

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

185



FROM: Don Kent, Treasurer-Tax Collector

SUBMITTAL DATE:
JUN 02 2016

SUBJECT: Recommendation for Distribution of Excess Proceeds for Tax Sale No. 192, Item 739. Last assessed to: California Western Financial Investments, Inc., as Custodial Trustee FBO: Lois D. Bean, Successor Co-Trustee of the Bean Living Trust dated June 2, 1989 17.675%; Stanley E. Porter and Lorraine D. Porter Revocable ABT Trust dated December 30, 1992 22.231%; Russell A. Owen, Trustee of the W.A. Owen & Associates Profit Sharing Plan 15.711%; Phillip J. Adams, an unmarried man 12.176%; Judith Jensen Howell, a single woman 32.207%, all as tenants in common. District 5 [\$748]. Fund 65595 Excess Proceeds from Tax Sale.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the claim from Ruzicka, Wallace & Coughlin, LLP, agent for Bayport Los Alamitos Associates LP for payment of excess proceeds resulting from the Tax Collector's public auction sale associated with parcel 528033034-0;

(continued on page two)

BACKGROUND:

Summary

(continued on page two)

Don Kent

Don Kent
Treasurer-Tax Collector

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 748	\$ 0	\$ 748	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Fund 65595 Excess Proceeds from Tax Sale

Budget Adjustment: N/A

For Fiscal Year: 16/17

C.E.O. RECOMMENDATION:

APPROVE

BY: Samuel Wong
Samuel Wong

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- ☐ A-30
☐ Positions Added
☐ 4/5 Vote
☐ Change Order

Prev. Agn. Ref.:

District: 5

Agenda Number:

9-6

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Recommendation for Distribution of Excess Proceeds for Tax Sale No. 192, Item 739. Last assessed to: California Western Financial Investments, Inc., as Custodial Trustee FBO: Lois D. Bean, Successor Co-Trustee of the Bean Living Trust dated June 2, 1989 17.675%; Stanley E. Porter and Lorraine D. Porter Revocable ABT Trust dated December 30, 1992 22.231%; Russell A. Owen, Trustee of the W.A. Owen & Associates Profit Sharing Plan 15.711%; Phillip J. Adams, an unmarried man 12.176%; Judith Jensen Howell, a single woman 32.207%, all as tenants in common. District 5 [\$748]. Fund 65595 Excess Proceeds from Tax Sale.

DATE: JUN 02 2016

PAGE: Page 2 of 3

RECOMMENDED MOTION:

2. Deny the claim from California Western Financial Investments, Inc.;
3. Authorize and direct the Auditor-Controller to issue a warrant to Ruzicka, Wallace & Coughlin, LLP, agent for Bayport Los Alamitos Associates LP in the amount of \$748.25, no sooner than ninety days from the date of this order, unless an appeal has been filed in Superior Court, pursuant to the California Revenue and Taxation Code Section 4675.
4. Authorize and direct the Treasurer-Tax Collector to transfer the unclaimed excess proceeds in the amount of \$3,485.10 to the county general fund pursuant to Revenue and Taxation Code Section 4674.

BACKGROUND:

Summary (continued)

In accordance with Section 3691 et seq. of the California Revenue and Taxation Code, and with prior approval of the Board of Supervisors, The Tax Collector conducted the March 20, 2012 public auction sale. The deed conveying title to the purchasers at the auction was recorded May 11, 2012. Further, as required by Section 4676 of the California Revenue and Taxation Code, notice of the right to claim excess proceeds was given on June 6, 2012, to parties of interest as defined in Section 4675 of said code. Parties of interest have been determined by an examination of lot book reports as well as Assessor's and Recorder's records, and various research methods were used to obtain current mailing addresses for these parties of interest.

Revenue and Taxation Code 4676 (b) states that the county shall make reasonable effort to obtain the name and last known mailing address of the parties of interest. Then, if the address of the party of interest cannot be obtained, the county shall publish notice of the right to claim excess proceeds in a newspaper of general circulation in the county as per Revenue and Taxation Code 4676 (c). The Treasurer-Tax Collector's Office has made it a policy to take the following actions to locate the rightful party of the excess proceeds.

- Examined title reports to notify all parties of interest attached to the parcel.
- Researched all last assessee's through the County's Property Tax System for any additional addresses.
- Used Accurint (people finder) to notify any new addresses that may be listed for our last assessees.
- Advertised in newspapers for three consecutive weeks in the Desert Sun, Palo Verde Valley Times and the Press Enterprise referring any parties of interest to file a claim for the excess proceeds.
- Sent out a certified mailing within 90 days as required by Revenue and Taxation Code 4675.

According to Revenue and Taxation Code 4675 (a) Any party of interest in the property may file with the county a claim for the excess proceeds, in proportion to his or her interest held with others of equal priority in the property at the time of the sale, at any time prior to the expiration of the one year following the recordation of the Tax Collector's deed to the Purchaser, which was recorded on May 11, 2012.

The Treasurer-Tax Collector has received two claims for excess proceeds:

1. Claim from Ruzicka, Wallace & Coughlin, LLP, agent for Bayport Los Alamitos Associates LP based on an Authorization for Agent to Collect Excess Proceeds dated November 25, 2014 and an Abstract of Judgment recorded March 29, 2011 as Instrument No. 2011-0136552.
2. Claim from California Western Financial Investments, Inc. based on a Trustee's Deed Upon Sale recorded April 24, 2007 as Instrument No. 2007-0274152.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FORM 11: Recommendation for Distribution of Excess Proceeds for Tax Sale No. 192, Item 739. Last assessed to: California Western Financial Investments, Inc., as Custodial Trustee FBO: Lois D. Bean, Successor Co-Trustee of the Bean Living Trust dated June 2, 1989 17.675%; Stanley E. Porter and Lorraine D. Porter Revocable ABT Trust dated December 30, 1992 22.231%; Russell A. Owen, Trustee of the W.A. Owen & Associates Profit Sharing Plan 15.711%; Phillip J. Adams, an unmarried man 12.176%; Judith Jensen Howell, a single woman 32.207%, all as tenants in common. District 5 [\$748]. Fund 65595 Excess Proceeds from Tax Sale.

DATE: JUN 02 2016

PAGE: Page 3 of 3

Pursuant to Section 4675 of the California Revenue and Taxation Code, it is the recommendation of this office that Ruzicka, Wallace & Coughlin, LLP, agent for Bayport Los Alamitos Associates LP be awarded excess proceeds in the amount of \$748.25. Since the claim from Ruzicka, Wallace & Coughlin, LLP, agent for Bayport Los Alamitos Associates LP exceeds the amount of California Western Financial Investments, Inc.'s claimable portion of the excess proceeds, there are no funds available for consideration for the claim from California Western Financial Investments, Inc. Since there are no other claimants for Stanley E. Porter, Lorraine D. Porter, Russell A. Owen, Phillip J. Adams or Judith Jensen Howell's portions of the unclaimed excess proceeds in the amount of \$3,485.10 will be transferred to the county general fund. Supporting documentation has been provided. The Tax Collector requests approval of the above recommended motion. Notice of this recommendation was sent to the claimants by certified mail.

Impact on Citizens and Businesses

The excess proceeds are being released to the lien holder and transferred to the county general fund.

ATTACHMENTS (if needed, in this order):

Copies of the Excess Proceeds Claim forms and supporting documentation are attached.

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY
(SEE REVERSE SIDE FOR FURTHER INSTRUCTIONS)

To: Don Kent, Treasurer-Tax Collector

Re: Claim for Excess Proceeds

TC 192 Item 739 Assessment No.: 528033034-0

Assessee: CALIFORNIA WESTERN FINANCIAL INV INC TR & PORTER, STANLEY E TR & OWEN, RUSSELL A TR & ADAMS, PHILLIP J ETAL

Situs: 51802 DATE AVE CABAZON

Date Sold: March 20, 2012

Date Deed to Purchaser Recorded: May 11, 2012

Final Date to Submit Claim: May 13, 2013

RECEIVED
2012 JUN 14 PM 4:52
RIVERSIDE COUNTY
TREAS-TAX COLLECTOR

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$ 25,750.00 from the sale of the above mentioned real property. I/We were the ☒ lienholder(s) ☐ property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2011-0136552; recorded on 3-29-2011. A copy of this document is attached here to. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

SUMMONS AND COMPLAINT - UNLAWFUL DETAINER

JUDGMENT

ABSTRACT OF JUDGMENT

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 8th day of JUNE, 2012 at ORANGE, CA
County, State

Signature of Claimant

DESS RICHARDSON, ESQ.

RUZICKA & WALLACE, LLP

Print Name

16520 BAKE PKWY, STE 280

Street Address

IRVINE, CA 92618

City, State, Zip

949-759-1080

Phone Number

Signature of Claimant

Print Name

Street Address

City, State, Zip

Phone Number

THE LAW FIRM OF

RUZICKA, WALLACE & COUGHLIN, LLP

A LIMITED LIABILITY PARTNERSHIP,
INCLUDING PROFESSIONAL CORPORATIONS*

16520 BAKE PARKWAY
SUITE 280
IRVINE, CALIFORNIA 92618
TELEPHONE (949) 759-1080
FACSIMILE (949) 759-6813

GREGORY V. RUZICKA, LL.M., APC*, RETIRED
EARL R. WALLACE
FRANK J. COUGHLIN, APC
RICHARD S. SONTAG
MEGAN K. S. BEIERLE
DESS RICHARDSON
KIM-THAO T. LE

Of Counsel
DALE K. QUINLAN, APC*

December 4, 2014

VIA FACSIMILE (951) 955-3827 & OVERNIGHT MAIL

Mr. Jason Jacquez
Riverside County Treasurer - Tax Collector
4080 Lemon Street, 4th Floor
Riverside, CA 92502

RE: APN: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

Dear Mr. Jacquez:

As you are aware, this law firm represents Bayport Los Alamitos Associates, LP. I am in receipt of your letter to Dess Richardson dated November 26, 2014. Pursuant to your request, enclosed please find an Authorization For Agent to Collect Excess Proceeds signed by our client and me, with each signature acknowledged by a notary public, and an updated statement of monies owed. I have also enclosed a copy of the court judgment and abstract of judgment that forms the basis of our client's claim.

The total amount owing our client as of the date of the tax sale (March 20, 2012) with accrued interest at the legal rate of 10% per annum was \$28,940.55. The total amount owing our client as of the date the authorization form was prepared (November 26, 2014) with accrued interest at the legal rate of 10% per annum was \$35,831.30. The authorization form lists the higher amount for the purpose of claiming all proceeds to which our client may be entitled.

The check may be made payable directly to our client, Bayport Los Alamitos Associates LP, or to the Ruzicka & Wallace, LLP Trust Account, and should be delivered to the undersigned at the address list above. If you have any questions, please contact the undersigned.

Sincerely,

RUZICKA, WALLACE & COUGHLIN, LLP



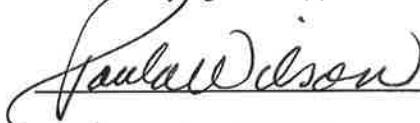
By: Earl R. Wallace, Esq.

Encl.

AUTHORIZATION FOR AGENT TO COLLECT EXCESS PROCEEDS

As a party of interest (defined in Section 4675 of the California Revenue and Taxation Code), I, the undersigned, do hereby make RUZICKA, WALLACE & COUGHLIN, LLP formerly known as RUZICKA & WALLACE, LLP my agent to apply for and collect the excess proceeds which you are holding and to which I am entitled from the sale of assessment number 528033034-0 sold at public auction on March 20, 2012. I understand that I AM NOT SELLING MY RIGHT TO THE REFUND, but merely naming an agent for collection purposes for my convenience.

I also understand that the total of excess proceeds available for refund is \$35,831.30 and that I have a right to file a claim for this refund on my own, without the help of an agent. For valuable consideration received my agent is appointed to act on my behalf.



STATE OF CALIFORNIA)ss.
COUNTY OF ORANGE

BAYPORT LOS ALAMITOS ASSOCIATES LP
Paula Wilson, Commercial Property Manager
BayHarbor Management Services, Inc.
3090 Pullman Street
Costa Mesa, CA 92626
(714) 434-4427

On _____, before me, _____, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.
WITNESS my hand and official seal.

(This area for official seal)

(Signature of Notary)

I, the undersigned, certify under penalty of perjury that I have disclosed to the party of interest, pursuant to Section 4675 of the California Revenue and Taxation Code, the full amount of excess proceeds available and ADVISED HIM OF HIS RIGHT TO FILE A CLAIM ON HIS OWN, WITHOUT THE HELP OF AN AGENT.



STATE OF CALIFORNIA)ss.
COUNTY OF ORANGE

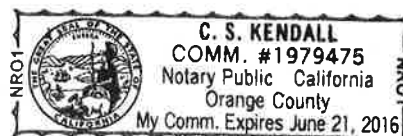
RUZICKA, WALLACE & COUGHLIN, LLP
Earl R. Wallace, Esq.
16520 Bake Parkway, Suite 280
Irvine, CA 92618
(949) 759-1080

On DECEMBER 4, 2014 before me, C.S. Kendall, Notary Public, personally appeared EARL ROBERT WALLACE, who proved to me on the basis of satisfactory evidence to be the person~~(s)~~ whose name~~(s)~~ ~~(s)~~ are subscribed to the within instrument and acknowledged to me that he~~/she/they~~ executed the same in ~~(his/her/their)~~ authorized capacity~~(ies)~~, and that by ~~(his/her/their)~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the forgoing paragraph is true and correct.
WITNESS my hand and official seal.


(Signature of Notary)

(This area for official seal)



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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)
 County of Orange)
 On 11/25/14 before me, Jackie Lynne Venturelli
 Date Here Insert Name and Title of the Officer
 personally appeared Paula Wilson
 Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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.



Signature Jackie Lynne Venturelli
 Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____ Document Date: _____
 Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

Signer's Name: _____
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator
☐ Other: _____
 Signer Is Representing: _____

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, address, State Bar number, and telephone number):

Recording requested by and return to:

DESS RICHARDSON, ESQ.
RUZICKA & WALLACE, LLP (SBN #26954)
16520 BAKE PKWY., SUITE 280

IRVINE, CA 92618
(949) 759-1080

☒ ATTORNEY FOR ☒ JUDGMENT CREDITOR ☐ ASSIGNEE OF RECORD

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

STREET ADDRESS: 8141 13TH STREET

MAILING ADDRESS:

CITY AND ZIP CODE: WESTMINSTER, CA 92683-4593

BRANCH NAME: WEST JUSTICE CENTER -LIMITED CIVIL

PLAINTIFF: BAYPORT LOS ALAMITOS ASSOCIATES LP

DEFENDANT: CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A CALIFORNIA CORPORATION

ABSTRACT OF JUDGMENT—CIVIL AND SMALL CLAIMS

☐ Amended

1. The ☒ judgment creditor ☐ assignee of record applies for an abstract of judgment and represents the following:

a. Judgment debtor's

Name and last known address

CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC.,

A CALIFORNIA CORPORATION

3351 AND 3363 CERRITOS AVENUE

LOS ALAMITOS, CA 90720

b. Driver's license no. [last 4 digits] and state:

☒ Unknown

c. Social security no. [last 4 digits]:

☒ Unknown

d. Summons or notice of entry of sister-state judgment was personally served or mailed to (name and address): CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC., A CALIFORNIA CORPORATION

3351 AND 3363 CERRITOS AVENUE, LOS ALAMITOS, CA 90720

2. ☐ Information on additional judgment debtors is shown on page 2.

4. ☐ Information on additional judgment creditors is shown on page 2.

3. Judgment creditor (name and address):

5. ☐ Original abstract recorded in this county:

BAYPORT LOS ALAMITOS ASSOCIATES LP C/O RUZICKA &

WALLACE 16520 BAKE PARKWAY, SUITE 280, IRVINE, CA 92618

a. Date:

b. Instrument No.:

Date: 2/10/2011

DESS RICHARDSON, ESQ.

(TYPE OR PRINT NAME)

(SIGNATURE OF APPLICANT OR ATTORNEY)

6. Total amount of judgment as entered or last renewed:

\$ 25,750.00

10. ☐ An ☐ execution lien ☐ attachment lien is endorsed on the judgment as follows:

a. Amount: \$

b. In favor of (name and address):

7. All judgment creditors and debtors are listed on this abstract.

8. a. Judgment entered on (date): 12/28/10

b. Renewal entered on (date):

9. ☐ This judgment is an installment judgment.

11. A stay of enforcement has

a. ☒ not been ordered by the court.

b. ☐ been ordered by the court effective until (date):

12. a. ☒ I certify that this is a true and correct abstract of the judgment entered in this action. A certified copy of the judgment is attached.

Clerk, by

Deputy



This abstract issued on (date):

ALAN CARLSON
MAR 24 2011

ABSTRACT OF JUDGMENT—CIVIL AND SMALL CLAIMS

Legal Solutions Plus

Page 1 of 2
Code of Civil Procedure, §§ 488.480, 674, 700.190

DOC # 2011-0136552
03/29/2011 08:59A Fee:18.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Larry W. Ward
Assessor, County Clerk & Recorder



S	R	U	PAGE	SIZE	DA	MISC	LUNG	RFD	COPY
			2						
M	A	L	465	426	PCOR	NCOR	SMF	NCHG	EXAM

C
508

FOR COURT USE ONLY

PLAINTIFF: BAYPORT LOS ALAMITOS ASSOCIATES LP	CASE NUMBER: 30-2010-00428131
DEFENDANT: CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A CALIFORNIA CORPORATION	

NAMES AND ADDRESSES OF ADDITIONAL JUDGMENT CREDITORS:

13. Judgment creditor (name and address): 14. Judgment creditor (name and address):

15. ☐ Continued on Attachment 15.

INFORMATION ON ADDITIONAL JUDGMENT DEBTORS:

16. Name and last known address	17. Name and last known address
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Driver's license no. [last 4 digits] and state:	Driver's license no. [last 4 digits] and state:
<input type="checkbox"/> Unknown	<input type="checkbox"/> Unknown
Social security no. [last 4 digits]:	Social security no. [last 4 digits]:
<input type="checkbox"/> Unknown	<input type="checkbox"/> Unknown
Summons was personally served at or mailed to (address):	Summons was personally served at or mailed to (address):

18. Name and last known address	19. Name and last known address
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
<div style="border: 1px solid black; height: 20px; width: 100%;"></div>	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
Driver's license no. [last 4 digits] and state:	Driver's license no. [last 4 digits] and state:
<input type="checkbox"/> Unknown	<input type="checkbox"/> Unknown
Social security no. [last 4 digits]:	Social security no. [last 4 digits]:
<input type="checkbox"/> Unknown	<input type="checkbox"/> Unknown
Summons was personally served at or mailed to (address):	Summons was personally served at or mailed to (address):

20. ☐ Continued on Attachment 20.



