



City of Sebastopol Planning Commission Staff Report

Meeting Date: July 25, 2023
Agenda Item: 6A
To: Planning Commission
From: John Jay, Associate Planner
Subject: Conditional Use Permit
Recommendation: Approval with conditions

Applicant/Owner: Grant Witham for Anytime Fitness/970 Gravenstein Hwy. LLC
File Number: 2023-033
Address: 968 Gravenstein Highway South
CEQA Status: Exempt
General Plan: Office Commercial (CO)
Zoning: General Commercial (CG)

Introduction:

This is an application for a conditional use permit from Grant Witham on behalf of Anytime Fitness for a Conditional Use Permit at 968 Gravenstein Highway South. Anytime Fitness has requested to operate 24 hours a day and 7 days a week, which will be staffed Monday through Saturday from 9am to 7pm. The gym will offer group training classes which range from 1-5 members and are run by a certified personal trainer.

Project Description:

The project proposal is for an Anytime Fitness gym to be located within the Gravenstein Shopping center on the southern end of Sebastopol which requires a conditional use permit. A use permit in this zone is normally subject to a Planning Director level public hearing however, the Planning Director has the authority to elevate the review to the Planning Commission should they judge that to be more appropriate given the specifics of the project. As this shopping center is known to have impacted parking issues, and the request for a 24-hour use without staffing during the evening/overnight hours, the Planning Director is referring this application to the Planning Commission for review.

Project Location and Surrounding Land Uses:

The project is located at 968 Gravenstein Highway South within the Gravenstein Shopping center and is surrounded by other retail and restaurant businesses. The suite is the interior corner suite of the shopping center and was formally occupied by a physical therapy office. The project is surrounded by residential to the north, west, and south. To the east is a mixed-use building with ground floor commercial and residential above.

General Plan Consistency:

The project is consistent with the following General Plan policies;

- **Policy EV 1-5:** Ensure that adequate sites are available through appropriate land use practices to accommodate a diverse range of desired businesses, including professional, technical, industrial, retail, and service-oriented, in order to provide goods and services to the West County region and to provide skilled, high-paying jobs for local residents.
- **Policy EV 3-1:** Recognize and support the Downtown, Northern Gateway, and Southern Gateway as distinct, but connected, business districts.

Zoning Ordinance Consistency:

The project is located within the General Commercial (CG) of Sebastopol where a variety of uses are allowed by permitted and use permit requirements. As the project is a gym or exercise facility the zoning code classifies these as exercise facilities and with that use requires a Planning Director Use permit within this district per Table 17.25-1 Permitted and Conditionally Permitted Uses in the Commercial, Office, and Industrial Zones:

Use	CO	CG	CD	M	OLM	CM
<u>Exercise facilities</u>	CD	CD	C	C	P	C

With all Planning Director-level decision conditional use permits, the Director has the discretion to elevate this decision to the Planning Commission that is within the rights of their authority. As noted above, this application has specific concerns such that this is being referred to the Planning Commission for review.

Anytime Fitness falls under the Formula Business category, having 25 or more substantially identical business in the United States regardless of ownership or location, for the City of Sebastopol it is subject to Section 17.340 of the Sebastopol Municipal Code. Within that section it states that formula businesses that are 10,000 square feet or less are exempt from formula business regulations if they are located within one of the following shopping centers;

- Redwood Marketplace, located at 700-800 Gravenstein Highway North;
- Fiesta Shopping Center, located at 500-660 Gravenstein Highway North and 7822-7840 Covert Lane;
- Southpoint Shopping Center, located at 775-801 Gravenstein Highway South; and
- Gravenstein Shopping Center, located at 950-980 Gravenstein Highway South.

As the project is located within the Gravenstein Shopping Center it is therefore exempt from any additional formula business regulations. Therefore, the use is subject to the criteria for a conditional use permit as described below, but not the Formula Business ordinance.

Required Findings:

Section 17.415.030 of the Sebastopol Municipal Code states the following findings must be made for all conditional use permits:

- A. *The proposed use is consistent with the General Plan and all applicable provisions of this title.*

B. The establishment, maintenance, and operation of the use applied for will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of persons residing or working in the area of such use or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City.

Analysis:

As mentioned above, staff has concerns about the proposed use related to parking and hours with its proximity to residential uses.

The Gravenstein Shopping center parking lot is heavily affected by businesses located within the center along with other restaurants and retail shops outside of the shopping center. The applicant has provided a parking map that shows employee parking and short-term parking and, as mentioned in the written statement it would require the patrons of the gym to find parking within the lot.

The use is proposed 24-hour operation, and being an exercise facility that is surrounded by residential uses staff has some concerns regarding both classes and operations during evening/late night hours related to noise. As the gym includes heavy equipment and training classes staff recommends limiting classes to regular business hours of 8am to 8pm, and to 7 people or less, or modified by the Planning Commission. Additionally, staff recommends a minimum of 15 minutes between classes to minimize overlap of people coming/going that could further impact parking.

Lastly, the operation would be staffed Monday through Saturday from 9am to 7pm. Members of the gym and other employees would have access 24 hours per day with a secure key-fob. Staff has concerns about how any issues would be responded to during non-staffed hours, potential safety issues, how the site would be monitored and/or who from Anytime Fitness would respond to non-emergency issues that may occur on the site. Staff has recommended conditions that the Planning Commission could consider and those are as follows;

- Limiting the hours of operation to be less than 24 hours.
- Requiring staff to be onsite for 24 hours.
- Requiring security for times that are outside of staffed hours.

Environmental Review:

The project is exempt from CEQA review as it classifies for a 15301(a) exemption “interior or exterior alterations involving such things as partitions, plumbing, and electrical conveyances” as the project proposed is to modify the interior of an existing facility to meet the new use of an exercise facility.

City Departmental Comments:

The Planning Department routed this application out to the various City departments and conditions are included within the attached exhibits.

Public Comment:

As prescribed by Section 17.460 of the Zoning Ordinance, the Planning Department completed the following: (1) Provided written notice to all property owners within 600 feet of the external boundaries of the subject property; (2) provided a written notice that was published in the Press

Democrat; and (3) posted three written notices publicly on and within vicinity of the subject property.

No public comments have been received as of the writing of this staff report.

Recommendation:

Staff believes the proposed use is compatible with the site, and recommends approval, subject to the following key conditions:

- Classes shall not take place outside of regular business hours of 8am to 8pm or modified by the Planning Commission and shall be limited to 7 students.
- Limiting operating hours to less than 24.
- Requiring security staff to be on site for hours outside of when staff is present.
- Good neighbor policy to address any noise or other issues with adjoining residential uses.

If it is the consensus of the Planning Commission that the proposed use is compatible with the site and surrounding uses, staff recommends that the application be approved based on the facts, findings, and analysis set forth in this staff report and as found in Exhibit A - Recommended Findings of Approval, and subject to the Recommended Conditions of Approval found in Exhibit B, and any additional or modified conditions the Planning Commission determines is appropriate.

Attachments:

- Exhibit A – Recommended Findings for Approval
- Exhibit B – Recommended Conditions of Approval
- Exhibit C – Standard Conditions of Approval tenant improvements
- Application Materials

EXHIBIT A
RECOMMENDED FINDINGS OF APPROVAL

Conditional Use Permit
968 Gravenstein Hwy South
APN 004-320-023, File 2023-033

1. That the project is categorically exempt from the requirements of CEQA under Section 15301 Class 1 (a) existing facilities “interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances. In that the project is converting a pre-existing medical office space to an exercise facility/gym.
2. That the project is consistent with the provisions of the General Plan, in that the project adds an additional exercise facility within city limits and meets the following General Plan policies:
 - **Policy EV 1-5:** Ensure that adequate sites are available through appropriate land use practices to accommodate a diverse range of desired businesses, including professional, technical, industrial, retail, and service-oriented, in order to provide goods and services to the West County region and to provide skilled, high-paying jobs for local residents. In that the shopping center is allowed to provide formula businesses within the Sebastopol Municipal Code requirements and that it provides an additional larger scale exercise option.
 - **Policy EV 3-1:** Recognize and support the Downtown, Northern Gateway, and Southern Gateway as distinct, but connected, business districts. As the project adds a new business to the Southern Gateway of Sebastopol.
3. That, as conditioned, the project is consistent with the Zoning Ordinance, in that it requires a conditional use permit for an exercise facility within the General Commercial district of Sebastopol.
4. As conditioned, the establishment, maintenance, and operation of the use applied for will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of persons residing or working in the area of such use or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the City in that the project would improve the welfare and health of the community in offering access to exercise/health studio and exercise classes.

EXHIBIT B
RECOMMENDED CONDITIONS OF APPROVAL

Conditional Use Permit
968 Gravenstein Hwy South
APN 004-320-023, File 2023-033

1. Plans and elevations shall be in substantial conformance with application documents and plans prepared by Grant Witham on behalf of Anytime Fitness, and stamped received on June 5, 2023, and on file at the City of Sebastopol Planning Department, except as modified herein:
2. All construction shall conform to the approved plans, unless the design is modified by the City for compliance with code requirements. The applicant shall obtain a Building Permit prior to the commencement of construction activities. Minor changes may be approved administratively by the Planning Director or their respective designee upon receipt of a substantiated written request by the applicant. Prior to such approval, verification shall be made by each relevant Department or Division that the modification is consistent with the application fees paid and environmental determination as conditionally approved. Changes deemed to be major or significant in nature shall require a formal application or amendment.
3. This approval does not include any signs. Any new signs that will identify the use of this property are subject to the prior approval of the Design Review Board or City staff, as appropriate.
4. The terms and conditions of this conditional use permit shall run with the land and shall be binding upon and be to the benefit of the heirs, legal representatives, successors and assigns of the permittee.
5. The applicant shall apply for a Business license with the City of Sebastopol before starting operation.
6. All training classes offered by Anytime Fitness shall not be allowed outside of the hours of 8am and 7pm Monday through Saturday.
7. The applicant shall ensure that proper lighting is maintained and available for patrons who visit the facility during afterhours where entry is key-fob only.

EXHIBIT C
STANDARD CONDITIONS OF APPROVAL

Conditional Use Permit
968 Gravenstein Hwy South
APN 004-320-023, File 2023-033

1. All plans shall include a brief description of the project on the cover sheet.
2. All submitted building permit plan check sets shall include a plan sheet incorporating these conditions of approval.
3. Except as otherwise noted in these conditions of approval, the plans submitted to the Building Department for plan check shall be in substantial conformance to those approved by the review body. If any changes are made to submitted plans which were approved by the review body the applicant shall work with the Planning Department to determine if the changes are significant enough to once again be seen by the review body, or if staff can approve the changes. Any changes that have not been approved by Planning staff are not approved. Construction or demolition work that does not conform to the Planning approval is not valid and shall be subject to stop work orders and may require removal.
4. Acceptance of the construction drawings and specifications does not release the applicant and owner from correction of mistakes, errors, or omissions contained therein. If, during the course of construction, the field conditions or other previously unknown conditions require a modification or a departure from the accepted plans, the applicant shall provide the modifications or departure and specify the correction of mistakes errors, or omissions in compliance with the CBC and City Standards.
5. The City of Sebastopol and its agents, officers and employees shall be defended, indemnified, and held harmless from any claim, action or proceedings against the City, or its agents, officers and employees to attach, set aside, void, or annul the approval of this application or the environmental determination which accompanies it, or which otherwise arises out of or in connection with the City's action on this application, including but not limited to, damages, costs, expenses, attorney's fees, or expert witness fees.
6. All portions of the job site shall be maintained in an organized and professional condition. All trash, debris, construction scraps and broken/deteriorated machinery shall be removed from the site by the end of each week. If off loaded construction materials are not used within 2 weeks, they shall be screened from public view. All sidewalks, driveways and public/private roadways fronting the subject site shall be broom cleaned at the end of each business day.
7. All permits and/or inspection fees required shall be paid in full prior to final occupancy being granted unless otherwise stipulated by the City.
8. The Planning Director shall interpret applicable requirements in the event of any redundancy or conflict in conditions of approval.

Planning Department Standard Conditions of Approval:

9. This approval is valid for a period of three (3) years during which time the rights granted must be exercised. However, the applicant may request one (1) one-year extension of this Use Permit from the Planning Director, pursuant to Zoning Ordinance §17.400.100.
10. The light source for all exterior lighting fixtures shall be shielded from adjacent properties. Cut sheets for all exterior lighting shall be submitted as part of the Design Review or other planning application.

Engineering and Public Works Department Standard Conditions of Approval:

11. All projects are subject to Impact Fees as adopted by the City Council, which are due at the time of issuance of the Building Permit unless otherwise stipulated by the City.
12. An Encroachment Permit is required from the Public Works Department for any and all work within the public right-of-way. If the work is within a CalTrans right-of way, an Encroachment Permit from CalTrans shall also be procured by the applicant. Encroachment Permit shall not be issued until the City Engineer approves the applicant's site improvement plans.

Fire Department. Standard Conditions of Approval:

13. The address shall be posted in accordance with requirements of the California Building Code and California Fire Code. The Fire Chief shall review and approve all requests for new addresses. Inspection and signoff of address posting shall be coordinated through Building Department.
14. Smoke and CO detectors shall be installed in accordance with the California Building Code. Final inspection and signoff of smoke detectors shall be coordinated through Building Department.
15. Noncombustible roofing shall be provided for:
 - a. All new roofs shall be non-combustible.
 - b. Roof Repairs or replacement:
 - i. Less than 25% - no requirement
 - ii. 25% to 50% - Class C minimum
 - iii. 50% or more — Non-Combustible
 - c. In no case shall the roofing material used to be less fire resistive than the existing roof.

NOTE: A "noncombustible" roof is a Class A roof (for other than Group R Occupancies, a Class A or Class A assembly) as defined in the California Building Code and approved by the Building Department.

16. Prior to occupancy, a spark arrester shall be installed on the chimney(s) 3/8" mesh minimum.

Building Department Standard Conditions of Approval:

17. All construction shall comply with all applicable Title 24 Codes in effect at the time of building permit submittal. It is the responsibility of the designer(s) to ensure that all applicable Title 24 codes, as well as any applicable Sebastopol Municipal Codes are incorporated into the design.
18. The project shall comply with the Green Building regulations contained in the Sebastopol Municipal Code that are in effect at the time of building permit submittal.

