Notwithstanding any provision of this Section 9.1, each alteration, regardless of whether or not it requires Landlord's prior written approval hereunder, shall be subject to the provisions of Exhibit F attached hereto.

10. MAINTENANCE OF PREMISES.

10.1 Maintenance and Repair by Tenant.

Tenant shall at all times throughout the Lease Term at its sole cost and expense keep the Premises (including exterior doors and entrances, all windows and moldings and trim of all doors and windows) and all partitions, door surfaces, fixtures, equipment and appurtenances thereof (including lighting, heating and plumbing fixtures and any air conditioning system) in good order, condition and repair (including damage from burglary or attempted burglary of the Premises). The costs of any such repairs shall be billed directly to, and paid by, Tenant. If there is an air conditioning system serving the Premises, Tenant shall, at its sole cost and expense, maintain the HVAC system serving the Premises, and shall enter into an HVAC maintenance agreement with a third party provider reasonably acceptable to Landlord (which shall include, but not be limited to, cleaning and replacing the air filter as recommended by the manufacturer to ensure proper operation and efficiency of the HVAC equipment and maintenance of good air quality). Tenant shall provide a copy of its HVAC maintenance agreement within thirty (30) days of mutual execution of this Lease. Notwithstanding the foregoing, Landlord may, at its sole election, contract for preventive maintenance checks, filter changes, repair and replacements, and service and Tenant agrees to pay Tenant's pro rata share of such preventive maintenance calls, filter changes, repairs and replacements on or for the units serving Tenant's Premises, and any such payments shall be deemed included within the definition of Adjustments as set out in Section 4.4(d). The bills and invoices for such pro rata share may be delivered directly to Tenant by the contractor providing such services. Without limiting the generalities thereof, Tenant shall keep the glass of all windows, doors, and showcases clean and presentable; replace immediately all broken glass in the Premises; at reasonable intervals paint or refinish the interior of the Premises, including entrances as determined by Landlord; make any necessary repairs to, or replacements of, all door closure apparatuses and mechanisms; keep all plumbing clean and in good state of repair including pipes, drains, toilets, basins and those portions of the heating system within the walls of the Premises; at Landlord's request, assist Landlord to remove all snow and ice from the sidewalk in front of the Premises; and keep all utilities within the Premises in a good state of repair.

10.2 Failure to Maintain.

If Tenant fails to keep and preserve the Premises as set forth in Section 10.1 above, Landlord may, at its option, put or cause the same to be put in the condition and state of repair required by this Lease, and in such case, upon receipt of written statements from Landlord, Tenant shall promptly pay the entire cost thereof plus a twenty percent (20%) administrative fee, as rent. Landlord shall have the right, without liability, to enter the Premises for the purpose of making such repairs upon the failure of Tenant to do so.

10.3 Repairs by Landlord.

Landlord shall keep the structure of the roof, exterior walls, foundations and building structure of the Premises in a good state of repair, except as otherwise provided in this Lease. Said repairs shall be included as an expense in connection with the Common Area, and Tenant shall reimburse Landlord for Tenant's share as set forth in Section 4.4(b). Landlord shall, also, paint the exterior portion of the Premises as is reasonably needed and Tenant shall reimburse Landlord for the cost and expense incurred for such painting. Should such repairs be required by reason of Tenant's negligent acts or failure to act, Tenant shall promptly pay Landlord for the cost thereof as Additional Rent. Tenant shall immediately inform Landlord of any necessary repairs and Tenant shall make none of such repairs without Landlord's prior written consent. Landlord shall not be liable for any failure to make any such repairs or to perform any maintenance required of Landlord hereunder unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Except as otherwise specifically provided herein, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Premises or Building of which the Premises is a part or in or to fixtures, appurtenances and equipment thereon.

10.4 Surrender of Premises.

At the Expiration Date or sooner termination of this Lease, Tenant shall return the Premises to Landlord in the same condition in which received (or, if altered by Landlord or by Tenant with Landlord’s consent, then the Premises shall be returned in such altered condition), reasonable wear and tear excepted. Tenant shall remove all trade fixtures, appliances and equipment (where such removal will not require structural changes to the Premises) which do not become a part of the Premises and alterations which Landlord designates to be removed pursuant to Section 9.1 above, and shall restore the Premises to the condition they were in prior to the installation of said items. Tenant’s obligation to perform this covenant shall survive the expiration or termination of this Lease.

10.5 Removal of Personalty.

If Tenant does not remove all of its personal property including, but not limited to, Tenant’s furniture, fixtures, equipment, goods and chattels from the Premises upon abandonment or expiration or earlier termination of this Lease (or within two (2) days after a termination by reason of Tenant’s default), then such effects shall be considered abandoned, and Landlord may remove any or all such items and dispose of the same in any manner or store the same in a public warehouse or elsewhere for the account of and at the expense and risk of Tenant. If Tenant shall fail to pay the cost of storing any such property, plus a twenty percent (20%) service charge, as Rent after it has been stored for a period of thirty (30) days or more, Landlord may sell any or all of such property at public or private sale, in such manner and at such times and places as Landlord, in its sole discretion, may deem proper without notice to or demand upon Tenant. Landlord shall apply the proceeds of such sale to the amounts due Landlord from Tenant under this Lease and for the costs of storage and the sale.

11. LIENS AND ENCUMBRANCES.

11.1 Liens.

Tenant shall keep the Premises and the Shopping Center in which the Premises is situated free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant. Landlord may require, at Landlord’s sole option, that Tenant shall provide to Landlord, at Tenant’s sole cost and expense, payment and performance bonds in an amount equal to one and one half (1 1/2) times the estimated cost of such work, materials, labor and supplies and/or any improvements, additions, or alterations in the Premises which Tenant desires to make to insure Landlord against any liability for mechanics’ and materialmen’s liens and to insure completion of the work.

11.2 Encumbrances.

Tenant shall not cause or suffer to be placed, filed or recorded against the title to the Premises, the Building of which the Premises is a part, the Shopping Center in which the Premises is located, or any part thereof, any mortgage, deed of trust, security agreement, financing statement or other encumbrance; and further, in no event shall the lien of Tenant’s mortgage, deed of trust, or other security agreement or financing statement cover the Premises, the Building of which the Premises is a part or the Shopping Center or any part thereof nor any leasehold improvements, alterations, additions, or improvements thereto except trade fixtures, appliances and equipment which are owned by Tenant and which are not, and which do not become, a part of the Premises. The form of any such mortgage, deed of trust or other security agreement or financing statement which includes a legal description of the Premises, or the Building of which the Premises is a part or the Shopping Center or the address thereto, shall be subject to Landlord’s prior written approval, which approval shall be subject to such conditions as Landlord may deem appropriate.

12. ASSIGNMENT AND SUBLETTING.

12.1 Assignment or Sublease.

Tenant shall not assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, nor sublet the whole or any part of the Premises (each hereinafter a “**Transfer**”), nor shall this Lease or any interest hereunder be assignable or transferable by operation of law or by any process or proceeding of any court or otherwise, without the prior written consent of Landlord which consent may be subject to such conditions as Landlord may deem appropriate in its sole discretion. For the purposes hereof, a consolidation or merger of Tenant, or any change in the ownership of Tenant shall be deemed an assignment. Tenant’s request for an assignment or other transfer shall be in writing to Landlord and will only be considered by Landlord if Tenant is not in default of any provision of this Lease.

12.2 Procedure for Transfer.

Should Tenant desire to make a Transfer hereunder, Tenant shall, in each instance, give notice of its intention to do so to Landlord not less than thirty (30) days prior to the effective date of such proposed Transfer. Such notice shall include or be accompanied by the following:

- (a) the full particulars of the proposed Transfer, including its nature, effective date, terms and conditions, and copies of any offers, draft agreements, subleases, license or concession agreements, letter of commitment or intent, and other documents pertaining to such proposed Transfer;
- (b) a description of the identity, net worth and previous business experience of the Transferee, including, without limitation, copies of Transferee’s latest income, balance sheet and change-of-financial-position statements (with accompanying notes and disclosures of all material changes thereto) in audited form, if available, and certified as accurate by the Transferee; and
- (c) a statement that Tenant intends to consummate the proposed Transfer if Landlord consents thereto. Tenant shall also supply Landlord with any further information relevant to the transaction that Landlord shall request within fifteen (15) days after receipt of Tenant’s notice of the proposed Transfer.

12.3 Grounds for Disapproval of Transfer.

Without in any way limiting Landlord’s right to refuse to give such consent for any other reason or reasons, Landlord reserves the right to refuse to give such consent unless Tenant remains fully and primarily liable during the unexpired Lease Term hereof and Landlord further reserves the right to refuse to give such consent if in Landlord’s reasonable business judgment:

- (a) The Transferor is in default of any of its obligations under the terms of this Lease;
- (b) The proposed use by the Transferee will conflict with or is incompatible with the existing or proposed uses (whether or not exclusive) of other occupants of the Shopping Center.
- (c) The proposed Transferee has inadequate financial strength or lacks business or management experience or reputation.
- (d) The proposed use by the proposed Transferee would cause a diminution in the reputation of the Shopping Center or unfairly burden the use of the Common Area, as determined by Landlord in its sole and exclusive business judgment.
- (e) The Gross Sales from the Premises which would reasonably be expected from the business of the proposed Transferee would be less than that of Tenant hereunder or result in a reduced Percentage Rent to be received by Landlord hereunder.
- (f) The impact of such proposed Transferee would have a detrimental impact on the Common Areas or on the other occupants of the Shopping Center.
- (g) Each Guarantor of this Lease, if requested, fails to reaffirm its guaranty.
- (h) Landlord shall further have the right to condition its approval of any assignment or sublease to an increase in the Minimum Rent payable for the Premises, which increase shall be an amount determined by Landlord, in its sole discretion; however, such amount shall not be less than the current market leasing rate quoted by Landlord for premises comparable to Tenant’s.

12.4 Action by Landlord.

Landlord shall, within sixty (60) days after its receipt of such notice of a proposed Transfer from Tenant, notify Tenant of Landlord’s response as follows:

- (a) disapprove the Transfer pursuant to Section 12.3; or
- (b) consent to such Transfer; or
- (c) terminate this Lease as to the space and for the time period covered by the proposed Transfer, such termination to be effective thirty (30) days after receipt of such notice by Tenant (unless Tenant has

rescinded its proposal for such Transfer within said period). Upon such termination said space shall be excluded from the term "Premises" during said time period, and Minimum Rent, Tenant's share of Taxes and insurance expenses relating to the Premises, and any other provisions hereof based on the size of the Premises shall be equitably reduced to reflect such exclusion.

No Transfer of this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any Guarantor of this Lease from liability under this Lease. Landlord hereby reserves the right to condition Landlord's consent to any Transfer of all or any portion of Tenant's interest in this Lease or the Premises upon Landlord's receipt from Tenant of a written agreement, in form and substance acceptable to Landlord.

If Tenant's interest in this Lease be assigned or if the Premises or any part thereof be sublet, Landlord may, after default by Tenant, collect the rent from the assignee or subtenant and apply the net amount collected to the rent due from Tenant. No such collection shall be deemed a waiver of the covenant herein against sale, transfer, mortgage, assignment and subletting or release of Tenant from the performance of the covenants herein contained. In the event of such default, Tenant hereby assigns the rent due from the subtenant or assignee to Landlord, and hereby authorizes such subtenant or assignee to pay the rent directly to Landlord. If Tenant is a corporation, limited liability company or partnership and any transfer, sale, pledge or other disposition of the stock, managing member interests or general partner interests shall occur, or power to vote the majority of the outstanding stock, then Tenant shall so notify Landlord and Landlord shall have the right, at its option, to terminate this Lease upon ten (10) days' notice to Tenant. In the event Tenant assigns, sublets or transfers this Lease for all or any portion of the Premises without Landlord's prior written consent, as liquidated damages, the Minimum Rent and Common Area Expenses for the Premises shall be double the current rate stated in this Lease until Tenant complies with the terms of this paragraph. Notwithstanding any contrary provision herein, 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 Section 12, 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 and the right to terminate this Lease.

12.5 Reimbursement of Costs.

Tenant agrees to reimburse Landlord for Landlord's reasonable attorneys' fees and other expenses incurred in connection with the processing, review and/or documentation (including but not limited to assignments, pledges, consents, security agreements or financing statements and/or other security documents) of any such requested transfer, assignment, subletting, licensing or concession agreement, change of ownership, encumbrance or hypothecation of this Lease or Tenant's interest in and to the Premises, and, in addition, to pay a "Transfer Fee" of \$2,000 per assignment, which fee shall be due and payable upon Tenant's request for Landlord's consent to an assignment or transfer.

12.6 Transfer Rent.

If Tenant shall enter into a Transfer hereunder, (a) the Minimum Rent specified in Section 1.1 shall be increased, effective as of the date of such Transfer, to an amount equal to the total of the Minimum Rent, plus Percentage Rent, required to be paid by Tenant pursuant to this Lease during the twelve (12) month period immediately preceding such Transfer, and (b) Tenant shall pay to Landlord fifty percent (50%) of any "transfer premium" (as defined in this Section 12.6). In the event of a subletting, "transfer premium" shall mean all rent, Additional Rent or other consideration payable by such subtenant to Tenant or on behalf of Tenant in connection with the subletting in excess of the rent, Additional Rent and other sums payable by Tenant under this Lease during the term of the sublease on a per square foot basis if less than all of the Premises is subleased, less the reasonable costs actually incurred by Tenant to secure the sublease. In the event of any Transfer other than a subletting, "transfer premium" shall mean any consideration paid by the Transferee to Tenant in connection with such Transfer which Landlord reasonably determines is allocable to the leasehold value of this Lease, less the reasonable costs actually incurred by Tenant to secure the Transfer. If part of the transfer premium shall be payable by the Transferee or subtenant other than in cash, then Landlord's share of such non-cash consideration shall be in such form as is reasonably satisfactory to Landlord. In the event of a Transfer or sublet of this Lease, any exclusives and/or caps on Common Area Expenses set forth in this Lease favoring Tenant shall be deleted as of the date of such Transfer.