2011-0136552
03/29/2011 08:59A
2 of 2

<p>SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE</p> <p>JUSTICE CENTER: <input type="checkbox"/> Central <input type="checkbox"/> Harbor <input type="checkbox"/> North <input type="checkbox"/> South <input checked="" type="checkbox"/> West</p> <p>STREET ADDRESS: 8141 13th St</p> <p>P.O. BOX:</p> <p>CITY AND ZIP CODE: Westminster, 92683</p>	<p>FOR COURT USE ONLY</p> <p>FILED</p> <p>SUPERIOR COURT OF CALIFORNIA COUNTY OF ORANGE WEST JUSTICE CENTER</p> <p>DEC 28 2010</p> <p>ALAN CARLSON, Clerk of the Court</p> <p>BY: <u>AROLE RODRIGUEZ</u> DEPUT</p>
<p>PLAINTIFF: Bayport Los Alamitos Associates LP</p> <p>DEFENDANT: California Western Financial Institute Inc</p> <p>STIPULATION FOR ENTRY OF JUDGMENT - UNLAWFUL DETAINER Limited Civil</p>	<p>CASE NUMBER: 315-2010-0042131</p>

IT IS STIPULATED by and between the plaintiff(s): Bayport Los Alamitos II, Ltd. et al
and defendant(s): California Western Financial Investments, Inc.

☒ that plaintiff(s) be awarded possession of the premises located at: ☒ includes forfeiture of the lease

☒ and that a money judgment be granted in favor plaintiff(s) as follows:
 \$ 75,000 Rent & Damages, \$ 450.00 Attorney fees, \$ 300.00 Costs, for a
 TOTAL SUM OF \$ 75,750.00, plus interest after judgment at the legal rate.

☒ A writ of possession is to issue forthwith, but no final lockout prior to: January 17, 2011

☐ **STIPULATION FOR PAYMENTS**

Defendant agrees to pay installments of \$_____ on the _____ day of each month commencing on _____ until paid in full; if any payment is more than _____ days late, the entire amount will become due and payable immediately.

☒ Judgment is to be entered immediately ☐ Judgment is only to be entered upon default in payments

PLAINTIFF(S) AND DEFENDANT(S) FURTHER STIPULATE AS FOLLOWS:

All personal property left behind will be sold
unconditionally

I/we the defendant(s), understand that I/we have the right to: (1) have an attorney present; (2) notice and hearing of any default of terms of the stipulation; (3) I/we give up these rights.

Date: _____	PLAINTIFF/ATTORNEY	PLAINTIFF/ATTORNEY
Date: _____	DEFENDANT/ATTORNEY	DEFENDANT/ATTORNEY

JUDGMENT IS HEREBY ORDERED ON ALL TERMS OF THE FOREGOING STIPULATION.

Date: 11/11/2011

FRANCES MUNOZ, Judge/Commissioner of the Superior Court*
(sign only if judgment is to be entered immediately)

STIPULATION FOR ENTRY OF JUDGMENT- UNLAWFUL DETAINER

UPDATED STATEMENT OF MONIES OWED

(As of the date of the sale: March 20, 2012)

Amount of Judgment \$25,780.00

Interest from date of judgment (12/28/10) to date of
sale (3/20/12) the legal rate of 10% per annum \$3,160.55

Less payments received \$0.00

TOTAL OWING AS OF MARCH 20, 2012 **\$28, 940.55**

**SUMMONS
(CITACIÓN JUDICIAL)
UNLAWFUL DETAINER—EVICTION**

(RETENCIÓN ILÍCITA DE UN INMUEBLE—DESALOJO)

NOTICE TO DEFENDANT:

(AVISO AL DEMANDADO):

CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A
CALIFORNIA CORPORATION AND DOES 1 TO 5

YOU ARE BEING SUED BY PLAINTIFF:

(LO ESTÁ DEMANDANDO EL DEMANDANTE):

BAYPORT LOS ALAMITOS ASSOCIATES LP

FOR COURT USE ONLY
(SOLO PARA USO DE LA CORTE)

FILED

SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
WEST JUSTICE CENTER

NOV 24 2010

ALAN CARLSON, Clerk of the Court

You have 5 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. (To calculate the five days, count Saturday and Sunday, but do not count other court holidays. If the last day falls on a Saturday, Sunday, or a court holiday then you have the next court day to file a written response.) A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site (www.lawhelpcalifornia.org), the California Courts Online Self-Help Center (www.courtinfo.ca.gov/selfhelp), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case.

Tiene 5 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. (Para calcular los cinco días, cuente los sábados y los domingos pero no los otros días feriados de la corte. Si el último día cae en sábado o domingo, o en un día en que la corte esté cerrada, tiene hasta el próximo día de corte para presentar una respuesta por escrito). Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California (www.sucorte.ca.gov), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, (www.lawhelpcalifornia.org), en el Centro de Ayuda de las Cortes de California, (www.sucorte.ca.gov) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 ó más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de derecho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

1. The name and address of the court is:
(El nombre y dirección de la corte es):
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE
8141 13TH STREET

CASE NUMBER:
(Número del caso):

30-2010

00428131

- WESTMINSTER, CA 92683-4593
WEST JUSTICE CENTER -LIMITED CIVIL
2. The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:
(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):
DESS RICHARDSON, ESQ.
RUZICKA & WALLACE, LLP (SBN #269540)
16520 BAKE PKWY., SUITE 280
IRVINE, CA 92618
3. (Must be answered in all cases) An unlawful detainer assistant (Bus. & Prof. Code, §§ 6400-6415) ☒ did not ☐ did for compensation give advice or assistance with this form. (If plaintiff has received any help or advice for pay from an unlawful detainer assistant, complete item 6 on the next page.)

Date: **NOV 24 2010** **ALAN CARLSON**

Clerk, by _____, Deputy
(Secretario) **AVEREL YU** (Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)
(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

[SEAL]

4. NOTICE TO THE PERSON SERVED: You are served

- a. ☐ as an individual defendant.
- b. ☐ as the person sued under the fictitious name of (specify):
- c. ☐ as an occupant
- d. ☐ on behalf of (specify):
- under: ☐ CCP 416.10 (corporation) ☐ CCP 416.60 (minor)
- ☐ CCP 416.20 (defunct corporation) ☐ CCP 416.70 (conservatee)
- ☐ CCP 416.40 (association or partnership) ☐ CCP 416.90 (authorized person)
- ☐ CCP 415.46 (occupant) ☐ other (specify):

5. ☐ by personal delivery on (date):

PLAINTIFF (Name): BAYPORT LOS ALAMITOS ASSOCIATES LP

CASE NUMBER:

DEFENDANT (Name): CALIFORNIA WESTERN FINANCIAL
INVESTMENTS, INC. A CALIFORNIA CORPORATION**Unlawful detainer assistant** (complete if plaintiff has received any help or advise for pay from an unlawful detainer assistant):

- a. Assistant's name:
- b. Telephone no.:
- c. Street address, city, and zip:

- d. County of registration:
- e. Registration no.:
- f. Registration expires on (date):

PLAINTIFF (Name): BAYPORT LOS ALAMITOS ASSOCIATES LP

CASE NUMBER:

DEFENDANT (Name): CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A CALIFORNIA CORPORATION

6. c. ☒ The defendants not named in item 6a are

- (1) ☐ subtenants.
(2) ☐ assignees.
(3) ☒ other (specify): UNAUTHORIZED OCCUPANTS

d. ☒ The agreement was later changed as follows (specify): EFFECTIVE 7/1/10 RENT INCREASED TO \$3383.85

e. ☒ A copy of the written agreement, including any addenda or attachments that form the basis of this complaint, is attached and labeled Exhibit 1. (Required for residential property, unless item 6f is checked. See Code Civ. Proc., § 1166.)

f. ☐ (For residential property) A copy of the written agreement is not attached because (specify reason):

- (1) ☐ the written agreement is not in the possession of the landlord or the landlord's employees or agents.
(2) ☐ this action is solely for nonpayment of rent (Code Civ. Proc., § 1161(2)).

7. ☒ a. Defendant (name each): CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A CALIFORNIA CORPORATION

was served the following notice on the same date and in the same manner:

- (1) ☒ 3-day notice to pay rent or quit
(2) ☐ 30-day notice to quit
(3) ☐ 60-day notice to quit
(4) ☐ 3-day notice to perform covenants or quit
(5) ☐ 3-day notice to quit
(6) ☐ Other (specify):

b. (1) On (date): 11/15/10 the period stated in the notice expired at the end of the day.
(2) Defendants failed to comply with the requirements of the notice by that date.

c. All facts stated in the notice are true.

d. ☒ The notice included an election of forfeiture.

e. ☒ A copy of the notice is attached and labeled Exhibit 2. (Required for residential property. See Code Civ. Proc., § 1166.)

f. ☐ One or more defendants were served (1) with a different notice, (2) on a different date, or (3) in a different manner, as stated in Attachment 8c. (Check item 8c and attach a statement providing the information required by items 7a-e and 8 for each defendant.)

8. a. ☒ The notice in item 7a was served on the defendant named in item 7a as follows:

- (1) ☐ by personally handing a copy to defendant on (date):
(2) ☐ by leaving a copy with (name or description):
a person of suitable age and discretion, on (date): at defendant's
☐ residence ☐ business AND mailing a copy to defendant at defendant's place of residence on
(date): because defendant cannot be found at defendant's residence or usual
place of business.
(3) ☒ by posting a copy on the premises on (date): 11/10/10 ☐ AND giving a copy to a person found
residing at the premises AND mailing a copy to defendant at the premises on
(date): 11/10/10
(a) ☐ because defendant's residence and usual place of business cannot be ascertained OR
(b) ☒ because no person of suitable age or discretion can be found there.
(4) ☐ (Not for 3-day notice; see Civil Code, § 1946 before using) by sending a copy by certified or registered mail
addressed to defendant on (date):
(5) ☐ (Not for residential tenancies; see Civil Code, § 1953 before using) in the manner specified in a written
commercial lease between the parties.

b. ☐ (Name):

was served on behalf of all defendants who signed a joint written rental agreement.

c. ☐ Information about service of notice on the defendants alleged in item 7f is stated in Attachment 8c.

d. ☐ Proof of service of the notice in item 7a is attached and labeled Exhibit 3.

PLAINTIFF (Name): BAYPORT 1 ALAMITOS ASSOCIATES LP	CASE NUMBER:
DEFENDANT (Name): CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC. A CALIFORNIA CORPORATION	

9. ☐ Plaintiff demands possession from each defendant because of expiration of a fixed-term lease.
10. ☒ At the time the 3-day notice to pay rent or quit was served, the amount of rent due was \$ 18744 . 82
11. ☒ The fair rental value of the premises is \$ 112 . 79 per day.
12. ☐ Defendant's continued possession is malicious, and plaintiff is entitled to statutory damages under Code of Civil Procedure section 1174(b). (State specific facts supporting a claim up to \$600 in Attachment 12.)
13. ☒ A written agreement between the parties provides for attorney fees.
14. ☐ Defendant's tenancy is subject to the local rent control or eviction control ordinance of (city or county, title of ordinance, and date of passage):

Plaintiff has met all applicable requirements of the ordinances.

15. ☐ Other allegations are stated in Attachment 15.
16. Plaintiff accepts the jurisdictional limit, if any, of the court.
17. **PLAINTIFF REQUESTS**

- a. possession of the premises.
- b. costs incurred in this proceeding:
- c. ☒ past-due rent of \$ 18744 . 82
- d. ☒ reasonable attorney fees.
- e. ☒ forfeiture of the agreement.
- f. ☒ damages at the rate stated in item 11 from (date): 12/1/10 for each day that defendants remain in possession through entry of judgment.
- g. ☐ statutory damages up to \$600 for the conduct alleged in item 12.
- h. ☒ other (specify): SUCH OTHER AND FURTHER RELIEF AS THE COURT MAY DEEM JUST AND PROPER.

18. ☒ Number of pages attached (specify): 45

UNLAWFUL DETAINER ASSISTANT (Bus. & Prof. Code, §§ 6400-6415)

19. (Complete in all cases.) An unlawful detainer assistant ☒ did not ☐ did for compensation give advice or assistance with this form. (If plaintiff has received any help or advice for pay from an unlawful detainer assistant, state):

- a. Assistant's name:
- b. Street address, city, and zip code:

- c. Telephone No.:
- d. County of registration:
- e. Registration No.:
- f. Expires on (date):

Date: 11/23/2010

DESS RICHARDSON, ESO.
(TYPE OR PRINT NAME)

(SIGNATURE OF PLAINTIFF OR ATTORNEY)

VERIFICATION

(Use a different verification form if the verification is by an attorney or for a corporation or partnership.)

I am the plaintiff in this proceeding and have read this complaint. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date:

(TYPE OR PRINT NAME)

(SIGNATURE OF PLAINTIFF)

VERIFICATION

I am one of the attorneys for the Plaintiff in the above entitled action. I have a greater familiarity with the facts alleged in the complaint than Plaintiffs partners. I am informed and believe that the matters contained within it are true and on that ground allege that the matters stated are true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 23rd day of November, 2010 at Irvine, California.


By: DESS RICHARDSON, ESQ
Attorneys for Plaintiff

PARTIAL FORBEARANCE AGREEMENT & SIXTH LEASE AMENDMENT

EFFECTIVE DATE: February 23, 2010

LESSOR: Bayport Los Alamitos Associates LP (the "**LESSOR**")

LESSEE: California Western Financial Investments, Inc. a California Corporation ("**LESSEE**")

RECITALS

A. LESSOR and LESSEE (collectively the "**Parties**") are parties to a certain Standard Industrial Multi-Tenant Gross Lease dated March 15, 2004 for premises located at 3351 and 3363 Cerritos Avenue, Los Alamitos, CA 90720, an Addendum and multiple Exhibits attached to the Lease, as well as a First Amendment dated February 7, 2007, the Second Amendment dated February 23, 2007 and the Third Amendment dated February 23, 2007 and Partial Forbearance Agreement and Fourth Lease Amendment dated May 13, 2009 and Partial Forbearance Agreement and Fifth Lease Amendment, dated August 4, 2009 (collectively, the "**Lease**").

B. LESSEE is undergoing financial difficulties and has requested certain rent assistance which LESSOR is willing to provide as described in this Agreement.

THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. **Temporary Reduced Rent Amount.** So long as LESSEE is in compliance with all other terms of the Lease, LESSOR will accept the amount of Two Thousand One Hundred Eighty Nine and 60/100 Dollars (\$2,189.60) ("**Reduced Rent Amount**") for 3351 Cerritos Avenue and One Thousand Five Hundred Nine Dollars and 01/100 Dollars (\$1,509.01) ("**Reduced Rent Amount**") for 3363 Cerritos Avenue as the full amount due for monthly Base Rent and Common Area Charges as those terms are defined in the Lease for each of the months of January 1, 2010 through June 30, 2010 (the "**Reduction Period**"). LESSEE shall also pay any applicable privilege, sales, excise, rental or other taxes (except income taxes) imposed by any governmental authority upon these amounts.

2. **Rent After Reduction.** If LESSEE pays the Reduced Rent Amount on time each month and is in compliance with all other terms of the Lease, then beginning July 1, 2010 the monthly Base Rent will return to the amounts applicable for that month and beyond as set forth in the Lease.

3. **Reaffirmation of Obligations by the LESSEE.** The LESSEE reaffirms all of its obligations under the Lease, and LESSEE acknowledges that it has no claims, offsets or defenses with respect to the payment of sums due under the Lease.

4. **Remedies for Default.** In the event LESSEE fails to pay the Reduced Rent Amount on time or is in default or breach of any other provision of the Lease during the Reduction Period, then this Agreement will terminate causing the following remedies and events: (1) the Reduction Period will expire automatically, (2) the Reduced Rent Amount will be voided retroactive to the beginning of the Reduction Period, and LESSEE will be indebted to LESSOR for the full amount of monthly Base Rent and Common Area Charges that would otherwise have been due under the Lease but for this Agreement; (3) LESSEE will be deemed late and in default for the amount of the rent that would have been due under the original terms of the Lease, less any amounts actually paid during the Rent Reduction Period, and LESSEE will be liable for any interest, late fees or penalties due under the Lease as if this Agreement had not been executed.

5. **Confidentiality.** LESSEE will not disclose the terms of this Agreement, nor acknowledge that such an Agreement exists either directly or indirectly to persons other than (i) attorneys, accountants or other representatives of LESSEE who have direct, supervisory, or consulting responsibility to LESSEE, (ii) to the officers, consultants or staff personnel of LESSEE who require such information in connection with their responsibilities. Violation of this confidentiality may be considered by LESSOR as both a breach of the Lease and a breach of this Agreement and therefore LESSOR may exercise the remedies provided both in the Lease and in paragraph 6 (above) in this Agreement as well as any other remedies allowed at law or in equity for damages LESSOR may incur due to the release of this information.

6. **Forbearance Personal (Restricted) to Lessee.** This Forbearance Agreement is personal to the original Lessee executing this Forbearance Agreement and may not be assigned with any assignment or sublet of Lessee's interest under this Lease. The intent of this Forbearance Agreement is to benefit the

Lessee referenced above and not be carried, passed or forwarded to its successors or to any other interested party.

7. Applicability of Lease. The Lease as amended by this Agreement shall remain in full force and effect upon all of the terms and conditions set forth in the Lease and this Agreement. This Agreement shall be effective as of the date hereof upon execution and delivery by Lessor and Lessee. Except for those provisions expressly amended hereby, the Lease shall remain unmodified and unchanged.

8. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the remaining provisions and any ~~partially invalid or unenforceable provision to the extent valid and enforceable shall nevertheless be~~ binding, valid and enforceable.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the dates set forth below to be effective as of the day and year set forth above.

CONSENTED AND AGREED AS TO BOTH FORM AND CONTENT BY:

"LESSOR"

Bayport Los Alamitos Associates LP

By: BayHarbor Management Services Inc.
Its: Agent for Owner

By: [Signature]
Name: **William T. Rhoten, CPM**
Senior Vice President of Operations
DRE 00882346
Title: _____
Date: 3/5/2010

"LESSEE"

California Western Financial Investments Inc.

By: [Signature]
Carolyn Getz
President

Date: 2/28/10

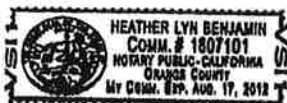
State of California)
County of Orange) ss.

On this, the 1st day of MARCH, 2010, before me, the undersigned officer, personally appeared Carolyn Getz who proved to me on the basis of satisfactory evidence to be the person ~~or~~ whose name ~~s~~ is/are subscribed to the within instrument and acknowledged to me that ~~he~~/she/they executed the same in ~~his~~/her/their signature ~~s~~ on the instrument the person ~~s~~, or the entity upon behalf of which the person ~~s~~, or the entity upon behalf of which the person ~~s~~ 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.