END OF STANDARD CONDITIONS OF APPROVAL



City of Sebastopol

Planning Department
7120 Bodega Avenue
Sebastopol, CA 95472
(707) 823-6167

MASTER PLANNING APPLICATION FORM

APPLICATION TYPE

- | | | |
|--|---|---|
| <input type="checkbox"/> Administrative Permit Review | <input type="checkbox"/> Lot Line Adjustment/Merger | <input type="checkbox"/> Temporary Use Permit |
| <input type="checkbox"/> Alcohol Use Permit/ABC Transfer | <input type="checkbox"/> Preapplication Conference | <input type="checkbox"/> Tree Removal Permit |
| <input checked="" type="checkbox"/> Conditional Use Permit | <input type="checkbox"/> Preliminary Review | <input type="checkbox"/> Variance |
| <input type="checkbox"/> Design Review | <input type="checkbox"/> Sign Permit | <input type="checkbox"/> Other _____ |

This application includes the checklist(s) or supplement form(s) for the type of permit requested: Yes No

REVIEW/HEARING BODIES

- Staff/Admin Design Review/Tree Board Planning Commission City Council Other planning director

APPLICATION FOR

Street Address: 968 Gravenstein Highway South Assessor's Parcel No(s): 800-066-401-000

Present Use of Property: Office Zoning/General Plan Designation: General Commercial (CG)

APPLICANT INFORMATION

Property Owner Name: 970 Gravenstein Hwy., LLC

Mailing Address: 1101 College Ave Suite 140 Phone: 707-615-5950

City/State: Santa Rosa, CA 95403 Email: dgonzalez@purepm.co

Signature: *Daisy Gonzalez* Date: 5/31/2023

Authorized Agent/Applicant Name: Grant Witham

Mailing Address: 1600 Kassidy Place Phone: 707-490-4682

City/State/ZIP: Rohnert Park, CA 94928 Email: grant.witham@gmail.com

Signature: *Grant Witham* Date: 5-31-2023

Contact Name (If different from above): Phone/Email:

PROJECT DESCRIPTION AND PERMITS REQUESTED (ATTACH ADDITIONAL PAGES IF NECESSARY)

New 24/7 Fitness Studio. Tenant improvement project. Conditional use permit requested.

CITY USE ONLY

Fill out upon receipt:	Action:	Action Date:
Application Date: _____	Staff/Admin: _____	Date: _____
Planning File #: _____	Planning Director: _____	Date: _____
Received By: _____	Design Review/Tree Board: _____	Date: _____
Fee(s): \$ _____	Planning Commission: _____	Date: _____
Completeness Date: _____	City Council: _____	Date: _____

SITE DATA TABLE

If an item is not applicable to your project, please indicate "Not Applicable" or "N/A" in the appropriate box; do not leave cells blank.

SITE DATA TABLE	REQUIRED / ZONING STANDARD	EXISTING	PROPOSED
Zoning	N/A	General Commercial (CG)	General Commercial (CG)
Use	N/A	Office	Fitness Studio
Lot Size	n/a	n/a	n/a
Square Feet of Building/Structures <i>(if multiple structures include all separately)</i>	n/a	5,839 sq ft	5,839 sq ft
Floor Area Ratio (F.A.R)	n/a _____ FAR	n/a _____ FAR	n/a _____ FAR
Lot Coverage	n/a _____ % of lot	n/a _____ % of lot	n/a _____ % of lot
	n/a _____ sq. ft.	n/a _____ sq. ft.	n/a _____ sq. ft.
Parking	n/a	121	121
Building Height	n/a	n/a	n/a
Number of Stories	n/a	n/a	n/a
Building Setbacks – Primary			
<i>Front</i>	n/a	n/a	n/a
<i>Secondary Front Yard (corner lots)</i>	n/a	n/a	n/a
<i>Side – Interior</i>	n/a	n/a	n/a
<i>Rear</i>	n/a	n/a	n/a
Building Setbacks – Accessory			
<i>Front</i>	n/a	n/a	n/a
<i>Secondary Front Yard (corner lots)</i>	n/a	n/a	n/a
<i>Side – Interior</i>	n/a	n/a	n/a
<i>Rear</i>	n/a	n/a	n/a
Special Setbacks (if applicable)			
<i>Other (_____)</i>	n/a	n/a	n/a
Number of Residential Units	n/a _____ Dwelling Unit(s)	n/a _____ Dwelling Unit(s)	n/a _____ Dwelling Unit(s)
Residential Density	1 unit per n/a _____ sq. ft.	1 unit per n/a _____ sq. ft.	1 unit per n/a _____ sq. ft.
Useable Open Space	n/a _____ sq. ft.	n/a _____ sq. ft.	n/a _____ sq. ft.
Grading	Grading should be minimized to the extent feasible to reflect existing topography and protect significant site features, including trees.	N/A	Total: n/a _____ cu. yds. Cut: n/a _____ cu. yds. Fill: n/a _____ cu. yds. Off-Haul: n/a _____ cu. yds
Impervious Surface Area	N/A	n/a _____ % of lot	n/a _____ % of lot
		n/a _____ sq. ft.	n/a _____ sq. ft.
Pervious Surface Area	N/A	n/a _____ % of lot	n/a _____ % of lot
		n/a _____ sq. ft.	n/a _____ sq. ft.

CONDITIONS OF APPLICATION

1. All Materials submitted in conjunction with this form shall be considered a part of this application.
2. This application will not be considered filed and processing may not be initiated until the Planning Department determines that the submittal is complete with all necessary information and is "accepted as complete." The City will notify the applicant of all application deficiencies no later than 30 days following application submittal.
3. The property owner authorizes the listed authorized agent(s)/contact(s) to appear before the City Council, Planning Commission, Design Review/Tree Board and Planning Director and to file applications, plans, and other information on the owner's behalf.
4. The Owner shall inform the Planning Department in writing of any changes.
5. **INDEMNIFICATION AGREEMENT:** As part of this application, applicant agrees to defend, indemnify, release and hold harmless the City, its agents, officers, attorneys, employees, boards, committees and commissions from any claim, action or proceeding brought against any of the foregoing individuals or entities, the purpose of which is to attack, set aside, void or annul the approval of this application or the adoption of the environmental document which accompanies it or otherwise arises out of or in connection with the City's action on this application. This indemnification shall include, but not be limited to, damages, costs, expenses, attorney fees or expert witness fees that may be asserted by any person or entity, including the applicant, arising out of or in connection with the City's action on this application, whether or not there is concurrent passive or active negligence on the part of the City.

If, for any reason, any portion of this indemnification agreement is held to be void or unenforceable by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect.

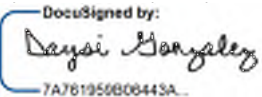
NOTE: The purpose of the indemnification agreement is to allow the City to be held harmless in terms of potential legal costs and liabilities in conjunction with permit processing and approval.

6. **REPRODUCTION AND CIRCULATION OF PLANS:** I hereby authorize the Planning Department to reproduce plans and exhibits as necessary for the processing of this application. I understand that this may include circulating copies of the reduced plans for public inspection. Multiple signatures are required when plans are prepared by multiple professionals.
7. **NOTICE OF MAILING:** Email addresses will be used for sending out staff reports and agendas to applicants, their representatives, property owners, and others to be notified.
8. **DEPOSIT ACCOUNT INFORMATION:** Rather than flat fees, some applications require a 'Deposit'. The initial deposit amount is based on typical processing costs. However, each application is different and will experience different costs. The City staff and City consultant time, in addition to other permit processing costs, (i.e., legal advertisements and copying costs are charged against the application deposit). If charges exceed the initial deposit, the applicant will receive billing from the City's Finance department. If at the end of the application process, charges are less than the deposit, the City Finance department will refund the remaining monies. Deposit accounts will be held open for up to 90 days after action or withdrawal for the City to complete any miscellaneous clean up items and to account for all project related costs.
9. **NOTICE OF ORDINANCE/PLAN MODIFICATIONS:** Pursuant to Government Code Section 65945(a), please indicate, by checking the boxes below, if you would like to receive a notice from the City of any proposal to adopt or amend any of the following plans or ordinances if the City determines that the proposal is reasonably related to your request for a development permit:

- | | |
|---|---|
| <input type="checkbox"/> A general plan | <input type="checkbox"/> A specific plan |
| <input type="checkbox"/> An ordinance affecting building permits or grading permits | <input type="checkbox"/> A zoning ordinance |

Certification

I, the undersigned owner of the subject property, have read this application for a development permit and agree with all of the above and certify that the information, drawings and specifications herewith submitted are true and correct to the best of my knowledge and belief and are submitted under penalty of perjury. I hereby grant members of the Planning Commission, Design Review Board and City Staff a _____ property as necessary for processing of the project application.

Property Owner's Signature:  _____ Date: 5/31/2023

I, the undersigned applicant, have read this application for a development permit and agree with all of the above and certify that the information, drawings and specifications herewith submitted are true and correct to the best of my knowledge and belief and are submitted under penalty of perjury.

Applicant's Signature: Grant Witham Date: 5-31-2023

NOTE: It is the responsibility of the applicant and their representatives to be aware of and abide by City laws and policies. City staff, Boards, Commissions, and the City Council will review applications as required by law; however, the applicant has responsibility for determining and following applicable regulations.

Neighbor Notification

In the interest of being a good neighbor, it is highly recommended that you contact those homes or businesses directly adjacent to, or within the area of your project. Please inform them of the proposed project, including construction activity and possible impacts such as noise, traffic interruptions, dust, larger structures, tree removals, etc.

Many projects in Sebastopol are remodel projects which when initiated bring concern to neighboring property owners, residents, and businesses. Construction activities can be disruptive, and additions or new buildings can affect privacy, sunlight, or landscaping. Some of these concerns can be alleviated by neighbor-to-neighbor contacts early in the design and construction process.

It is a "good neighbor policy" to inform your neighbors so that they understand your project. This will enable you to begin your construction with the understanding of your neighbors and will help promote good neighborhood relationships.

Many times, development projects can have an adverse effect on the tranquility of neighborhoods and tarnish relationships along the way. If you should have questions about who to contact or need property owner information in your immediate vicinity, please contact the Building and Safety Department for information at (707) 823-8597, or the Planning Department at (707) 823-6167.

I have informed site neighbors of my proposed project: Yes No

If yes, or if you will inform neighbors in the future, please describe outreach efforts:

We will be sending informational letters to all neighboring tenants in the shopping center regarding the project. We have already informed many of the workers/neighboring tenants in the shopping center through conversation on-site.

Website Required for Major Projects

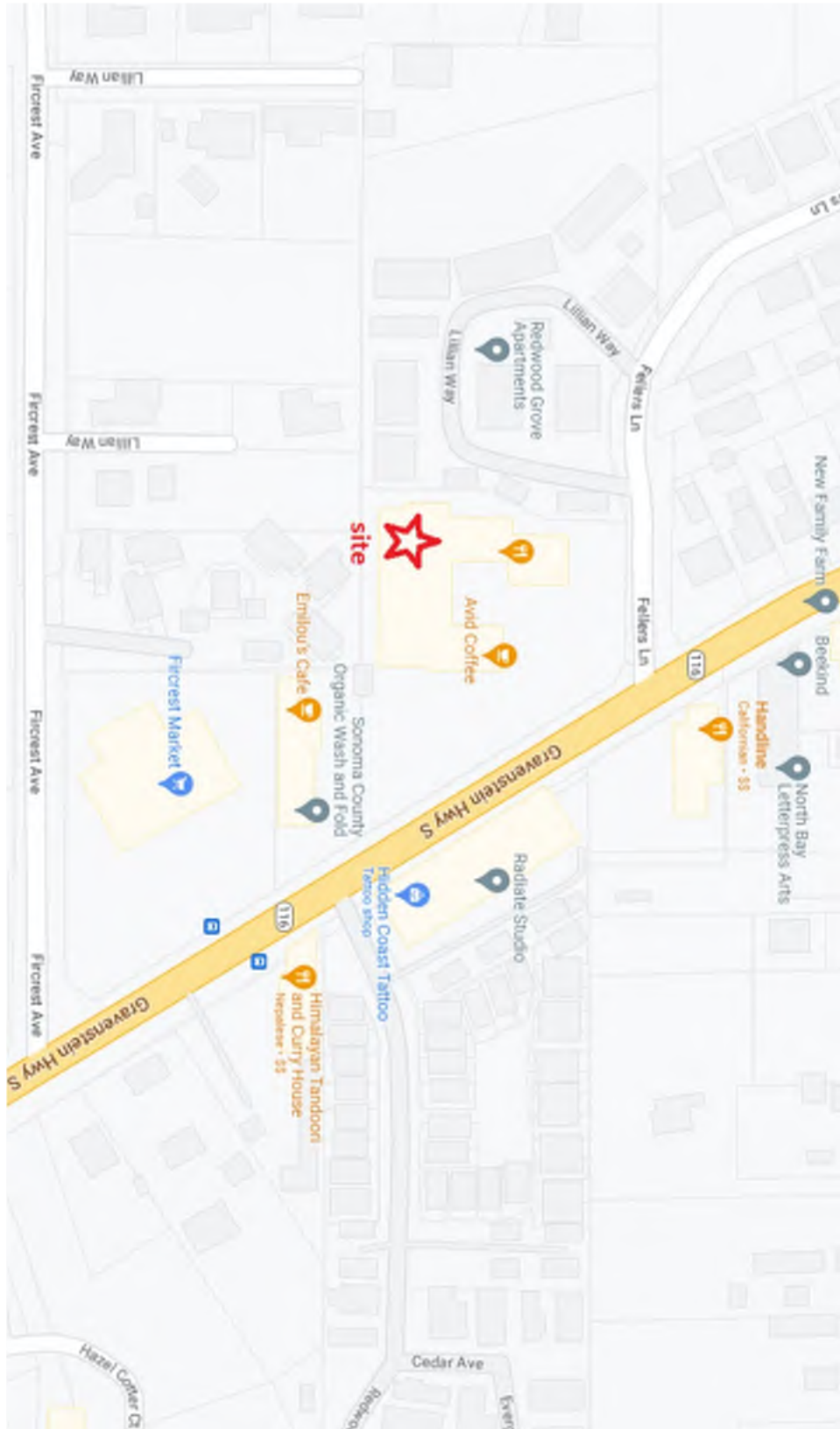
Applicants for major development projects (which involves proposed development of **10,000 square feet of new floor area or greater, or 15 or more dwelling units/lots**), are required to create a project website in conjunction with submittal of an application for Planning approval (including but not limited to Subdivisions, Use Permits, Rezoning, and Design Review). Required information may be provided on an existing applicant web site.