13. COMMON AREAS.

13.1 Tenant’s Rights.

There shall be available from time to time in the Shopping Center certain areas and facilities to be used on a nonexclusive basis for automobile parking and for the general use, convenience and benefit of the customers and patrons of Tenant and of the other tenants, owners and occupants of the Shopping Center, which areas together with the service corridors and all other service facilities and equipment are referred to herein as the “Common Areas.” Except as otherwise specifically provided in this Lease, from and after the Effective Date until the Expiration Date or earlier termination of this Lease, Tenant and its employees, invitees and customers are authorized, empowered and privileged to use the Common Areas in common with other authorized persons, as determined by Landlord, during the Lease Term. Landlord shall keep or cause to be kept said Common Areas in a neat, clean and orderly condition, properly lighted and landscaped and shall repair any damage to the facilities thereof.

13.2 Control of Common Areas by Landlord.

Landlord shall at all times have the exclusive control and management of the Common Areas of the Shopping Center. The Common Areas shall include but not be limited to all automobile parking areas, access roads, driveways, entrances, retaining walls and exits thereto, truck way or ways, loading docks, package pick-up stations, washrooms, pedestrian malls, courts, sidewalks and ramps, landscaped areas, exterior stairways, and other areas, improvements, facilities and special services provided by Landlord for the general use, in common. Landlord shall have the right from time to time to employ personnel; establish, modify and enforce reasonable rules and regulations; construct, maintain and operate lighting facilities; police the Common Areas and facilities; from time to time to change the area, level, location and arrangement of parking areas and other facilities hereinabove referred to; to restrict parking by Tenant, its officers, agents and employees to employee parking areas; to enforce parking charges (by operation of meters or otherwise), with appropriate provisions for free parking ticket validating by Tenant; to close all or any portion of the Common Areas to such extent as may, in the opinion of Landlord’s counsel, be legally sufficient to prevent a dedication thereof or the accrual of any interest therein by any person or the public; temporarily close all or any portion of the parking areas or facilities to discourage non-customer parking; to sell, transfer, assign or otherwise dispose of any portion of the Shopping Center in its discretion without notice to Tenant, and in such event, Landlord makes no representation or warranty as to the future use(s), or types of uses of owners, tenants or occupants of the portion of the Shopping Center not owned or controlled by Landlord; and to do and perform such other acts in and to the Common Areas as, in the use of good business judgment, Landlord shall determine to be advisable.

Landlord also reserves the right at any time to build additional stories on the Building in which the Premises are contained and to build adjoining the buildings, including the right to erect scaffolding, and reserves the right to reconfigure Common Areas. Landlord also reserves the right to construct other buildings or improvements in the Shopping Center from time to time and to make alterations or additions and to build additional stories on any such buildings and to build onto the Shopping Center buildings and to construct double-decker elevated parking facilities. Tenant agrees to support any applications for alterations and/or improvements to the Common Areas and the Center made by or approved by Landlord to applicable city authorities or other governmental or quasi-governmental authorities. Landlord shall have the exclusive right to use any part of the roof of the Premises for any purpose. Landlord may make any use it desires of the side or rear walls of the Premises or other structural elements of the Premises, including, without limitation, free-standing columns and footings, provided that such use shall not encroach on the interior of the Premises. Landlord further reserves the right to install, maintain, use, repair and replace pipes, ducts, conduits, wires and structural elements through the Premises in locations which will not materially interfere with Tenant’s use of the Premises. Tenant agrees to cooperate with Landlord, permitting Landlord to accomplish any such maintenance, repairs, alterations, additions or construction.

13.3 License.

All Common Areas and facilities which Tenant may be permitted to use and occupy, shall be used and occupied under a revocable license. If the amount or quality of such areas or facilities is diminished, such diminution shall not be deemed a constructive or actual eviction of Tenant and Landlord shall not be subject to any liability, nor shall Tenant be entitled to any compensation of diminution or abatement of rent.

13.4 Rules and Regulations.

Tenant shall comply with the rules and regulations that Landlord may from time to time promulgate and/or modify, including, but not limited to, the rules and regulations in **Exhibit G** attached hereto and the “Crossroads Merchant Manual”. The rules and regulations shall be binding upon Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any said rules and regulations of any other tenants or occupants.

13.5 Security.

The Parties acknowledge that safety and security devices, services and programs provided by Landlord, if any, while intended to deter crime and ensure safety, may not in given instances prevent theft or other criminal acts or ensure safety of persons or property. The risk that any safety or security device, service or program may not be effective, or may malfunction, or be circumvented by a criminal, is assumed by Tenant with respect to Tenant’s property and interests; and Tenant shall obtain insurance coverage to the extent Tenant desires protection against such criminal acts and other losses. In the event that Tenant serves alcoholic beverages as part of its operation, Landlord may require Tenant to provide security personnel in order to ensure the safety of customers and the Shopping Center property.

13.6 Energy Star.

Landlord shall provide Tenant with the Shopping Center’s ENERGY STAR score annually. To the extent Tenant obtains electricity independently of the Shopping Center, Tenant shall provide Landlord with access to Tenant’s data on energy use for inclusion in Landlord’s annual reports, ENERGY STAR annual rating and similar or related purposes.

At no cost to Landlord, Tenant shall have the right, but not the obligation, to pursue an ENERGY STAR label on the Premises for the duration of the Lease Term. Landlord will cooperate at no cost to Landlord with Tenant in the certification of the Premises.

Tenant shall be required to submit to Landlord on at least an annual basis, energy and water consumption data, including total usage and charges as they appear on applicable Tenant’s electric, gas, water and other utility bills in a form and substance reasonably acceptable to Landlord.

14. INSURANCE AND INDEMNITY.

14.1 Indemnification and Waiver.

Tenant agrees that Landlord shall not be liable for any damage or liability of any kind, or for any injury to or death of persons, or damage to property of Tenant or any other person during the Lease Term, from any cause whatsoever, resulting from the use, occupation or enjoyment of the Premises or the operation of business therein or therefrom by Tenant or any person holding under Tenant. Tenant hereby agrees to indemnify and hold Landlord and Landlord’s officers, directors, shareholders, partners, joint venturers, members, managers, agents, employees, contractors and representatives (collectively, “Landlord Parties”) harmless from and against any and all liabilities, damages, losses, demands, claims, costs, expenses (including reasonable attorneys’ fees and costs), obligations, liens, penalties, fines, judgments, actions, causes of action and lawsuits (herein collectively “Liabilities”), which Landlord may suffer or incur arising out of, in connection with or resulting from this Lease, including, but not limited to, Tenant’s and Tenant’s officers, directors, shareholders, partners, joint venturers, members, agents, employees, contractors, licensees, invitees, customers, sublessees and assignees (collectively the “Tenant Parties”) failure to observe or comply with laws of the United States of America, the laws of the State of Washington, or the ordinances, regulations or requirements of the local, municipal or county governing bodies or any other lawful governmental or quasi-governmental authorities having jurisdiction over the Shopping Center, the conduct of Tenant’s business, any activity, work or other things done, or permitted or suffered by Tenant or Tenant Parties in or about the Premises or other portions of the Shopping Center, or the breach or default of any of Tenant’s obligations under this Lease. Tenant further agrees that in case of any one or more Liabilities, threatened or actual, arising against Landlord, Tenant shall, upon notice from Landlord, defend Landlord at Tenant’s sole cost and expense by counsel satisfactory to Landlord. Tenant shall not be liable for, and the foregoing indemnity shall not apply to, damage or injury occasioned by the willful misconduct or gross negligence of Landlord and its designated agents, servants or employees, unless the same is covered by insurance that Tenant is required to provide.

14.2 Tenant Assumption of Risk.

Tenant, as a material part of the consideration to Landlord for this Lease, hereby assumes all risk of damage to property or injury to or death of persons, in, upon or about the Premises from any cause, including, but not limited to, fire, explosion, falling plaster, steam, gas, electricity earthquake, dampness, water or rain (whether same may leak from any part of the improvement constructed at the Shopping Center or from the pipes, appliances or plumbing works therein, or from the roof, street or subsurface, or from any other place), and Tenant hereby waives any and all claims with respect thereof against Landlord and Landlord Parties. Landlord and Landlord Parties shall not be liable for interference with the light or other incorporeal hereditaments, loss of business or profits of Tenant, damage to property entrusted to Landlord or Landlord Parties, or for loss of or damage to any property, by theft or otherwise, resulting from any cause whatsoever, except to the extent arising from the willful misconduct or gross negligence of Landlord or Landlord’s agents or employees. Landlord and Landlord Parties shall not be liable for any one or more latent or patent defect(s) in the Shopping Center. Tenant shall give prompt notice to Landlord in case of fire or accidents occurring in, on or about the Shopping Center. Tenant shall defend (with an attorney acceptable to Landlord), indemnify and hold harmless Landlord, its mortgagees and agents from any damages or costs arising out of claims for injuries or damages due to the events mentioned in this paragraph. The indemnity provided in this section shall survive the expiration or termination of this Lease.

14.3 Tenant’s Insurance Obligation.

Tenant shall provide evidence that it is self-insured as authorized by Washington state law.

14.4 Policy Requirements – INTENTIONALLY DELETED.

14.5 Increases in Coverage – INTENTIONALLY DELETED.

14.6 Blanket Coverage – INTENTIONALLY DELETED.

14.7 Landlord’s Insurance Obligations.

From and after Landlord’s commencement of construction of “Landlord’s Work”, if any (see Exhibit C), Landlord shall maintain in effect a policy or policies of casualty insurance covering the Building of which the Premises are a part, including the leasehold improvements included within “Landlord’s Work” as described in Exhibit C, but excluding “Tenant’s Work” as described in Exhibit C, Tenant’s leasehold improvements, alterations or additions permitted under Section 9, Tenant’s trade fixtures, merchandise or other personal property, in an amount not less than eighty percent (80%) of its full replacement cost (excluding excavations, foundations and footings) during the Lease Term, providing protection against any peril generally included within the classification “Fire and Extended Coverage” (including “Earthquake Insurance” and “Flood Insurance” only if Landlord or its lender deems such insurance to be necessary or desirable), together with insurance against sprinkler damage, vandalism and malicious mischief and such further insurance as Landlord or Landlord’s lender deems necessary or desirable. Landlord’s obligation to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Landlord, provided that the coverage afforded will not be reduced or diminished by reason of the use of such blanket policy of insurance. Landlord shall also have the right to carry rental interruption insurance covering Rent for a period of not less than one (1) year covering events such as casualty, epidemics, pandemics or other communicable or infectious disease and/or related civil or governmental authority guidance or requirements, Tenant shall reimburse Landlord for its proportionate share of the cost of the above-described Landlord’s insurance as a Common Area Expense.

14.8 Insurance Use Restrictions.

From and after the Effective Date, Tenant shall not carry any stock of goods or do or permit anything to be done in, on or about the Premises that might increase the insurance rates upon the Building of which the Premises are a part. Tenant agrees to pay to Landlord forthwith upon demand the amount of any increase in costs for insurance carried by Landlord pursuant to Section 14.7 caused by Tenant’s violation of the foregoing restrictions, whether or not Landlord shall have consented to such act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment that overloads the electrical lines of the Premises, Tenant shall at its own expense make whatever changes or provide whatever equipment and/or safeguards that are necessary to comply with the requirement of the insurance

underwriters and any governmental authority having jurisdiction there over, but nothing herein contained shall be deemed to constitute Landlord's consent to such overloading.

14.9 Waiver of Subrogation.

Landlord and Tenant release each other, and their respective shareholders, directors, officers, partners, joint venturers, members, managers, agents, employees, contractors and representatives, from any and all claims for damage to any buildings or improvements within the Shopping Center that are caused by or result from risks to the extent insured against under any property insurance policies carried by either Party pursuant to any provision of this Section 14 to the extent of the proceeds from such policies. Such release does not apply to any deductible, any claims not required to be insured hereunder or any claims in excess of the insurance coverage required under this Section or that insurance coverage actually in effect, whichever is greater. Tenant shall cause each property insurance policy obtained by it pertaining to the Premises to provide that the insurer waives all right to recover by way of subrogation against Landlord and Landlord Parties in connection with any loss covered thereby.

Notwithstanding anything herein to the contrary, if (and only if) the provisions of RCW 4.24.115 apply to the activity which resulted in injury to persons or loss of or damage to property and such injury, loss or damage was caused by or resulted from the concurrent negligence of Tenant or its agents or its employees, and Landlord or its agents or employees, Tenant's indemnification obligation stated herein applies only to the extent of the negligence of Tenant, its agents or employees. Tenant specifically assumes potential liability for actions brought by Tenant's own employees against Landlord and for that purpose Tenant specifically waives any immunity against claims by Landlord otherwise provided under the Worker's Compensation Act, RCW Title 51; AND TENANT ACKNOWLEDGES THAT THIS WAIVER WAS SPECIFICALLY ENTERED INTO PURSUANT TO THE PROVISIONS OF RCW 4.24.115 AND WAS THE SUBJECT OF MUTUAL NEGOTIATION.

15. EMINENT DOMAIN.

15.1 Total Taking.

If all the Premises are taken by the power of eminent domain exercised by any governmental or quasi-governmental authority, this Lease shall terminate as of the date Tenant is required to vacate the Premises and all Minimum Rent, Adjustments and other rents and charges due hereunder shall be paid to that date. For the purposes of this Section 15, the term "eminent domain" shall include the taking or damaging of property by, through or under any governmental or quasi-governmental authority, and any purchase or acquisition in lieu thereof.

15.2 Partial Taking.

If more than twenty-five percent (25%) of the Floor Area of the Premises shall be taken or appropriated, this Lease may, at the option of either Party, be terminated by written notice given to the other Party not more than thirty (30) days after Landlord and Tenant receive notice of the taking or appropriation, and such termination shall be effective as of the date when Tenant is required to vacate the portion of the Premises so taken. In the event that more than twenty percent (20%) of the parking areas or other Common Areas of the Shopping Center or any access point to an adjacent street, road, highway or avenue shall be taken or appropriated, then Landlord may at its option terminate this Lease by written notice given to Tenant within sixty (60) days of the date of such taking. If this Lease is so terminated, all Minimum Rent, Adjustments, and other charges due hereunder shall be paid to the date of termination. Whenever any portion of the Premises or Common Areas are taken by eminent domain and this Lease is not terminated, Landlord shall at its expense proceed with all reasonable dispatch to restore, to the extent that it is reasonably prudent to do so, the remainder of the Premises and Common Areas to the condition it was in immediately prior to such taking; provided, however, that Landlord shall, not be required to exceed the scope of the work to be done by Landlord in originally constructing said Building, and Landlord shall not be required to spend an amount in excess of the amount received by Landlord as damages for the part of the Premises so taken. "Amount received by Landlord" shall mean that part of the condemnation award, which is free and clear to Landlord of any collection of mortgages for the value of the diminished fee. Tenant shall at its expense proceed with all reasonable dispatch to restore its fixtures, furniture, furnishings, leasehold improvements, floor covering and equipment to the same condition they were in immediately prior to such taking. From the date Tenant is required to vacate that portion of the Premises taken, the Minimum Rent payable hereunder shall be reduced in the same proportion that the area taken bears to the total area of the Premises prior to taking.