My Commission Expires:



[Signature]
Notary Public

PARTIAL FORBEARANCE AGREEMENT & FIFTH LEASE AMENDMENT

EFFECTIVE DATE: August 4, 2009

LESSOR: Bayport Los Alamitos Associates LP (the "LESSOR")

LESSEE: California Western Financial Investments, Inc. a California Corporation ("LESSEE")

RECITALS

A. LESSOR and LESSEE (collectively the "Parties") are parties to a certain Standard Industrial Multi-Tenant Gross Lease dated March 15 2004 for premises located at 3351 and 3363 Cerritos Avenue, Los Alamitos, CA 90720, an Addendum and multiple Exhibits attached to the Lease, as well as a First Amendment dated February 7, 2007, the Second Amendment dated February 23, 2007 and the Third Amendment dated February 23, 2007 and Partial Forbearance Agreement and Fourth Lease Amendment dated May 13, 2009 (collectively, the "Lease").

B. LESSEE is undergoing financial difficulties and has requested certain rent assistance which LESSOR is willing to provide as described in this Agreement.

THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. **Temporary Reduced Rent Amount.** So long as LESSEE is in compliance with all other terms of the Lease, LESSOR will accept the amount of Two Thousand One Hundred Eighty Nine and 60/100 Dollars (\$2,189.60) ("Reduced Rent Amount") for 3351 Cerritos Avenue and One Thousand Five Hundred Nine Dollars and 01/100 Dollars (\$1,509.01) ("Reduced Rent Amount") for 3363 Cerritos Avenue as the full amount due for monthly Base Rent and Common Area Charges as those terms are defined in the Lease for each of the months of July 1, 2009 through December 31, 2009 (the "Reduction Period"). LESSEE shall also pay any applicable privilege, sales, excise, rental or other taxes (except income taxes) imposed by any governmental authority upon these amounts.
2. **Rent After Reduction.** If LESSEE pays the Reduced Rent Amount on time each month and is in compliance with all other terms of the Lease, then beginning January 1, 2010 the monthly Base Rent will return to the amounts applicable for that month and beyond as set forth in the Lease.
3. **Reaffirmation of Obligations by the LESSEE.** The LESSEE reaffirms all of its obligations under the Lease, and LESSEE acknowledges that it has no claims, offsets or defenses with respect to the payment of sums due under the Lease.
4. **Remedies for Default.** In the event LESSEE fails to pay the Reduced Rent Amount on time or is in default or breach of any other provision of the Lease during the Reduction Period, then this Agreement will terminate causing the following remedies and events: (1) the Reduction Period will expire automatically, (2) the Reduced Rent Amount will be voided retroactive to the beginning of the Reduction Period, and LESSEE will be indebted to LESSOR for the full amount of monthly Base Rent and Common Area Charges that would otherwise have been due under the Lease but for this Agreement; (3) LESSEE will be deemed late and in default for the amount of the rent that would have been due under the original terms of the Lease, less any amounts actually paid during the Rent Reduction Period, and LESSEE will be liable for any interest, late fees or penalties due under the Lease as if this Agreement had not been executed.
5. **Confidentiality.** LESSEE will not disclose the terms of this Agreement, nor acknowledge that such an Agreement exists either directly or indirectly to persons other than (i) attorneys, accountants or other representatives of LESSEE who have direct, supervisory, or consulting responsibility to LESSEE, (ii) to the officers, consultants or staff personnel of LESSEE who require such information in connection with their responsibilities. Violation of this confidentiality may be considered by LESSOR as both a breach of the Lease and a breach of this Agreement and therefore LESSOR may exercise the remedies provided both in the Lease and in paragraph 6 (above) in this Agreement as well as any other remedies allowed at law or in equity for damages LESSOR may incur due to the release of this information.
6. **Applicability of Lease.** The Lease as amended by this Agreement shall remain in full force and effect upon all of the terms and conditions set forth in the Lease and this Agreement. This Agreement shall be effective as of the date hereof upon execution and delivery by Lessor and Lessee.

Except for those provisions expressly amended hereby, the Lease shall remain unmodified and unchanged.

7. **Severability.** If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the remaining provisions and any partially invalid or unenforceable provision to the extent valid and enforceable shall nevertheless be binding, valid and enforceable.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the dates set forth below to be effective as of the day and year set forth above.

CONSENTED AND AGREED AS TO BOTH FORM AND CONTENT BY:

"LESSOR"

Bayport Los Alamitos Associates LP

By: BayHarbor Management Services Inc.
Its: Agent for Owner

By: [Signature]

Name: William T. Rhoten
Senior Vice President of Operations

Title: _____

Date: 8/1/09

"LESSEE"

California Western Financial Investments Inc.

By: [Signature]
Carolyn Getz
President

Date: 8/7/09

State of California)
County of Orange) ss.

On this, the 7th day of August, 2009, before me, the undersigned officer, personally appeared Carolyn Getz who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s), or the entity upon behalf of which the person(s) 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.

My Commission Expires:

[Signature]
Notary Public



PARTIAL FORBEARANCE AGREEMENT & LEASE AMENDMENT

EFFECTIVE DATE: May 13, 2009

LESSOR: Bayport Los Alamitos Associates LP (the "LESSOR")

LESSEE: California Western Financial Investments, Inc. a California Corporation ("LESSEE")

RECITALS

A. LESSOR and LESSEE (collectively the "Parties") are parties to a certain Standard Industrial Multi-Tenant Gross Lease dated March 15 2004 for premises located at 3351 and 3363 Cerritos Avenue, Los Alamitos, CA 90720, an Addendum and multiple Exhibits attached to the Lease, as well as a First Amendment dated February 7, 2007, the Second Amendment dated February 23, 2007 and the Third Amendment dated February 23, 2007 (collectively, the "Lease").

B. LESSEE is undergoing financial difficulties and has requested certain rent assistance which LESSOR is willing to provide as described in this Agreement.

THEREFORE, in consideration of the mutual covenants set forth herein, the Parties agree as follows:

AGREEMENT

1. Temporary Reduced Rent Amount. So long as LESSEE is in compliance with all other terms of the Lease, LESSOR will accept the amount of Four Thousand Six Hundred Twenty Five and 53/100 Dollars (\$4,625.53) ("Reduced Rent Amount") as the full amount due for monthly Base Rent and Common Area Charges as those terms are defined in the Lease for each of the months of May 1, 2009 through December 31, 2009 (the "Reduction Period"). LESSEE shall also pay any applicable privilege, sales, excise, rental or other taxes (except income taxes) imposed by any governmental authority upon these amounts.

2. Rent After Reduction. If LESSEE pays the Reduced Rent Amount on time each month and is in compliance with all other terms of the Lease, then beginning January 1, 2010 the monthly Base Rent will return to the amounts applicable for that month and beyond as set forth in the Lease.

3. Reaffirmation of Obligations by the LESSEE. The LESSEE reaffirms all of its obligations under the Lease, and LESSEE acknowledges that it has no claims, offsets or defenses with respect to the payment of sums due under the Lease.

4. Remedies for Default. In the event LESSEE fails to pay the Reduced Rent Amount on time or is in default or breach of any other provision of the Lease during the Reduction Period, then this Agreement will terminate causing the following remedies and events: (1) the Reduction Period will expire automatically, (2) the Reduced Rent Amount will be voided retroactive to the beginning of the Reduction Period, and LESSEE will be indebted to LESSOR for the full amount of monthly Base Rent and Common Area Charges that would otherwise have been due under the Lease but for this Agreement; (3) LESSEE will be deemed late and in default for the amount of the rent that would have been due under the original terms of the Lease, less any amounts actually paid during the Rent Reduction Period, and LESSEE will be liable for any interest, late fees or penalties due under the Lease as if this Agreement had not been executed.

5. Confidentiality. LESSEE will not disclose the terms of this Agreement, nor acknowledge that such an Agreement exists either directly or indirectly to persons other than (i) attorneys, accountants or other representatives of LESSEE who have direct, supervisory, or consulting responsibility to LESSEE, (ii) to the officers, consultants or staff personnel of LESSEE who require such information in connection with their responsibilities. Violation of this confidentiality may be considered by LESSOR as both a breach of the Lease and a breach of this Agreement and therefore LESSOR may exercise the remedies provided both in the Lease and in paragraph 6 (above) in this Agreement as well as any other remedies allowed at law or in equity for damages LESSOR may incur due to the release of this information.

6. Applicability of Lease. The Lease as amended by this Agreement shall remain in full force and effect upon all of the terms and conditions set forth in the Lease and this Agreement. This Agreement shall be effective as of the date hereof upon execution and delivery by Lessor and Lessee. Except for those provisions expressly amended hereby, the Lease shall remain unmodified and unchanged.

7. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the remaining provisions and any partially invalid or unenforceable provision to the extent valid and enforceable shall nevertheless be binding, valid and enforceable.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on the dates set forth below to be effective as of the day and year set forth above.

CONSENTED AND AGREED AS TO BOTH FORM AND CONTENT BY:

"LESSOR"

Bayport Los Alamitos Associates LP

By: BayHarbor Management Services Inc.
Its: Agent for Owner

By: [Signature]
Name: CHRIS SOULS
Title: PRC-3105-7
Date: 6/2/09

"LESSEE"

California Western Financial Investments Inc.

By: [Signature]
Carolyn Getz
President
Date: 5/15/09

State of California)
County of Orange ss.

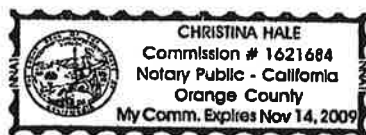
On this, the 15th day of May, 2009, before me, the undersigned officer, personally appeared Carolyn Getz who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s), or the entity upon behalf of which the person(s) 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.

My Commission Expires: 11-14-2009

[Signature]
Notary Public



CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Orange

On 5/15/09 before me, Christina Hale

personally appeared Caroline Getz



who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) 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.

Signature Christina Hale

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

Signer's Name: _____

- ☐ Individual
☐ Corporate Officer — Title(s): _____
☐ Partner — ☐ Limited ☐ General
☐ Attorney in Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER

Top of thumb here

THIRD AMENDMENT TO LEASE

On March 15, 2004, a Lease was entered into between Bayport Los Alamitos Associates LP, "Lessor" and California Western Financial Investments, Inc., "Lessee" for that certain space located at 3351 Cerritos Avenue, Los Alamitos, CA 90720 consisting of approximately 1,930 square feet.

On February 7, 2007, by the First Amendment to Lease, Lessee and Lessor agreed that Lessee would expand into 3363 Cerritos Avenue that consisted of approximately 1,474 square feet and by the Second Amendment to Lease the Lessee and Lessor agreed to extend the term of the Lease for an additional fifty-three (53) months. In order to facilitate Tenant Improvements approximately 44 square feet were taken from 3363 Cerritos and added to 3341 Cerritos, Jean Allen Escrow. All terms and conditions of the March 15, 2004 Lease shall remain in effect with the following modifications:

Basic Lease Provisions:

1.2 (a) Premises – Unit 3363 Cerritos Ave. now consists of approximately 1,430sqft but tenant will continue to pay rent on 1,474sqft (see explanation below).

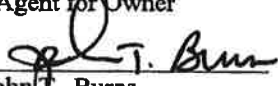
Unit 3341 Cerritos Ave – Tenant Jean Allen Escrow now consists of approximately 1,898 square feet. California Western Financial Investments, Inc. has agreed to pay the rent for the additional 44 square feet created during tenant improvements.

Except where modified, herein, all other terms and conditions of the Lease between parties above described shall continue in full force and effect.

LESSOR

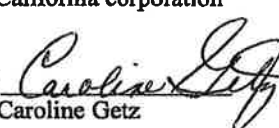
Bayport Los Alamitos Associates LP

By: BayHarbor Management Services, Inc.
Agent for Owner

By: 
John T. Burns
Vice President

LESSEE

California Western Financial Investments, Inc.
a California corporation

By: 
Caroline Getz
President

Date: 2/23/07

Date: 2/20/07

"EXHIBIT A"

BAYHARBOR MANAGEMENT SERVICES, INC. ("BMS")
TENANT INSURANCE REQUIREMENTS SUMMARY

Tenant is required to procure and maintain insurance coverage under policies of commercial general liability, professional liability (if applicable) ~~automobile liability~~, and workers' compensation and employer's liability, at its own cost and expense during the term of the Lease. The following terms, coverage's and limits are minimum requirements:

A. COMMERCIAL GENERAL LIABILITY:

1. \$1,000,000 Each Occurrence, \$1,000,000 Personal & Advertising Liability; \$1,000,000 General Aggregate; \$100,000 Fire Legal Liability and \$5,000 Medical Payments; or equivalent approved by BMS, or current limit carried, whichever is greater.
2. ISO Occurrence or equivalent policy form only. (MODIFIED OCCURRENCE AND CLAIMS MADE FORMS ARE NOT ACCEPTABLE); if Modified Occurrence Or Claims Made coverage is submitted, BMS shall have the right to cancel any Agreement until proof of Occurrence form coverage is received).
3. Coverage shall include bodily injury, broad form property damage, products/completed operations, premises operations; blanket contractual liability. Personal and advertising injury, independent contractors, mobile equipment, owners and contractor's protective, and "XCU" exclusion deleted.
4. An Additional Insured Endorsement CG 20 11 11 85 or equivalent, at no expense to BMS, naming BMS and Owner/Property and their officers, directors, owners, members, partners and employees as additional insured's (see attached copy of endorsement for correct wording);
5. An Endorsement that such insurance afforded by this policy for the benefit of the additional insured's shall be primary insurance but only as respects to any claims, loss, or liability arising out of the operations of the named insured, and any insurance maintained by the additional insured shall be excess and non-contributing.
6. An endorsement affording thirty (30) days prior notice to BMS by certified mail in the event of cancellation, non-renewal, or reduction in coverage;
7. A deductible or self-insured retention of not more than \$5,000 (unless approved in writing by BMS).

B. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS (IF APPLICABLE):

1. \$1,000,000 per occurrence; Claims Made Policy Form is acceptable but evidence of coverage must be provided for 10 years;
2. Required for all Architects, Engineers and Consultants;
3. Thirty (30) days notice of cancellation.

C. AUTOMOBILE LIABILITY

1. \$1,000,000 combined single limit or equivalent approved by BMS;
2. Bodily injury, property damage and uninsured motorist;
3. Any auto OR owned, non-owned and hired autos;
4. Thirty (30) days notice of cancellation.

D. WORKERS' COMPENSATION

1. Workers Compensation including Bodily injury limits as required by statute;
2. \$1,000,000 Employer Liability;
3. Waiver of Subrogation Endorsement issued in favor of BMS and Owner/Property, if Tenant has ten (10) or more employees at the leased premises;
4. Thirty (30) days notice of cancellation.

 initial CH

"EXHIBIT A"

Page 2
BMS Tenant Insurance Requirements Summary.

E. LEGAL LIQUOR LIABILITY (IF APPLICABLE)

1. \$1,000,000 per occurrence
2. Required if Alcoholic Beverages are served, sold, consumed or obtained in the Premises;
3. Thirty (30) days notice of cancellation.

F. Insurance carriers must have at least an A VIII Best rating or equivalent, and shall otherwise be acceptable to BMS.

G. The Required Insurance shall cover Tenant, its authorized representatives, employees, agents, and any other person performing any of the work under any contract or agreement with Tenant.


H. The Required Insurance shall not contain any exclusionary language nor limitations that are applicable to BMS or Owner/Property and their officers, directors, owners and employees, as additional insured's, that are not applicable to the named insured.

I. The project/job description and/or description of operations on all certificates, endorsement and other insurance documentation shall name the address and suite number(s) of the leased premise.

J. Tenant shall file with BMS original certificates of insurance and endorsements showing the Required Insurance to be in force. A summary of requirements and sample forms are attached. At the request of BMS, Tenant shall provide BMS with certified copies of all policies and certified copies of any subsequent policies or endorsements shall also be filed with BMS, upon request. Renewal certificates and endorsements for commercial general liability and/or professional liability shall be provided to BMS, at no expense to BMS. **TENANT SHALL NOT BE PERMITTED TO MOVE IN UNTIL THE CORRECT DOCUMENTATION HAS BEEN FILED WITH AND APPROVED BY BMS.**

K. All insurance documentation required by BMS must be given to the property manager, who will forward the information to the corporate office for approval.

L. If Tenant fails to procure and maintain the Required Insurance, BMS shall have the right (without any obligation to do so) to secure same in the name of and for the account of Tenant, in which event, Tenant shall pay the cost thereof and shall furnish, upon demand all information that may be required to procure the insurance.

 initial CH

SECOND AMENDMENT TO LEASE

On March 15, 2004, a Lease was entered into between Bayport Los Alamitos Associates LP, "Lessor" and California Western Financial Investments, Inc., "Lessee" for that certain space located at 3351 Cerritos Avenue, Los Alamitos, CA 90720 consisting of approximately 1,930 square feet.

On February 7, 2007, by the First Amendment to Lease, Lessee and Lessor agreed that Lessee would expand into 3363 Cerritos Avenue that consists of approximately 1,474 square feet. Now Lessee and Lessor agree that the Lease shall be extended for an additional fifty-three (53) months. All terms and conditions of the March 15, 2004 Lease shall remain in effect with the following modifications:

Basic Lease Provisions:

Termination Date: November 30, 2011

Minimum Rent Rate: Unit 3351 - \$3,068.79 monthly July 1, 2007 through June 30, 2008
Unit 3363 - \$2,343.66 monthly July 1, 2007 through June 30, 2008

Unit 3341 - Jean Allen Escrow presently has 1,854sqft. Rent for any additional square footage created to accommodate Exhibit A improvements shall be paid for by California Western Financial. Additional square footage shall be determined upon drafting of final Plot Plan (Exhibit C)

Rent Increase: On July 1, 2008 and annually thereafter rent for both Unit 3351 and Unit 3363 shall be increased by the Consumer Price Index with a 3% minimum to 8% maximum increase.

Security Deposit: Lessee has on deposit \$4,828.96. An additional \$583.40 shall be deposited upon signing this Lease for a total of \$5,412.36.

Insurance Requirements: The attached Exhibit A shall replace Exhibit "D" of the Lease.

Tenant Improvements: Landlord at his sole cost and expense shall contribute \$1,891.71 towards construction as defined in Exhibit B attached. All other improvements shall be the sole cost of the Lessee.

Contingency: Final Plot Plan "Exhibit C" shall be signed off by Lessees in Unit 3341, Unit 3351 and Lessor.

Except where modified, herein, all other terms and conditions of the Lease between parties above described shall continue in full force and effect.