The website address shall be provided as part of the application. The website shall be maintained and updated, as needed until final discretionary approvals are obtained for the project.

Such website shall include, at a minimum, the following information:

- ✓ Project description
- ✓ Contact information for the applicant, including address, phone number, and email address
- ✓ Map showing project location
- ✓ Photographs of project site
- ✓ Project plans and drawings

LOCATION MAP: ANYTIME FITNESS PROJECT
968 GRAVENSTEIN HWY S.



WRITTEN STATEMENT: ANYTIME FITNESS PROJECT
968 GRAVENSTEIN HWY S.

To Whom It May Concern,

I am proposing putting an Anytime Fitness, a 24/7 fitness studio, at 968 Gravenstein Hwy S in the Gravenstein Shopping Center. It will occupy the space formerly leased by St. Joseph's Hand & Physical Therapy Clinic. The space is approximately 5,800 square feet. The scope of the work will be a tenant improvement project to turn the former physical therapy clinic into a fitness studio. The fitness studio will include 24/7 access to cardio equipment, strength equipment, and free weights. There will be no changes to the exterior storefront in regards to windows, paint, light fixtures, or materials. A new exterior sign will be installed on the exterior storefront, specifically an "Illuminated Cabinet" sign. See document titled "AF Sebastopol CA Exterior Sign Package" for more information. Additionally, we will be submitting for a sign permit as well. More details will be in that submittal.

The gym will operate 24 hours, 7 days per week. Only members of Anytime Fitness can access the gym 24/7. Access control is achieved via secure key-fobs issued to members of Anytime Fitness. Non-members will have access to the gym when Anytime Fitness staff is present. An example of typical "staffed" hours would be: Monday – Saturday 9am – 7pm. Personal trainers, who are employees of the gym, may be present before or after those hours. Average usage is estimated between 75-125 visits per day. Group training (classes) last 45-60 minutes and the size of the group ranges from 1-5 members. It is run by a certified personal trainer and the programming (workout) is produced by Anytime Fitness' corporate office. These sessions run throughout the day, based on demand by our members.

By opening an Anytime Fitness, residents of Sebastopol will benefit by having another option to choose from when deciding where to pursue their health and wellness goals. The City of Sebastopol will benefit in many ways as well. Neighboring tenants will see more recurring traffic to the shopping center due to our members visiting the gym regularly. This increased traffic should increase their sales. The gym will need managers, staff members, and personal trainers, therefore providing more job opportunities to the area. Sales of merchandise, supplements, and other items in the fitness studio will provide more sales tax revenue.

I have been a resident of Sonoma County for over 30 years and I have been involved with Anytime Fitness for over 11 years. It is my passion to help people reach their health and wellness goals and I am excited to provide that in Sebastopol.

Sincerely,

Grant Witham

**SITE INFORMATION: ANYTIME FITNESS PROJECT
968 GRAVENSTEIN HWY S.**



Aerial photo was pulled from real estate brochure. Shows the entire site and where our suite is located.

DESCRIPTION OF AREA

Easily identifiable landmark center on Sebastopol's most traveled road with two separate monument signs to take advantage of the strong traffic counts. Property is less than a mile to Sebastopol's historic downtown and Hwy 12 and approx. 7 miles to Hwy 101.

NEARBY AMENITIES

- Downtown Sebastopol
- Walking Distance to Coffee Shops, Restaurants, and Services

TRANSPORTATION ACCESS

- Located on Highway 116

Traffic Count - 970 Gravenstein Highway S			
Gravenstein Ave @ Corline Ct:	22,300		
Gravenstein Hwy S @ Southpoint Ave:	24,000		
5 Main Street @ Gravenstein Hwy S:	12,000		
Demographics	1 mile	3 mile	5 mile
2016 Population Summary	7,293	18,774	60,994
2016 Household Income	\$73,508	\$83,586	\$82,985



**SITE INFORMATION: ANYTIME FITNESS PROJECT
968 GRAVENSTEIN HWY S.**

Information about site below. This information was pulled from the real estate brochure. Photos are from prior tenant (physical therapy clinic)

RETAIL SPACE

DESCRIPTION

SUITE 968: 5,450+/- sq ft

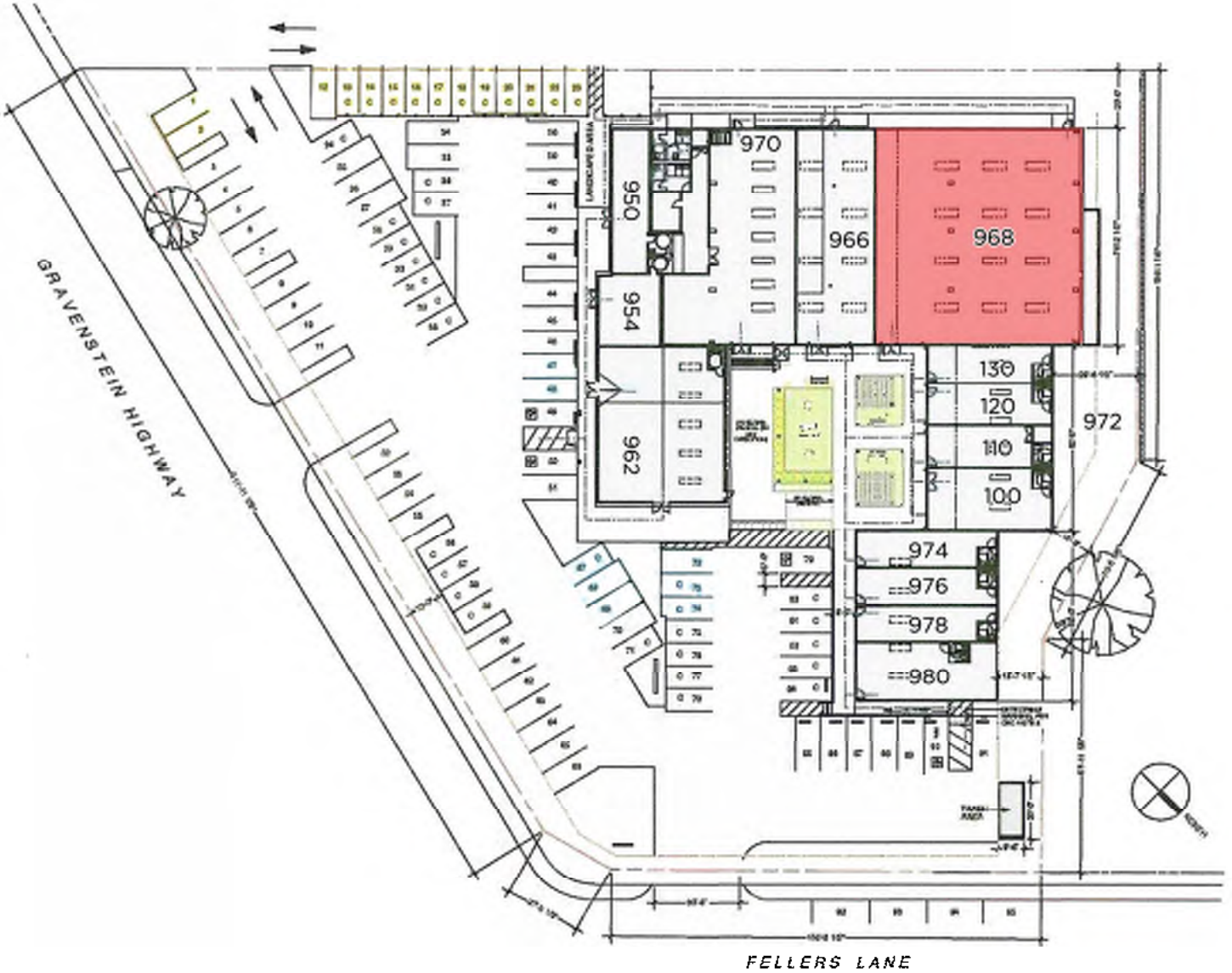
Large spacious suite with soaring, open beam ceilings and abundant natural light. Current configuration includes waiting area with reception, large conference room, 5 private offices/treatment rooms, kitchen/break room, 2 private restrooms, charting room, and storage room. Previously the home of St. Joseph Health Hand and Physical Therapy Clinic, space is move-in ready for fitness uses. Could also be perfect for furniture sales or design centers, architects, engineers, or other offices looking for unique and creative space.



Exhibit A

950-980 Gravenstein Hwy

Sebastopol, CA



 = Subject Space

Initials 

Date 3/7/2023

Initials 

Date 3/7/2023

NEW CLUB DESIGN COMPLIANCE PACKET



INSTRUCTIONS

It is required that the Compliance Drawing, construction details, and finishes are followed exactly as shown in this packet.

Please review this entire packet carefully and share a copy with your contractor. Let us know if you or your contractor have any questions.

The following is a list of what's included in this packet. There may be other compliance items required by your franchise agreement and amendments not shown here. Refer to those documents and your Store Development Coordinator (SDC) for specific information.

Included in this packet:

- Helpful Tips and Reminders
- Compliance Drawing
- Installation and construction details
- Example photos
- Vendor contact / ordering information
- Project completion instructions

Important: Any deviations from what is shown in this packet, requires prior written approval from your Construction Design Manager (CDM).

Helpful Tips and Reminders

Follow Your Compliance Drawing – The *Compliance Drawing* is the approved design for your club. If you deviate or make changes you will be required to correct them at your own cost. If you have questions or run into a site condition that conflicts with your *Compliance Drawing* contact your Construction Design Manager (CDM). Don't make assumptions or changes on your own.

Wall Finish Matters – Ensure you have the correct wall finish before you order. Vinyl wall graphics won't adhere to a textured wall. Check your surface to be sure it is right.

Ask Questions – If you aren't sure, don't understand something, don't know where to get something, don't trust what your contractor is telling you; PLEASE ASK. It is easier and cheaper to ask a question than fix a mistake. Contact your CDM with any questions.

Manage Your Contractor – You are responsible for your contractor and their work. Make sure they have all of the necessary information (including this packet) and that they understand they can't make changes.

Frequently Asked Questions

Can I install my own signs and graphics? – It depends on which items you are installing in your club; some are easy to install, others are more complicated. Items such as vinyl graphics can be tricky to install and once applied, can't be adjusted. A qualified sign installer has the tools and experience necessary to install them quickly and properly the first time or fix any mistakes at their expense, not yours.

NOTE: This layout/design was created utilizing existing condition/as-built information supplied by the Franchisee and/or their consultant. This document is not intended for permitting or construction. The franchisee is responsible to contract with a licensed architect, a.k.a. Architect of Record (AOR), to create code compliant construction drawings, based on this design. Verify all dimensions in field and notify the AOR of any discrepancies prior to starting construction.

REFER TO DESIGN MANUAL FOR ABBREVIATIONS

CA = Carpet Floor
 TILE = Ceramic Tile Floor
 LVT = Luxury Vinyl Tile Floor
 RF = Rubber Floor
 TURF = ECORE Turf Floor
 LVP = Luxury Vinyl Plank Floor
 STC = Stained Concrete Floor
 SC = Sealed Concrete Floor
 X = Existing Flooring to Remain
 P-1 thru P-10 = Wall Paint Color

DRAWING KEY:

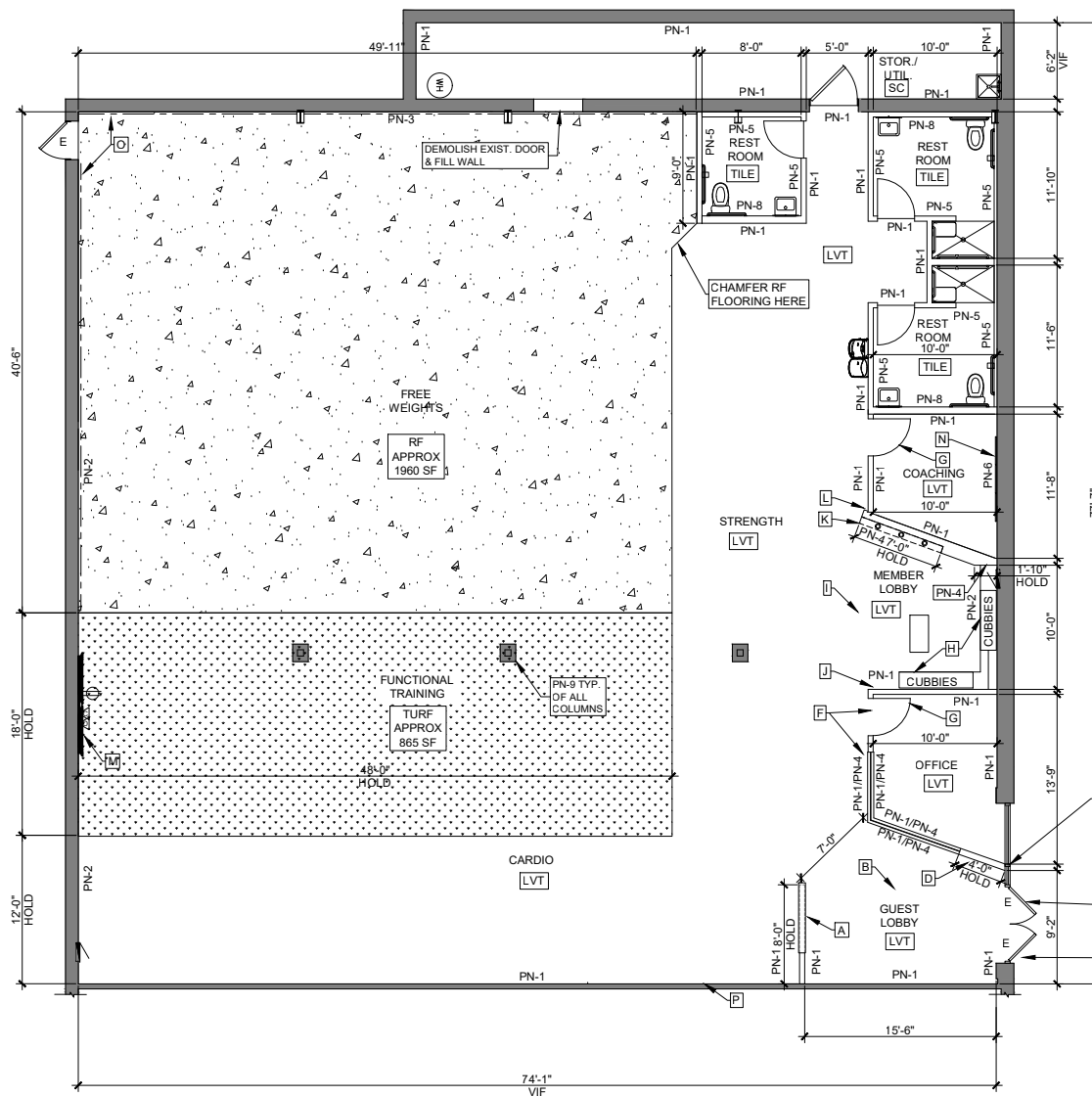
- = Existing Wall
- = New Wall
- = Demo Wall
- = Existing Door
- = Existing Door may not be required
- = New Door
- = Demo Door
- = Floor Transition