15.3 Damages.

Landlord reserves all rights to the entire damage award or payment for any taking by eminent domain, and Tenant shall make no claim whatsoever against Landlord or the condemning authority for damages for termination of its leasehold interest in the Premises or for interference with its business. Tenant hereby grants and assigns to Landlord any right Tenant may have or hereafter acquire to such damages and agrees to execute and deliver such further instruments of assignment thereof as Landlord may from time to time request. Subject to the foregoing, Tenant shall, however, have the right to claim from the condemning authority all compensation that may be recoverable by Tenant on account of any loss incurred by Tenant in removing Tenant’s merchandise, furniture, trade fixtures and equipment or for damage to Tenant’s business.

16. TENANT’S DEFAULT.

16.1 Default.

The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant.

(a) Vacating the Premises.

The vacating or abandonment of the Premises by Tenant or the failure of Tenant to be open for business and maintain continuous operation for a period of five (5) consecutive days (except in the event of damage or destruction to the Premises which prevents Tenant from conducting any business thereon).

(b) Failure to Pay Rent.

The failure to make any payment of Minimum Rent, Adjustments, or another payment required to be made by Tenant hereunder, as and when due, where such failure shall continue for a period of three (3) days after written notice thereof by Landlord to Tenant; provided, however, that no notice or opportunity to cure shall be required if Tenant has previously failed to make such payments on or before the date due on two (2) or more payments owed during the previous twelve (12) month period.

(c) Failure to Perform - No Notice Required.

The failure of Tenant to observe or perform the obligations set out in Sections 5.1 and 14.3 of this Lease.

(d) Failure to Perform - Notice Required.

The failure by Tenant to observe or perform any covenant, condition or provision of this Lease to be observed or performed by Tenant, other than described in Sections 16.1(a), (b) and (c) above, where such failure shall continue for a period of ten (10) days after written notice thereof by 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 commences such cure within said ten (10) day period and thereafter diligently prosecutes such cure to completion, provided further however, that no notice or opportunity to cure shall be required if Tenant has previously failed to observe or perform such covenant, condition or provision of this Lease during the previous 12 month period and has, within such period, been provided written notice and opportunity to cure such failure.

(e) Bankruptcy.

The making by Tenant of any general assignment of general arrangement for the benefit of creditors; or by the filing by or against Tenant of a petition to have Tenant adjudged bankrupt, or a petition of reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days of filing); or the appointment of a trustee or a receiver to take possession of substantially all of Tenant’s assets located at the Premises or of Tenant’s interest in this Lease, where such seizure is not discharged within thirty (30) days after appointment of said trustee or receiver, or the filing of a petition for the appointment of the same, whichever shall first occur.

(f) Cross Default.

In the event of a default by Tenant under any other lease for space in the Shopping Center or in another shopping center or property owned by Landlord or any affiliate of Landlord, such default, at the election of Landlord, shall constitute a default by Tenant under this Lease, and shall entitle Landlord to any and all remedies available to Landlord under this Lease.

(g) Confidentiality– INTENTIONALLY DELETED.

16.2 Remedies Upon Default.

In the event of any such default or breach by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

(a) Terminate Tenancy.

Terminate Tenant’s right to possession of the Premises by any lawful means including, without limitation, retaking possession of the Premises by self-help or by filing an action for unlawful detainer, in which case Tenant’s tenancy shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all past due Minimum Rent, Adjustments, and other charges due hereunder; revoke any rent concessions granted in connection with this Lease; recover all damages incurred by Landlord by reason of Tenant’s default, including, without limitation, the cost of retaking possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys’ fees, the portion of any leasing commission paid by Landlord applicable to the unexpired term of this Lease, broker’s commissions on reletting, the unamortized portion of Landlord’s cost of the Tenant Improvement Allowance and Landlord’s Work (as described herein), if any, amortized on a straight-line basis over the initial Term, and the costs of removing persons or property from the Premises. Notwithstanding any repossession, termination, re-entry, or reletting, the liability of Tenant for the Minimum Rent, Adjustments, and other charges due hereunder for the balance of the term of this Lease shall not be extinguished and Tenant shall pay, and Landlord may recover from Tenant the excess of the amount of the rent reserved in this Lease for the balance of the term hereof over the then reasonable rental value of the Premises for the same period. In the event that Landlord relets the Premises or any part thereof without first terminating Tenant’s right to possession pursuant to this Lease, Landlord reserves the right, at any time thereafter, to elect to terminate Tenant’s right to possession of that portion of the Premises for the default that originally resulted in the reletting. Unpaid installments of Minimum Rent and other sums shall bear interest, as provided herein, from the date such sums are due.

(b) Continue the Tenancy.

Maintain Tenant’s right to possession, in which case Tenant’s tenancy shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event Landlord shall be entitled to enforce all Landlord’s rights and remedies under this Lease, including the right to recover the Minimum Rent and any other charges and Adjustments as may become due hereunder and/or relet the Premises in Tenant’s or Landlord’s name, incur expenses to put the Premises in tenantable condition and to obtain a new tenant which costs and expenses shall become due and payable by Tenant with interest as provided herein, on the next following date on which Minimum Rent becomes due.

(c) Other Remedies.

Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State in which the Premises are located, including but not limited to the right to assess against Tenant an amount equal to the attorneys’ fees incurred by Landlord in collecting any rent or other payment due hereunder, which amount shall be due in full within ten (10) days of Tenants receipt of the assessment by Landlord.

(d) Damages.

Regardless of any other remedies or damages pursued by Landlord, Landlord shall have the right to recover from Tenant all costs and expenses incurred by Landlord in releasing the Premises including, but not

limited to, tenant improvement costs for the new tenant, leasing commissions, advertising and listing fees, fees for removing and storage of Tenant's fixtures and personal property, and the cost of cleanup and repairs of the Premises.

16.3 Remedies Cumulative - Waiver.

Landlord remedies hereunder are cumulative and Landlord's exercise of any right or remedy due to a default or breach by Tenant shall not be deemed a waiver of, or to alter, affect or prejudice any right or remedy which Landlord may have under this Lease or at law or in equity. Neither the acceptance of Minimum Rent nor any other acts or omission of Landlord at any time or times after the happening of any event authorizing the cancellation or forfeiture of this Lease, shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Landlord of its right to cancel or forfeit this Lease, upon the written notice provided for herein, at any time that cause for cancellation or forfeiture may exist, or be construed so as at any time to stop Landlord from promptly exercising any other option, right or remedy that it may have under any term or provisions of this Lease, at law or in equity.

16.4 Court Appointed Receiver.

Tenant acknowledges that one of the non-exclusive rights and remedies available to Landlord under applicable law is to secure a court-appointed receiver to take possession of the Premises and its contents, and or any portion thereof, to collect the rents, accounts, profits and income of the Premises or any portion thereof, and to manage the operation of the Premises or any portion thereof. The receiver shall be entitled to a reasonable fee for its services as a receiver and to incur reasonable expenses for the employment of professionals, such as attorneys, accountants, licensed contractors, etc. All such fees and other expenses of the receivership estate shall be added to the monthly rent due to Landlord under this Lease. Tenant hereby irrevocably stipulates to the appointment of a receiver under such circumstances and for such purposes and agrees not to contest any such appointment in court.

16.5 Acceptance of Payment.

Landlord's acceptance of any sum, whether as Minimum Rent, Adjustments or otherwise, which is less than the amount as due by Landlord, shall not act as, or be deemed to be, a waiver of such claimed amount or a compromise or accord and satisfaction of the amount claimed as due, by Landlord. During any period in which there exists an uncured default by Tenant or following Landlord's termination of Tenant's tenancy and/or right to possession of the Premises: (a) unless otherwise agreed by Landlord in writing, no payment by Tenant of Tenant's delinquent rent or other charges due under this Lease shall operate to reinstate Tenant's tenancy and/or right to possession of the Premises; and (b) any payments by Tenant to Landlord's lockbox or otherwise shall not be deemed accepted by Landlord (even if Tenant's check is negotiated) and shall not operate to reinstate Tenant's tenancy and/or right to possession of the Premises unless Landlord either expressly indicates its acceptance of such payment in writing or Landlord fails to refund such payment to Tenant within twenty (20) business days following Landlord's receipt of such payment.

16.6 Tenant Waivers.

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the Premises, by reason of the violation by Tenant of any of the covenants or conditions of this Lease, or otherwise. Further, Tenant hereby expressly, unconditionally and irrevocably waives all of the following: (a) any right Tenant may have to interpose or assert any claim, counterclaim or setoff in any action brought by Landlord based (in whole or part) on non-payment of Rent even if same is based on Landlord's alleged breach of this Lease (Landlord and Tenant hereby stipulate that any such counterclaim shall be severed and tried separately from the action brought by Landlord for non-payment of Rent); (b) all constitutional, statutory or common law bonding requirements including any requirement that Landlord file a bond payable to Tenant in at least double the sum demanded by Landlord (or double the property sought to be distrained); it being the intention of the Parties that no bond shall be required in any distress action; (c) the right, if any, to replevy distrained property; (d) any rights Tenant may have in the selection of venue in any suit by or against Landlord; it being understood that the venue of such suit shall be in the county wherein the Premises is located; (e) any rights Tenant may have to consequential damages incurred by Tenant including but not limited to lost profits and interruption of business as a result of any Landlord default; and (f) any rights Tenant may have in the Premises or any goods or personal property therein if Tenant is evicted and dispossessed of same. Further, in the event Landlord

commences any proceeding for the non-payment of Rent, Tenant shall not file any non-compulsory counterclaims in such proceedings. This shall not, however, be construed as a waiver of Tenant's right to assert such counterclaims in a separate action brought by Tenant. Tenant expressly waives any right to assert a defense based on merger and agrees that neither the commencement nor settlement of any action or proceeding, nor the entry of judgment shall bar Landlord from bringing any subsequent actions or proceedings from time to time. Tenant waives any statutory notice requirements.

17. DEFAULT BY LANDLORD.

17.1 Default by Landlord.

Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within thirty (30) days after written notice by Tenant to Landlord and to the holder of any mortgage or deed of trust covering the Premises and/or Shopping Center whose name and address shall have theretofore been furnished to Tenant in writing. Said notice shall specify wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to an action at law for actual monetary damages (but not consequential damages or loss of profits) sustained by Tenant as a direct result of Landlord's breach. Tenant may not withhold or offset rent regardless of whether Landlord is in default.

18. RECONSTRUCTION.

18.1 Reconstruction - Insured Loss.

In the event the Premises are damaged by fire or other perils covered by Landlord's insurance, Landlord agrees to forthwith repair same, and this Lease shall remain in full force and effect and there shall be no abatement of Rent, it being understood and agreed that Tenant, at its discretion, cost and expense shall procure insurance necessary to protect itself against any interruption of business. Tenant shall be responsible at its sole cost and expense to repair or replace any of Tenant's fixtures, equipment and leasehold improvements which are damaged or destroyed by any fire or other peril.

18.2 Uninsured Loss.

In the event the Premises are damaged as a result of any cause other than the perils covered by Landlord's insurance, then Landlord shall (except where the damage or destruction is caused by the negligence of Tenant, its employees, agents, contractors, licensees or invitees in which case Tenant shall repair all damage) forthwith repair the same, provided the extent of the destruction be less than ten percent (10%) of the then full replacement cost of the Premises. In the event the destruction of the Premises is to an extent of ten percent (10%) or more of the full replacement cost then Landlord shall have the option; (1) to repair or restore such damage, this Lease continuing in full force and effect, but the Minimum Rent to be proportionately reduced as hereinabove in this Section provided; or (2) give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. In the event of giving such notice, this Lease shall expire and all interest of Tenant in the Premises shall terminate on the date so specified in such notice and the Minimum Rent, reduced by a proportionate reduction, based upon the extent if any, to which such damage substantially interferes with the business carried on by Tenant in the Premises, shall be paid up to date of such termination. In the event Landlord shall determine to repair or restore the Premises, Tenant shall at its sole cost and expense, repair and restore any of Tenant's fixtures, equipment and leasehold improvements which are damaged or destroyed by the uninsured cause.

18.3 No Obligation.

Notwithstanding anything to the contrary contained in this Section, Landlord shall not have any obligation whatsoever to repair, reconstruct or restore the Premises when the damage resulting from any casualty covered under this Section occurs during the last twenty-four (24) months of the Term of this Lease or any extension thereof. Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements of any leasehold improvements, fixtures, or other personal property of Tenant. If Landlord notifies Tenant that it will not

make repairs, Landlord may at that time terminate this Lease or give Tenant the option of making the repairs during which time there shall be no abatement of Rent, it being understood and agreed that Tenant, at its discretion, cost and expense shall procure insurance necessary to protect itself against any interruption of business.

18.4 Partial Destruction of Shopping Center.

If fifty percent (50%) or more of the Rentable Area of the Shopping Center is damaged or destroyed by fire or other cause, notwithstanding that the Premises may be unaffected by such fire or other cause, Landlord may terminate this Lease and the tenancy hereby created by giving Tenant not less than thirty (30) days' prior written notice of Landlord's election; provided however, that such notice shall be given, if at all, within the sixty (60) days following the date of occurrence of said damage or destruction. Minimum Rent shall be prorated as of the date of such termination.