LESSOR

Bayport Los Alamitos Associates LP
By: BayHarbor Management Services, Inc.
Agent for Owner

By:


John T. Burns
Vice President

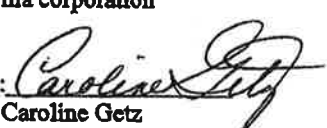
Date:

2/23/07

LESSEE

California Western Financial Investments, Inc.
a California corporation

By:


Caroline Getz
President

Date:

2/8/07

2

"EXHIBIT A"

BAYHARBOR MANAGEMENT SERVICES, INC. ("BMS")
TENANT INSURANCE REQUIREMENTS SUMMARY

Tenant is required to procure and maintain insurance coverage under policies of commercial general liability, professional liability (if applicable) automobile liability, and workers' compensation and employer's liability, at its own cost and expense during the term of the Lease. The following terms, coverage's and limits are minimum requirements:

A. COMMERCIAL GENERAL LIABILITY:

1. \$1,000,000 Each Occurrence, \$1,000,000 Personal & Advertising Liability; \$1,000,000 General Aggregate; \$100,000 Fire Legal Liability and \$5,000 Medical Payments; or equivalent approved by BMS, or current limit carried, whichever is greater.
2. ISO Occurrence or equivalent policy form only. (MODIFIED OCCURRENCE AND CLAIMS MADE FORMS ARE NOT ACCEPTABLE); if Modified Occurrence Or Claims Made coverage is submitted, BMS shall have the right to cancel any Agreement until proof of Occurrence form coverage is received).
3. Coverage shall include bodily injury, broad form property damage, products/completed operations, premises operations; blanket contractual liability. Personal and advertising injury, independent contractors, mobile equipment, owners and contractor's protective, and "XCU" exclusion deleted.
4. An Additional Insured Endorsement CG 20 11 11 85 or equivalent, at no expense to BMS, naming BMS and Owner/Property and their officers, directors, owners, members, partners and employees as additional insured's (see attached copy of endorsement for correct wording);
5. An Endorsement that such insurance afforded by this policy for the benefit of the additional insured's shall be primary insurance but only as respects to any claims, loss, or liability arising out of the operations of the named insured, and any insurance maintained by the additional insured shall be excess and non-contributing.
6. An endorsement affording thirty (30) days prior notice to BMS by certified mail in the event of cancellation, non-renewal, or reduction in coverage;
7. A deductible or self-insured retention of not more than \$5,000 (unless approved in writing by BMS).

B. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS (IF APPLICABLE):

1. \$1,000,000 per occurrence; Claims Made Policy Form is acceptable but evidence of coverage must be provided for 10 years;
2. Required for all Architects, Engineers and Consultants;
3. Thirty (30) days notice of cancellation.

C. AUTOMOBILE LIABILITY

1. \$1,000,000 combined single limit or equivalent approved by BMS;
2. Bodily injury, property damage and uninsured motorist;
3. Any auto OR owned, non-owned and hired autos;
4. Thirty (30) days notice of cancellation.

D. WORKERS' COMPENSATION

1. Workers Compensation including Bodily injury limits as required by statute;
2. \$1,000,000 Employer Liability;
3. Waiver of Subrogation Endorsement issued in favor of BMS and Owner/Property, if Tenant has ten (10) or more employees at the leased premises;
4. Thirty (30) days notice of cancellation.

2

initial

CH J

"EXHIBIT A"

Page 2
BMS Tenant Insurance Requirements Summary

E. LEGAL LIQUOR LIABILITY (IF APPLICABLE)

1. \$1,000,000 per occurrence
2. Required if Alcoholic Beverages are served, sold, consumed or obtained in the Premises;
3. Thirty (30) days notice of cancellation.

F. Insurance carriers must have at least an A VIII Best rating or equivalent, and shall otherwise be acceptable to BMS.

G. The Required Insurance shall cover Tenant, its authorized representatives, employees, agents, and any other person performing any of the work under any contract or agreement with Tenant.

H. The Required Insurance shall not contain any exclusionary language nor limitations that are applicable to BMS or Owner/Property and their officers, directors, owners and employees, as additional insured's, that are not applicable to the named insured.

I. The project/job description and/or description of operations on all certificates, endorsement and other insurance documentation shall name the address and suite number(s) of the leased premise.

J. Tenant shall file with BMS original certificates of insurance and endorsements showing the Required Insurance to be in force. A summary of requirements and sample forms are attached. At the request of BMS, Tenant shall provide BMS with certified copies of all policies and certified copies of any subsequent policies or endorsements shall also be filed with BMS, upon request. Renewal certificates and endorsements for commercial general liability and/or professional liability shall be provided to BMS, at no expense to BMS. **TENANT SHALL NOT BE PERMITTED TO MOVE IN UNTIL THE CORRECT DOCUMENTATION HAS BEEN FILED WITH AND APPROVED BY BMS.**

K. All insurance documentation required by BMS must be given to the property manager, who will forward the information to the corporate office for approval.

L. If Tenant fails to procure and maintain the Required Insurance, BMS shall have the right (without any obligation to do so) to secure same in the name of and for the account of Tenant, in which event, Tenant shall pay the cost thereof and shall furnish, upon demand all information that may be required to procure the insurance.

9

initial

CH J

FIRST AMENDMENT TO LEASE

On March 15, 2004, a Lease was signed between Bayport Los Alamitos Associates LP, as "Lessor" and California Western Financial Investments, Inc. a California corporation, as "Lessee" for that certain space located at 3351 Cerritos Avenue, Los Alamitos, California 90720 approximately 1,930 square feet.

By this First Amendment to Lease, Lessor has agreed to Lessee's request to expand into 3363 Cerritos Avenue, which is approximately 1,474 square feet.

All terms and conditions of the March 15, 2004 Lease shall remain in effect with the following modifications:

1. Termination Date: June 30, 2007
2. Base Rent: Unit 3363 - \$2,269.96 monthly March 1, 2007 through June 30, 2007
Unit 3351 - \$2,559.00 monthly March 1, 2007 through June 30, 2007

Unit 3341 - Jean Allen Escrow presently has 1,854sqft. Rent for any additional square footage created to accommodate Exhibit B improvements shall be paid for by California Western Financial. Additional square footage shall be determined upon final Plot Plan (Exhibit C)
3. Free Rent: Unit 3363 - March 1, 2007 through April 30, 2007 shall be rent-free.
4. Security Deposit: Lessee has on deposit \$2,559.00 for Unit 3351 an additional \$2,269.96 shall be deposited upon signing this Amendment for a total deposit of \$4,828.96
6. Insurance: The attached Exhibit "A" replaces Exhibit "D" of the Lease.

Except where modified herein, all other terms and conditions of the Lease between the parties above described shall continue in full force and effect.

LESSOR

Bayport Los Alamitos Associates LP
BY: Bayharbor Management Services Inc.
Agent for Owner

BY: John D. Burns
John D. Burns
Vice President

Date: 2/23/07

LESSEE

California Western Financial Investments Inc.
a California corporation

BY: Caroline Getz
Caroline Getz
President

Date: 2/8/07

25



STANDARD INDUSTRIAL/COMMERCIAL MULTI-TENANT LEASE - GROSS

AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only March 15, 2004, is made by and between Bayport Los Alamitos Associates, LP

and California Western Financial Investments, Inc., a California corporation

("Lessor")

"Party").

("Lessee"), (collectively the "Parties", or individually a

1.2(a) Premises: That certain portion of the Project (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 3351 Cerritos Avenue located in the City of Los Alamitos of California, with zip code 90720, County of Orange, State of California, as outlined on Exhibit A attached hereto ("Premises") and generally described as (describe briefly the nature of the Premises): that certain portion of a larger portion of an Office/Industrial building consisting approximately 1,930 sq. ft.

In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof, exterior walls or utility raceways of the building containing the Premises ("Building") or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "Project." (See also Paragraph 2.)

1.2(b) Parking: five (5) reserved vehicle parking spaces ("Reserved Parking Spaces"); and zero unreserved vehicle parking spaces ("Unreserved Parking Spaces"); (See also Paragraph 2.6.)

1.3 Term: three (3) years and zero (0) months ("Original Term") commencing July 1, 2004 ("Commencement Date") and ending June 30, 2007 ("Expiration Date"). (See also Paragraph 3.)

1.4 Early Possession: N/A ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3.)

1.5 Base Rent: \$ 2,413.00 per month ("Base Rent"), payable on the first day of each month commencing July 1, 2004. (See also Paragraph 4.)

☒ If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. (See also Paragraph 4.)

1.6 Lessee's Share of Common Area Operating Expenses: one point fifty five percent (1.55%) ("Lessee's Share").

1.7 Base Rent and Other Monies Paid Upon Execution:

(a) Base Rent: \$ 2,413.00 for the period first month's rent

(b) Common Area Operating Expenses: \$ N/A for the period N/A

(c) Security Deposit: \$ 2,559.00* ("Security Deposit"). (See also Paragraph 5.)

(d) Other: \$ N/A for N/A

(e) Total Due Upon Execution of this Lease: \$ 3,142.07

1.8 Agreed Use: general office and no other use

1.9 Insuring Party. Lessor is the "Insuring Party" (See also Paragraph 8.) (See also Paragraph 6.)

1.10 Real Estate Brokers: (See also Paragraph 15.)

(a) Representation: The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

☐ N/A represents Lessor exclusively ("Lessor's Broker");

☐ N/A represents Lessee exclusively ("Lessee's Broker"); or

☐ N/A represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers the brokerage fee agreed to in a separate written agreement (or if there is no such agreement, the sum of N/A or 0 % of the total Base Rent for the brokerage services rendered by the Brokers).

1.11 Guarantor. The obligations of the Lessee under this Lease are to be guaranteed by N/A ("Guarantor"). (See also Paragraph 37.)

1.12 Addenda and Exhibits. Attached hereto is an Addendum or Addenda consisting of Paragraphs 1.5 through 59 and Exhibits A through B, all of which constitute a part of this Lease.

2. Premises.

2.1 Letting. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating Rent, is an approximation which the Parties agree is reasonable and any payments based thereon are not subject to revision whether or not the actual size is more or less.

2.2 Condition. Lessor shall deliver that portion of the Premises contained within the Building ("Unit") to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and, so long as the required service contracts described in Paragraph 7.1 (b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), loading doors, if any, and all other such elements in the Unit, other than those constructed by Lessee, shall be in good operating condition on said date and that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects. If a non-compliance with such warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Unit. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense (except for the repairs to the fire sprinkler systems, roof, foundations, and/or bearing walls - see Paragraph 7).

2.3 Compliance. Lessor warrants that the improvements on the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Start Date ("Applicable Requirements"). Said warranty does not apply to the use to which Lessee will put the Premises or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a).) made or to be made by Lessee. NOTE: Lessee is responsible for determining whether or not the zoning is appropriate

*Lessee has on deposit with Lessor \$1,829.93. An additional \$729.07 is due upon execution of this lease.

Initials

PAGE 1

for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Unit, Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor and Lessee shall allocate the obligation to pay for the portion of such costs reasonably attributable to the Premises pursuant to the formula set out in Paragraph 7.1(d); provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall be fully responsible for the cost thereof, and Lessee shall not have any right to terminate this Lease.

2.4 Acknowledgements. Lessee acknowledges that: (a) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (b) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, and (c) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 Lessee as Prior Owner/Occupant. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 Vehicle Parking. Lessee shall be entitled to use the number of Unreserved Parking Spaces and Reserved Parking Spaces specified in Paragraph 1.2(b) on those portions of the Common Areas designated from time to time by Lessor for parking. Lessee shall not use more parking spaces than said number. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks, herein called "Permitted Size Vehicles." Lessor may regulate the loading and unloading of vehicles by adopting Rules and Regulations as provided in Paragraph 2.9. No vehicles other than Permitted Size Vehicles may be parked in the Common Area without the prior written permission of Lessor.

(a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.

(b) Lessee shall not service or store any vehicles in the Common Areas.

(c) If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.7 Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Unit that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 Common Areas - Lessee's Rights. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 Common Areas - Rules and Regulations. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other tenants of the Project.

2.10 Common Areas - Changes. Lessor shall have the right, in Lessor's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and

Initials

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. Term.

3.1 Term. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 Early Possession. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such early possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of Common Area Operating Expenses, Real Property Taxes and insurance premiums and to maintain the Premises) shall, however, be in effect during such period. Any such early possession shall not affect the Expiration Date.

3.3 Delay in Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession as agreed, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until it receives possession of the Premises. If possession is not delivered within 60 days after the Commencement Date, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. Except as otherwise provided, if possession is not tendered to Lessee by the Start Date and Lessee does not terminate this Lease, as aforesaid, any period of rent abatement that Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee, if possession of the Premises is not delivered within 4 months after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 Lessee Compliance. Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 Rent Defined. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 Common Area Operating Expenses. Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share (as specified in Paragraph 1.6.) of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

(a) "Common Area Operating Expenses" See Addendum Paragraph 55
to the ownership and operation of the Project, including, but not limited to, the following:

(i) The operation, repair and maintenance, in neat, clean, good order and condition, but not the replacement (see subparagraph (e)), of the following:

(aa) The Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, and roof drainage systems.

(bb) Exterior signs and any tenant directories.

(cc) Any fire sprinkler systems.

(ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.

(iii) Trash disposal, pest control services, property management, security services, and the costs of any environmental inspections.

(iv) Reserves set aside for maintenance and repair of Common Areas.

(v) Any increase above the Base Real Property Taxes (as defined in Paragraph 10).

(vi) Any "Insurance Cost Increase" (as defined in Paragraph 8).

(vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

(viii) The cost of any Capital Expenditure to the Building or the Project not covered under the provisions of Paragraph 2.3 provided, however, that Lessor shall allocate the cost of any such Capital Expenditure over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month.

(ix) Any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.

(b) Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Unit, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Unit, Building, or other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(d) Lessee's Share of Common Area Operating Expenses shall be payable by Lessee within 10 days after a reasonably detailed statement of actual expenses is presented to Lessee. At Lessor's option, however, an amount may be estimated by Lessor from time to time of Lessee's Share of annual Common Area Operating Expenses and the same shall be payable monthly or quarterly, as Lessor shall designate, during each 12 month period of the Lease term, on the same day as the Base Rent is due hereunder. Lessor shall deliver to Lessee within 60 days after the expiration of each calendar year a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses incurred during the preceding year. If Lessee's payments under this Paragraph 4.2(d) during the preceding year exceed Lessee's Share as indicated on such statement, Lessor shall credit the amount of such over-payment against Lessee's Share of Common Area Operating Expenses next becoming due. If Lessee's payments under this Paragraph 4.2(d) during the preceding year were less than Lessee's Share as indicated on such statement, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.

(e) When a capital component such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences, etc. requires replacement, rather than repair or maintenance, Lessor shall, at Lessor's expense, be responsible for such replacement. Such expenses and/or costs are not Common Area Operating Expenses.

4.3 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due Lessor or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore

Initials

said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 14 days after the expiration or termination of this Lease, if Lessor elects to apply the Security Deposit only to unpaid Rent, and otherwise within 30 days after the Premises have been vacated pursuant to Paragraph 7.4(c) below, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use.

6.1 Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the Premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 Hazardous Substances.

(a) Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) Lessee Remediation. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) Lessor Indemnification. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which existed as a result of Hazardous Substances on the Premises prior to the Start Date or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) Investigations and Remediations. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to the Start Date, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) Lessor Termination Option. If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

Initials

6.3 **Lessee's Compliance with Applicable Requirements.** Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements.

6.4 **Inspection; Compliance.** Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a contamination is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination.

7. Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations.

(a) **In General.** Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

(b) **Service Contracts.** Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, (iii) clarifiers, and (iv) any other equipment, if reasonably required by Lessor. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and if Lessor so elects, Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) **Failure to Perform.** If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly reimburse Lessor for the cost thereof.

(d) **Replacement.** Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e. 1/144th of the cost per month). Lessee shall pay interest on the unamortized balance at a rate that is commercially reasonable in the judgment of Lessor's accountants. Lessee may, however, prepay its obligation at any time.

7.2 **Lessor's Obligations.** Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, ~~subject to~~ pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, power panels, electrical distribution, security and fire protection systems, communication systems, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Indemnification.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

Initials

7.4 Ownership; Removal; Surrender; and Restoration.

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with no allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Project) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 Payment of Premium Increases.

(a) As used herein, the term "Insurance Cost Increase" is defined as any increase in the actual cost of the insurance applicable to the Building and/or the Project and required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), ("Required Insurance"), over and above the Base Premium, as hereinafter defined, calculated on an annual basis. Insurance Cost Increase shall include, but not be limited to, requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises, Building and/or Project, and/or a general premium rate increase. The term Insurance Cost Increase shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the parties insert a dollar amount in Paragraph 1.9, such amount shall be considered the "Base Premium." The Base Premium shall be the annual premium applicable to the 12 month period immediately preceding the Start Date. If, however, the Project was not insured for the entirety of such 12 month period, then the Base Premium shall be the lowest annual premium reasonably obtainable for the Required Insurance as of the Start Date, assuming the most nominal use possible of the Building. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

(b) Lessee shall pay any Insurance Cost Increase to Lessor pursuant to Paragraph 4.2. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Start Date or Expiration Date.

8.2 Liability Insurance.

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000, an "Additional Insured-Managers or Lessors of Premises Endorsement" and contain the "Amendment of the Pollution Exclusion Endorsement" for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. All insurance carried by Lessee shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$1,000 per occurrence.

(b) **Rental Value.** Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance.

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

Initials

8.5 Insurance Policies. Insurance required herein shall be by companies duly licensed or admitted to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least B+, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and waive the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage claims handled by the insurance companies that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby. *See Addendum Paragraph 8.5

8.7 Indemnity. Except for Lessee's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor from Liability. Lessor shall not be liable for injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places. Lessor shall not be liable for any damages arising from any act or neglect of any other tenant of Lessor nor from the failure of Lessor to enforce the provisions of any other lease in the Project. Notwithstanding Lessor's negligence or breach of this Lease, Lessor shall under no circumstances be liable for injury to Lessee's business or for any loss of income or profit therefrom.

9. Damage or Destruction.

9.1 Definitions.

(a) "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "Premises Total Destruction" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 8.2(a), in, on, or under the Premises.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof, within 10 days within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option

Initials

expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 Abatement of Rent; Lessee's Remedies.

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies.** If Lessor shall be obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

9.8 Waive Statutes. Lessor and Lessee agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent inconsistent herewith.

10. Real Property Taxes.

10.1 Definitions.

(a) **"Real Property Taxes."** As used herein, the term "Real Property Taxes" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project or any portion thereof or a change in the improvements thereon.