FINISH FLOOR KEY:

- Rubber
- Carpet
- TURF
- OTHER FLOORING AS NOTED

RELOCATION

NOT FOR CONSTRUCTION
COMPLIANCE DRAWING
 FLOOR PLAN



PAINT SCHEDULE

KEY	COLOR/NUMBER
PN-1	SW 7662 Evening Shadow
PN-2	SW 9161 Dustblu
PN-3	SW 7069 Iron Ore
PN-4	New AF Purple (Custom)
PN-5	SW 7649 Silverplate
PN-6	AF Teal (Custom)
PN-7	Not Used
PN-8	SW 9162 African Gray
PN-9	SW 7006 Extra White
PN-10	B42W00082 White (Ceiling)

KEYED NOTES: - REFER TO DESIGN COMPLIANCE PACKET (DCP) FOR CONSTRUCTION DETAILS & ADDITIONAL INFORMATION

- A. Lightbox feature wall
- B. Guest lobby decorative lighting
- C. AF logo feature wall; may not be applicable to all layouts
- D. AF lit logo sign
- E. Guest lobby screen wall
- F. Frame-less office window & transom
- G. Full glass door required
- H. Elevated cubbies & river rock boot tray

- I. Member lobby decorative lighting
- J. Location of emergency phone/equip; 2'-6" min. required
- K. Member lobby feature wall
- L. Intentional bump out for paint change required
- M. AF training communication kit - choose option 'A, B or C' shown in DCP; coordinate with equipment racks; 10'-0" min. wall space req.
- N. Coaching room poster frames; centered horiz. on wall
- O. Line indicates recommended location of mirrors
- P. Run electrical for cardio along storefront or in wall

GENERAL NOTES:

1. Verify location of existing storefront & structural membrane
2. Interior door & window frames (excluding storefront) to be painted to match the adjacent wall color. Refer to DCP for additional details & instructions
3. Owner & owner's architect to verify that showers/restrooms meet all federal, state & local building, fire & accessibility codes
4. Verify that required second emergency exit door complies with all state & local codes
5. Verify location of existing electrical panel(s) & provide furring around surface mounted panel(s) as needed, verify in field
6. All electrical to be run in wall - NO EXPOSED CONDUIT ALLOWED

7. All gyp. bd. walls need a level 4 finish before applying paint & other finish materials. NO TEXTURED WALL ALLOWED
8. Minimum allowable ceiling height for main club area is 10'-0"; CEILING MUST BE WHITE
9. Ceilings are required in all restrooms & tanning rooms. If walls extend to deck, a vinyl wrapped acoustical ceiling system can be used. If walls stop short of roof deck, a hard lid gypsum ceiling is required
10. All wall receptacles & switches to have gray devices & cover plates. No outlets, switches, thermostats or other devices to be located on feature walls, face of office, lightbox wall, etc.

1st Time FZ
 Yes No

PROJECT LOCATION:

SEBASTOPOL, CA AF5042 - 5450 SF

Square footage shown is a graphic representation based on the data received and may vary from the square footage as defined in the lease.

DESIGN MANUAL -

DESIGN SCHEME: REAL AF

REV: DESCRIPTION:

REV:	DESCRIPTION:	DATE:
-	Original Layout	3/29/23
	Layout Valid Until	9/29/23

DATE:
3/29/23
9/29/23



GUEST LOBBY

EXAMPLE PHOTOS



HOW TO ORDER: Contact Vendor

WHAT TO ORDER:

- (Qty. 2) Teal Poufs (Optional)
- (Qty. 1) Round White Table (Optional)
- (Qty. 3) Custom Decorative Lights (Optional)

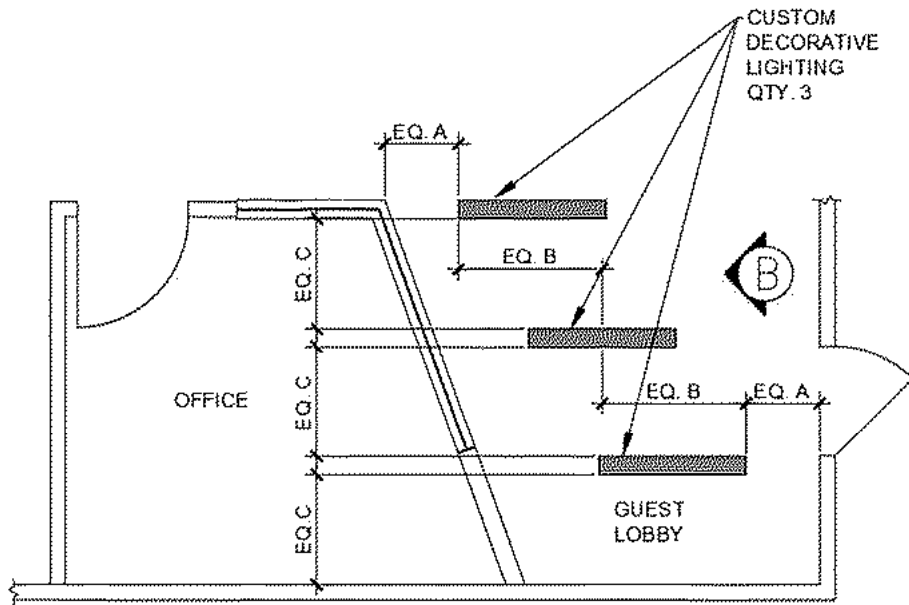
Note: Decorative lighting should only be installed in clubs with a finished ceiling height of 11'-0" or higher. If ceiling is lower than 11'-0", do not order or install decorative lighting.

VENDOR: Global Retail Environments (GRE)

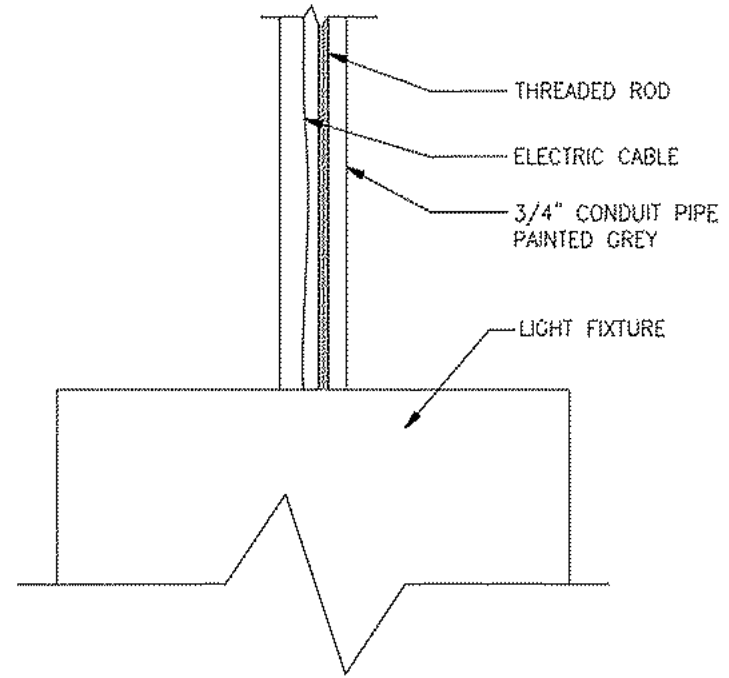
CONTACT: Customer Service – (320) 983-0000 – dscharber@globalretailenvironments.com

GUEST LOBBY DECORATIVE LIGHTING

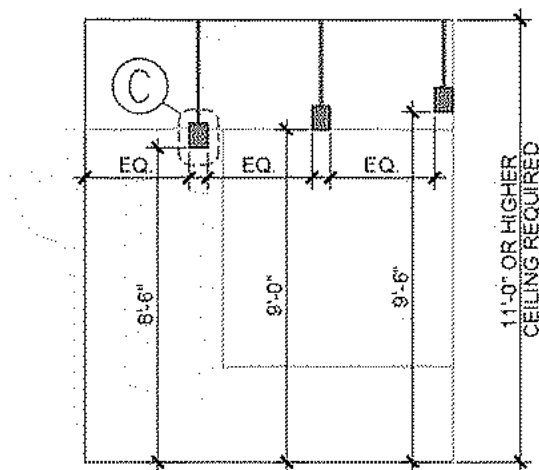
CONSTRUCTION DETAILS



A GUEST LOBBY LIGHTING PLAN VIEW



C GUEST LOBBY LIGHT DETAIL



B GUEST LOBBY LIGHTING ELEVATION

LIGHTING NOTES:

1. THIS IS AN EXAMPLE LAYOUT ONLY. REFER TO COMPLIANCE DRAWING FOR CLUB SPECIFIC FLOOR PLAN & ADJUST LIGHTING AS NEEDED.
2. DECORATIVE LIGHTING SHOULD ONLY BE INSTALLED IN CLUBS WITH A FINISHED CEILING HEIGHT OF 11'-0" OR HIGHER. IF CEILING IS LOWER THAN 11'-0", DO NOT ORDER OR INSTALL DECORATIVE LIGHTING.
3. LIGHTS TO BE ORDERED & SUPPLIED BY OWNER.
4. GC TO INSTALL

DOUBLE-SIDED LIGHTBOX

EXAMPLE PHOTOS



HOW TO ORDER: Contact Vendor

WHAT TO ORDER: Double-Sided Lightbox

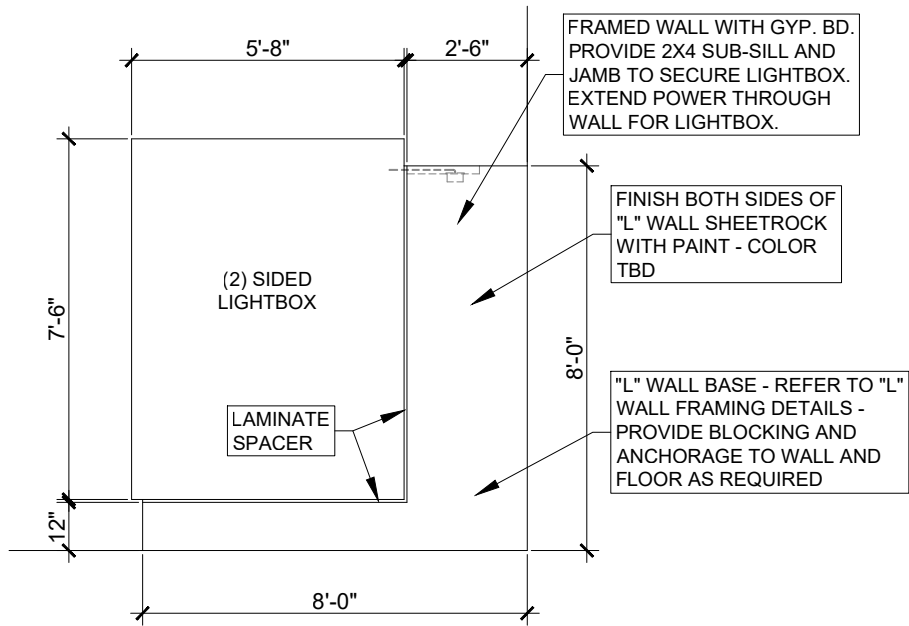
VENDOR: SEG Systems

CONTACT: Tim Hoiem – (612)280-7016 – tim.hoiem@segsystems.com

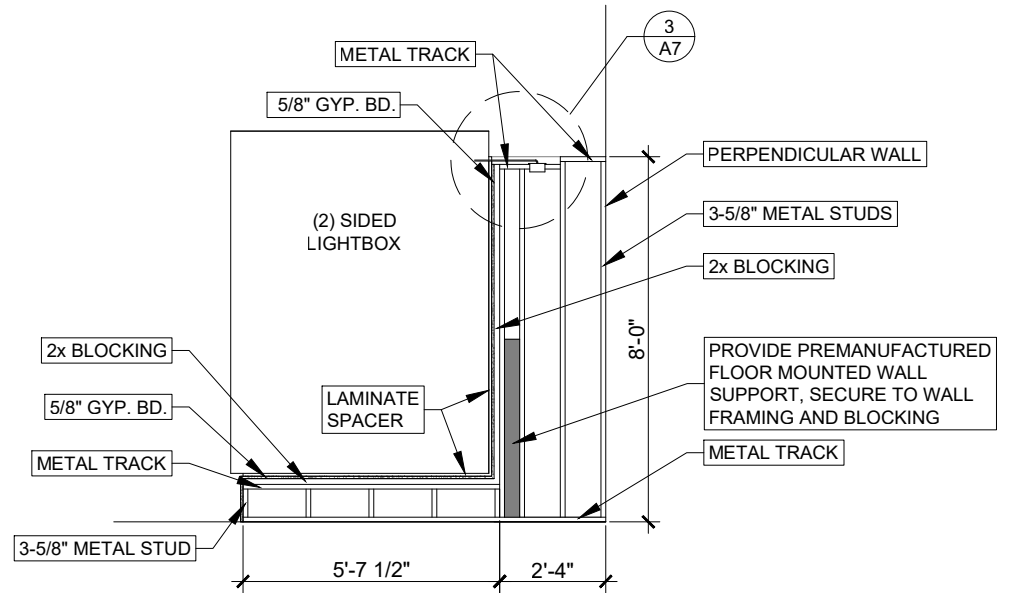
WHAT TO ORDER: Laminate Spacer

VENDOR: Global Retail Environments (GRE)