19. SUBORDINATION AND ATTORNMENT; MORTGAGEE PROTECTION.

19.1 Subordination - Notice to Mortgagee.

At the request of Landlord, Tenant shall promptly execute, acknowledge and deliver, all instruments which may be required to subordinate this Lease to any existing or future mortgages, deeds of trust and/or other security documents on or encumbering the Shopping Center or on the leasehold interest held by Landlord, and to any extensions, renewals, or replacements thereof; except to the extent that the mortgagee or beneficiary, as the case may be, has agreed, in a commercially-reasonable written separate agreement, to recognize this Lease in the event of foreclosure if Tenant is not in default at such time. Notwithstanding anything to the contrary in this Lease, Landlord shall not be in default under any provision of this Lease unless written notice specifying such default is given to Landlord and to all persons who have an interest in all or part of the Shopping Center as mortgagees and/or deed of trust beneficiaries, as set forth in the provisions of Section 17.1 above.

19.2 Tenant's Estoppel Certificate.

Within ten (10) days after the mutual execution of this Lease, and at any other time during the Lease Term within ten (10) days following Landlord's request, Tenant shall execute and deliver to Landlord a certificate substantially in the form attached hereto as Exhibit I indicating therein any exceptions thereto which may exist at that time. The failure of Tenant to execute and deliver such certificate on a timely basis shall constitute an automatic acceptance of the Premises and an express acknowledgment by Tenant that the statements included in Tenant's Certificate as completed by Landlord and submitted to Tenant, are true and complete, without exception. Any such certificate may be relied upon by a then existing or prospective lessor, purchaser or encumbrancer of all or any portion of the Shopping Center. Tenant's failure to deliver such certificate within such time period shall be a default of this Lease, without the need for any further notice to Tenant and without the availability of any additional period to cure same, and such failure shall also 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 performance under this Lease or otherwise, and (c) not more than one month's installment of rent due hereunder has been paid in advance. If Tenant fails to deliver such a certificate within such ten (10) day period, then Tenant does hereby make, constitute and irrevocably appoint Landlord as Tenant's attorney-in-fact and in Tenant's name, place and stead to execute such a certificate; provided, however, such appointment shall not relieve Tenant of its obligation to provide such a certificate or avoid Tenant's default of this Lease for failure to timely provide such certificate. Further, Tenant's failure to respond to Landlord's request for a written statement within the ten (10) day period mentioned in this Section shall constitute a material default by Tenant under this Lease, and in such event, Tenant agrees to pay Landlord as liquidated damages therefor (and in addition to all equitable remedies available to Landlord) an amount equal to One Hundred Fifty Dollars (\$150.00), as Rent, per day for each day that Tenant fails to deliver such certificate to Landlord after the expiration of such ten (10) day period.

19.3 Mortgagee Protection Clause.

Tenant agrees to give any mortgagees and/or trust deed holders, by registered mail, a copy of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases, or otherwise) of the addresses of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default with the time provided for in this Lease, then the mortgagees and/or trust deed holders have an additional 30 days within which to cure such default or if such default cannot be cured with that time, then such additional time as may be necessary if within such 30 days any mortgagee

and/or trust deed holder has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings if necessary to affect such cure), in which event this Lease shall not be terminated if such remedies are being so diligently pursued.

20. ACCESS BY LANDLORD.

20.1 Right of Entry.

Subject to Tenant’s security requirements and upon not less than twenty-four (24) hours’ prior oral or written notice to Tenant, except in cases of emergency, Landlord or Landlord’s employees, agents and/or contractors shall have the right to enter the Premises at any reasonable time to examine the same, and to show them to prospective purchasers or tenants of the Building, and to make such repairs, alterations, improvements or additions as Landlord may deem necessary or desirable. If Tenant is not personally present to permit entry and an entry is necessary, Landlord or its agents may in case of emergency forcibly enter the same, without rendering Landlord liable therefor. Nothing contained herein shall be construed to impose upon Landlord any duty of repair of the Premises or Building of which the Premises is a part except as otherwise specifically provided for herein. Further, Landlord reserves the right to enter the Premises and use the walls, floor, ceiling, roof and plenum in, above and below the Premises for repair, maintenance, use, installation, testing, and/or replacement of pipes, ducts, utility lines and systems, fire alarms and fire sprinklers, and structural elements serving the Shopping Center or other tenants therein, and for such other purposes as Landlord deems necessary and/or for which Landlord has responsibility under this Lease. In exercising its rights hereunder, Landlord shall exercise good faith efforts not to unreasonably interfere with the operation of Tenant’s business at the Premises.

20.2 Excavation.

If an excavation is made upon property adjacent to the Premises, Tenant shall afford to the person causing or authorized to cause such excavation, license to enter upon the Premises for the purpose of doing such work as Landlord shall deem necessary to preserve the wall of the Building of which the Premises is a part from injury or damage and to support the same by proper foundations, without any claim for damages or indemnification against Landlord for diminution or abatement of rent.

21. SURRENDER OR ABANDONMENT OF PREMISES.

21.1 Surrender of Possession.

Tenant shall promptly yield and deliver to Landlord possession of the Premises at the expiration or prior termination of this Lease. Landlord may place and maintain a “For Lease” sign in conspicuous places on the Premises for sixty (60) days prior to the expiration or prior termination of this Lease.

21.2 Holding Over.

Any holding over by Tenant after the expiration or termination of the Lease Term hereof, without Landlord’s consent, shall be construed to be, at Landlord’s election: (a) a tenancy at sufferance subject to immediate termination without notice, or (b) a tenancy from month-to-month on all of the terms and conditions set forth herein, to the extent not inconsistent with a month-to-month tenancy; provided, that the Minimum Rent for such hold-over period shall be an amount equal to the lesser of **one hundred twenty percent (120%)** of the Minimum Rent due for the last month of the Lease Term or the maximum allowable rent chargeable in a hold over period under the law of the state in which the property is located.

21.3 Abandonment.

Tenant agrees not to vacate or abandon the Premises at any time during the Lease Term. Should Tenant vacate or abandon said Premises or be dispossessed by process of law, or otherwise, Landlord may remove any personal property which remains on the Premises and store the same, the cost of such removal and storage to be charged to Tenant. In addition, following ten (10) days’ written notice from Landlord indicating that any personal property remaining on the Premises is deemed abandoned, if Tenant has failed to remove such personal property from the Premises or storage, as the case may be, Tenant shall be conclusively deemed to have conveyed all Tenant’s right, title and interest in such personal property to Landlord and Landlord may sell, convey or dispose of such personal property as Landlord sees fit in Landlord’s sole discretion and without further notice or compensation to Tenant; except, that if

Landlord sells such personal property the net proceeds from such sale, less all of Landlord's actual costs to conduct such sale, shall be applied to any amounts owed to Landlord by Tenant.

21.4 Voluntary Surrender.

The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, but shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or operate as an assignment of Tenant's interests in any or all such subleases or subtenancies.

22. QUIET ENJOYMENT.

22.1 Landlord's Covenant.

Tenant, upon fully complying with and promptly performing all of the terms, covenants, and conditions of this Lease on its part to be performed, and upon the prompt and timely payment of all sums due hereunder, shall have and quietly enjoy the Premises for the Lease Term set forth herein. Tenant shall have no claim against Landlord for any interruption or reduction of services or interference with Tenant's occupancy, and no such reduction or interference shall constitute a constructive or other eviction of Tenant. Landlord shall not be liable for any injury or damage to person or property caused in whole or in part by other Tenants or any other third parties.

23. AUTHORITY OF PARTIES.

23.1 Corporate or Limited Liability Company or Partnership Authority.

If Tenant is a corporation, partnership, or a limited liability company, each individual executing this Lease on behalf of said entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity, in accordance with a duly adopted resolution of said entity authorizing and consenting to this Lease; authorizing the specific officers signing this Lease to execute, acknowledge and deliver the same without the consent of any other officer or officers; resolving that such action and execution is in accordance with the bylaws of said entity; and resolving that this Lease is binding upon said entity in accordance with its terms. In the event that the officer(s) executing this Lease are not authorized to enter into this agreement on behalf of the corporation, such officer(s) hereby personally guaranty the complete performance of this Lease by Tenant unless and until such time that such officer(s) provide evidence, reasonably satisfactory to Landlord, that he/she is authorized to execute this Lease on behalf of Tenant.

23.2 Satisfaction.

Anything to the contrary notwithstanding, there shall be absolutely no personal liability on the part of Landlord or the officers, shareholders, partners, or members of Landlord with respect to any of the terms, covenants, conditions and provisions of this Lease, and Tenant shall look solely to the equity of Landlord and its successors and assigns in the specific property (as described above) of which the Premises are a part for the satisfaction of each and every remedy of Tenant hereunder or in connection herewith. Such exculpation of personal liability is to be absolute and without any exception whatsoever.

24. SIGNS.

24.1 General.

Tenant shall not place or suffer to be placed on the exterior walls of the Premises or upon the roof or any exterior door or wall or on the exterior or interior of any window thereof any sign, awning, canopy, marquee, advertising matter, decoration, letter or other thing of any kind (exclusive of the signs, if any, which may be provided for in the original construction or improvement plans and specifications approved by Landlord hereunder and which conform to Landlord's Signage Criteria) without the prior written consent of Landlord, and then, only in conformance with the Signage Criteria set out in **Exhibit E**. Tenant hereby agrees to reimburse Landlord for Landlord's reasonable expenses incurred in connection with the review and approval of such signs. Landlord hereby reserves the exclusive right to the use for any purpose whatsoever of the roof and exterior of the walls of the Premises and the Building of which the Premises are a part. In the event Tenant shall install any sign that does not meet Landlord's Signage Criteria, Landlord shall have the right and authority without liability to Tenant to enter upon the Premises, remove and store the subject sign and repair all damage caused by the removal of the sign. All costs and expenses incurred by Landlord shall be

immediately paid by Tenant as Additional Rent. Landlord reserves the right to remove Tenant's sign during any period when Landlord repairs, restores, constructs or renovates the Premise or the Building of which the Premises is a part.

24.2 Tenant's Interior Signs.

Except as otherwise herein provided, Tenant shall have the right, at its sole cost and expense, to erect and maintain within the interior of the Premises all signs and advertising matter customary or appropriate in the conduct of Tenant's business; provided, however, that Tenant shall upon demand of Landlord immediately remove any sign, advertisement, decoration, lettering or notice which Tenant has placed or permitted to be placed in, upon or about the Premises and which Landlord reasonably deems objectionable or offensive, and if Tenant fails or refuses so to do, Landlord may enter upon the Premises and remove the same at Tenant's cost and expense. In this connection, Tenant acknowledges that the Premise are part of an integrated Shopping Center, and agrees that control of all signs by Landlord is essential to the maintenance of uniformity, propriety and the aesthetic values in or pertaining to the Shopping Center.

24.3 Compliance with Laws.

Notwithstanding any other term or provision of this Lease, all Tenant's signs shall conform with all applicable laws, statutes, codes, rules, regulations and ordinances all at Tenant's sole cost and expense.

25. DISPLAYS.

25.1 General.

Tenant may not display or sell merchandise or allow grocery carts or other similar devices within the control of Tenant to be stored or to remain outside the defined exterior walls and permanent doorways of the Premises. Tenant further agrees not to install any exterior lighting, amplifiers or similar devices or use in or about the Premises. Tenant shall not use sign spinners or human directionals on the perimeter of the Shopping Center or walkways adjacent to the Shopping Center.

26. AUCTIONS AND SALES.

26.1 General.

Tenant shall not conduct or permit to be conducted any sale by auction upon or from the Premises, whether said auction be voluntary, involuntary, pursuant to any assignment for the payment of creditors or pursuant to any bankruptcy or other insolvency proceeding.

26.2 No Distress Sales.

No auction, fire, bankruptcy, "going out of business" or other distress sales of any nature may be conducted on the Premises without the prior written consent of Landlord, which consent may be conditioned as Landlord deems appropriate, in its sole discretion.

27. PROMOTIONAL FUND.

27.1 General.

Landlord may at its option establish an Advertising and Promotional Service to furnish and maintain professional advertising and sales promotions which will benefit all merchants of the Shopping Center. In conjunction with said Service, Landlord agrees to provide a Marketing Director and sufficient secretarial services, to pay salaries for such personnel, and to pay for office rental, utilities, supplies, telephone and all equipment expense necessary for efficient operation. In no event, however, shall the cost of such services exceed 25% of the total amount collected by Landlord from all Tenants of the Shopping Center for said advertising and promotional service.

28. ARBITRATION – INTENTIONALLY DELETED.

29. MISCELLANEOUS.

29.1 Successors or Assigns.

All the terms, conditions, covenants and agreements of this Lease, as may be amended, shall extend to and be binding upon Landlord, Tenant and their respective heirs, administrators, executors, successors, subtenants, sublessees,

concessionaire, assigns and marital communities, if any, and upon any person or persons coming into ownership or possession of any interest in the Premises by operation of law or otherwise.

29.2 Tenant Defined.

Subject to Section 29.1 above, the word “**Tenant**” as used herein shall mean each and every person, partnership or corporation who is mentioned as a Tenant herein or who executes this Lease as Tenant.

29.3 Broker’s Commission.

Tenant represents and warrants that it has incurred no liabilities or claims for brokerage commissions or finders’ fees in connection with the execution of this Lease and that it has not dealt with or has any knowledge of any real estate broker, agent or salesperson in connection with this Lease except those specified in Section 1.1 herein. Tenant agrees to indemnify and hold Landlord harmless from all such liabilities or claims (including, without limitation, attorney’s fees) arising from any breach of such representation or warranties by Tenant.

29.4 No Offer to Lease.

The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, occupancy of the Premises; and this document shall become effective and binding only upon execution and delivery hereof by Tenant and by Landlord (or, when duly authorized, by Landlord’s agent or employee). No act or omission of any agent of Landlord or Landlord’s broker, if any, shall alter, change or modify any of the provisions hereof.

29.5 Partial Invalidity.

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

29.6 Recording.

Tenant shall not record or file this Lease, or any assignment or security document pertaining to this Lease or all or any part of Tenant’s interest therein without the prior written consent of Landlord, which consent may be subject to such conditions as Landlord shall deem appropriate. However, upon the request of Landlord, both Parties shall execute a memorandum or “short form” of this Lease for the purposes of recordation in a form customarily used for such purposes.