(b) **"Base Real Property Taxes."** As used herein, the term "Base Real Property Taxes" shall be the amount of Real Property Taxes, which are assessed against the Premises, Building, Project or Common Areas in the calendar year during which the Lease is executed. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 Payment of Taxes. Lessor shall pay the Real Property Taxes applicable to the Project, and except as otherwise provided in Paragraph 10.3, any increases in such amounts over the Base Real Property Taxes shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the dumpster and/or an increase in the number of times per month that the dumpster is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent. **

(b) A change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

**Said consent shall not be unreasonably withheld.

Initials

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, any assignment or subletting shall not: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$1,000 or 10% of the current monthly Base Rent applicable to the portion of the Premises which is the subject of the proposed assignment or sublease, whichever is greater, as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested.

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary. Lessee shall keep any monies over and above the base rent.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to atorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period; if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee.

(c) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41 (easements), or (viii) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(d) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph (e) is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(f) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(g) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis; and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Lessor shall be due and payable by Lessee upon receipt of invoice therefor. If any check given to Lessor by Lessee shall not be honored by the bank upon which it is drawn, Lessor, at its option, may require all future payments to be made by Lessee to be by cashier's check. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

Initials

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor 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 Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be equal to the prime rate reported in the Wall Street Journal as published closest prior to the date when due plus 4%, but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) **Notice of Breach.** Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor.** In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent an amount equal to the greater of one month's Base Rent or the Security Deposit, and to pay an excess of such expense under protest, reserving Lessee's right to reimbursement from Lessor. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Unit, or more than 25% of Lessee's Reserved Parking Spaces, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. In addition to the payments owed pursuant to Paragraph 1.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule of the Brokers in effect at the time of the execution of this Lease.

Initials

15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third-party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the American Industrial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Except as provided in Paragraph 15, upon such transfer or assignment and delivery of the Security Deposit held by Lessor, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants under this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined. Notwithstanding the above, and subject to the provisions of Paragraph 20 below, the original Lessor under this Lease, and all subsequent holders of the Lessor's interest in this Lease shall remain liable and responsible with regard to the potential duties and liabilities of Lessor pertaining to Hazardous Substances as outlined in Paragraph 6.2 above.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. Subject to the provisions of Paragraph 17 above, the obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, the individual partners of Lessor or its or their individual partners, directors, officers or shareholders; and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against the individual partners of Lessor, or its or their individual partners, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party. The liability (including court costs and attorneys' fees), of any Broker with respect to negotiation, execution, delivery or performance by either Lessor or Lessee under this Lease or any amendment or modification hereto shall be limited to an amount up to the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

23. Notices.

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 48 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. Waivers. No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

25. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

Initials

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The liability (including court costs and attorneys' fees), of any Broker with respect to any breach of duty, error or omission relating to this Lease shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** Subject to the non-disturbance provisions of Paragraph 30.3, Lessee agrees to attorn to a Lender or any other party who acquires ownership of the Premises by reason of a foreclosure of a Security Device, and that in the event of such foreclosure, such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor; (c) be bound by prepayment of more than one month's rent; or (d) be liable for the return of any security deposit paid to any prior lessor.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing.** The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. **Attorneys' Fees.** If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. **Lessor's Access; Showing Premises; Repairs.** Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary. All such activities shall be without abatement of rent or liability to Lessee. Lessor may at any time place on the Premises any ordinary "For Sale" signs and Lessor may during the last 6 months of the term hereof place on the Premises any ordinary "For Lease" signs. Lessee may at any time place on the Premises any ordinary "For Sublease" sign.

33. **Auctions.** Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

Initials

34. **Signs.** Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.
35. **Termination; Merger.** Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.
36. **Consents.** Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.
37. **Guarantor.**
- 37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by the American Industrial Real Estate Association, and each such Guarantor shall have the same obligations as Lessee under this Lease.
- 37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.
38. **Quiet Possession.** Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.
39. **Options.** If Lessee is granted an option, as defined below, then the following provisions shall apply.
- 39.1 **Definition.** "Option" shall mean: (a) the right to extend the term of or renew this Lease or to extend or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase or the right of first refusal to purchase the Premises or other property of Lessor.
- 39.2 **Options Personal To Original Lessee.** Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.
- 39.3 **Multiple Options.** In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.
- 39.4 **Effect of Default on Options.**
- (a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default; and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12-month period immediately preceding the exercise of the Option.
- (b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).
- (c) An Option shall terminate and be of no further force or effect; notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), (ii) Lessor gives to Lessee 3 or more notices of separate Default during any 12 month period, whether or not the Defaults are cured, or (iii) if Lessee commits a Breach of this Lease.
40. **Security Measures.** Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.
41. **Reservations.** Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.
42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay.
43. **Authority.** If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each party shall, within 30 days after request, deliver to the other party satisfactory evidence of such authority.
44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.
45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.
46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.
47. **Multiple Parties.** If more than one person or entity is named herein as either Lessor or Lessee, such multiple Parties shall have joint and several responsibility to comply with the terms of this Lease.
48. **Waiver of Jury Trial.** The Parties hereby waive their respective rights to trial by jury in any action or proceeding involving the Property or arising out of this Agreement.
49. **Mediation and Arbitration of Disputes.** An Addendum requiring the Mediation and/or the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☒ is not attached to this Lease.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

Initials

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED. The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: Costa Mesa, CA

on: 5/2/04

By LESSOR:

Bayport Los Alamitos Associates, LP

By: BayHarbor Management Services, Inc.-Agent for Owner

By: [Signature]

Name Printed: John P. Cotton

Title: President

By: _____

Name Printed: _____

Title: _____

Address: _____

Telephone: () _____

Facsimile: () _____

Federal ID No. _____

Executed at: _____

on: _____

By LESSEE:

California Western Financial Investments, Inc.,

a California corporation

By: [Signature]

Name Printed: Caroline Getz

Title: President

By: _____

Name Printed: _____

Title: _____

Address: _____

Telephone: () _____

Facsimile: () _____

Federal ID No. _____

These forms are often modified to meet changing requirements of law and needs of the industry. Always write or call to make sure you are utilizing the most current form: American Industrial Real Estate Association, 700 South Flower Street, Suite 600, Los Angeles, CA 90017. (213) 687-8777.

©Copyright 1998-By American Industrial Real Estate Association.

All rights reserved.

No part of these works may be reproduced in any form without permission in writing.



ADDENDUM TO STANDARD AIR INDUSTRIAL/COMMERCIAL MULTI-
TENANT LEASE

This Addendum (the "Addendum") is made as of the 15th day of March, 2004, between Bayport Los Alamitos Associates, LP ("Lessor") and California Western Financial Investments, Inc., a California corporation ("Lessee").

~~The parties hereby acknowledge that they are contemporaneously entering into that certain Lease dated March 15, 2004, the ("Lease"). Unless otherwise specifically provided in this Addendum, all capitalized terms used herein shall have the same meanings set forth in the Lease. In the event of any conflict between the Lease and this Addendum, this Addendum shall control. This addendum amends and supplements the Lease as follows:~~

ADDENDUM PARAGRAPH 1.5 (Base Rent)

The following is added at the end of Paragraph 1.5:

Rent shall be as follows:

July 1, 2004 through June 30, 2005	= \$2,413.00/month
July 1, 2005 through June 30, 2006	= \$2,485.00/month
July 1, 2006 through June 30, 2007	= \$2,559.00/month

ADDENDUM PARAGRAPH 2.2 (Condition of Premises – AS-IS)

Paragraphs 2.2 and 2.3 are hereby deleted and the following is added in lieu thereof:

"Lessee agrees that neither Lessor nor any of Lessor's agents or representatives, nor broker or any other person or entity has made any representations or warranties as to the condition, repair, operating order, dimensions, or suitability of the Premises or any part thereof or anything therein or thereon, or the compliance thereof of the Building or Project with Applicable Laws or Applicable Requirements; and Lessee has made its own independent investigation and inspection of the concerning the condition and use of the Premises, and accepts the Premises 'AS IS'.

ADDENDUM PARAGRAPH 4.1 (Rent Defined)

The following is added at the end of Paragraph 4.1:

"Without limiting the foregoing, any fees or costs incurred by Lessor in connection with the execution and enforcement of Lessor's remedies, including without limitation, the costs of credit reports, asset searches, fees for returned checks, and insurance compliance charges, shall be promptly reimbursed by Lessee to Lessor on demand, and such amount shall be considered additional rent."

ADDENDUM PARAGRAPH 6.2(D) (Hazardous Substances)

6.2(d) notwithstanding anything to the contrary contained in Lease Paragraph 6.2:

A. Lessee warrants that Lessee's business and all activities to be performed by Lessee in, on or about the Premises shall comply with all Applicable Laws respecting Hazardous Substances and Lessee agrees to change any such activity or install any equipment, safety devices, pollution control systems and/or other installations as may be required at any time during the Lease term to comply therewith.

B. Lessee shall not cause or permit any Hazardous Substance to be brought upon, kept, or used in or about the Premises by Lessee its agents, employees, contractors or invitees, without the prior written consent of Lessor. If Lessee breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Substances on the Premises

JTC



caused or permitted by Lessee or otherwise caused to be located upon the Premises during the Lease term results in contamination of the Premises or any adjacent property, then Lessee shall indemnify, defend and hold Lessor harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities or losses (including without limitation, diminution in value of the Premises and/or adjacent property, damages arising from any adverse impact on marketing of the Premises and/or adjacent property, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees which arise during or after the Lease term (including any Option Term) as a result of such contamination. The indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Substance present in the soil or ground water on or under the Premises and/or adjacent property. Without limiting the foregoing, if the presence of any hazardous substance on the premises caused or permitted by Lessee results in any contamination of the Premises and/or adjacent property, Lessee shall promptly take all actions at its sole expense as are necessary to return the Premises and/or adjacent property to the condition existing prior to the introduction of any such Hazardous Substance to the Premises and/or adjacent property; provided that Lessor's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Premises or adjacent property.

C. Lessor shall have the right but not the duty, to inspect the Premises at any time to determine whether Lessee is complying with the requirements of the Lease (as hereby amended). If Lessee is not in compliance with the requirements of the provisions of the Lease (as hereby amended) relating to Hazardous Substances, Lessor shall have the right, but not the obligation to immediately enter upon the Premises to remedy any condition caused by Lessee's failure to comply with the requirements of the Leases (as hereby amended). Lessor shall use reasonable efforts to minimize interference with Lessee's business as a result of any such entry by Lessor but shall not be liable for any interference caused thereby."

ADDENDUM PARAGRAPH 7.2 (Lessors Obligations)

The foregoing is hereby added to the end of Paragraph 7.2:

"However, any such repairs or maintenance which is necessitated by the negligence or willful misconduct of Lessee, its servants, agents, employees or contractors or anyone claiming under Lessee, or by reason of the failure of Lessee to perform or observe any condition or agreement contained in the Lease, or caused by alterations, additions or improvements made by Lessee or anyone claiming under Lessee shall be made by Lessee or, at Lessor's option, by Lessor at Lessee's sole cost and expense. In addition at Lessor's option Lessor shall have the right but not the obligation to maintain any of the service contracts otherwise to be maintained by Lessee pursuant to Paragraph 7.1(b) above as an item of Operating Expenses. Notwithstanding anything to the contrary contained in this Lease, Lessor shall not be liable to Lessee for failure to make repairs as herein specifically required of it unless Lessee has previously notified Lessor, in writing, of the need for such repairs and Lessor has failed to commence and complete said repairs within a reasonable time following receipt of Lessee's written notification."

ADDENDUM PARAGRAPH 7.3(a) (Utility Installations)

The following is hereby added at the end of Paragraph 7.3(a):

"Notwithstanding anything to the contrary contained herein, no addition, alteration, change, installation or improvement shall be made which will weaken the structural strength, lessen the value of, interfere or make inoperable any portion of the premises or change the architectural appearance of the Premises."

ADDENDUM PARAGRAPH 8.5 (Insurance Policies)

The following modifications are made to Paragraph 8.5:

JRC



The sentence "...General Policyholders Rating" of at least B+, V shall be replaced with the following: "...General Policyholders Rating" of at least AVIII or better..."
The sentence "...amounts of required insurance." shall be added "... amounts of required insurance in Exhibit D (Insurance Requirements).

The following is added to the end of Paragraph 8.5:

"For any period or periods in which Lessee fails to maintain any insurance required hereunder, Base Rent for the first month for any such period in which Lessee is notified by Lessor of such failure shall be increased by One Hundred dollars (\$100). The foregoing shall not limit any other right or remedy of Lessor or relieve Lessee of its obligations regarding maintenance of insurance as provided by the Lease."

ADDENDUM PARAGRAPH 8.8 (Exemption of Lessor from Liability)

The following modifications are made to Paragraph 8.8:

"...caused by the results from of the interruption, failure or discontinuance of utility services to the premises or from fire,.....".

ADDENDUM PARAGRAPH 9.2 (Partial Damage - Insured Loss)

The following is added at the end of Paragraph 9.2:

"Lessor may terminate this Lease in the event if any repair or reconstruction is restricted by any governmental authority."

ADDENDUM PARAGRAPH 12.1 (F) (Recapture)

New subparagraph 12.1(f) is hereby added as follows:

"(f) In addition to Lessor's right of approval of any proposed assignment or subletting or without limiting the other provisions of the Paragraph 12, Lessor shall have the option, in the event of any proposed assignment of subletting, to terminate the Lease as to the affected portion of the Premises as of the proposed effective date of the proposed assignment or subletting set forth in Lessee's notice. Such option to terminate shall be exercised, if at all, by Lessor giving Lessee written notice thereof within sixty (60) days following Lessor's receipt of Lessee's written request. In the event of such termination by Lessor, from and after the effective date of such termination, Lessor and Lessee shall have no further obligations or liabilities to each other with respect to the affected portion of the Premises, except with respect to obligations or liabilities which have accrued as of, or survive, such termination (in the same matter as if such termination date were the date originally fixed for the expiration of the Lease term). Without in any manner limiting the rights of Lessor, following any such termination by Lessor, Lessor may lease the affected portion of the Premises to the prospective assignee or subtenant proposed by Lessee, without liability to the Lessee. Lessor's failure to exercise such termination right as herein provided shall not be construed as Lessor's consent to the proposed assignment or subletting."

ADDENDUM PARAGRAPH 15 (Broker's Fees)

Paragraph 15 is deleted in its entirety.

ADDENDUM PARAGRAPH 26 (Holding Over)

The following is added at the end of Paragraph 26:

"Acceptance by Lessor of rent or any other sum payable hereunder after such expiration or earlier termination shall not result in an extension or renewal of this Lease. If Lessee fails to surrender the Premises upon the expiration or earlier termination of this Lease, Lessee shall indemnify, defend and hold harmless Lessor from and against all loss damage, cost, liability or expense (including without limitation, attorneys' fees and

JRC



expenses) resulting from or relating to such failure to surrender the Premises including, without limitation, any claim made by any succeeding tenant."

ADDENDUM PARAGRAPH 31 (Attorney's Fees)

Paragraph 31 is modified as follows:

The last sentence of Paragraph 31 is hereby deleted, and the following is hereby added at the end of Paragraph 31:

"Attorney's fees reasonably incurred by Lessor shall include attorney fees and costs in connection with asset searches or other investigations of Lessee in connection with the execution and enforcement of Lessor's remedies."

ADDENDUM PARAGRAPH 50 (Trash Disposal)

The following is hereby added as a new Paragraph 50:

"Lessee hereby agrees that all trash and debris is to be deposited in receptacles provided within the complex and all receptacles shall remain inside enclosures as provided by Lessor. If it is determined that Lessee is regularly disposing of an unusually large amount of refuse Lessee shall, within ten (10) days receipt of written notice from Lessor and at Lessee's sole expense, provide for an additional trash bin and pickup service at his or her leased premises. Lessor reserves the right to stipulate location of storage for Lessee's additional receptacle. Lessee agrees not to store any items or leave any debris outside premises in any of the common areas including the parking lot and in the event Lessor must remove items or debris, Lessor shall charge the cost of removing said items or debris to lessee, and lessee shall pay same upon removal or be in default of this Lease as defined in Paragraph 13 of this Lease."

ADDENDUM PARAGRAPH 51 (Signage)

The following is hereby added as a new Paragraph 51:

- A. "At Lessee's cost, Lessee is required to install one Lessee business identity sign."
- B. "A layout of each proposed sign showing copy/logo and color samples must be submitted to the Landlord for approval prior to fabrication and installation."
- C. "No window lettering is permitted except for the Lessee business name only which may be placed in the window immediately adjacent to the main entry door. Tenants with little or no adjacent glass may place their name on the door. Copy is to be computer cut two (2) mil. High performance white vinyl in 3" Helvetica medium lettering. Lettering is to be centered between the window frames with a minimum 1 1/2" border on each side. Lettering is not to be condensed more than 75%. letter height may be reduced up to 1/2" to stay within the other criteria. If the business name still cannot be accommodated on one line then it may be placed on two (2) lines using a 2 1/2" letter height and 1 3/4" spacing between lines. The top edge of the top line is to be 69" above the concrete slab. Any and all other attachments to the glass will be non-conformance. Subtenant names, business services or types, and all other attachments to the glass or glazing, except as described above, shall be considered non-conforming and subject to removal."
- D. "No mirrored or colored tinting will be authorized. Before any tinting is applied to the Tenant's windows, a sample must be submitted to the Landlord for written approval prior to installation."
- E. "This criteria establishes the uniform policies for all Tenant sign identification. This criteria has been established for the purpose of maintaining the overall appearance of the complex and to provide our tenants with a consistent quality environment from which to conduct business. Any sign, graphics or other material installed that does not conform to this criteria may be brought into conformity by the Landlord without notice. Any cost incurred by the Landlord to remove non-conforming signs or to correct

JTC



defacement from mounting of non-conforming signs shall be the responsibility of Tenant."

ADDENDUM PARAGRAPH 52 (Window Covering)

The following is hereby added as a new Paragraph 52:

"Lessee agrees there are to be no window coverings except mini-blinds, which may be at Lessee's option and sole expense".

ADDENDUM PARAGRAPH 53 (Excessive Noise)

The following is hereby added as a new Paragraph 53:

"Neither Lessee nor Lessee's invitees and/or employees shall create any disturbance due to excessive noise either within the Premises or the common Area portions of the property as defined in Paragraph 2.7, either by excessive equipment noise or by playing any type of audio or audio/visual equipment at a volume which would at any time interfere with the quiet enjoyment of any other Lessee within the Center."

ADDENDUM PARAGRAPH 54 (No Cooking)

The following is hereby added as a new Paragraph 54:

"No cooking for either personal or commercial use shall be permitted in and/or adjacent to the occupied suite or common areas with the use of ovens, barbeques, open fires, etc. The use of a microwave oven is permitted within the confines of Lessee's occupied suite is permitted for personal use only.