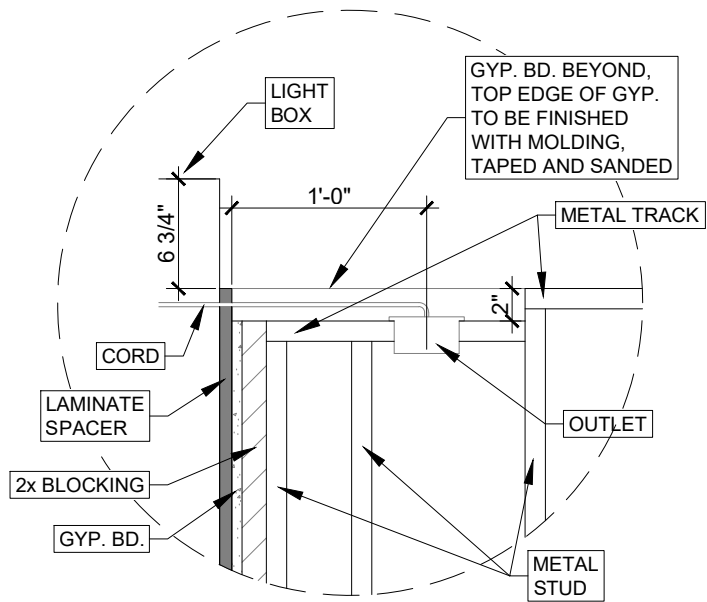
CONTACT: Customer Service – (320) 983-0000 – dscharber@globalretailenvironments.com



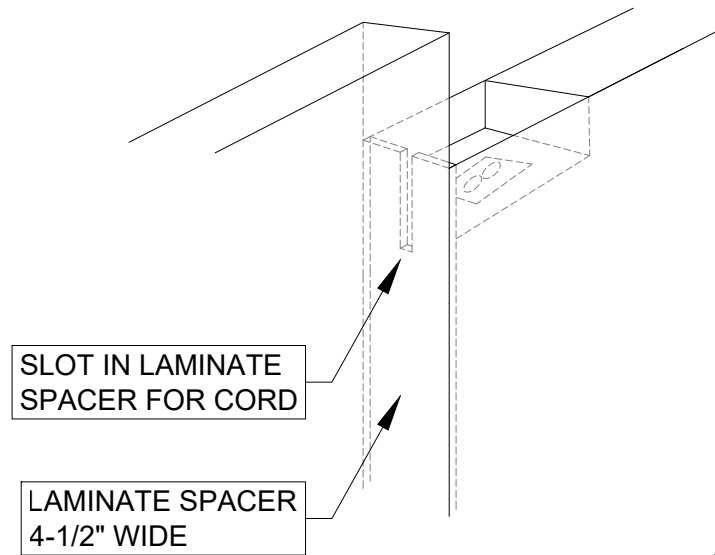
1 LIGHTBOX ELEVATION
A7 NOT TO SCALE



2 "L" WALL FRAMING DETAIL
A7 NOT TO SCALE



3 "L" WALL DETAIL WITH ELECTRICAL BOX
A7 NOT TO SCALE

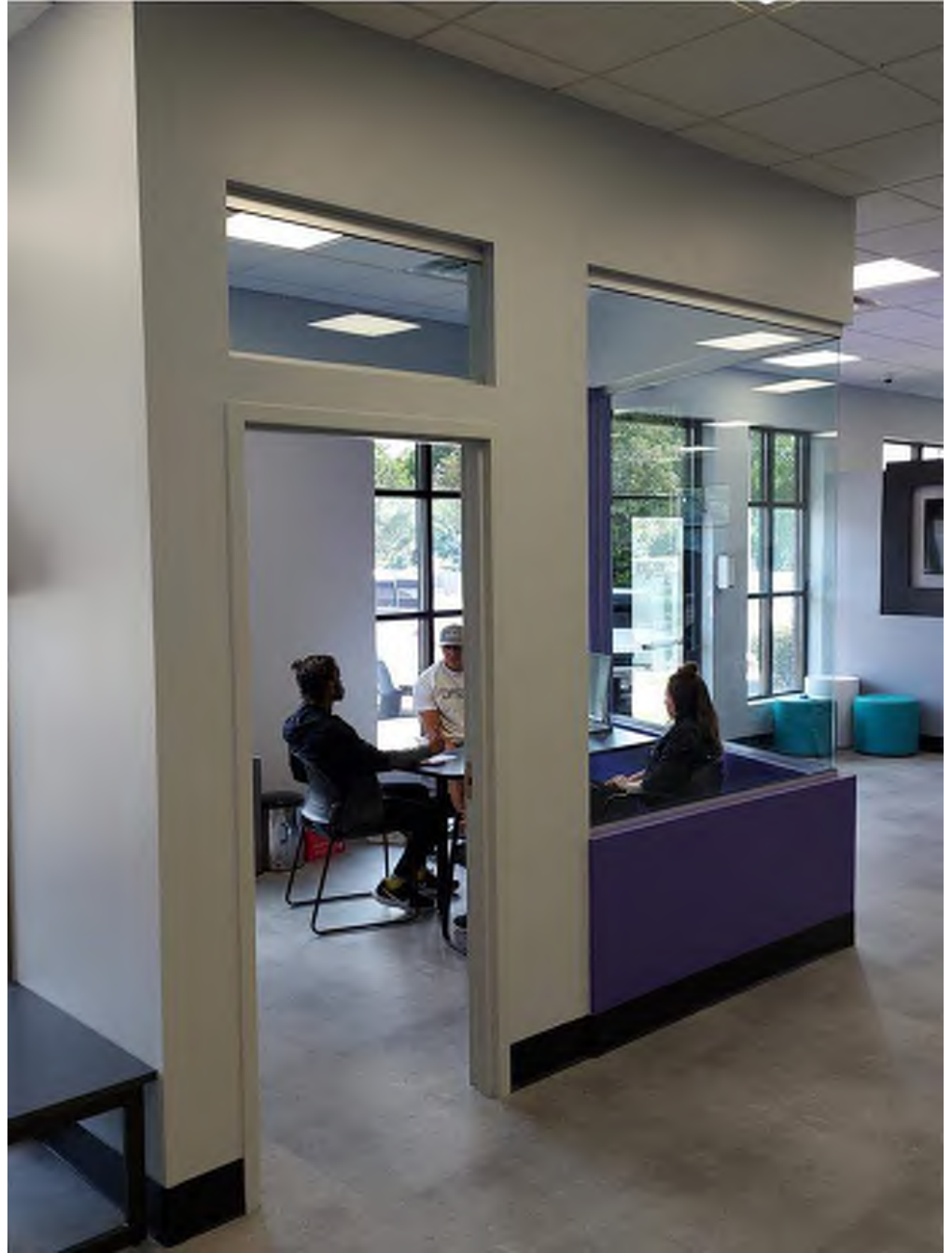


4 LAMINATE SPACER DETAIL
A7 NOT TO SCALE



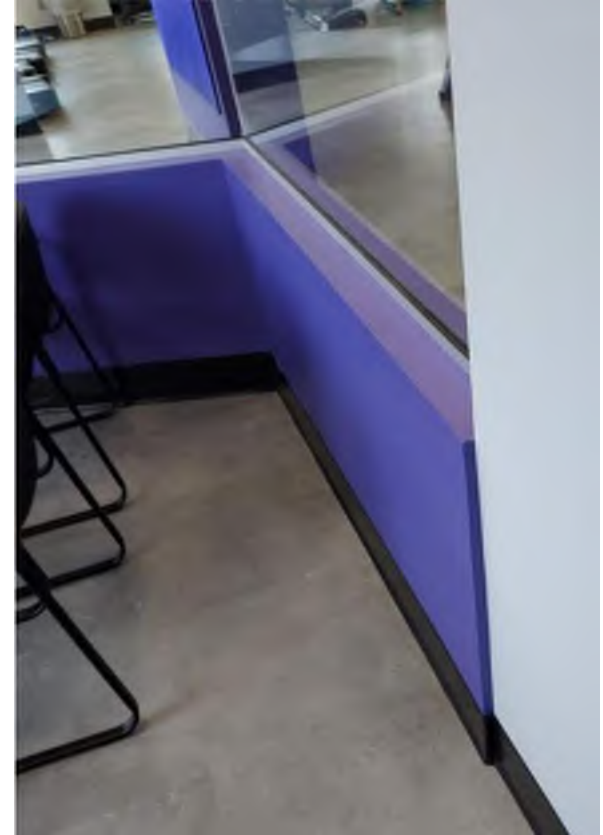
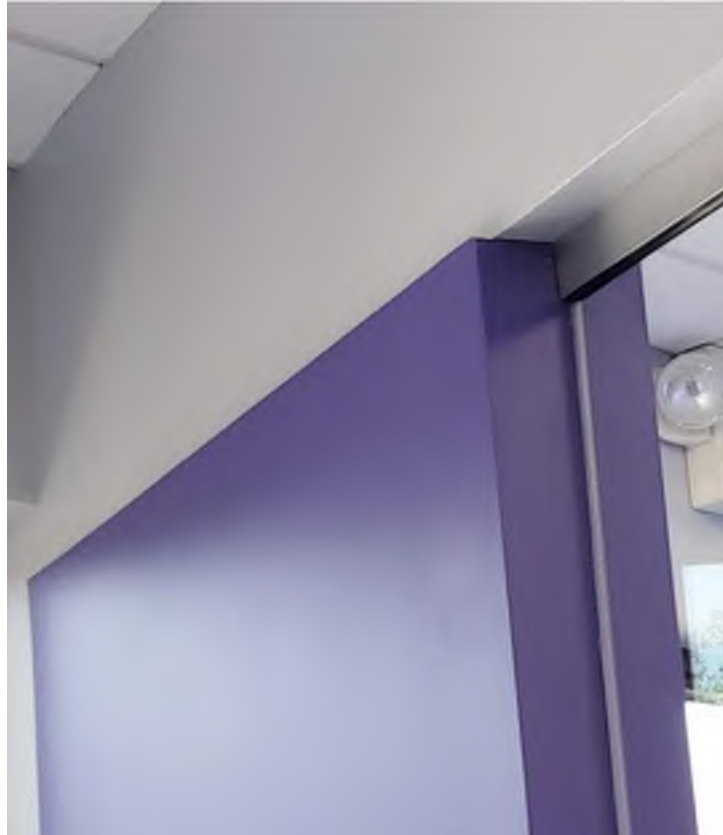
ANGLED OFFICE

EXAMPLE PHOTOS



ANGLED OFFICE

EXAMPLE PHOTOS

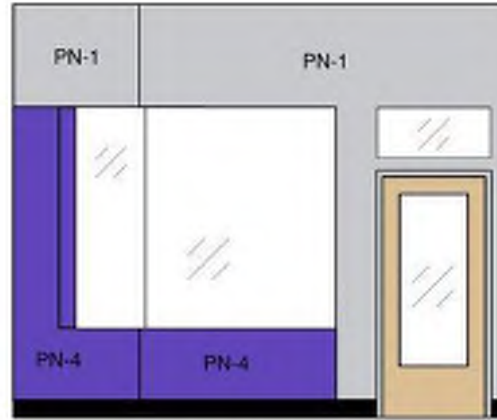
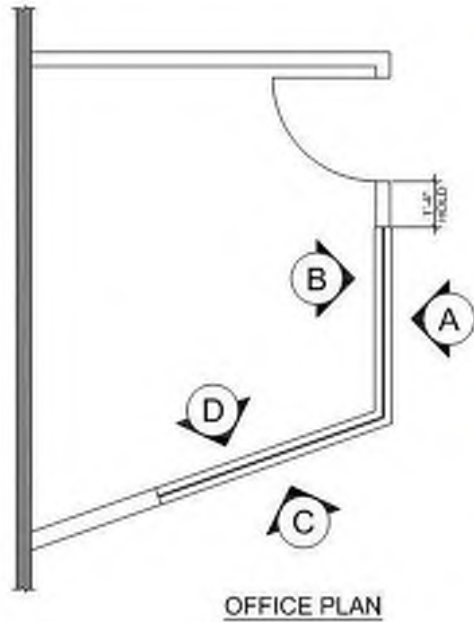


HELPFUL TIPS AND REMINDERS:

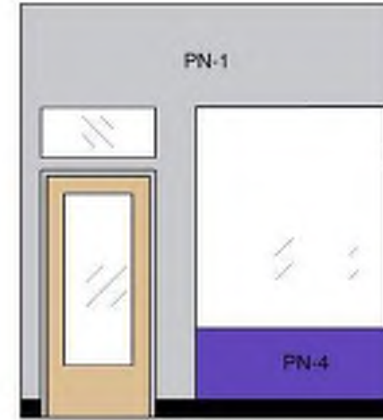
Extra layer of gypsum board below and beside the frameless window is intentional and required. It is applied in order to create an inside corner to change paint colors for a clean finished look – refer to photos above. Paint changes on outside corners or mid-wall are not allowed.