29.7 Notices.

Any notices required in accordance with any of the provisions herein or desired to be given hereunder, if to Landlord shall be delivered personally or if mailed, then mailed by registered or certified mail and addressed to the address of Landlord as set forth in Section 1 or at such other place as Landlord may in writing from time to time direct to Tenant, and if to Tenant shall be delivered personally or if mailed, then mailed by registered or certified mail and addressed to Tenant at the Premises or, in Landlord’s sole discretion, the address of Tenant set forth in Section 1.1 above. If there is more than one Tenant, any notice required or permitted hereunder may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. Notices shall be deemed given when delivered, if delivered personally (including delivery by FedEx, Express Mail or other similar overnight courier service which confirms delivery in writing), or two (2) business days after deposit in the United States mail as set forth above.

29.8 Plats and Riders.

Clauses, plats, riders, Exhibits and addendums, if any, affixed to this Lease are incorporated herein and made a part hereof.

29.9 Waiver.

The waiver by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Minimum Rent or any other Adjustment or sum hereunder by Landlord

shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular sum so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such sum.

29.10 Joint Obligation.

If there be more than one Tenant, the obligations hereunder imposed shall be joint and several.

29.11 Marginal Headings.

The marginal headings and section titles to the Sections and Subsections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

29.12 Time.

Time is of the essence of this Lease and each and all of its provisions.

29.13 Late Charges.

Tenant hereby acknowledges that late payment by Tenant to Landlord in rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by terms of any mortgage or deed of trust covering the Premises or Shopping Center. Accordingly, if any installment of Minimum Rent, Adjustments or any sum due from Tenant shall not be received by Landlord or Landlord's designee on or before the date such sum is due as set forth in Section 4 above, then Tenant shall pay to Landlord a late charge equal to **ten percent (10%)** of the amount past due, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges due hereunder. For the purposes hereof the term "**past due**" shall mean rents or other sums which are due but not received on or before the **fifth (5th) day** of the month. The Parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

29.14 Inability to Perform.

This Lease and the obligations of Tenant hereunder shall not be affected or impaired because Landlord is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of strike, labor troubles, acts of God or any other cause beyond the reasonable control of Landlord.

29.15 Choice of Law.

This Lease shall be governed by the laws of the state in which the Premises is located.

29.16 Legal Expenses.

If either Party institutes any legal action or proceeding (including assertion of any counterclaim or cross-claim, or claim in a proceeding in bankruptcy, receivership or any other proceeding instituted by a Party hereto or by others) for the enforcement of any of the terms of this Lease, any amendment hereto, or any default hereunder, the unsuccessful Party in such action or proceeding agrees to pay to the prevailing Party the reasonable attorney fees and costs actually incurred by the prevailing Party.

29.17 Competition– INTENTIONALLY DELETED.

29.18 Floor Area.

Floor Area shall be computed by measuring from the center of partitions that separate tenants to the outside surface of the store front wall and to the exterior surface of corridor walls.

29.19 Relocation of Tenant– INTENTIONALLY DELETED.

29.20 Redevelopment.

Landlord shall have the right to sell, transfer, assign or otherwise dispose of any portion of the Shopping Center in its discretion and without notice to Tenant, and in such event, Landlord makes no representation or warranty as to the future use(s), or types of uses of owners, tenants or occupants of the portion of the Shopping Center not owned or controlled by Landlord. In the event a portion of the Shopping Center is sold, transferred, assigned or otherwise disposed of, Tenant’s proportionate share of Additional Rent shall be adjusted accordingly, if applicable. Further, Landlord shall have the right, at any time and from time to time during the Lease Term, upon not less than sixty (60) days’ prior written notice to Tenant, to remodel, renovate, reduce or expand the Shopping Center or a portion thereof, including the land upon which the Premises are located. Tenant acknowledges that nothing herein shall be deemed a representation that Landlord will perform any conversion or remodeling or an obligation of Landlord to perform the remodeling or to complete any remodeling by a particular date. In this respect, Landlord, its agents, contractors, servants and employees reserve the right to enter the Premises, following reasonable notice to Tenant, to use the exterior walls, floor, roof and plenum in, above and below the Premises as it deems necessary to accommodate said renovation which may include, but not be limited to, the use, upgrade and/or installation of pipes, ducts, utility lines and systems, and structural elements for a vertical expansion of the building of which the Premises are a part. If such remodel, renovation, reduction or expansion will materially and adversely affect Tenant’s operations from the Premises, as reasonably determined by Landlord, or if Landlord shall need to utilize the Premises in connection with the remodel, renovation, reduction or expansion, Landlord shall have the following options: (a) cause Tenant to vacate the Premises during the period necessary for Landlord to effect the remodel, renovation, reduction or expansion, or during the period during which Tenant will be unable to reasonably operate from the Premises, during which period Tenant shall have no obligation to pay Minimum Rent or Additional Rent, or (b) terminate this Lease, in which event Landlord shall pay to Tenant, within sixty (60) days following the date Tenant vacates the Premises, the unamortized cost of all permanently affixed leasehold improvements installed in the Premises by Tenant (and paid for by Tenant without any contribution or allowance from Landlord), which amortization shall be determined on a straight line basis over the initial Lease Term, the cost of which shall be evidenced by invoices and proofs of payment of same); upon payment by Landlord, Tenant shall provide Landlord with a bill of sale for said permanently affixed leasehold improvements.

29.21 Acceptance of Keys.

The acceptance of keys to the Premises by Landlord, its agents, employees, contractors or any other person on Landlord’s behalf shall not be deemed or constitute a termination of this Lease unless such termination is evidenced in writing signed by Landlord.

29.22 Trademarks.

Neither Party to this Lease shall use or permit to be used any of the trade or service marks or trade or service name of the other without such Party’s prior written consent, except that Landlord may identify Tenant as a Tenant in advertising and leasing materials and brochures relating to the Building.

29.23 Tenant and Tenant’s Employees Parking.

Tenant and Tenant’s agents and employees shall park only in those areas designated by Landlord or Landlord’s agents. Tenant shall pay a fine to Landlord of \$20.00 per violation for each parking violation of Tenant, Tenant’s employees, agents, or licensees. Additionally, Landlord may have such violating vehicles towed and/or impounded, all at Tenant’s expense.

29.24 Financial Condition of Tenant.

Tenant represents and warrants (i) all financial information that has been furnished to Landlord pertaining to Tenant, any component person or entity of Tenant, and any Guarantor of Tenant’s obligations under this Lease fairly represents and accurately states the subject person or entity’s financial condition as of the date or period referenced therein in accordance with generally accepted accounting principles consistently applied, and (ii) there has not been a material adverse change in its financial condition following the time covered in such reports, and (iii) neither Tenant nor any component person or entity of Tenant nor any guarantor hereof is a party to any suit, proceeding, legal investigation or other similar action (nor, to the best of Tenant’s knowledge, is any of the same threatened) which if determined adversely would materially affect the financial condition of the subject person or entity or the business to be conducted at the Premises.

29.25 Waiver of Jury Trial – INTENTIONALLY DELETED.

29.26 Language of Lease.

(a) This Lease is written in English. The English language version of this Lease governs over any other version, whether translated by Landlord or Tenant. Tenant acknowledges that it is Landlord’s policy to conduct all business, including both written and verbal correspondence between Landlord and Tenant, in English. Landlord may, but is not obligated to, provide this Lease or any written or verbal correspondence between Landlord and Tenant in Tenant’s preferred language, if such language preference is known by or communicated to Landlord. Any communication between Landlord, Landlord’s agent, or any person or entity claiming to act on Landlord’s behalf and Tenant in any language other than English does not obligate Landlord to continue communicating with Tenant in any language other than English.

(b) Unless otherwise agreed to in writing, the following communications shall be in English: (i) all correspondence from Tenant to Landlord, whether written or verbal; (ii) any written or verbal notice from Tenant to Landlord required under any provision of this Lease; (iii) any agreement to modify any provision of this Lease. Any written agreement for communication in a non-English language under this subsection can be terminated by Landlord upon 10 days’ notice to Tenant. Notice is to be given to Tenant in writing in both English and the non-English language referenced in the agreement under this subsection.

(c) If any document is provided to Tenant by Landlord in both English and any other language, the English language version governs. Any document, including but not limited to this Lease or any correspondence between Landlord and Tenant, translated from English to any other language by any person or entity, cannot be used to negate the existence of this Lease or to alter any term of the English language version of this Lease.

29.27 Consent.

Whenever under this Lease Landlord’s consent or approval is required, the same may be arbitrarily withheld except as otherwise specified.

29.28 Governmental Penalties.

Governmental penalties, fines or damages imposed on any portion of the Shopping Center as a result of the activities of Tenant, its employees, agents or invitees shall be paid by Tenant within three (3) days of the earlier of the governmental notice to Tenant or Landlord’s notice to Tenant. If Tenant fails to pay such fines as required in this Subsection, in addition to all other remedies provided by this Lease, Landlord may pay the sums owed or challenge them administratively or judicially and Tenant shall pay all sums owed and all of Landlord’s attorney’s fees and costs plus a twenty percent (20%) administrative fee of all such costs to Landlord upon demand, as Rent.

29.29 Independent Investigation.

Tenant hereby represents and warrants to Landlord that Tenant has made its own investigation and examination of all the relevant data relating to or affecting the Premises and is relying solely on its own judgment in entering into this Lease; specifically, and without limitation, Tenant represents and warrants to Landlord that Tenant has had an opportunity to measure the actual dimensions of the Premises and agrees to the square footage figures set forth herein for all purposes of this Lease.

29.30 Failure to Deliver Possession of the Premises– INTENTIONALLY DELETED.

29.31 Force Majeure.

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other non-financial causes beyond the reasonable control of the Party obligated to perform shall be a “Force Majeure Event”. Except for Tenant’s obligation to make timely payment of rent and other amounts due, which shall remain in full force and effect, Force Majeure Events shall excuse the performance by such Party of its non-monetary obligations under this Lease. The Party claiming a Force Majeure Event shall exercise good faith and commercially reasonable efforts to mitigate the Force Majeure Event or results thereof and, to effectively relieve its performance non-monetary obligations, Tenant shall give Landlord written notice of such claimed Force Majeure Event within five (5) days following the commencement of its occurrence. No extension for improvements, renovations, or alterations shall be due or granted

if Tenant fails to provide plans and specifications or if Tenant fails to apply for its permits in the time and manner provided by Exhibit C of this Lease. Any delay in Landlord's performance of any term, covenant or condition of this Lease resulting from any of the above Force Majeure Events beyond Landlord's control, shall toll the time for Landlord's performance. For the avoidance of doubt, a Force Majeure Event shall not include (i) the financial inability or unwillingness of either Party to pay amounts owing under this Lease, (ii) the inability of either Party to generate revenue or avoid a financial loss, or (iii) changes in market conditions or prices.

29.32 Counterparts.

To facilitate execution of this Lease, this Lease may be executed in one or more counterparts as may be convenient or required, and an executed copy of this Lease delivered electronically by facsimile or e-mail, or via DocuSign or other comparable, legally binding method, shall have the effect of an original, executed instrument. All counterparts of this Lease shall collectively constitute a single instrument; but, in making proof of this Lease it shall not be necessary to produce or account for more than one such counterpart executed by each Party hereto. It shall not be necessary for the signature of, or on behalf of, each Party hereto, or that the signature of all persons required to bind any such Party appear on each counterpart of this Lease.

30. OFFICE OF FOREIGN ASSETS CONTROL (“OFAC”).

Tenant(s) hereby warrants and represents that: (i) Neither Tenant nor any of its Affiliates is a Prohibited Person (defined below) nor will Tenant or any of its Affiliates be a Prohibited Person during the Lease Term, (ii) Tenant is in full compliance, and shall be in full compliance throughout the Lease Term, with all applicable orders, rules, regulations and recommendations of The Office of Foreign Assets Control (“OFAC”) of the U.S. Department of the Treasury and (iii) Tenant is not named as a “specially designated national and blocked person” on any list published during the Lease Term by the U.S. Treasury Department Office of Foreign Assets Control at its official website, www.ustreas.gov/offices/enforcement/ofac, or at any replacement list or website.

31. PRIOR AGREEMENTS.

THIS LEASE CONTAINS THE ENTIRE AGREEMENT OF THE PARTIES HERETO AND ANY AND ALL ORAL AND WRITTEN AGREEMENTS, UNDERSTANDINGS, REPRESENTATIONS, WARRANTIES, PROMISES AND STATEMENTS OF THE PARTIES HERETO AND THEIR RESPECTIVE OFFICERS, DIRECTORS, PARTNERS, AGENTS AND BROKERS WITH RESPECT TO THE SUBJECT MATTER OF THIS LEASE AND ANY MATTER COVERED OR MENTIONED IN THIS LEASE SHALL BE MERGED IN THIS LEASE AND NO SUCH PRIOR ORAL OR WRITTEN AGREEMENT, UNDERSTANDING, REPRESENTATION, WARRANTY, PROMISE OR STATEMENT SHALL BE EFFECTIVE OR BINDING FOR ANY REASON OR PURPOSE UNLESS SPECIFICALLY SET FORTH IN THIS LEASE. 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. THIS LEASE SHALL NOT BE EFFECTIVE OR BINDING ON ANY PARTY UNTIL FULLY EXECUTED BY BOTH PARTIES HERETO.

SIGNATURES APPEAR ON FOLLOWING PAGE
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IN WITNESS WHEREOF, the Parties hereto have executed this instrument as of the day and year first above set forth.

LANDLORD:

**TERRANOMICS CROSSROADS ASSOCIATES,
a California limited partnership**

By: ROIC Crossroads GP, LLC,
a Delaware limited liability company
Its: Sole General Partner

By: _____
Title: Chief Operating Officer

TENANT:

**CITY OF BELLEVUE,
a municipal corporation of the State of Washington**

By: _____
Its: _____

LANDLORD ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

) ss:

County of _____)

On _____, 20____, before me, _____, Notary Public, personally appeared _____, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(Seal)

TENANT ACKNOWLEDGEMENT

STATE OF _____)

) ss.

County of _____)

On this _____ day of _____, _____, before me, the undersigned, a Notary Public in and for the State of _____, duly commissioned and sworn, personally appeared _____ and _____, to me known to be the _____ and _____, respectively, of _____, the entity that executed the foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said entity, for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year first above written.