ADDENDUM PARAGRAPH 55 (Common Area Maintenance (CAM) Operating Expense):

The following hereby replaces Paragraph 4.2(a) "Common Area Operating Expenses":

"Common Area Operating Expenses" are defined, for purposes of this Lease, as costs incurred by Lessor as follows:

- (1) Any increase above the Base Real Property Taxes (as defined in Paragraph 10).
- (2) Any "Insurance Cost Increase" (as defined in Paragraph 8).

ADDENDUM PARAGRAPH 56 (Possession)

The following is hereby added as a new Paragraph 56:

"Lessor shall grant possession of the unit upon execution of a Lease, payment of first month's rent, security deposit balance, and submission of current insurance documents per Exhibit D."

ADDENDUM PARAGRAPH 57 (Tenant Improvements)

The following is hereby added as a new Paragraph 57:

"If no Tenant Improvements are defined below the Lessee accepts premises in "As Is" condition.

ADDENDUM PARAGRAPH 58 (Recording)

The following is hereby added as a new Paragraph 58:

"Neither this Lease or a short form of memorandum of this Lease shall be recorded in the office of any county recorder without Lessor's express written consent. In the event of

JTC



any such recordation, Lessee shall be solely responsible for any documentary transfer taxes or any other taxes relating to or arising out of any such recordation."

ADDENDUM PARAGRAPH 59 (Financial Statements)

The following is hereby added as a new Paragraph 59:

"Lessee acknowledges that it has provided Lessor with its (and, if applicable, its guarantor's) financial statement(s) as material inducement to Lessor's agreement to lease the Premises to Lessee, and that Lessor has relied on the accuracy of said financial statement(s) in entering into this Lease. Tenant represents and warrants that the information contained in said financial statement(s) is true, complete and correct in all material aspects, and agrees that the foregoing representation and warranty shall be a precondition to this Lease. At any time during the term of this Lease within ten days of Landlord's request, Tenant shall furnish to Landlord financial statements of a similar nature for tenant's most recent fiscal year available and shall represent and warrant the accuracy of such information."

IN WITNESS WHEREOF, Lessor and Lessee have executed the Addendum as of the date and year first written below.

LESSOR:

Bayport Los Alamitos Associates, LP
By: BayHarbor Management Services, Inc.
Agent for Owner

BY: [Signature]
John P. Cotton, President

DATE: 5/3/04

LESSEE:

California Western Financial
Investments, Inc., a California corp.

BY: [Signature]
Caroline Getz, President

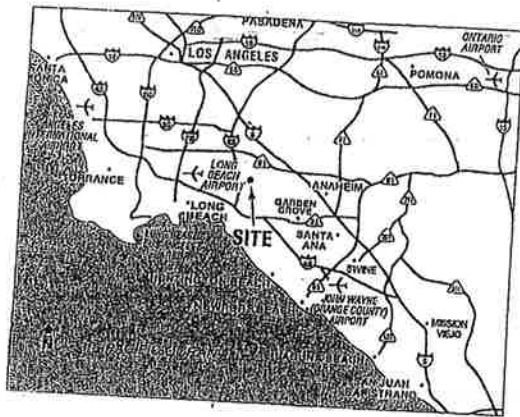
DATE: _____



EXHIBIT A

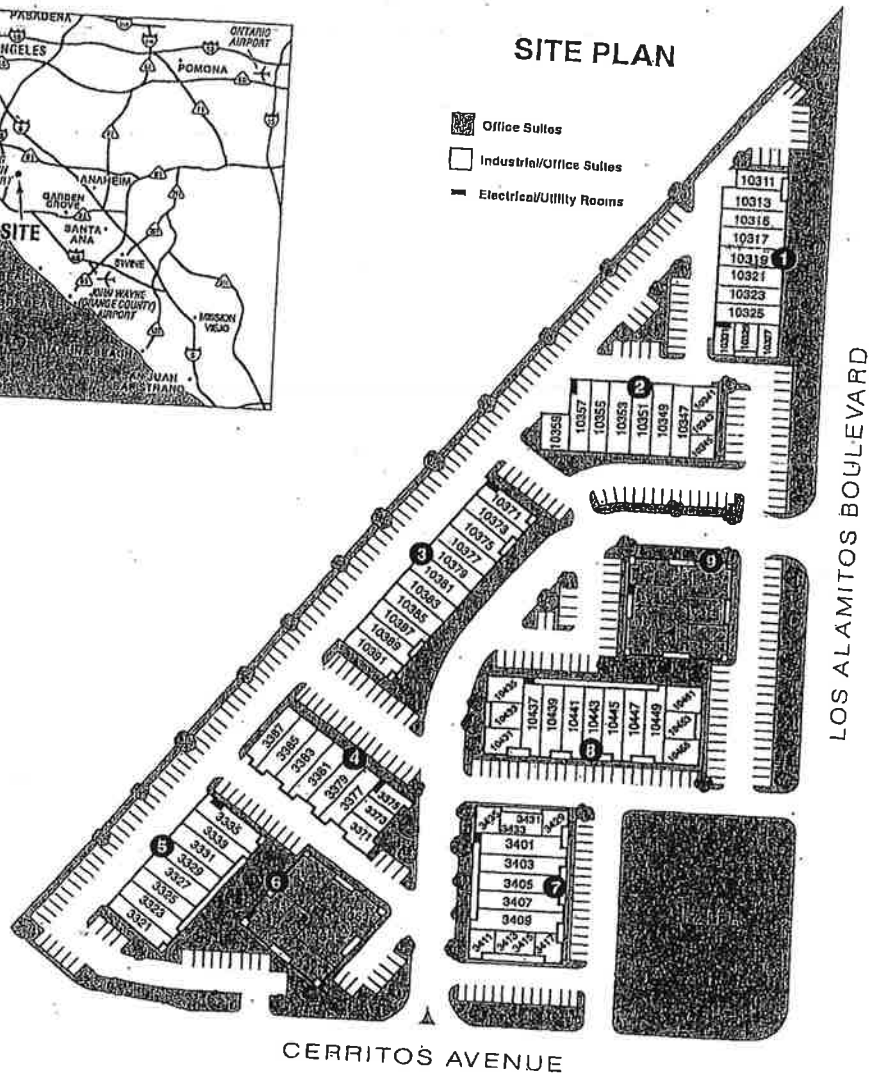
PREMISES

Exhibit A is intended only to show the general layout of the Premise as of the beginning of the Term of this Lease. It does not in any way supersede any of Landlord's rights with respect to arrangement and/or locations of public parts of the Building and changes in such arrangements and/or locations. It is not to be scaled; any measurements or distances shown should be taken as approximate.



SITE PLAN

- Office Suites
- Industrial/Office Suites
- Electrical/Utility Rooms



CERRITOS AVENUE

LOS ALAMITOS BOULEVARD

JRC

EXHIBIT "B"

RULES AND REGULATIONS

1. No sign, placard, picture, advertisement, name or notice shall be installed or displayed on any part of the outside of the Building without the prior written consent of Lessor. Lessor shall have the right to remove, at Lessee's expense and without notice, any sign installed or displayed in violation of this rule. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Lessee by a person satisfactory to Lessor.
2. ~~If Lessee requires telegraphic, telephonic or burglar alarm systems, Lessee shall provide Lessor with operating instructions prior to their installation.~~
3. Lessor reserves the right, exercisable without notice and without liability to Lessee, to change the name of the Building/Project.
4. The cost of repairing damage of any kind caused by Lessee, its employees, guests, agents or invitees whether by negligence, carelessness, or for any other reason, shall be paid for by Lessee.
5. Lessee shall not install any radio or television antenna, loudspeaker or other device on the roof or exterior walls of the Building. Lessee shall not interfere with radio or television broadcasting or reception from or in the Building or elsewhere.
6. Without the written consent of Lessor, Lessee shall not use the name of the Building/Project in connection with or in promoting or advertising the business of Lessee except as Lessee's address.
7. Lessee shall comply with all safety, fire protection and evacuation procedures and regulations established by Lessor or any governmental agency.
8. Lessor may waive any one or more of these Rules and Regulations for the benefit of Lessee or any other lessee, but no such waiver by Lessor shall be construed as a waiver of such Rules and Regulations in favor of Lessee or any other lessee, nor prevent Lessor from thereafter enforcing any such Rules and Regulations against any or all Lessees of the Project.
9. These Rules and Regulations are in addition to, and shall not be construed in any way modify or amend, in whole or in part, the terms, covenants, agreements and conditions of any Lease of premises in the Project.
10. Lessor reserves the right to change, rescind or to make such other and reasonable rules and regulations as in its judgment may from time to time be needed for safety and security, for care and cleanliness of the Project, and for the preservations of good order therein. Lessee agrees to abide by all such rules and regulations hereinabove stated and any additional rules and regulations which are adopted.
11. Lessor shall have no liability or responsibility to any Lessee for the safety or well being of Lessee, his employees, invitees or business clients in their use or presence within the premises, or any place within the Project other than may be construed to be normally assumed as Lessor's liability or responsibility as defined elsewhere in the Lease.
12. Lessee agrees that all trash and debris is to be deposited in trash bins provided within the complex and all bins shall remain inside enclosures as provided by Lessor. All cardboard boxes shall be crushed or flattened before dumping. If it is determined that Lessee is regularly disposing of an unusually large amount of refuse, Lessee shall within ten (10) days of receipt of written notice from Lessor and at Lessee's sole expense, provide for an additional trash bin and pick up service at this leased premises. Lessor reserves the right to stipulate location of storage for Lessee's additional bin.

JRC



13. The Premises shall not be used for lodging or for any improper, immoral or objectionable purpose. No cooking shall be done or permitted by Lessee on the Premises, except that use by Lessee of Underwriters Laboratory approved equipment for brewing coffee, tea, hot chocolate and similar beverages shall be permitted, provided that such equipment and use is in accordance with all applicable federal, state, county and city laws, codes, ordinances, rules and regulations. Lessee shall have the right to use microwave ovens and refrigerators to serve its employees and customers.
14. Lessee assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.
15. Lessee shall not allow or permit the obstruction of any Common Areas, including driveways, walkways, and stairways.
16. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety, reputation, or property of the Project and its occupants.
17. Lessee shall not deface the walls, partitions or other surfaces of the premises of the Project.
18. Lessee shall not allow or permit any thing in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
19. No Lessee, employee or invitee shall go upon the roof of the Building without Landlord's prior written consent.
20. Lessee agrees to abide by Section 6404.5 of the California Labor Code, which prohibits smoking in the workplace. In accordance with state and federal laws, the Lessor has deemed all offices and warehouses on the Premises as non-smoking areas.
21. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons, or loss of property, all of which risks are assumed by the party using the parking area.
22. The maintenance, washing, waxing or cleaning of vehicles in the Common Area is prohibited.
23. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules and regulations, laws and agreements.
24. In conformance and compliance with the Law (Paragraph 6.2), Lessee agrees that no domestic animals shall be allowed in or on the Premises at any time.
25. Lessee shall be responsible for the observance of all of the foregoing rules by Lessee's employees, agents, clients, customers, invitees and guests.
26. Lessee shall be deemed to have read these rules and to have agreed to abide by them as a condition to his occupancy of the space herein leased.

JTC

CH
INITIALS
CJ

EXHIBIT "C"

Hazardous Materials Disclosure

This Hazardous Materials Disclosure is incorporated by reference into the Lease dated March 15, 2004, by and between Bayport Los Alamitos Associates, LP, as Lessor, and California Western Financial Investments, Inc., a California corporation, as Lessee, for the premises located at 3351 Cerritos Avenue, Los Alamitos, CA 90720.

I, Caroline Getz, represent that the following disclosure accurately reflects the usage or non-usage of hazardous materials on the leased Premises.

Description of Lessee's usage and business operations:

Petroleum products, chemicals, container sizes, and amounts to be utilized by Lessee at any time during tenancy:

None

Method and storage locations of hazardous materials:

None

List any operations discharges in or on Premises:

None

I, Caroline Getz, certify that I will comply fully with all applicable environmental laws governing hazardous materials and their usage in our operations.

LESSEE:

Caroline Getz
Caroline Getz, President

DATE:

3/30/04

JRC



EXHIBIT "D"

BAYHARBOR MANAGEMENT SERVICES, INC. ("BMS") TENANT INSURANCE REQUIREMENTS SUMMARY

Tenant is required to procure and maintain insurance coverage under policies of commercial general liability, professional liability (if applicable), automobile liability, and workers' compensation and employer's liability, at its own cost and expense during the term of the Lease. The following terms, coverages and limits are minimum requirements:

A. COMMERCIAL GENERAL LIABILITY:

1. \$1,000,000 combined single limit or equivalent approved by BMS, or current limit carried, whichever is greater;
2. Occurrence form (~~MODIFIED OCCURRENCE AND CLAIMS MADE FORMS ARE NOT ACCEPTABLE~~);
3. Bodily injury, broad form property damage, premises operations, blanket contractual liability, personal and advertising injury, independent contractors, mobile equipment, owners and contractors protective, and "XCU" exclusion deleted;
4. An endorsement at no expense to BMS naming BMS and Owner/Property and their officers, directors, owners and employees as additional insureds (see attached copy of endorsement for correct wording);
5. A provision that such insurance afforded by this policy for the benefit of the additional insureds shall be primary insurance but only as respects to any claims, loss, or liability arising out of the operations of the named insured, and any insurance maintained by the additional insured shall be non-contributing.
6. An endorsement affording sixty (60) days prior notice to BMS by certified mail in the event of cancellation, non-renewal, or reduction in coverage;
7. A deductible or self-insured retention of not more than \$5,000 (unless approved in writing by BMS).

B. PROFESSIONAL LIABILITY/ERRORS AND OMISSIONS (IF APPLICABLE):

1. \$1,000,000 per occurrence;
2. Required for all Architects, Engineers and Consultants;
3. Thirty (30) days notice of cancellation.

C. AUTOMOBILE LIABILITY

1. \$1,000,000 combined single limit or equivalent approved by BMS;
2. Bodily injury, property damage and uninsured motorist;
3. Any auto, owned, non-owned and hired vehicles;
4. Thirty (30) days notice of cancellation

D. WORKERS' COMPENSATION

1. Bodily injury limits as required by statute;
2. \$1,000,000 Employer Liability;
3. Waiver of Subrogation;
4. Thirty (30) days notice of cancellation;

E. Insurance carriers must have at least an A VIII Best rating or equivalent, and shall otherwise be acceptable to BMS.

F. The Required Insurance shall cover Tenant, its authorized representatives, employees, agents, and any other person performing any of the work under any contract or agreement with Tenant.

G. The Required Insurance shall not contain any exclusionary language nor limitations that are applicable to BMS or Owner/Property and their officers, directors, owners and employees, as additional insureds, that are not applicable to the named insured.

H. The project/job description and/or description of operations on all certificates, endorsement and other insurance documentation shall name the address and suite number(s) of the leased premise.

I. Tenant shall file with BMS original certificates of insurance and endorsements showing the Required Insurance to be in force. **FAXED CERTIFICATES WILL NOT BE ACCEPTED.** A summary of requirements and sample forms are attached. At the request of BMS, Tenant shall provide BMS with certified copies of all policies and certified copies of any subsequent policies or endorsements shall also be filed with BMS, upon request. Renewal certificates and endorsements for commercial general liability and/or professional liability shall be provided to BMS, at no expense to BMS. **TENANT SHALL NOT BE PERMITTED TO MOVE IN UNTIL THE CORRECT DOCUMENTATION HAS BEEN FILED WITH AND APPROVED BY BMS.**

J. All insurance documentation required by BMS must be given to the property manager, who will forward the information to the corporate office for approval.

K. If Tenant fails to procure and maintain the Required Insurance, BMS shall have the right (without any obligation to do so) to secure same in the name of and for the account of Tenant, in which event, Tenant shall pay the cost thereof and shall furnish, upon demand all information that may be required to procure the insurance.



ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER

Rancho Mesa Insurance Agency
1810 Gillespie Way, Suite 108
Cajon CA 92020
ne: 619-937-0164 Fax: 619-937-0168

OF ID KS
SOCCE-1DATE (MM/DD/YY)
07/16/02

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION
ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE
HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR
ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURER A: Travelers Property Casualty
INSURER B: Zenith Insurance Company
INSURER C:
INSURER D:
INSURER E:

(Insured's name and
full address)

JUL 17 2002

BY:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING
ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR
MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH
POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	00A58A	06/01/02	06/01/03	EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 300,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPIOP AGG \$ 2,000,000
AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	810-2	06/01/02	06/01/03	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
EXCESS LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$	6W385	06/01/02	06/01/03	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$ \$ \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	542	06/25/02	06/25/03	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

RE: Leased premises at (address), Los Alamitos, CA 90720
 Bay Harbor Management Services, Inc and Bayport Los Alamitos Associates, LP
 are included as additional insured as their interest may appear (Hard
 copy endorsement to follow) Work comp waiver of subrogation applies (Hard
 copy endorsement to follow) *10 days for non payment

CERTIFICATE HOLDER

Y

ADDITIONAL INSURED; INSURER LETTER: A

CANCELLATION

BAYHARB

BAY HARBOR MANAGEMENT
SERVICES, INC
8090 PULLMAN STREET
COSTA MESA CA 92626

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION
DATE THEREOF, THE ISSUING INSURER WILL MAIL *30 DAYS WRITTEN
NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BY REGISTERED MAIL AND SO QUALIFY

AUTHORIZED REPRESENTATIVE

Am O Vasquez

ACORD CORPORATION 1988

CORD 25-S (7/87)



EXHIBIT "D"

SAMPLE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**ADDITIONAL INSURED - MANAGERS OR
LESSORS OF PREMISES**

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

Commercial General Liability Coverage Part

Policy Number: (General Liability #
same as on Certificate)

SCHEDULE

Name of Person or Organization: Bayharbor Management Services, Inc. And
(Additional Insured):

Bayport Los Alamitos Associates, LP.

(And their officers, directors, owners, and employees)

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

SUCH INSURANCE AS IS AFFORDED BY THIS POLICY FOR THE BENEFIT OF THE ADDITIONAL INSURED, SHALL BE PRIMARY INSURANCE BUT ONLY AS RESPECTS ANY CLAIMS, LOSS, OR LIABILITY ARISING OUT OF THE OCCUPANCY OF THE DESIGNATED PREMISES BY THE NAMED INSURED OR OUT OF THE NAMED INSURED OPERATIONS, AND ANY INSURANCE CARRIED BY THE ADDITIONAL INSURED SHALL BE EXCESS AND NON-CONTRIBUTING.

Signed By: _____
(Insurance Carrier Representative)

CG20111185



EXHIBIT "D"

SAMPLE

ENDORSEMENT

Policy Number:

(Work Comp. Policy
As it appears on cert.)