ANGLED OFFICE

TYPICAL PAINT GUIDE

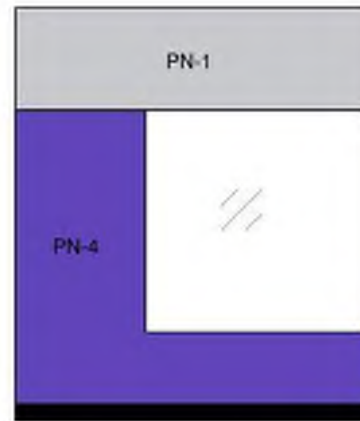


A EXTERIOR ELEVATION

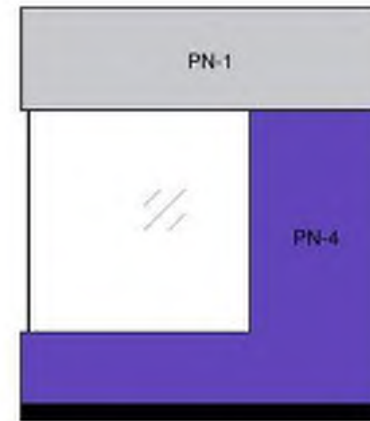


B INTERIOR ELEVATION

EXAMPLE LAYOUT ONLY
REFER TO COMPLIANCE
DRAWING FOR CLUB
SPECIFIC LAYOUT



C EXTERIOR ELEVATION



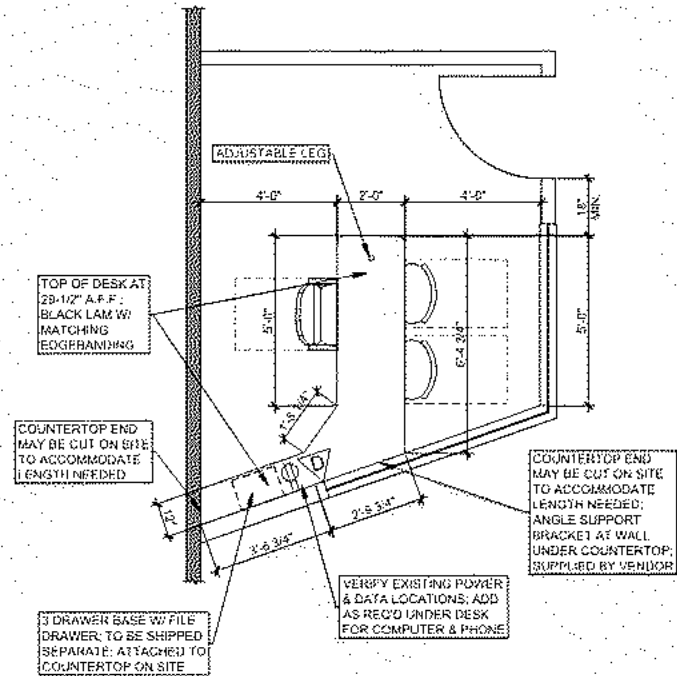
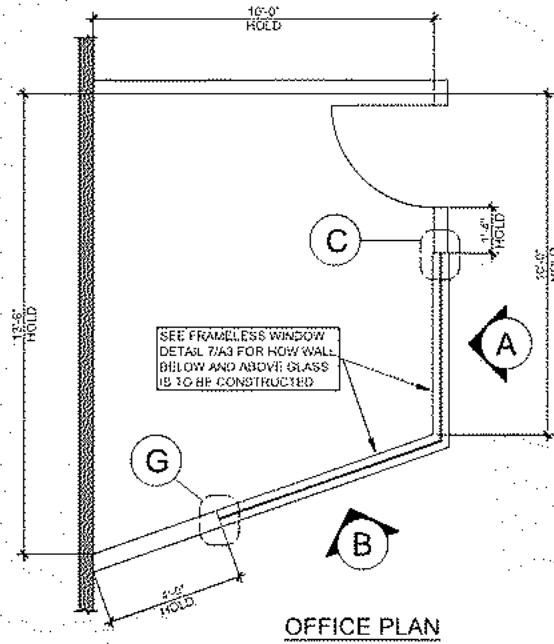
D INTERIOR ELEVATION

HELPFUL TIPS AND REMINDERS:

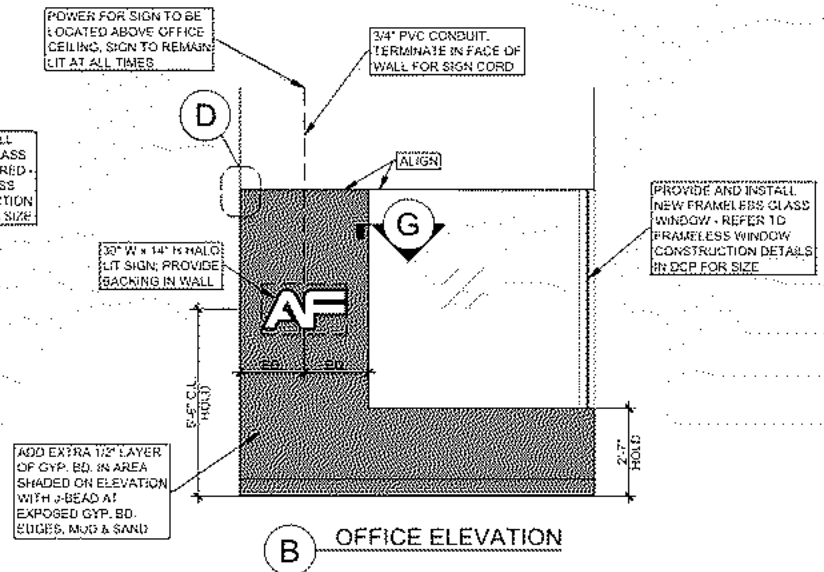
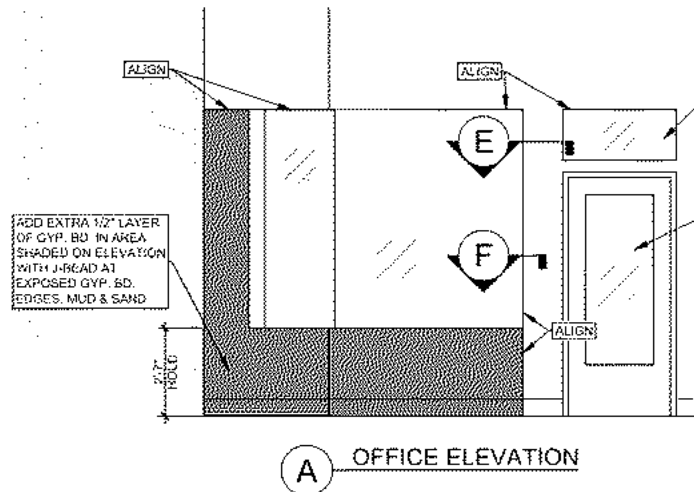
Extra layer of gypsum board below and beside the frameless window is typically painted PN-4 (purple). The areas without the extra layer of gypsum board above the frameless window and around the door are typically painted PN-1 (light gray). Refer to photos on previous pages. Paint changes on outside corners or mid-wall are not allowed.

ANGLED OFFICE

CONSTRUCTION DETAILS

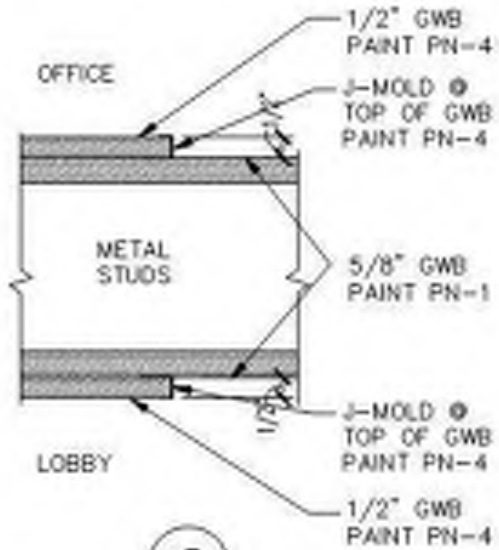


EXAMPLE LAYOUT ONLY
REFER TO COMPLIANCE
DRAWING FOR CLUB
SPECIFIC LAYOUT

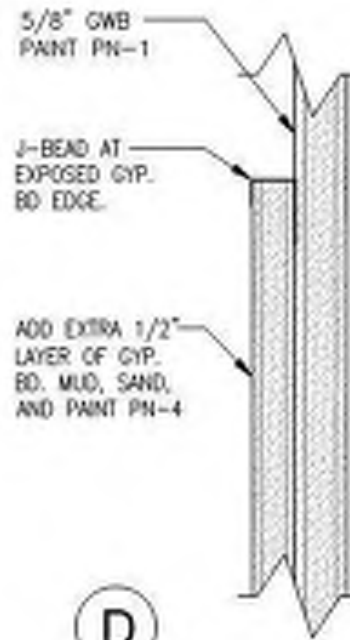


ANGLED OFFICE

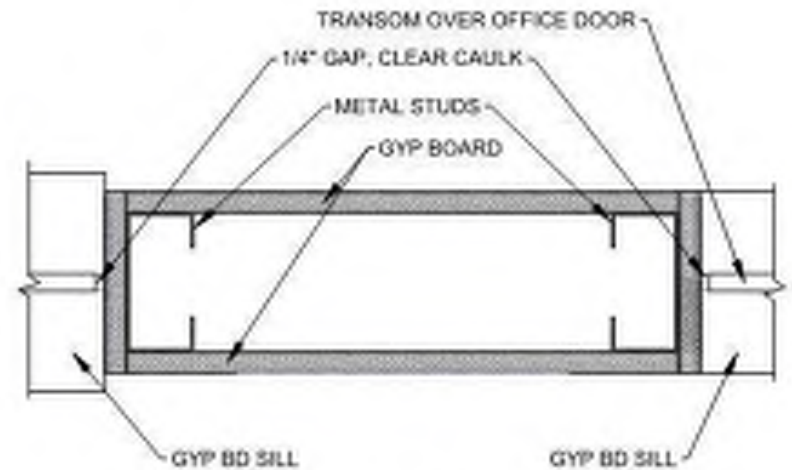
CONSTRUCTION DETAILS



C

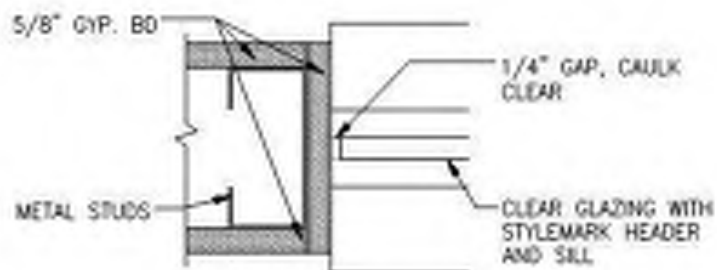


D

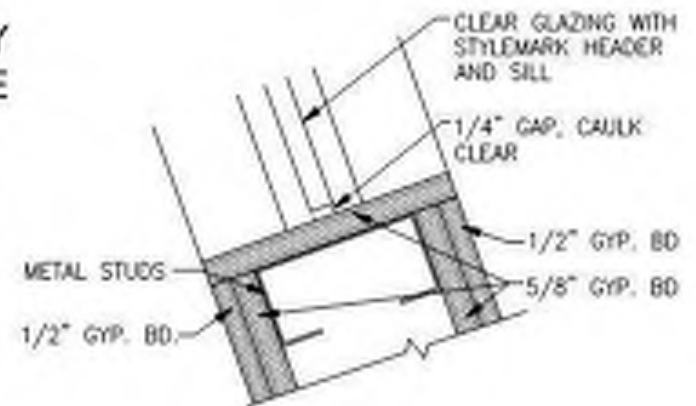


E

EXAMPLE LAYOUT ONLY
REFER TO COMPLIANCE
DRAWING FOR CLUB
SPECIFIC LAYOUT



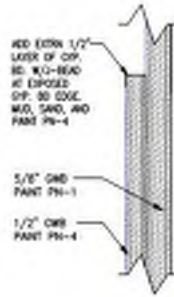
F



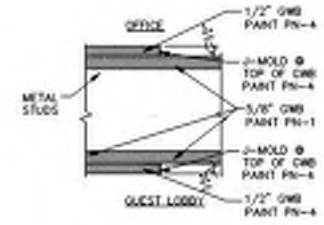
G

ANGLED OFFICE

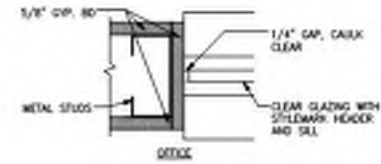
CONSTRUCTION DETAILS



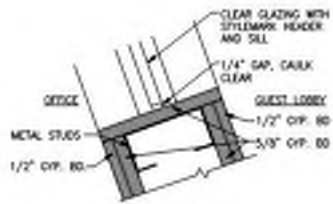
5 GYP BD DETAIL
A2 SCALE: 3"=1'-0"



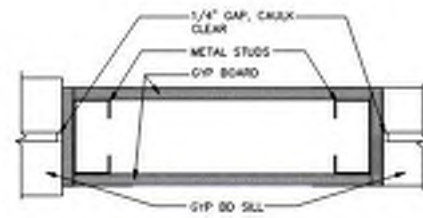
6 GYP BD DETAIL
A2 SCALE: 1-1/2"=1'-0"



10 OFFICE WINDOW SECTION
A2 SCALE: 1-1/2"=1'-0"



9 OFFICE WINDOW SECTION
A2 SCALE: 1-1/2"=1'-0"

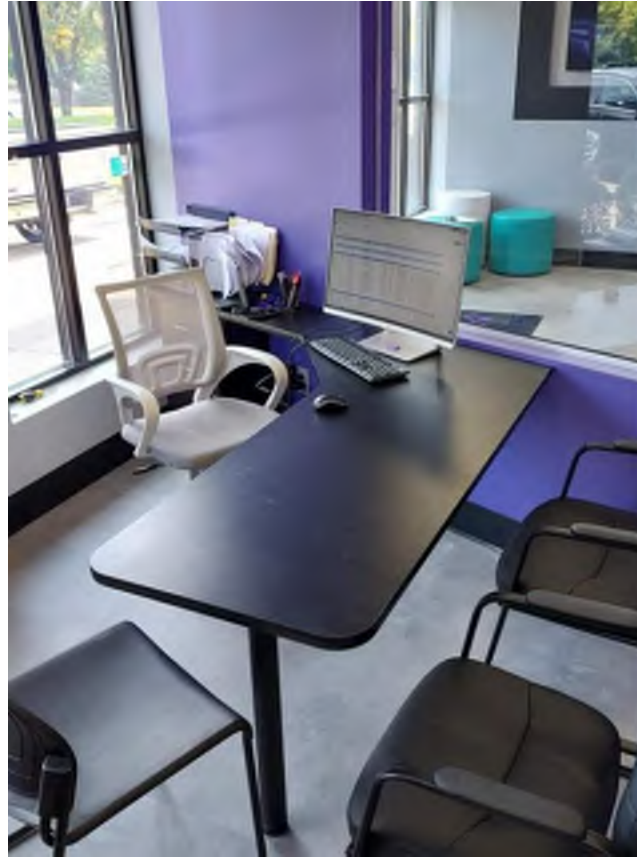


11 TRANSOM/OFFICE WINDOW SECTION
A2 SCALE: 1-1/2"=1'-0"

A2

ANGLED OFFICE

EXAMPLE PHOTOS



HOW TO ORDER: Contact Vendor

WHAT TO ORDER: Custom Desk

VENDOR: Global Retail Environments (GRE)