NOTARY PUBLIC in and for the State of

_____, Residing at _____

Comm. exp. _____

EXHIBIT A

LEGAL DESCRIPTION OF THE SHOPPING CENTER

PARCEL A:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 26, TOWNSHIP 25 NORTH, RANGE 5 EAST, W.M., IN KING COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER;

THENCE SOUTH 88°42' 24" EAST, ALONG THE SOUTH LINE OF SAID SECTION, 1,030 FEET;
THENCE NORTH 1°11' 55" EAST 1,772.6 FEET;
THENCE NORTH 88°42' 24" WEST, PARALLEL TO SAID SOUTH LINE, 1,030 FEET;
THENCE SOUTH 1°11' 55" WEST ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER 1,772.6 FEET TO THE POINT OF BEGINNING.

EXCEPT THE WEST 30 FEET THEREOF CONVEYED TO KING COUNTY FOR 156TH AVENUE N.E. BY DEEDS RECORDED NOVEMBER 25, 1922 AND DECEMBER 6, 1922 UNDER RECORDING NOS. 1677851 AND 1681551;

EXCEPT THE SOUTH 30 FEET THEREOF CONVEYED TO KING COUNTY FOR N.E. 8TH STREET BY DEED RECORDED DECEMBER 1, 1958 UNDER RECORDING NO. 4970969;

EXCEPT THAT PORTION THEREOF CONVEYED TO KING COUNTY FOR ROADS PURPOSES AT THE INTERSECTION OF SAID STREETS BY DEED RECORDED MARCH 20, 1963 UNDER RECORDING NO. 5558467;

EXCEPT THAT PORTION THEREOF CONVEYED TO THE CITY OF BELLEVUE FOR LANDSCAPING AND SIDEWALKS BY DEED OF DEDICATION RECORDED AUGUST 12, 1977 UNDER RECORDING NOS. 7708120967, 7708120968, 7708120969 AND 7708120970;

AND EXCEPT THOSE PORTIONS OF THE ABOVE DESCRIBED PROPERTY TAKEN FOR THE IMPROVEMENT OF NORTHEAST 8TH STREET AND 156TH AVENUE NORTHEAST AS DESCRIBED IN KING COUNTY S.C. NO. 90-2-25916-1;

ALSO EXCEPT THOSE PORTIONS DESCRIBED IN DEED TO THE CITY OF BELLEVUE RECORDED JUNE 11, 1992 UNDER RECORDING NO. 9206111175;

ALSO EXCEPT ANY PORTION LYING WITHIN BOUNDARY LINE ADJUSTMENT NO. BLA-98-833, DECLARATION OF LOT COMBINATION NO. DLC-98-832, RECORDED OCTOBER 13, 1998 UNDER RECORDING NO. 9810139003 OF KING COUNTY, WASHINGTON;

ALSO EXCEPT THAT PORTION CONVEYED TO THE CITY OF BELLEVUE, DESCRIBED IN DEED RECORDED APRIL 16, 2001 UNDER RECORDING NO. 20010416000823, RECORDS OF KING COUNTY, WASHINGTON.

PARCEL B:

LOT 2 OF CITY OF BELLEVUE BOUNDARY LINE ADJUSTMENT NO. BLA-98-833 RECORDED OCTOBER 13, 1998 UNDER RECORDING NO. 9810139003, IN KING COUNTY, WASHINGTON.

PARCEL C:

A NON-EXCLUSIVE EASEMENT FOR ROAD, DRAINAGE AND UTILITY PURPOSES GRANTED AND DESCRIBED IN THE DOCUMENT ENTITLED "EASEMENT" RECORDED APRIL 7, 1964 UNDER RECORDING NO. 5720127 AND AMENDED MAY 6, 1966 AND DECEMBER 8, 1980 UNDER RECORDING NOS. 6025120 AND 8012080744, RECORDS OF KING COUNTY, WASHINGTON.

PARCEL D:

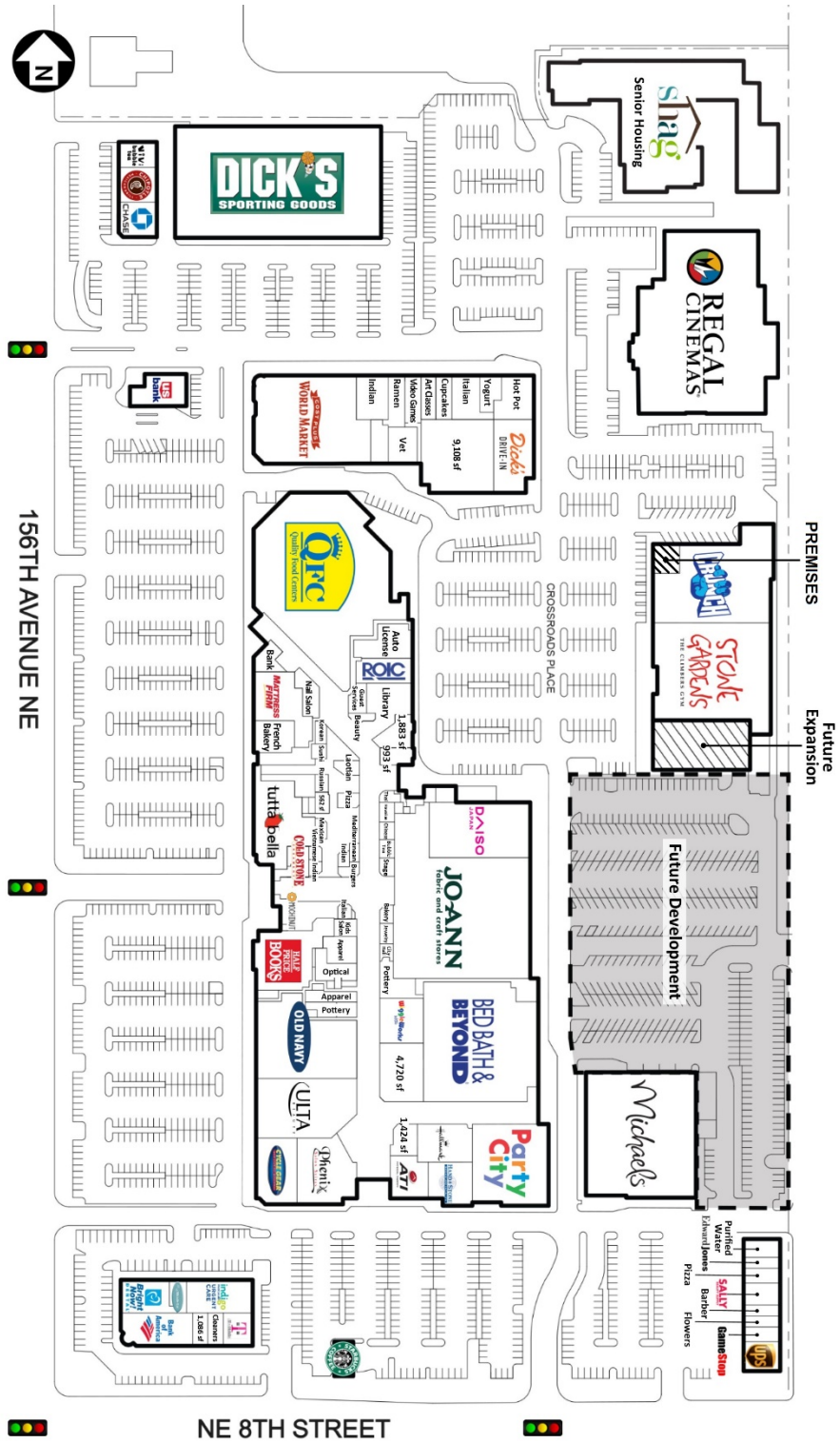
A NON-EXCLUSIVE EASEMENT FOR ACCESS DESCRIBED IN DOCUMENT ENTITLED "RECIPROCAL EASEMENTS" RECORDED DECEMBER 8, 1997 UNDER RECORDING NO. 9712080823, RECORDS OF KING COUNTY, WASHINGTON.

APN: 262505-9033-08

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EXHIBIT B

SITE PLAN OF THE SHOPPING CENTER AND GENERAL CROSS HATCHING OF PREMISES



THE SITE PLAN, ATTACHED AND INCORPORATED HEREIN, IS INTENDED TO BE AN APPROXIMATE DEPICTION OF THE PRESENT CONCEPT OF THE SHOPPING CENTER AND THE IMPROVEMENTS THEREOF. NO REPRESENTATION OR WARRANTY IS MADE WITH RESPECT TO THE ACTUAL LOCATION OR NUMBER OF THE RETAIL STORES, BUILDINGS, CURB CUTS, ABUTTING THOROUGHFARES, PARKING AREAS, TRAFFIC PATTERNS, OR OF TENANTS INTENDED TO BE INCLUDED WITHIN THE SHOPPING CENTER. LANDLORD SPECIFICALLY RESERVES THE RIGHT TO CHANGE THE CONTENT AND CONFIGURATION OF THE SHOPPING CENTER FROM TIME TO TIME AND AT ANY TIME AS LANDLORD DESIRES IN ITS SOLE AND ABSOLUTE DISCRETION.

EXHIBIT C

DESCRIPTION OF LANDLORD'S AND TENANT'S WORK

Intentionally omitted

EXHIBIT D
GUARANTY OF LEASE

Intentionally omitted

EXHIBIT E

CROSSROADS SHOPPING CENTER

SIGN CRITERIA

All signage is subject to the approved Master Sign Program (“MSP”), if any. In the event of any discrepancy between the Master Sign Program and the Sign Criteria set forth below, the Master Sign Program shall control. Tenant hereby acknowledges receipt of the Master Sign Program, if any.

These criteria have been established for the purpose of assuring an outstanding Shopping Center for the mutual benefit of all tenants. Tenant’s signs must be in conformance with this signage criteria at Tenant’s sole expense.

A. GENERAL REQUIREMENTS

1. Tenant shall submit detailed shop drawings as specified in Section E below to the Landlord for approval before fabrication.
2. All permits for signs and their installation shall be obtained by the Tenant or the Tenant’s representative.
3. All electrical signs shall conform to current **U.L.** and **NEC** standards. Insurance to cover and indemnify Landlord from fire, improper unsafe installation or other dangerous conditions must be obtained by Tenant and a copy given to the Landlord at the time of final approval of design by Landlord’s Design Committee.
4. All signs shall be constructed, permitted and installed at Tenant’s sole cost and expense.
5. The removal of signs is the responsibility of the Tenant and must be completed within five (5) days of the expiration and non-renewal of Tenant’s lease. Before the expiration of such 15-day period, it is also the responsibility of the Tenant to restore the sign band fascia to like-new condition, including, but not limited to, patching all holes and painting the storefront fascia to a logical stopping point as by directed by Landlord to match the existing paint color after Tenant’s signage has been removed. If the foregoing is not completed by Tenant within the outlined timeframe Landlord is permitted, but not obligated, to remove Tenant’s sign and restore the sign band at Tenant’s expense.

B. GENERAL SPECIFICATIONS

1. No animated, flashing or audible signs will be permitted.
2. Tenant’s signs and their installation shall comply with all local building and electrical codes.
3. No exposed raceways, conduits, conductors, transformers or other equipment will be permitted. (except on masonry, rock, stone veneer, brick or tilt-up concrete walls as determined by Landlord in Landlord’s sole discretion).
4. Electrical service to all signs shall be controlled by Landlord’s panel either by relay over tenant panel or directly from Landlord panel to assure all that signs go on and off at a uniform time as designated by Landlord.
5. Painted lettering will not be permitted without the prior written consent of Landlord, which consent may be withheld in Landlord’s sole discretion.
6. Free standing or monument signs are not permitted except as may be explicitly permitted by Tenant’s lease.
7. Any variation of these general specifications will be at the sole discretion of Landlord.

C. LOCATION OF SIGNS

1. Tenant will be allowed one (1) illuminated sign on the primary storefront elevation and one on a secondary elevation where applicable (i.e. corners, endcaps and store backs facing public street) if allowed by MSP and city code and as approved by Landlord. The total length of the sign shall be a maximum of 75% of the storefront length and in conformance with all applicable laws, codes, regulations and ordinances.

2. Tenant’s signs will be located on the storefront sign band fascias as specified by Landlord, centered vertically and horizontally, except as directed by Landlord so as not to conflict with architectural features or site-specific designs inherent to the building or storefront conditions, i.e., columns, trellises, trims, arches or landscaping. There shall be a minimum amount of clearance from edge of sign to architectural feature as determined by Landlord on a case-by-case basis.

3. Tenant’s primary signs shall not be perpendicular to the face of the building or storefront. Uniform double-sided blade signs for pedestrian orientation, such as under the walkway or canopy as called out by the MSP criteria is the exception when conforming to existing conditions as determined by Landlord. Vendors for such signage must be approved by Landlord to assure uniformity.

4. Tenant’s signage shall not obscure any architectural features of the building storefront.

5. Stacked signage (double lines) shall be permitted with a maximum vertical dimension of entire sign area including horizontal spacing not to exceed 50% of the vertical height of the storefront sign band.

D. DESIGN REQUIREMENTS

1. The design of all signs, including style and placement of lettering, size, color, materials and method of illumination, shall be subject to Landlord’s approval in Landlord’s sole discretion.

2. Types of signs permitted: individual Channel letters with acrylic faces are permitted. No open pan channel types letters or exposed lighting will be permitted on Tenant’s signage, logos or trim. “Halo”-lit reverse channel letters are also permitted where allowed by the MSP.

3. The use of aluminum “backers” is generally discouraged but may be considered on a case by case basis by Landlord at Landlord’s sole discretion.

4. Wording of signs shall not include the product or service sold except as part of Tenant’s trade name or insignia.

5. The use of logos, logotypes or registered trademarks is encouraged as part of the store name.

6. Cabinet type signs (“Sign Cans”) are prohibited, except for approved logos and trademarks as designated above; height restrictions as noted herein shall also apply. Such signage are to be constructed with the same materials and fabrication methods as the channel letters described in this document and are to be a “shaped” or customized design as permitted by Landlord in Landlord’s sole discretion.

7. Returns on signs mounted to building walls must be painted in a color to match architectural color of adjacent sign band or in a color that matches letter face color. Additionally, trim cap must match either the face or return color.

8. Sheet metal construction is expressly prohibited for all signage.

9. The maximum vertical height of an individual letter on the designated sign band shall be 24” with minimum size determined by landlord on a case by case basis, (i.e. Swashes, descenders or minute extensions beyond

24"). Gold, silver or other metallic trim caps and returns are not permitted. Duranodic Bronze is approvable upon review by Landlord.