Worker's Compensation Carrier

WAIVER OF SUBROGATION

IT IS AGREED THAT WE WAIVE ANY RIGHT OF RECOVERY WE MAY HAVE
AGAINST THE PERSON OR ORGANIZATION SHOWN IN THE SCHEDULE
BECAUSE OF PAYMENT WE MAKE FOR INJURY OR DAMAGE

SCHEDULE
NAME OF PERSON OR ORGANIZATION

Bayharbor Management Services, Inc. And

Bayport Los Alamitos Associates, LP.

(and their officers, directors, owners and employees)

Date: _____

Authorized Signature: _____



EXHIBIT "D"

**CERTIFICATE OF EXEMPTION
WORKER'S COMPENSATION INSURANCE**

DATE: _____

FROM: _____

I certify that during my tenancy at _____
I shall not employ any person(s) in any manner so as to become subject to the
Worker's Compensation Laws in California.

If after making this Certificate of Exemption, my Company becomes subject to
the Worker's Compensation provisions of the Labor Code, I will forthwith comply
with such provisions.

COMPANY NAME: _____

AUTHORIZED SIGNATURE: _____

PRINTED NAME: _____

TITLE: _____

DATE: _____



THREE-DAY NOTICE TO PAY RENT OR QUIT
(Code of Civil Procedure Section §§ 1161 & 1161.1)

TO: California Western Financial Investments, Inc., and all tenants, subtenants and others in possession of the following

SUBJECT PREMISES: 3351 and 3363 Cerritos Avenue
Los Alamitos, CA 90720

PLEASE TAKE NOTICE that the undersigned ~~estimates~~, pursuant to California Code of Civil Procedure section 1161.1, that the rent now due and owing for the above-referenced subject premises (hereinafter, the "Subject Premises") is Eighteen Thousand Seven Hundred Forty-Four and 82/100 (\$18,744.82) enumerated as follows:

September 2010 Rent (3351)	= \$3,383.85
October 2010 Rent (3351)	= \$3,383.85
November Rent (3351)	= \$3,383.85
August 2010 Rent (3363)	= \$ 840.43
September 2010 Rent (3363)	= \$2,584.28
October 2010 Rent (3363)	= \$2,584.28
November 2010 Rent (3363)	= \$2,584.28

WITHIN THREE DAYS after service of this notice, the total overdue rent payment, in the amount stated above, must be made by cashiers check or money order, payable to Bayport Los Alamitos Associates, LP and must be delivered to Paula Wilson of BayHarbor Management Services, Inc. at 3090 Pullman Street, Costa Mesa, CA 92626; Phone number (714) 434-4427. She will be available to receive the payment personally Mondays through Fridays between the hours of 8:00 a.m. and 5:00 p.m.

In the alternative, you are required to vacate and deliver the Subject Premises to Paula Wilson of BayHarbor Management Services, Inc. within three days after service of this notice upon you.

If you fail either to pay the amount of rent demanded in this notice or to vacate and deliver the Subject Premises to the person designated above within three days, the undersigned will commence legal proceedings against you to (1) declare a forfeiture of your lease, (2) recover possession of the Subject Premises, (3) recover the rent demanded herein, due for the periods covered by this notice, and (4) recover damages for each day that you occupy the Subject Premises after the periods covered by this notice (plus statutory damages), and costs of suit (including attorneys fees, if applicable).

Further, if you fail to timely pay the amount demanded by this notice, the undersigned declares the forfeiture of the rental agreement or lease under which you hold possession of the Subject Premises. Said declaration is made without any waiver of Landlord/Lessor's right to seek rent, damages and all other sums owing for the balance of the term of your lease or rental agreement.

NOTICE OF NONWAIVER OF RIGHTS: Landlord/Lessor's acceptance of a partial rent payment after service of this notice upon you or after commencement of a civil action

predicated upon this notice shall not constitute a waiver of any rights, including any rights Landlord/Lessor may have to recover possession of the Subject Premises.

You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to pay your rent.

LANDLORD/LESSOR

Dated: 11/5/10

Bayport Los Alamitos Associates, LP
a California limited partnership
By: Warmington Capital Industrial Partners, L.P.
a California limited partnership, its general partner

By: BayHarbor Management Services Inc.
a California corporation, its general partner


By: Paula Wilson, Property Manager

CALIFORNIA PENAL CODE SECTION 594 reads as follows: "Every person who maliciously injures or destroys any real or personal property not his/her own, in cases otherwise than such as are specified in this Code, is guilty of a misdemeanor."

THIS NOTICE SUPERCEDES ANY PRIOR NOTICES TO PAY RENT OR QUIT.

NOTICE: EVERYONE WHO LIVES IN THIS RENTAL UNIT MAY BE EVICTED BY COURT ORDER. READ THIS FORM IF YOU LIVE HERE AND IF YOUR NAME IS NOT ON THE ATTACHED SUMMONS AND COMPLAINT.

1. If you live here and you do not complete and submit this form within 10 days of the date of service shown on this form, you will be evicted without further hearing by the court along with the persons named in the Summons and Complaint.
2. If you file this form, your claim will be determined in the eviction action against the persons named in the Complaint.
3. If you do not file this form, you will be evicted without further hearing.

CLAIMANT OR CLAIMANT'S ATTORNEY (Name and Address):		TELEPHONE NO.:	FOR COURT USE ONLY
ATTORNEY FOR (Name):			
NAME OF COURT: SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE STREET ADDRESS: 8141 13TH STREET MAILING ADDRESS: CITY AND ZIP CODE: WESTMINSTER, CA 92683-4593 BRANCH NAME: WEST JUSTICE CENTER -LIMITED CIVIL			
PLAINTIFF: BAYPORT LOS ALAMITOS ASSOCIATES LP DEFENDANT: CALIFORNIA WESTERN FINANCIAL INVESTEMENTS, INC. A CALIFORNIA CORPORATION			
PREJUDGMENT CLAIM OF RIGHT TO POSSESSION		CASE NUMBER:	30-2010 00428131
Complete this form only if ALL of these statements are true: 1. You are NOT named in the accompanying Summons and Complaint. 2. You occupied the premises on or before the date the unlawful detainer (eviction) Complaint was filed. 3. You still occupy the premises.		(To be completed by the process server) DATE OF SERVICE: (Date that this form is served or delivered, and posted, and mailed by the officer or process server)	

I DECLARE THE FOLLOWING UNDER PENALTY OF PERJURY:

1. My name is (specify):
2. I reside at (street address, unit No., city and ZIP code):
3. The address of "the premises" subject to this claim is (address):
4. On (insert date): , the landlord or the landlord's authorized agent filed a complaint to recover possession of the premises. (This date is the court filing date on the accompanying Summons and Complaint.)
5. I occupied the premises on the date the complaint was filed (the date in item 4). I have continued to occupy the premises ever since.
6. I was at least 18 years of age on the date the complaint was filed (the date in item 4).
7. I claim a right to possession of the premises because I occupied the premises on the date the complaint was filed (the date in item 4).
8. I was not named in the Summons and Complaint.
9. I understand that if I make this claim of right to possession, I will be added as a defendant to the unlawful detainer (eviction) action.
10. (Filing fee) I understand that I must go to the court and pay a filing of \$ or file with the court the form "Application for Waiver of Court Fees and Costs." I understand that if I don't pay the filing fee or file with the court the form for waiver of court fees within 10 days from the date of service on this form (excluding court holidays), I will not be entitled to make a claim of right to possession.

(Continued on reverse)

PLAINTIFF (Name): BAYPORT LOS ALAMITOS ASSOCIATES LP

CASE NUMBER:

DEFENDANT (Name): CALIFORNIA WESTERN FINANCIAL INVESTMENTS,
INC. A CALIFORNIA CORPORATION

NOTICE: If you fail to file this claim, you will be evicted without further hearing.

1. (Response required within five days after you file this form) I understand that I will have five days (excluding court holidays) to file a response to the Summons and Complaint after I file this Prejudgment Claim of Right to Possession form.
2. **Rental agreement.** I have (check all that apply to you):
- a. ☐ an oral rental agreement with the landlord.
 - b. ☐ a written rental agreement with the landlord.
 - c. ☐ an oral rental agreement with a person other than the landlord.
 - d. ☐ a written rental agreement with a person other than the landlord.
 - e. ☐ other (explain):

declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

WARNING: Perjury is a felony punishable by imprisonment in the state prison.

date:

(TYPE OR PRINT NAME)

(SIGNATURE OF CLAIMANT)

NOTICE: If you file this claim of right to possession, the unlawful detainer (eviction) action against you will be determined at trial. At trial, you may be found liable for rent, costs, and, in some cases, treble damages.

- NOTICE TO OCCUPANTS -

YOU MUST ACT AT ONCE if all the following are true:

- 1. You are **NOT** named in the accompanying Summons and Complaint.
- 2. You occupied the premises on or before the date the unlawful detainer (eviction) complaint was filed. (The date is the court filing date on the accompanying Summons and Complaint.)
- 3. You still occupy the premises.

(Where to file this form) You can complete and SUBMIT THIS CLAIM FORM WITHIN 10 DAYS from the date of service (on the reverse of this form) at the court where the unlawful detainer (eviction) complaint was filed.

(What will happen if you do not file this form) If you do not complete and submit this form (and pay a filing fee or file the form for proceeding in forma pauperis if you cannot pay the fee), YOU WILL BE EVICTED.

After this form is properly filed, you will be added as a defendant in the unlawful detainer (eviction) action and your right to occupy the premises will be decided by the court. If you do not file this claim, you will be evicted without a hearing.

JON CHRISTENSEN
ASSISTANT TREASURER-TAX COLLECTOR

DEBBIE BASHE
INFORMATION TECHNOLOGY OFFICER

GIOVANE PIZANO
INVESTMENT MANAGER

KIEU NGO
FISCAL MANAGER

October 23, 2014

RUZICKA & WALLACE, LLP
C/O DESS RICHARDSON, ESQ.
16520 BAKE PKWY, STE 280
IRVINE, CA 92618

Re: Apn: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

RUZICKA & WALLACE, LLP
C/O DESS RICHARDSON, ESQ.
16520 BAKE PKWY, STE 280
IRVINE, CA 92618

2. Article Number
(Transfer from service label)

PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☐ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

If YES, enter delivery address below:

☐ Yes
☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7003 2260 0004 1562 0091

102595-02-M-15

Dear Dess Richardson:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

- ___ Notarized Affidavit for Collection of Personal Property under California Probate Code 13100
- ___ Notarized Statement of different/misspelled name
- ☒ Notarized Statement Giving Rights to Collect/Claim on behalf of *Bayport Los Alamitos Associates LP*
- ___ Certified Death Certificates for
- ___ Copy of Birth Certificates for
- ___ Copy of Marriage Certificate for
- ___ Original Note/Payment Book

- ☒ Updated Statement of Monies Owed (dated as of the tax sale) – (*showing any payments made toward the judgment from the time the claim was submitted until now.*)
- ___ Articles of Incorporation (if applicable Statement by Domestic Stock)
- ___ Court Order Appointing Administrator
- ___ Deed (Quitclaim/Grant etc...)
- ___ Other –

If you should have any questions, please contact me at the number listed below.

Sincerely,

Jason Jacques

Jason Jacques
Riverside County Treasurer-Tax Collector
Tax Sale Operations
(951) 955-3827
(951) 955-3990 Fax

RIVERSIDE COUNTY TREASURER-TAX COLLECTOR

4080 LEMON STREET, 4TH FLOOR ★ P.O. BOX 12005 ★ RIVERSIDE, CALIFORNIA 92502
WWW.RIVERSIDETAXINFO.COM ★ (951) 955-3900 ★ 1(877) 748-2689 ★ FAX (951) 955-3923

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

November 26, 2014

RUZICKA & WALLACE, LLP
C/O DESS RICHARDSON, ESQ.
16520 BAKE PKWY, STE 280
IRVINE, CA 92618

RUZICKA & WALLACE, LLP
C/O DESS RICHARDSON, ESQ.
16520 BAKE PKWY, STE 280
IRVINE, CA 92618

E.P. 7092-739 JJ.

2. Article Number
(Transfer from service label)

Re: Apn: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-

COMPLETE THIS SECTION ON DELIVERY

A. Signature


☐ Agent
☐ Address

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

7003 2260 0004 1562 0268

Dear Dess Richardson:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

- ☐ Notarized Affidavit for Collection of Personal Property under California Probate Code 13100
- ☐ Notarized Statement of different/misspelled name
- ☒ Notarized Statement Giving Rights to Collect/Claim on behalf of **Bayport Los Alamitos Associates LP**
- ☐ Certified Death Certificates for
- ☐ Copy of Birth Certificates for
- ☐ Copy of Marriage Certificate for
- ☐ Original Note/Payment Book

- ☒ Updated Statement of Monies Owed (dated as of the tax sale) – **(showing any payments made toward the judgment from the time the claim was submitted until now.)**
- ☐ Articles of Incorporation (if applicable)
- ☐ Statement by Domestic Stock
- ☐ Court Order Appointing Administrator
- ☐ Deed (Quitclaim/Grant etc...)
- ☐ Other –

Other –

If your documentation is not received within 30 days, (December 29, 2014) your claim will be denied.

If you should have any questions, please contact me at the number listed below.

Sincerely,

Jason Jacquez

Jason Jacquez
Riverside County Treasurer-Tax Collector
Tax Sale Operations
(951) 955-3827
(951) 955-3990 Fax

Business Entity Detail

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Tuesday, April 05, 2016. Please refer to [Processing Times](#) for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

Entity Name:	BAYPORT LOS ALAMITOS ASSOCIATES, L.P.
Entity Number:	200312500005
Date Filed:	04/25/2003
Status:	ACTIVE
Jurisdiction:	CALIFORNIA
Entity Address:	3090 PULLMAN ST
Entity City, State, Zip:	COSTA MESA CA 92626
Agent for Service of Process:	TOM KOSS
Agent Address:	3090 PULLMAN ST
Agent City, State, Zip:	COSTA MESA CA 92626

* Indicates the information is not contained in the California Secretary of State's database.

* **Note:** If the agent for service of process is a corporation, the address of the agent may be requested by ordering a status report.

- For information on checking or reserving a name, refer to [Name Availability](#).
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Field Descriptions and Status Definitions](#).

[Privacy Statement](#) | [Free Document Readers](#)

Copyright © 2016 California Secretary of State

CLAIM FOR EXCESS PROCEEDS FROM THE SALE OF TAX-DEFAULTED PROPERTY
(SEE REVERSE SIDE FOR FURTHER INSTRUCTIONS)

To: Don Kent, Treasurer-Tax Collector

Re: Claim for Excess Proceeds

TC 192 Item 739 Assessment No.: 528033034-0

Assessee: CALIFORNIA WESTERN FINANCIAL INV INC TR & PORTER, STANLEY E TR & OWEN, RUSSELL A TR & ADAMS, PHILLIP J ETAL

Situs: 51802 DATE AVE CABAZON

Date Sold: March 20, 2012

Date Deed to Purchaser Recorded: May 11, 2012

Final Date to Submit Claim: May 13, 2013

RECEIVED
 JUN 21 PM 1:48
 RIVERSIDE COUNTY
 TREASURER-TAX COLLECTOR

I/We, pursuant to Revenue and Taxation Code Section 4675, hereby claim excess proceeds in the amount of \$ 41,911.60 from the sale of the above mentioned real property. I/We were the ☐ lienholder(s), ☒ property owner(s) [check in one box] at the time of the sale of the property as is evidenced by Riverside County Recorder's Document No. 2007-0274152 recorded on 4/24/07. A copy of this document is attached here to. I/We are the rightful claimants by virtue of the attached assignment of interest. I/We have listed below and attached hereto each item of documentation supporting the claim submitted.

NOTE: YOUR CLAIM WILL NOT BE CONSIDERED UNLESS THE DOCUMENTATION IS ATTACHED.

If the property is held in Joint Tenancy, the taxsale process has severed this Joint Tenancy, and all Joint Tenants will have to sign the claim unless the claimant submits proof that he or she is entitled to the full amount of the claim, the claimant may only receive his or her respective portion of the claim.

I/We affirm under penalty of perjury that the foregoing is true and correct.

Executed this 19th day of June, 2012 at Orange, CA
County, State

Jennifer Walker
Signature of Claimant

Signature of Claimant

Jennifer Walker for California Western Financial Investments, Inc.
Print Name

Print Name

3363 Camitos Ave
Street Address

Street Address

Los Alamitos CA 90720
City, State, Zip

City, State, Zip

562 594-6557
Phone Number

Phone Number

RECORDING REQUESTED BY
RESS FINANCIAL CORPORATION

DOC # 2007-0274152
04/24/2007 08:00A Fee:10.00
Page 1 of 2
Recorded in Official Records
County of Riverside
Larry W. Ward
Assessor, County Clerk & Recorder

AND WHEN RECORDED MAIL TO*

CALIFORNIA WESTERN FINANCIAL INVESTMENTS
3351 CERRITOS AVENUE
LOS ALAMITOS, CA 90720



S	R	U	PAGE	SIZE	DA	MISC	LONG	RFD	COPY
1			2						1
M	A	L	465	426	PCOR	NCOR	SMF	NCHG	EXAM
									034

Loan No.: 25269/BEACH CITY
A.P. No.: 528-033-034-0
TRA No.: 055-044

RESS Order No.: 70891

11

TRUSTEE'S DEED UPON SALE



The undersigned Trustee hereby certifies:

1. The Grantee named herein below **IS** the foreclosing Beneficiary;
2. The amount of the unpaid debt, together with costs was \$184,354.13;
3. The amount bid by the Grantee at the Trustee's Sale was \$130,350.00;
4. Total Documentary Transfer Tax, based on the above is \$0.00; and

California Western Financial Investments, Inc., a California corporation, herein called "Trustee", as Trustee in the Deed of Trust herein referred to, hereby grants and conveys, without warranty, express or implied to CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC., AS CUSTODIAL TRUSTEE FBO: LOIS D. BEAN, SUCCESSOR CO-TRUSTEE OF THE BEAN LIVING TRUST DATED JUNE 2, 1989 17.675%; STANLEY E. PORTER AND LORRAINE D. PORTER TRUSTEES, OF THE STANLY E. PORTER AND LORRAINE D. PORTER REVOCABLE ART TRUST DATED DECEMBER 30, 1992 22.231%; RUSSELL A. OWEN TRUSTEE OF THE W.A. OWEN & ASSOCIATES PROFIT SHARING PLAN 15.711%, PHILLIP J. ADAMS, AN UNMARRIED MAN 12.176%, JUDITH JENSEN HOWELL, A SINGLE WOMAN 32.207%, ALL AS TENANTS IN COMMON herein called "Grantee", all right, title and interest heretofore acquired and held by Trustee in and to all that certain real property situated in the UNINCORPORATED AREA OF THE County of RIVERSIDE, State of California, described as follows:

LOT 88 OF CABAZON ESTATES NO. 3, IN THE CITY OF CABAZON, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS RECORDED IN BOOK 47, PAGE 81 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

This conveyance is made pursuant to the power and authority conferred upon the Trustee in that certain Deed of Trust executed by BEACH CITY DEVELOPMENT, LLC A NEVADA LIMITED LIABILITY COMPANY as Trustor, recorded 08/11/2005, in Book n/a of Official Records of said County, at page n/a, Recorder's Instrument No. 2005-0651178, and after fulfillment of the conditions specified in said Deed of Trust authorizing this conveyance. Default occurred as set forth in that Notice of Default and Election to Sell Under Deed of Trust which was recorded 12/22/2006, in Book n/a of Official Records of said County, at page n/a, Recorder's Instrument No. 20060936772. All requirements of law regarding the mailing of copies of Notices for which Requests had been recorded, and otherwise, and regarding publication, recordation and posting of copies of a Notice of Trustee's Sale, have been complied with.