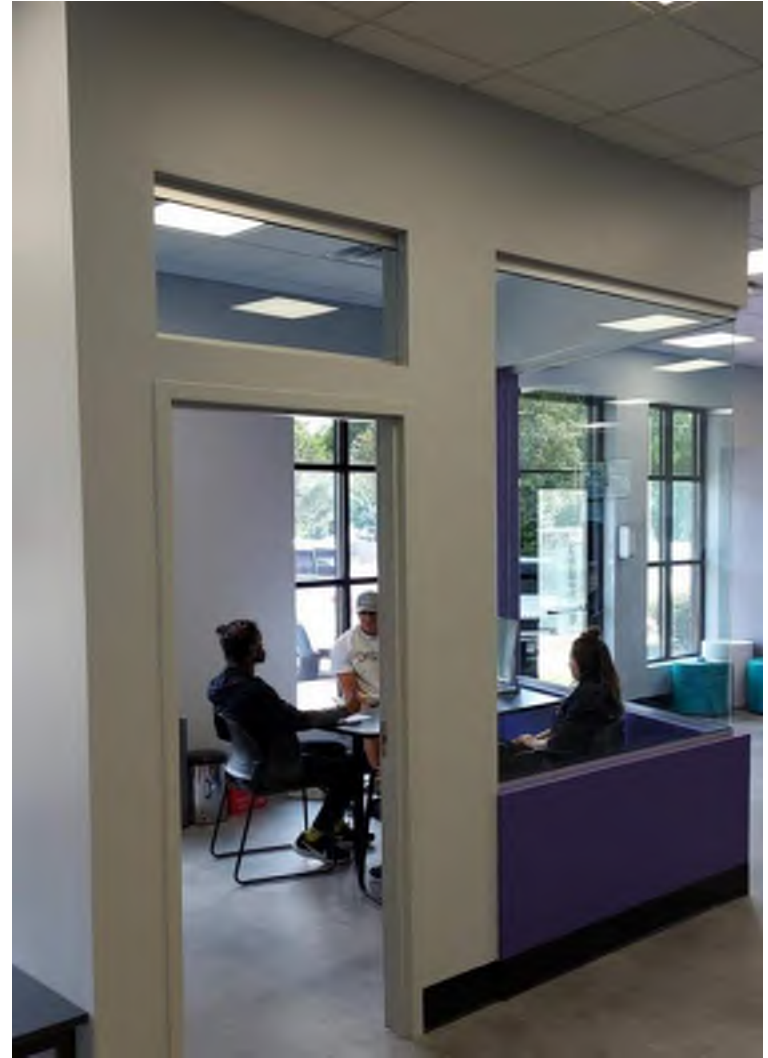
CONTACT: Customer Service • (320) 983-0000 • dscharber@globalretailenvironments.com

WHAT TO ORDER: Chairs

VENDOR: Franchisee to source locally – same style & color as shown in photo above

FRAMELESS WINDOW

EXAMPLE PHOTOS

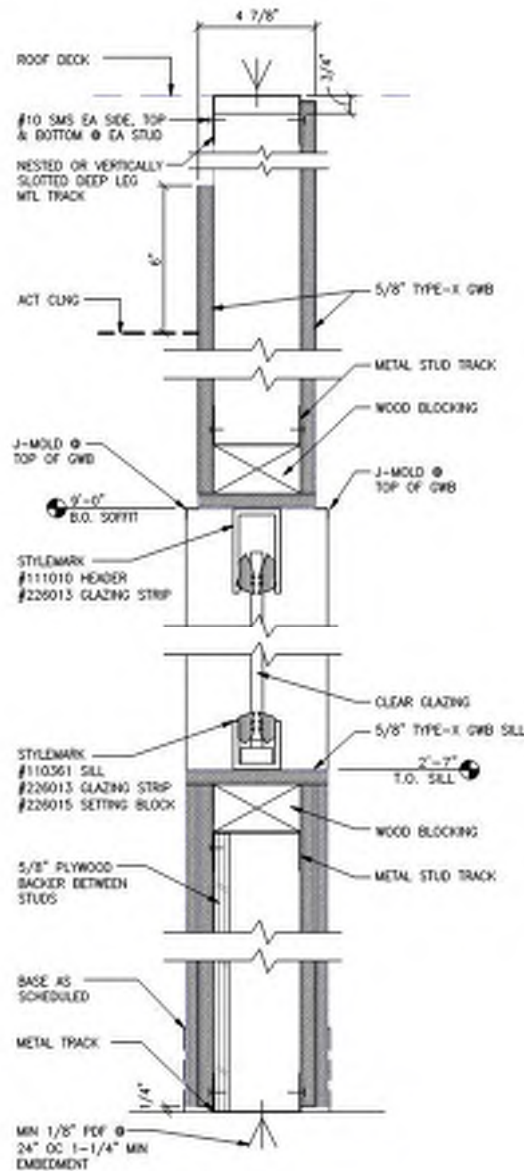


HELPFUL TIPS AND REMINDERS:

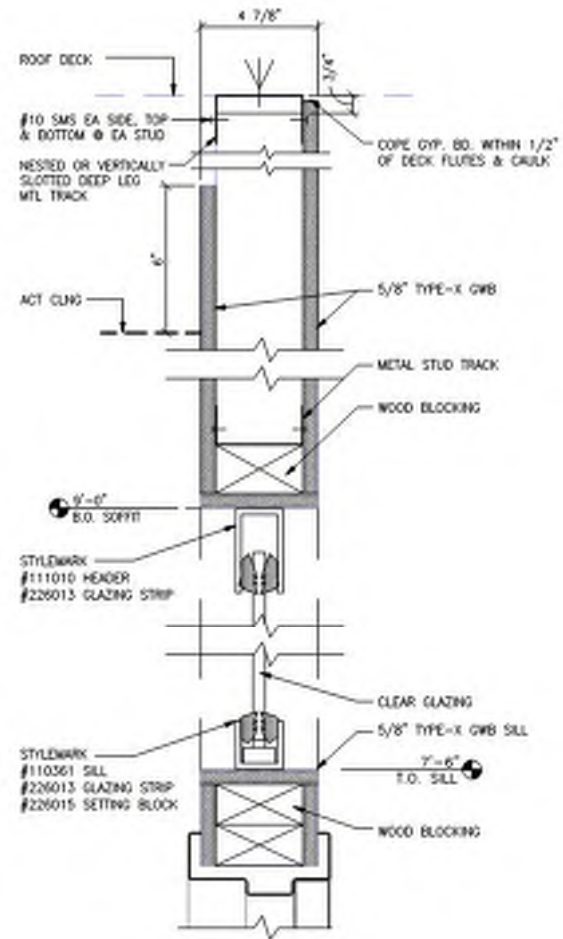
GC or local glass installer to source stylmark header, sill and 1/2" low iron clear tempered glass locally. Visit www.stylmark.com for more information on header and sill components. GC to verify walls are properly built and anchored to support frameless windows. Window system consists of two panes of glass with a single seam at corner. Refer to photos above.

FRAMELESS WINDOW

CONSTRUCTION DETAILS



7 OFFICE WINDOW SECTION
A3 SCALE: N.T.S.

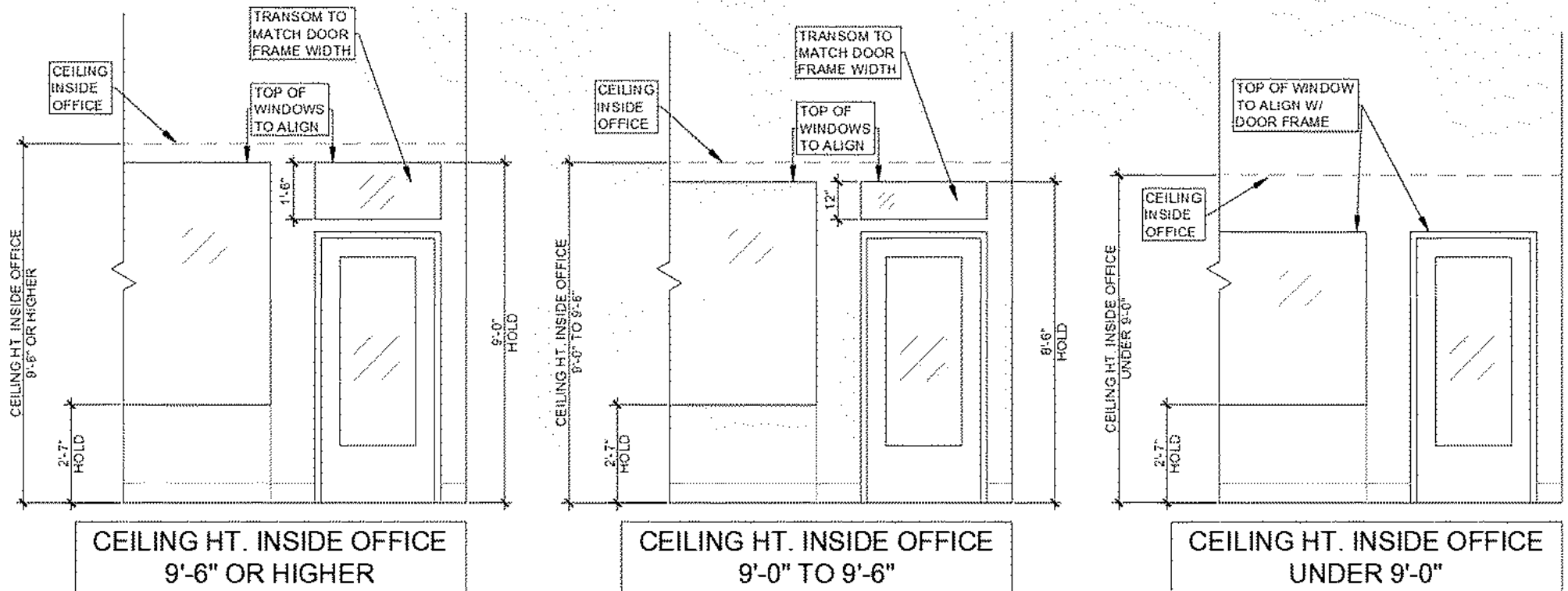


8 TRANSOM WINDOW SECTION
A3 SCALE: N.T.S.

A3

FRAMELESS WINDOW

CONSTRUCTION DETAILS

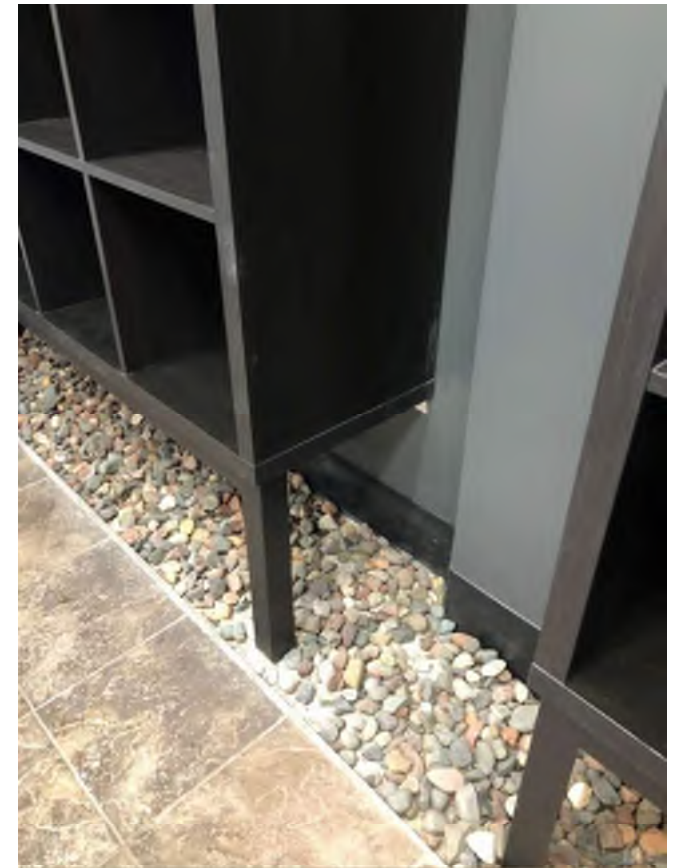


HELPFUL TIPS AND REMINDERS:

The size of the transom window above the office door and the height of the large frameless window are dependent on the ceiling height inside the office and may vary from club to club. The top of the windows should align to achieve a clean linear look. The office door should be a full glass door as shown above.

MEMBER LOBBY

EXAMPLE PHOTOS

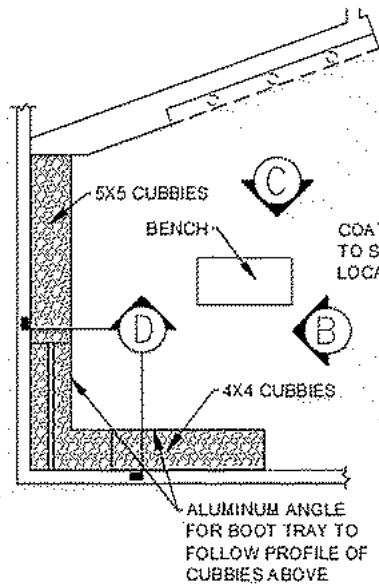


HELPFUL TIPS AND REMINDERS:

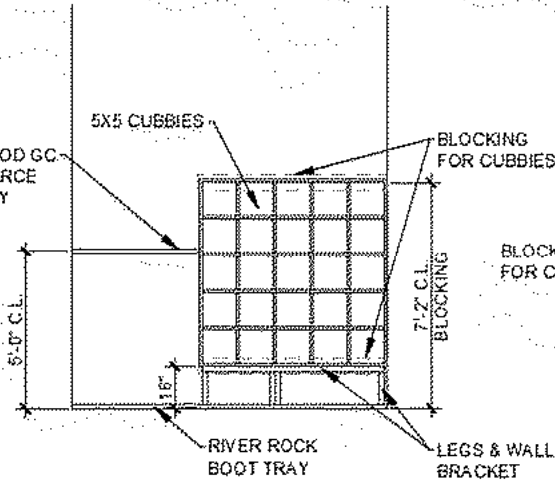
Rocks need to be washed (preferably at a car wash) before installing.