E. SHOP DRAWING REQUIREMENTS

All drawings to be fully dimensioned and drawn to scale to the following specifications:

1. A scaled elevation view is required showing storefront length and sign placement. Entire building or large scale elevation should be shown to properly ascertain placement of signs in relation to existing signs or architectural concept.
2. A section detail of letters showing illumination, depth of letter, Landlord standard 1/2" stand-off from wall for all characters and installation methods.
3. All materials are to be specified including brand names and thicknesses. Paint brands, colors and primer usage are also to be specified.
4. Internal illumination of all exterior channel letters will be achieved via 12v or 24v DC LED light modules or current technology as approved by Landlord. Neon is expressly prohibited on all exterior signage.
5. The size, brand name of power supplies and amperage load must be computed and shown on drawing.
6. Design and lettering details must have crisp edges capable of being projected to full size patterns.

F. CONSTRUCTION REQUIREMENTS

1. All exterior signs, bolts, fastenings and clips shall be of non-rusting materials such as enamel, stainless steel, aluminum, brass or bronze. No ferrous materials of any type are permitted.
2. All exterior letters or signs shall be mounted 1/2" from the building wall with aluminum or PVC spacers to permit proper dirt and water drainage.
3. All letters shall be fabricated using full-welded construction.
4. Location of all openings for conduit in sign panels or building walls shall be indicated by the sign contractor on drawings submitted to the Landlord.
5. All penetrations of the building structure required for sign installation shall be neatly sealed in a water tight condition.
6. Company labels will not be permitted on the exposed surface of signs except those required by local law, code or ordinance which shall be applied in an inconspicuous location.
7. Sign contractor shall repair any damage to property or building caused by their work.
8. Bird spikes may be required to prevent the roosting of birds and shall be approved in writing by the landlord.
9. Tenant shall be fully responsible for the operations of Tenant's sign contractors.
10. All tenant signs shall come on and off at the same time as determined by Landlord

G. CONSTRUCTION DETAILS

1. Letter Construction. All construction to be of “craftsman” quality. All channel letters shall be fabricated from aluminum with a return depth range of 3” minimum to 7” maximum at Landlord’s discretion. A minimum of one 1/4” drain hole in the bottom of each letter stroke is required to prevent dirt and moisture build-up.

2. Illumination. All channel letters shall be internally illuminated with 12v or 24v DC LED modules with brand, model and color called out on drawing. This includes color temperature where white is used i.e. warm white, cool white, etc. No colored lighting except variations of white is allowed without Landlord’s specific approval.

3. Secondary Wiring. No exposed wiring or conduits running between individual letters shall be allowed.

4. Installation. All letters are to be mounted on the designated sign band or location on building wall with 1/2” standoffs, as shown on submitted storefront elevation. All transformers, wiring and electrical components to be concealed behind sign band or interior of wall. Where letters are installed on a parapet wall above roofline, a weatherproof raceway will be used with all penetrations tightly sealed with silicone.

5. Reverse Channel Letters. Reverse channel letters shall have clear Lexan backs and are to be mounted with a minimum 1-1/2” clearance from wall with U.L. approved plastic or non-ferrous metal pass-thru properly sealed and painted to match wall color.

H. MAINTENANCE

1. The Tenant is responsible for any damage to the building as a result of fire caused by any sign wiring.

2. Maintenance of the Tenant’s sign is of prime importance. Illumination outages are to be repaired at the Tenant’s expense within (7) seven days. The cleaning of the sign on a regular basis is also required. Any delamination or other structural deterioration that reflects on the visual appeal of the sign, including fading, peeling, chipping, yellowing of white, etc. shall be repaired at the notice of Landlord and at the expense of the Tenant as set forth and established by Landlord.

3. Purchase of an extended warranty from Tenant’s sign contractor to satisfy the above maintenance requirements is advised.

I. SECONDARY SIGNAGE

1. General Requirements.

(a) Except as provided herein, no advertising placards, paper sheets, banners, pennants, names, insignia, trademarks or other descriptive material, shall be affixed or maintained upon the glass panes and supports of the show windows and doors, or upon the exterior wall of the building or storefront unless specifically approved in writing by Landlord. This includes Credit Card decals and Security Firm identification materials.

(b) In some cases, tenants are permitted additional signage on the side or back of their premises when permitted by the local governmental jurisdiction and upon receipt of written consent from Landlord. In these cases, this entire signage criteria is applicable to such signage.

2. Business Hours. Tenant is required to place upon each public entrance of its demised Premises not more than 240 square inches of white or site specific color vinyl decal application lettering not to exceed two inches (2”) in height, indicating hours of business, and emergency telephone numbers.

3. Service Doors. Tenant is required to provide name and address in service doors at rear of the Premises. Lettering is to be 4” white or contrasting color VDC located 5’-0” above finish floor, centered on door.

4. Open Sign. Tenant is permitted to place a 6” single tube, exposed red neon open sign with lexon cover adjacent to public entrance, mounted within the Premises and hanging from the interior of the Premises. Open sign may not be animated or flashing in any manner. A drawing of such proposed open sign is required for Landlord’s approval.

(end of document)

EXHIBIT E-1

**CROSSROADS SHOPPING CENTER
BELLEVUE, WASHINGTON**

MASTER SIGN PROGRAM

A. INTRODUCTION

The intent of these sign criteria is to provide standards necessary to achieve visually coordinated, balanced and appealing signage for the CROSSROADS SHOPPING CENTER.

All Tenant signs in the shopping center shall be governed by these criteria. Landlord at all times has full rights of approval of sign design, size, number, color, spacing of lines and letters, location on the building, and all other aspects of signage.

These criteria, and the sign plans attached, apply to the Tenant as defined in the Lease; however, they are subject to change by the Landlord for future Leases.

Upon request of the Tenant, exceptions to these standards will be seriously considered by Landlord. However, experience has shown that exceptions create inequities and resulting disputes between Tenants. Generally, approval of exceptions will require showing that the Tenant has made a considerable investment over a period of time advertising in such a way that public recognition of the business depends on the use of the name, color, shape, or logo for which the exception is requested.

B. GENERAL PROCEDURE

All Tenants are required to have signage as provided herein. Prior to any installation, Tenant shall provide to Landlord a design drawing to scale which accurately shows the sign as it would look when installed, with colors designated in words, construction details and electrical specifications. Preliminary sketches may be submitted to obtain a response to basic ideas of shape, color, and wording, but a scale drawing will be required from the sign contractor before approval is granted. This drawing may be submitted in the form of a digital photo of the premise with the new signage shown on it. This can be submitted to Landlord via "jpeg" format by email or disc. Approval will be shown in writing on the face of the scale drawing, signed by the Landlord's representative. This signed drawing will be returned to the sign contractor for use in fabricating the sign, and for use in applying to the City for an installation permit for exterior signs.

Modifications to the initial design which are required will be clearly shown on the signed drawing and approval will be conditional on the required changes being made.

C. FREESTANDING SIGNS

The number, size, and assignment of freestanding signs is at the discretion of the Landlord and City of Bellevue regulations.

D. GENERAL SPECIFICATIONS - EXTERIOR SIGNS FOR EXTERIOR TENANTS

1. Each Tenant space shall be provided with an area for one sign on the main building, canopy element, or awning. The sign will be located at the front of the leased space. For stores at corners, an additional sign may be located on each additional exterior side of the leased space on the main building, canopy element, or awning.
2. Each Tenant shall have one under-canopy sign in all cases. Tenant’s business name only (no logo) will be affixed to a background using white letters. Letter style, background material and background color shall be determined solely by the Landlord based on a unified, coordinated, center-wide plan.
3. Signs shall conform to all applicable Bellevue City ordinances.
4. Sign wording is limited to the establishment’s name with option to show product or service offered. (i.e. Jacques’ Hair Styling)
5. The City of Bellevue regulations provide for an allotment of number of signs and total sign area for Tenant’s façade. Said allotments may be in excess of that approved by Landlord. In such case, said excess allotment shall belong to Landlord to use as Landlord sees fit.
6. Signs on Mall entries shall be assigned by Landlord at his discretion.
7. The Tenant may affix or maintain signs as Tenant chooses within Tenant’s demised premises except for all areas within the first thirty-six (36) inches from any exterior glass windows, glass doors and supports of windows and doors.
The Landlord may issue written approval to the Tenant permitting deviation from the sign prohibition within the thirty-six (36) inches of all glass windows and doors.

E. GENERAL SPECIFICATIONS -INTERIOR SIGNS FOR INTERIOR TENANTS

1. Each Tenant space shall be provided an area for a sign on the front of the leased space. For stores at corners, or with multiple entries, additional signs may be allowed. In addition, at Landlord discretion; Tenant may be required to also install blade signage.
2. Each Tenant may have one additional professionally made sign at the front entrance, placed in a metal 22”x28” or 14”x22” sign card holder. No chalkboards or white boards are permitted without Landlord written approval.
3. Sign wording is limited to the establishment’s name with option to show product or service offered. (i.e. Jacques’ Hair Styling)
4. All signage inside the store facing out to the Mall corridor is subject to Landlord approval. Only professionally made “suspended” signs are acceptable. Signs must be at least 12” away from the store window. No signs are allowed to be taped to the glass. 5. Public Market Tenants may not tape or mount in any fashion, signs to the support columns without prior Landlord written approval.
6. One chalkboard or white board securely fastened to Tenant’s premises is permitted at the service counter of each Public Market Tenant.
7. Public Market Tenants that have full standing back walls may mount signage to the wall with Landlord approval.

F. CONSTRUCTION REQUIREMENTS

1. “Can Signs” are expressly prohibited.
2. All signs shall be individual channel letters or channel words of metal construction. Each large letter, numeral or unit shall be attached, structurally and electrically, individually to the fascia. One line of illuminated letters must be provided. Two or three lines of illuminated letters are allowed with approval of the Landlord.
3. Channel letter signs with integral raceway are preferred provided the raceway is inconspicuous and does not detract from the effectiveness of the sign in Landlord’s opinion.
4. A one-line design may have a second line of smaller non-illuminated letters. A two-line design may have a third line of smaller non-illuminated letters if approved by Landlord.
5. Each large letter, numeral or unit shall be internally illuminated.
6. To assure the architectural integrity, the use of all sign colors, details and materials shall be subject to the Landlord’s approval. Complete shop drawings indicating dimensions, position on fascia, materials and colors must be submitted to the Landlord for written approval prior to submission to the City if required.

G. MISCELLANEOUS REQUIREMENTS

1. Flashing, moving or audible signs will not be permitted.
2. No exposed conduit, electro-metallic tubing, ballast boxes, or transformers shall be permitted. Due to the increasing tasteful use of exposed neon, exposed neon tubing will be considered on a case by case basis.
3. Location of all openings for conduits and sleeves in fascia panels and/or building walls shall be indicated by the sign contractor on drawings submitted to the Landlord. All penetrations of the exterior building structure required for sign installations shall be neatly sealed in a watertight condition. These watertight seals must be maintained by Tenant throughout the lease term.
4. The sign contractor shall repair any damage caused by installation and Tenant shall be fully responsible for the operations of Tenant’s sign contractor(s).
5. No signmaker’s labels or other identification shall be permitted on the exposed surface of signs. Testing laboratory labels shall be as inconspicuous as possible within code compliance.
6. If the sign is ever removed for replacement, modification, or because of termination of Lease, Tenant shall leave the mounting area in good condition, normal wear and tear excepted. Without limitation, Tenant shall specifically be required to fill in a workmanlike manner any holes left by removal of the sign and conduit and to repaint to match existing paint.

H. INFORMATION AND TEMPORARY SIGNING

1. Storefront Information Signing: Each Tenant may place on the storefront, within the glass area next to the front door, white vinyl lettering not to exceed 1” in height nor more than 144 square inches, indicating hours of business, emergency telephone number, etc. The

144 square inches shall be measured by a rectangle around the outside of all lines of lettering.

2. Delivery and Service Door Signing: Each Tenant must place on the service or delivery door, when such door is not their front entrance, one sign indicating the name of the business in white lettering not to exceed 3” in height nor more than 100 square inches. This sign shall be located at a height of 5’6”.
3. Temporary and Portable Signs: No Tenant shall affix or maintain upon the glass panes and supports of the show windows or upon the exterior walls of the premises or the buildings or in the parking lot and landscape areas any signs other than as permitted herein except with the Landlord’s approval and then in compliance with City codes.
4. Homemade cardboard, butcher-paper, pen markers, spray paint and stencil signs are prohibited.

EXHIBIT F

HAZARDOUS SUBSTANCES

1. Asbestos. Tenant acknowledges that Landlord has advised Tenant that the Premises and/or the Shopping Center contains or, because of its age is likely to contain, asbestos-containing materials (ACMs). If Tenant intends to undertake any construction, alterations, additions or improvements to the Premises, as required or permitted by Section 3.3(a) or Section 9.1 of the Lease, Tenant shall notify Landlord thereof, in writing. Tenant shall not undertake the construction, alteration, additions or improvements until Landlord shall have, within 30 days after Tenant's notice, specified to Tenant the manner in which such work must be effected to avoid disturbing any ACMs present in the Premises and/or the Shopping Center. Notwithstanding the foregoing, if Tenant undertakes, or intends to undertake, any additions, alterations, or improvements to the Premises, then Tenant, will, at no cost to Landlord, (a) conduct all such activities in accordance with applicable laws, including all environmental laws relating to the presence, management, handling, removal and disposal of ACMs, (b) prevent the disturbance or spread of ACMs at, within or from the Premises, and (c) provide all required notices, including any notices required by the Washington Department of Environmental Quality, applicable provisions of the Washington Labor Code and the National Emission Standard for Asbestos (40 Code of Federal Regulations §61.140-61.157). Tenant will additionally comply with all requirements imposed under any environmental laws regarding abatement of conditions arising from the presence of ACMs on or in the Premises. If ACMs might be disturbed in the course of such work by Tenant, before Tenant commences its work, Landlord reserves the right to encapsulate or remove the ACMs in accordance with applicable environmental laws, but Landlord shall have no obligation to do so.