* Mail tax bill to the above

TRUSTEE'S DEED UPON SALE

Loan No.: 25269/BEACH CITY
A.P. No.: 528-033-034-0

RESS Order No.: 70891

Said real property was sold by Trustee on **04/19/2007**, at public auction, at the place named in said Notice of Trustee's Sale, in the County of **RIVERSIDE**, State of California, in which said property is situated. Grantee being the highest bidder at said sale, became the purchaser of said real property and paid to Trustee the amount bid therefore, being the sum of **\$130,350.00**, or by the satisfaction pro tanto, of the obligations then secured by said Deed of Trust.

In WITNESS WHEREOF, Trustee has executed these presents the day set forth in the acknowledgement certificate hereinbelow.

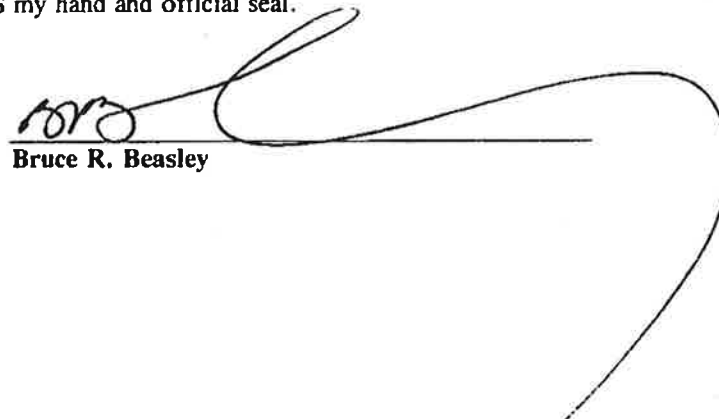
California Western Financial Investments, Inc.,
a California corporation, as Trustee
By: **RESS FINANCIAL CORPORATION**,
a California corporation, its Agent

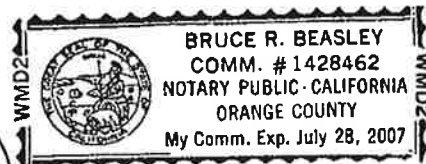
By: 
Christopher Loria
Trustee's Sale Officer

STATE OF CALIFORNIA }
COUNTY OF RIVERSIDE } ss:

On **04/23/2007** before me, Bruce R. Beasley, a Notary Public for said State, personally appeared Christopher Loria, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature 
Bruce R. Beasley



(Seal)



January 15, 2015

I am writing this letter per our conversation today. The original paperwork was submitted on June 19, 2012 by Jennifer Walker. She no longer works for California Western Financial Investments, Inc.

Please send the excess proceeds to our company in care of Caroline Getz, President at 3363 Cerritos Ave., Los Alamitos, CA 90720.

Thank you for your assistance.

A handwritten signature in cursive script, reading "Caroline Getz", written over a horizontal line.

Caroline Getz, President

Restated Articles of Incorporation

The undersigned certify that:

1. They are the president and the secretary, respectively, of California Western Financial Investments, Inc., a California Corporation.
2. The Articles of Incorporation of this corporation are amended and restated to read as follows:

I

The name of this corporation is **CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC.**

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California, other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporation Code.

III

The name and address in the State of California of this corporation's initial agent for service of process is Jennifer Walker, 3363 Cerritos Ave., Los Alamitos, CA 90720


IV

This corporation is authorized to issue only one class of shares of stock, and the total number of shares which this corporation is authorized to issue is 1,000.

3. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code. The total number of outstanding shares of the corporation is 900. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was at least two-thirds of the class of outstanding shares.
4. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of the Board of Directors in accordance with Section 902, California Corporations Code

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: 1/23/2012



Caroline Getz, President and Secretary

ENDORSED
FILED

In the office of the Secretary of State
of the State of California

AUG 7 1978

CERTIFICATE OF AMENDMENT OF
ARTICLES OF INCORPORATION OF

MARCH FONG EU, Secretary of State
By JAMES E. HARRIS
Deputy

CALIFORNIA WESTERN FINANCIAL INVESTMENT DIVISION

JENNETTE L. BRUCK, sole Incorporator of CALIFORNIA WESTERN FINANCIAL INVESTMENT DIVISION, hereby certifies that:

1. She is the sole incorporator of CALIFORNIA WESTERN FINANCIAL INVESTMENT DIVISION, a California corporation.


2. Article I of the Articles of Incorporation shall be amended to read in full as follows:

" I

The name of this corporation is CALIFORNIA WESTERN FINANCIAL INVESTMENTS."

3. No Directors have been named in the original Articles and no Directors have been elected for the corporation.

4. No shares of stock of the corporation have been issued.


JENNETTE L. BRUCK, Incorporator

Executed at Long Beach, California, on August 3, 1970.

The undersigned declares under penalty of perjury that the foregoing is true and correct.


JENNETTE L. BRUCK, Incorporator

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

California Western Financial Investments, Inc.
C/O Jennifer Walker
3363 Cerritos Ave.
Los Alamitos, CA 90720

2. Article Number
(Transfer from service label)

7003 2260 0004 1562 0329

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1

January 6, 2015

California Western Financial Inv
C/O Jennifer Walker
3363 Cerritos Ave.
Los Alamitos, CA 90720

Re: Apn: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

EP 192 - 739

COMPLETE THIS SECTION ON DELIVERY

A. Signature

H. Behmanesh ☐ Agent
☐ Address

B. Received by (Printed Name)

H. Behmanesh

C. Date of Delivery

1/9/15

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3363 Cerritos Ave
Los Alamitos CA
90720

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

Dear Ms. Walker:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

___ Notarized Affidavit for Collection of
Personal Property under California
Probate Code 13100

___ Notarized Statement of
different/misspelled name

☒ Notarized Statement Giving Rights to
Collect/Claim on behalf of California Western

___ Certified Death Certificates for Financial...

___ Copy of Birth Certificates for

___ Copy of Marriage Certificate for

___ Original Note/Payment Book

___ Updated Statement of Monies Owed
(as of dated of tax sale)

☒ Articles of Incorporation (if applicable
Statement by Domestic Stock)

___ Court Order Appointing Administrator

___ Deed (Quitclaim/Grant etc...)

___ Other -

If you should have any questions, please contact me at the number listed below.

Sincerely,

Jason Jacquez

Jason Jacquez
Tax Sale Operations
(951) 955-3827
(951) 955-3990 Fax

Jacquez, Jason

From: Jacquez, Jason
Sent: Thursday, February 26, 2015 12:10 PM
To: 'cgetz@pacwestfc.com'
Subject: Riverside County Treasurer - Excess Proceeds Claim
Attachments: Authorization for Agent.pdf; Trustees Deed.pdf

Dear Ms. Getz,

RE: EP 192 ITEM 739

Please mail the attached "Authorization for Agent" forms to further establish your right to claim the excess proceeds. We need a form notarized from each of the following parties that had a % interest in assessment # 528033034-0 from the Trustee's Deed:

Lois D. Bean , Successor Co Trustee – 17.675%
Stanley E. Porter & Lorraine D. Porter Trustees – 22.231%
Russell A. Owen Trustee – 15.711%
Phillip J, Adams – 12.176%
Judith Jensen Howell – 32.207%

The documents can be mailed to the following address:

RIVERSIDE COUNTY TREASURER
ATTN: EXCESS PROCEEDS
PO BOX 12005
RIVERSIDE, CA 92502-2205

Sincerely,

Jason Jacquez
Riverside County
Treasurer-Tax Collector
Tax Sale Operations
PH: (951) 955-3827
FAX: (951) 955-3990
www.countytreasurer.org

July 27, 2015

California Western Financial Inv
C/O Caroline Getz
3363 Cerritos Ave.
Los Alamitos, CA 90720

Re: APN: 528033034-0

TC 192 Item 739

Date of Sale: March 20, 2012

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

California Western Financial Investments, Inc.
C/O Caroline Getz
3363 Cerritos Ave.
Los Alamitos, CA 90720

2. Article Number

(Transfer from service label)

PS Form 3811, August 2001

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

7/30/15

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☐ Return Receipt for Merchandise

☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

EP 192-739

7003 2260 0004 1558 6670

To Whom It May Concern:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

___ Notarized Affidavit for Collection of
Personal Property under California
Probate Code 13100

___ Notarized Statement of
different/misspelled

☒ **Notarized Statement Giving
Authorization to California Western
Financial Investments, Inc., to claim on
behalf of Lois D. Bean.**

___ Certified Death Certificate for

___ Copy of Birth Certificates for

___ Copy of Marriage Certificate for

___ Original Note/Payment Book

___ Updated Statement of Monies Owed
(as of dated of tax sale)

___ Articles of Incorporation (if applicable
Statement by Domestic Stock)

___ Court Order Appointing Administrator

___ Deed (Quitclaim/Grant etc...)

☒ **Other – Copy of the Bean Living Trust
Dated June 2, 1989.**

Please send in all documents within 30 days (**August 26, 2015**). If you should have any questions, please contact me at the number listed below.

Sincerely,

Jennifer Pazicni
Tax Sale Operations Unit
(951) 955-3336
(951) 955-3990 Fax
jpazicni@co.riverside.ca.us

August 27, 2015

California Western Financial Inv
C/O Caroline Getz
3363 Cerritos Ave.
Los Alamitos, CA 90720

Re: APN: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

To Whom It May Concern:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

- ☐ Notarized Affidavit for Collection of Personal Property under California Probate Code 13100
- ☐ Notarized Statement of different/misspelled
- ☒ **Notarized Statement Giving Authorization to California Western Financial Investments, Inc., to claim on behalf of Lois D. Bean.**
- ☐ Certified Death Certificate for
- ☐ Copy of Birth Certificates for

- ☐ Copy of Marriage Certificate for
- ☐ Original Note/Payment Book
- ☐ Updated Statement of Monies Owed (as of dated of tax sale)
- ☐ Articles of Incorporation (if applicable Statement by Domestic Stock)
- ☐ Court Order Appointing Administrator
- ☐ Deed (Quitclaim/Grant etc...)
- ☒ **Other – Copy of the Bean Living Trust Dated June 2, 1989.**

If your documentation is not received within 15 days (September 11, 2015), your claim will be denied.

If you should have any questions, please contact me at the number listed below.

Sincerely,

Jennifer Pazicni
Tax Sale Operations Unit
(951) 955-3336
(951) 955-3990 Fax
jpazicni@co.riverside.ca.us

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

California Western Financial Investments, Inc.
C/O Caroline Getz
3363 Cerritos Ave.
Los Alamitos, CA 90720

EP 192-739

2. Article Number
(Transfer from service label)

7003 2260 0004 1558 7530

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-15

COMPLETE THIS SECTION ON DELIVERY

A. Signature

x H Behmanesh ☐ Agent ☐ Addressee

B. Received by (Printed Name)

H. Behmanesh

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

*3363 Cerritos Ave
Los Alamitos CA*

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

August 27, 2015

Final Notice

California Western Financial Investments, Inc.
C/O Caroline Getz
3363 Cerritos Ave.
Los Alamitos, CA 90720

Re: APN: 528033034-0
TC 192 Item 739
Date of Sale: March 20, 2012

To Whom It May Concern:

This office is in receipt of your claim for excess proceeds from the above-mentioned tax sale. The documentation you have provided is insufficient to establish your claim.

Please submit the necessary proof to establish your right to claim the excess proceeds. The document(s) listed below may assist the Tax Collector in making the determination.

- | | |
|--|--|
| <input type="checkbox"/> Notarized Affidavit for Collection of
Personal Property under California
Probate Code 13100 | <input type="checkbox"/> Copy of Marriage Certificate for |
| <input type="checkbox"/> Notarized Statement of
different/misspelled | <input type="checkbox"/> Original Note/Payment Book |
| <input checked="" type="checkbox"/> Notarized Statement Giving
Authorization to California Western
Financial Investments, Inc., to claim on
behalf of Lois D. Bean. | <input type="checkbox"/> Updated Statement of Monies Owed
(as of dated of tax sale) |
| <input type="checkbox"/> Certified Death Certificate for | <input type="checkbox"/> Articles of Incorporation (if applicable
Statement by Domestic Stock) |
| <input type="checkbox"/> Copy of Birth Certificates for | <input type="checkbox"/> Court Order Appointing Administrator |
| | <input type="checkbox"/> Deed (Quitclaim/Grant etc...) |
| | <input checked="" type="checkbox"/> Other – Copy of the Bean Living Trust
Dated June 2, 1989. |

If your documentation is not received within 15 days (September 11, 2015), your claim will be denied.

If you should have any questions, please contact me at the number listed below.

Sincerely,

Jennifer Pazicni
Tax Sale Operations Unit
(951) 955-3336
(951) 955-3990 Fax
jpazicni@co.riverside.ca.us

Business Entity Detail

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Friday, July 24, 2015. Please refer to Processing Times for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

Entity Name:	CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC.
Entity Number:	C3431843
Date Filed:	12/05/2011
Status:	FTB SUSPENDED
Jurisdiction:	CALIFORNIA
Entity Address:	3363 CERRITOS AVE
Entity City, State, Zip:	LOS ALAMITOS CA 90720
Agent for Service of Process:	JENNIFER WALKER
Agent Address:	3363 CERRITOS AVE
Agent City, State, Zip:	LOS ALAMITOS CA 90720

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code section 2114 for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to Name Availability.
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to Information Requests.
- For help with searching an entity name, refer to Search Tips.
- For descriptions of the various fields and status types, refer to Field Descriptions and Status Definitions.

[Privacy Statement](#) | [Free Document Readers](#)

Copyright © 2015 California Secretary of State

Business Entity Detail

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Friday, July 24, 2015. Please refer to Processing Times for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

Entity Name:	CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC.
Entity Number:	C0870008
Date Filed:	07/24/1978
Status:	DISSOLVED
Jurisdiction:	CALIFORNIA
Entity Address:	3363 CERRITOS AVENUE
Entity City, State, Zip:	LOS ALAMITOS CA 90720
Agent for Service of Process:	CAROLINE GETZ
Agent Address:	3363 CERRITOS AVENUE
Agent City, State, Zip:	LOS ALAMITOS CA 90720

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code section 2114 for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to Name Availability.
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to Information Requests.
- For help with searching an entity name, refer to Search Tips.
- For descriptions of the various fields and status types, refer to Field Descriptions and Status Definitions.

[Privacy Statement](#) | [Free Document Readers](#)

Copyright © 2015 California Secretary of State

Business Entity Detail

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Friday, July 24, 2015. Please refer to Processing Times for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

Entity Name:	PACIFIC WESTERN FINANCIAL CORP.
Entity Number:	C0463934
Date Filed:	01/15/1964
Status:	ACTIVE
Jurisdiction:	CALIFORNIA
Entity Address:	3363 CERRITOS AVE
Entity City, State, Zip:	LOS ALAMITOS CA 90720
Agent for Service of Process:	CAROLINE GETZ
Agent Address:	3363 CERRITOS AVE
Agent City, State, Zip:	LOS ALAMITOS CA 90720

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code section 2114 for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to Name Availability.
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to Information Requests.
- For help with searching an entity name, refer to Search Tips.
- For descriptions of the various fields and status types, refer to Field Descriptions and Status Definitions.

[Privacy Statement](#) | [Free Document Readers](#)

Copyright © 2015 California Secretary of State


[Secretary of State Main Website](#)
[Business Programs](#)
[Notary & Authentications](#)
[Elections](#)
[Campaign & Lobbying](#)
[Business Entities \(BE\)](#)
[Online Services](#)

- [E-File Statements of Information for Corporations](#)
- [Business Search](#)
- [Processing Times](#)
- [Disclosure Search](#)

[Main Page](#)
[Service Options](#)
[Name Availability](#)
[Forms, Samples & Fees](#)
[Statements of Information](#)
(annual/biennial reports)

[Filing Tips](#)
[Information Requests](#)
(certificates, copies & status reports)

[Service of Process](#)
[FAQs](#)
[Contact Information](#)
[Resources](#)

- [Business Resources](#)
- [Tax Information](#)
- [Starting A Business](#)

[Customer Alerts](#)

- [Business Identity Theft](#)
- [Misleading Business Solicitations](#)

Business Entity Detail

Data is updated to the California Business Search on Wednesday and Saturday mornings. Results reflect work processed through Tuesday, January 19, 2016. Please refer to [Processing Times](#) for the received dates of filings currently being processed. The data provided is not a complete or certified record of an entity.

Entity Name:	CALIFORNIA WESTERN FINANCIAL INVESTMENTS, INC.
Entity Number:	C3431843
Date Filed:	12/05/2011
Status:	FTB SUSPENDED
Jurisdiction:	CALIFORNIA
Entity Address:	3363 CERRITOS AVE
Entity City, State, Zip:	LOS ALAMITOS CA 90720
Agent for Service of Process:	JENNIFER WALKER
Agent Address:	3363 CERRITOS AVE
Agent City, State, Zip:	LOS ALAMITOS CA 90720

* Indicates the information is not contained in the California Secretary of State's database.

- If the status of the corporation is "Surrender," the agent for service of process is automatically revoked. Please refer to California Corporations Code [section 2114](#) for information relating to service upon corporations that have surrendered.
- For information on checking or reserving a name, refer to [Name Availability](#).
- For information on ordering certificates, copies of documents and/or status reports or to request a more extensive search, refer to [Information Requests](#).
- For help with searching an entity name, refer to [Search Tips](#).
- For descriptions of the various fields and status types, refer to [Field Descriptions and Status Definitions](#).

[Modify Search](#)
[New Search](#)
[Printer Friendly](#)
[Back to Search Results](#)
[Privacy Statement](#) | [Free Document Readers](#)

Copyright © 2016 California Secretary of State