2. Landlord's Access. Landlord shall have access to the Premises as may be required to carry out any remediation, testing, or inspection of the Premises in any way connected with or required with respect to the detection, analysis, remediation, or other activity related to the presence or possible presence of Hazardous Substances, as that term is defined below, on the Premises or any land contiguous to or adjoining the Premises. Landlord shall use reasonable measures to minimize the disturbance of Tenant in connection with each entry. If any of the foregoing actions are required because of a breach by Tenant with respect to any of its obligations set forth in this Lease, Tenant shall pay Landlord's actual reasonable expenses required to plan, supervise, and carry out any required cure or remedy of such contamination, including reasonable attorney's fees, all consultant fees, contractor expenses, engineering, testing, and inspection expenses.

3. Hazardous Substances. For the purposes of this Exhibit F and this Lease, "**Hazardous Substances**" shall mean and include any chemical, compound, material, mixture, waste, or substance that is now or hereafter defined or listed in, or otherwise classified pursuant to, any Environmental Laws as a "Hazardous Substance," "hazardous material," "hazardous waste," "extremely hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, or toxicity including any petroleum, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixture of natural gas and such synthetic gas). "**Environmental Laws**" shall include all statutes, laws, rules and regulations mentioned in this Section and shall also include any other federal, state or local statute, ordinance, rule, law, or regulation relating to the protection of human health and the environment. "Hazardous Substances" shall include, without limitation, any hazardous or toxic substance, material or waste or any chemical, compound, or mixture which is (i) asbestos, (ii) motor oil, gasoline, petroleum, or any petroleum by-product, (iii) designated as a "Hazardous Substance" pursuant to Section 1317 of the Federal Water Pollution Control Act (33 U.S.C. Section 1251, et seq), (iv) defined as a "hazardous waste" pursuant to Section 6903 of the Federal Resource Conservation and Recovery Act, (42 U.S.C. Section 6901, et seq), (v) defined as "Hazardous Substances" pursuant to Section 9601 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq, or (vi) listed in the United States Department of Transportation Table (49 CFR 172.101) or by the Environmental Protection Agency as Hazardous Substances (40 CFR part 302); or in any and all amendments thereto in effect as of the Closing Date; or such chemicals, compounds, mixtures, substances, materials or wastes otherwise regulated under any applicable local, state or federal Environmental Laws.

4. Waiver of Damages. Intentionally omitted

5. Rent Abatement for Remediation Interference. Commencing with the date on which Tenant is deprived of actual possession of any portion of the Premises as a result of any environmental remediation activity of Landlord, the monthly rent shall be reduced by the same percentage by which the fair rental value of the Premises is reduced as a result of such remediation, unless the remediation activity is the result of the negligence or any breach by Tenant with regard to any of its obligations under this Lease or any previous lease between Landlord and Tenant, or any previous landlord of the Premises, in which case, no rent abatement shall be granted to Tenant.

6. Environmental Indemnification. In addition to all other obligations of Tenant under this Lease, and under applicable law, Tenant will hold harmless, indemnify, and defend Landlord from and against any claims, demands, penalties, fees, liens, damages, losses, expenses, or liabilities (including the costs of cleanup and reasonable professional fees, including fees of Landlord's attorneys, environmental consultants, contractors, inspections, laboratory fees, and the like) incurred by Landlord as a result of any contamination of the Premises by any Hazardous Substance to the extent the presence of Hazardous Substances on the Premises is the result of the acts or omissions of Tenant or its agents or contractors. Nothing in this Section shall limit Tenant's duty of indemnification or contribution imposed by any other provision in this Lease or by applicable law. The indemnity and other duties provided for in this Section shall survive the expiration or sooner termination of this Lease.

7. Tenant's Responsibilities.

(a) Conform With Laws. Tenant shall not create, use, or keep in, on, or around the Premises any Hazardous Substance except those consented to in writing by Landlord and which are used or sold by Tenant in the ordinary course of its business and then only in accordance with all applicable laws, rules, regulations, and ordinances covering the transportation, storage, sale, use, and disposal of any such Hazardous Substances. Upon request from Landlord, Tenant shall promptly provide Landlord with all documents, materials, and other evidence requested by Landlord, including, if requested, an inspection of the Premises by Landlord or Landlord's consultants, to verify Tenant's compliance with the requirements of this paragraph.

(b) List of Hazardous Substances. Attached as Schedule F-1 is a list of all Hazardous Substances Tenant is authorized to bring on to the Premises. Also shown on Schedule F-1 is the maximum quantity of each Hazardous Substance which Tenant is authorized to have at the premises at any time. [Tenant to prepare list -- subject to approval by Landlord, in Landlord's sole discretion.]

(end of document)

EXHIBIT G

RULES AND REGULATIONS

1. The sidewalks, entrances, passages, courts, elevators, vestibules, stairways, corridors or halls shall not be obstructed or used for any purpose other than ingress or egress. The halls, passages, entrances, elevators, stairways, balconies and roof are not for the use of the general public, and Landlord shall in all cases retain the right to control or prevent access thereto by all persons whose presence in the judgment of Landlord shall be prejudicial to the safety, character, reputation or interests of the Building and its tenants, provided that nothing herein contained shall be construed to prevent such access by persons with whom Tenant normally deals in the ordinary course of its business unless such persons are engaged in illegal activities. Tenant shall not enter the mechanical rooms, air handler rooms, electrical closets, janitorial closets, or go upon the roof of the Shopping Center Buildings without the prior written consent of Landlord.

2. No awnings or other projections shall be attached to the outside walls of the Building, no window shades, blinds, drapes or other window coverings shall be hung in the Premises (other than as specified in the Work Letter, if any), and no solar filming or window tinting shall be performed, without the prior written consent of Landlord.

3. No sign, picture, advertisement or notice shall be inscribed, exhibited, painted or affixed by any tenant on any part of, or so as to be seen from the outside of, the Premises or the Building, except in compliance with Landlord's sign criteria and with the prior written consent of Landlord. No obstructions or advertising devices of any kind whatsoever shall be placed in front of or in the passageways, hallways, lobbies or corridors of the Building by Tenant without Landlord's prior written consent. In the event of the violation of the foregoing by any tenant, Landlord may remove the same without any liability, and may charge the expense incurred in such removal to the tenant violating this rule. Interior signs on doors and directory tablet shall be inscribed, painted or affixed for each tenant by Landlord at the expense of such tenant and shall be of a size, color and style acceptable to Landlord.

4. The toilets, wash basins and other plumbing fixtures shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags or other substances shall be thrown therein. All damage resulting from any misuse of such fixtures shall be borne by Tenant who, or whose servants, employees, agents, visitors or licensees, shall have caused the same.

5. Tenant shall not use personal/individual space heaters in the Premises.

6. Without Landlord's prior written consent, no tenant shall mark, paint, drill into, or in any way deface any part of the Premises or the Building. No boring, cutting or stringing of wires or laying of linoleum or other similar floor coverings shall be permitted without the prior written consent of Landlord and then only as Landlord may direct.

7. The Premises shall not be used for lodging or sleeping or for any immoral or illegal purposes.

8. No tenant shall throw anything out of doors or down the public corridors, stairways or other Common Areas of the Shopping Center.

9. No tenant shall do or permit anything to be done in the Premises, or bring or keep anything therein, which shall in any way increase the rate of fire insurance on the Building or on the property kept therein, or obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or conflict with the regulations of the Fire Department or the fire laws, or with any insurance policy upon the Building or any part thereof, or with any rules and ordinances established by the Health Department or other governmental authority.

10. Tenant shall not install or operate vending machines within the Premises.

11. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any tenant make any changes in existing locks or in the mechanisms thereof without the prior written

consent of Landlord. Each tenant must, upon the termination of its tenancy, give Landlord the combination to all combination locks on safes, safe cabinets and vaults and restore to Landlord all keys of stores, offices, and toilet rooms, either furnished to, or otherwise procured by such tenant, and in the event of the loss of any key so furnished, such tenant shall pay to Landlord the 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.

12. All deliveries or removals, or the carrying in or out of any freight, furniture, or bulky matter of any description must take place at the time and in the manner which Landlord may determine from time to time. Tenants shall endeavor to schedule deliveries and the activity of delivery trucks and vans during hours other than those during which the Shopping Center is open to the public for business. The moving of safes or other fixtures or bulky matter of any kind must be made upon previous notice to the manager of the Shopping Center and under his supervision, and the persons employed by tenant for such work must be acceptable to Landlord.

13. No Tenant shall engage in advertising which, in Landlord's opinion, tends to impair the reputation of the Building or its desirability as a first class, high quality Shopping Center.

14. All doors opening into public corridors shall be kept closed, and, during non-business hours, locked, except when in use for ingress or egress.

15. Canvassing, soliciting and peddling in the common areas, Parking Areas or on the sidewalks or walkways adjacent to the Shopping Center are prohibited without Landlord's prior written consent. Tenant shall not use sign spinners or human directionals on the perimeter of the Shopping Center or walkways adjacent to the Shopping Center.

16. No explosives or firearms shall be brought into the Premises or the Shopping Center, except for those items as required for the day-to-day operations of business within the Premises and the firearms carried by law enforcement personnel. Tenant agrees that any such devices shall be contained in such a way as to not risk the safety and well-being of other occupants of the Shopping Center or their customers.

17. Landlord reserves the right to close and keep locked all entrance and exit doors of the Shopping Center during such hours as Landlord may deem to be advisable for the adequate-protection of the Shopping Center.

18. All parking ramps and areas, pedestrian walkways, and plaza and other public and Common Areas forming a part of the Shopping Center, if any, shall be under the sole and absolute control of Landlord, who shall have the exclusive right to regulate and control these areas.

19. The parking of vehicles of employees of tenants shall be done only in those areas designated by Landlord which may be changed from time to time in Landlord's sole discretion. There shall be no overnight parking or storage of vehicles in any parking areas and Landlord reserves the right to remove the same at the owner's sole cost and expense.

20. No tenant shall stock, store or warehouse merchandise on the Premises which such tenant does not intend to offer for sale from the Premises.

21. Tenants shall maintain their respective Premises free of insects, rodents, vermin and other pests and keep any garbage, trash, rubbish and refuse in rat proof containers in designated areas.

22. Tenants shall light the show windows of their respective Premises and exterior signs during such hours as Landlord may require.

23. Tenants shall conduct business in all respects in a dignified manner in accordance with the highest standards of decency and morals prevailing in the community in which the Shopping Center is located.

(end of document)

EXHIBIT H

FORM OF COMMENCEMENT DATE CERTIFICATE

With respect to that certain lease ("Lease") dated _____, 20____, by and between TERRANOMICS CROSSROADS ASSOCIATES, a California limited partnership (hereinafter "Landlord"), and _____ (hereinafter "Tenant"), whereby Landlord leased to Tenant that certain premises located at 15600 N.E. 8th Street, Suite ___, Bellevue, WA 98008, Crossroads Shopping Center, ("the Premises") as more particularly described therein. Tenant hereby acknowledges and certifies to Landlord as follows:

- 1. Landlord delivered possession of the Premises to Tenant in accordance with the terms of the Lease on _____ ("Delivery Date");
- 2. The original term of the Lease commenced on _____ ("Lease Commencement Date") and will expire on _____. The Lease is for a term of _____ months. ("Lease Term");
- 3. The date on which Tenant opened for business was _____ ("Opening Date");
- 4. The Rent Commencement Date is _____;

Future rent steps are as follows:

Date	Amount
_____	_____
_____	_____
_____	_____
_____	_____

5. The date in which Tenant's obligations to pay Adjustments or Additional Rent (including but not limited to payment of Common Area Maintenance, Taxes, and Insurance) is _____.

6. In the event Tenant has one or more Options to Renew the Lease, in order to exercise the first option, Tenant must give notice to Landlord no later than _____ ("Notice Date"). Future options, if any, must be exercised by giving notice to Landlord no later than _____.

7. Tenant knows of no event which would constitute a default under the terms of the Lease by either Tenant or Landlord.

This Commencement Date Certificate is executed on _____, 20____.

Terranomics Crossroads Associates,
a California limited partnership

Tenant: _____

By: ROIC Crossroads GP, LLC,
a Delaware limited liability company

By: *Pro-forma – Do not execute*
Name: _____

Its: Sole General Partner

Its: _____

By: _____
Its: Property Manager

By: Richard K. Schoebel
Its: Chief Operating Officer

EXHIBIT I

CROSSROADS SHOPPING CENTER

FORM OF TENANT’S ESTOPPEL CERTIFICATE

The undersigned, “Tenant” under that certain Lease dated _____, 20____, as amended (_____) (collectively the “Lease”), by and between _____ as Landlord, and Tenant for certain demised premises in _____ Shopping Center located in the City of _____, County of _____, State of _____ (the “Premises”), certifies as follows:

- 1. Tenant has commenced occupancy of the Premises described in the Lease.
- 2. The Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way, except as follows: None
- 3. The Lease represents the entire agreement between the Parties with respect to the Premises.
- 4. The Lease Term expires on _____.
- 5. Tenant acknowledges that Landlord is not in default in the performance of the terms, covenants, and conditions of the Lease as of the date of this certificate. Tenant further waives any and all rights to dispute any Common Area maintenance, real estate taxes or insurance billed or reconciliations which have been billed or required to be billed from the date of this certificate.
- 6. As of the date hereof, no rental has been paid in advance. The security deposit held by Landlord is the sum of * and **/100 Dollars (\$***).
- 7. As of the date hereof, Tenant claims no existing defenses or offsets that would or might preclude Landlord’s enforcement of the Lease by its terms.
- 8. The current monthly installment of Fixed Minimum Rent is _____ and 00/100 Dollars (\$_____) and shall increase as follows:

Effective Date	Monthly Rent
_____ to _____	\$ _____
_____ to _____	\$ _____
_____ to _____	\$ _____
_____ to _____	\$ _____
_____ to _____	\$ _____

9. The current monthly estimated Common Area maintenance expense, real estate taxes and insurance is as follows:

Common Area Maintenance Expenses	\$ _____
Real Estate Taxes	\$ _____
Insurance	\$ _____
TOTAL	\$ _____

10. Tenant acknowledges that this certificate may be delivered to Landlord’s mortgagee or prospective purchaser and that, in such event, the mortgagee or prospective purchaser will rely upon the statements

contained herein in making the loan, acquiring the property of which the Premises are a part, or accepting an assignment of the Lease as collateral security, and that receipt by it of this certificate is a condition of making the loan or acquisition of such property.

Executed _____, 20__.

TENANT: _____

Pro-forma – Do not execute

By: _____
Its: _____