MEMBER LOBBY

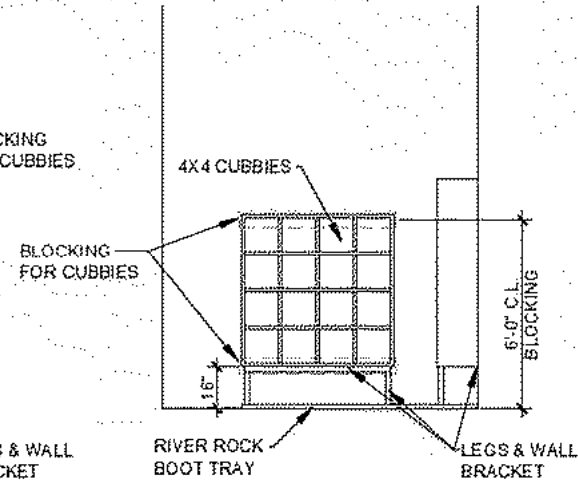
CONSTRUCTION DETAILS



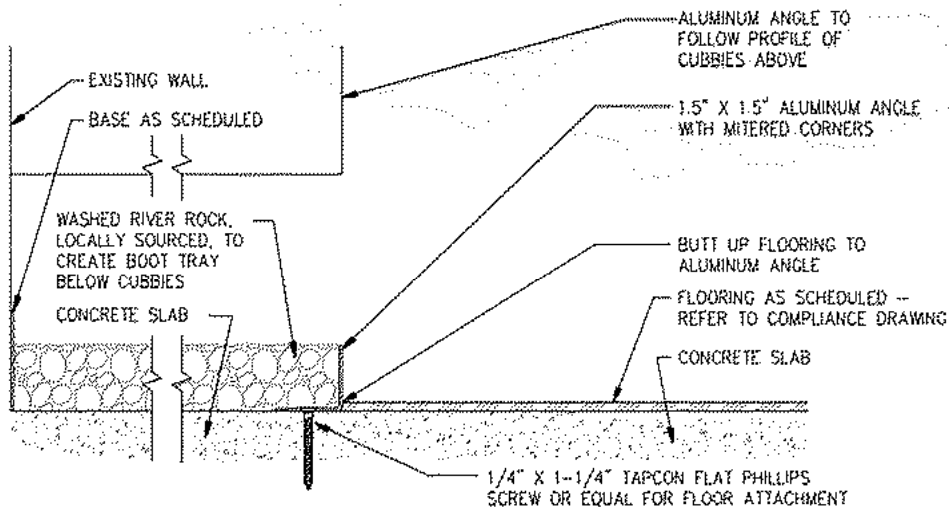
(A) MEMBER LOBBY - PLAN VIEW



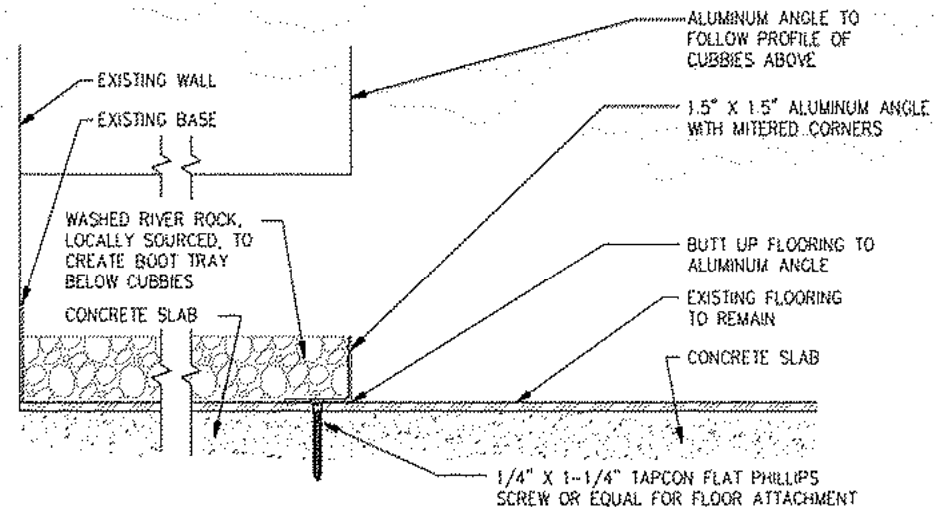
(B) MEMBER LOBBY - ELEVATION



(C) MEMBER LOBBY - ELEVATION



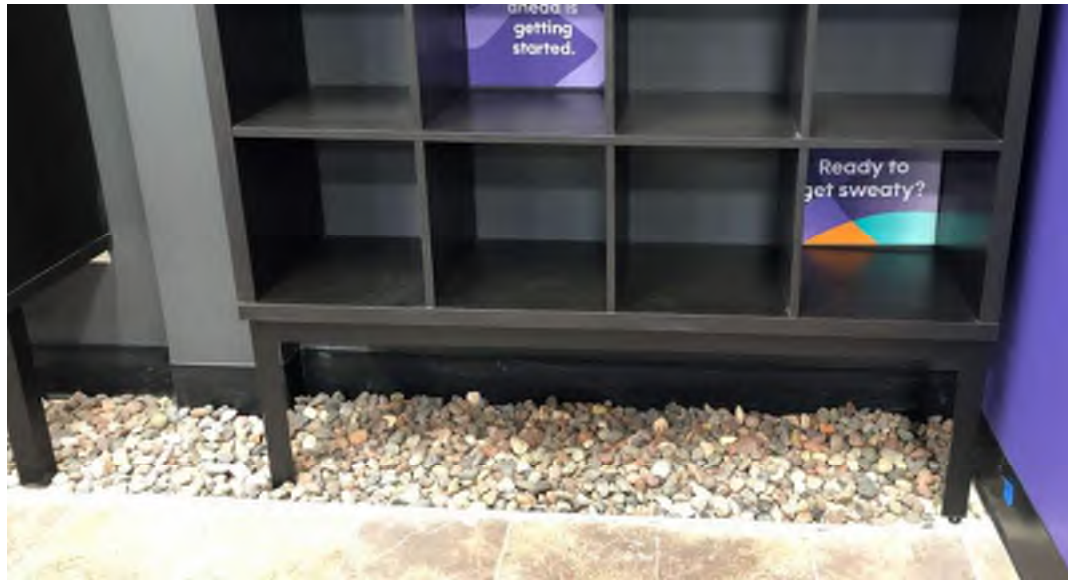
(D) NEW FLOORING - TRANSITION DETAIL



(D) EXISTING FLOORING - TRANSITION DETAIL

MEMBER LOBBY

EXAMPLE PHOTOS



HOW TO ORDER: Contact Vendor

WHAT TO ORDER: 1-1/2" Washed River Rock and 1-1/2" x 1-1/2" aluminum angle to form boot tray below cubbies (Required)
VENDOR: GC to source locally (example rock shown above)

WHAT TO ORDER: (Qty. 1) 5x5 Set of Cubbies, (Qty. 1) 4x4 Set of Cubbies, Cubbie Legs and Member Lobby Bench (Required)
COLOR: Black-Brown (Required)

VENDOR: Global Retail Environments (GRE)

CONTACT: Customer Service – (320) 983-0000 – dscharber@globalretailenvironments.com

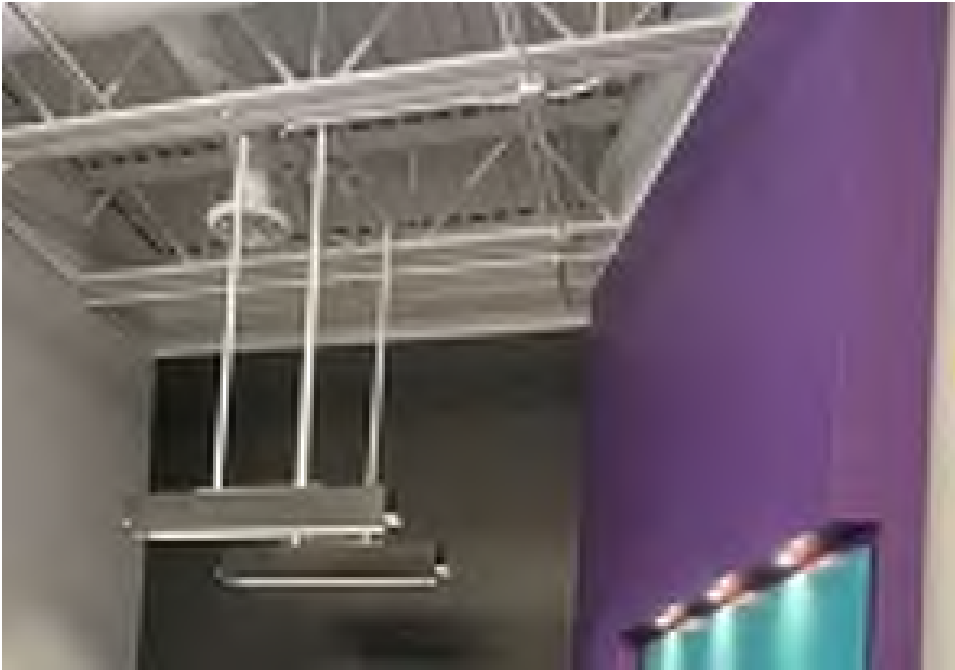
-OR-

VENDOR: IKEA - Product #703.015.42 (5x5 cubbies) & IKEA Product #102.758.62 (4x4 cubbies)

CONTACT: IKEA Website

MEMBER LOBBY DECORATIVE LIGHTING

EXAMPLE PHOTOS



HELPFUL TIPS AND REMINDERS:

Decorative lighting should only be installed in clubs with a finished ceiling height of 11'-0" or higher. If ceiling is lower than 11'-0", do not order or install decorative lighting.

HOW TO ORDER: Contact Vendor

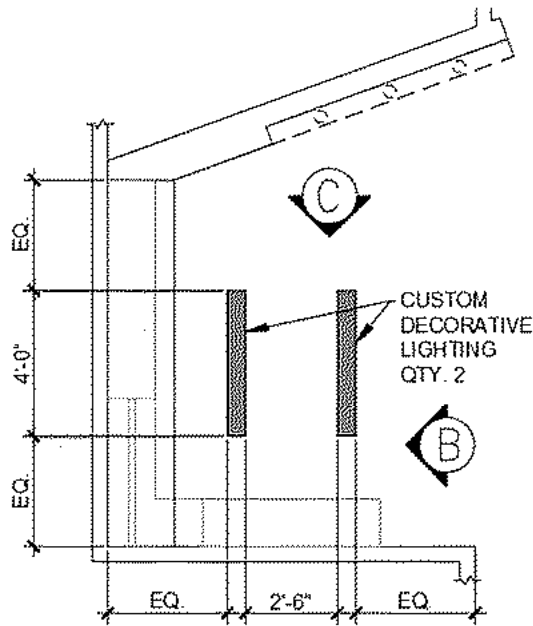
WHAT TO ORDER: (Qty. 2) Custom Decorative Lights (Optional)

VENDOR: Global Retail Environments (GRE)

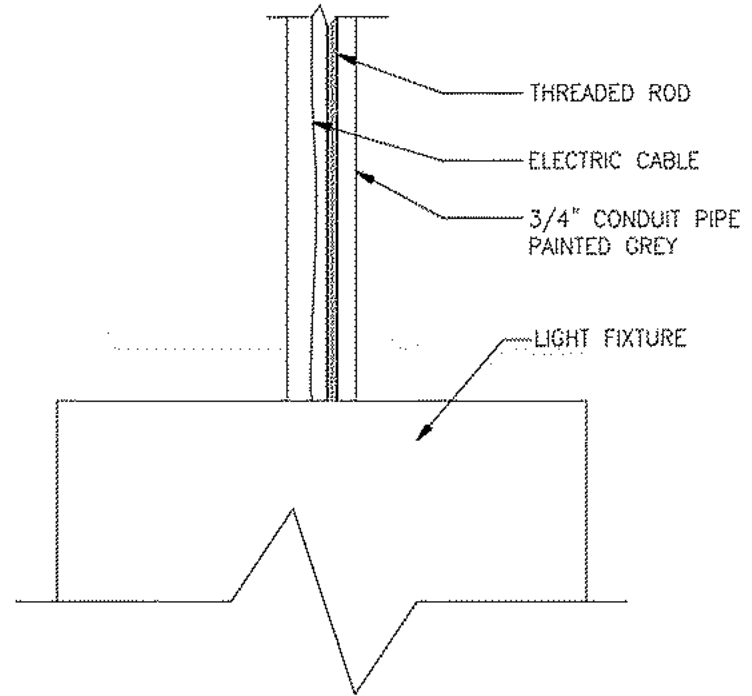
CONTACT: Customer Service – (320) 983-0000 – dscharber@globalretailenvironments.com

MEMBER LOBBY DECORATIVE LIGHTING

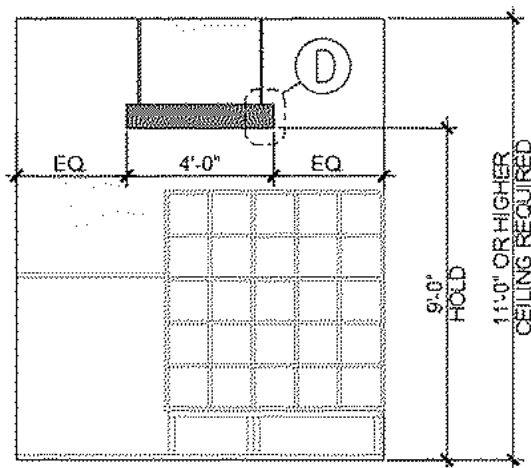
CONSTRUCTION DETAILS



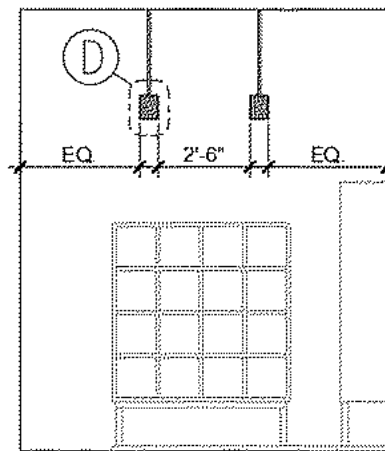
A MEMBER LOBBY LIGHTING PLAN VIEW



D MEMBER LOBBY LIGHT DETAIL



B MEMBER LOBBY LIGHTING ELEVATION



C MEMBER LOBBY LIGHTING ELEVATION

LIGHTING NOTES:

1. THIS IS AN EXAMPLE LAYOUT ONLY. REFER TO COMPLIANCE DRAWING FOR CLUB SPECIFIC FLOOR PLAN & ADJUST LIGHTING AS NEEDED.
2. DECORATIVE LIGHTING SHOULD ONLY BE INSTALLED IN CLUBS WITH A FINISHED CEILING HEIGHT OF 11'-0" OR HIGHER - IF CEILING IS LOWER THAN 11'-0", DO NOT ORDER OR INSTALL DECORATIVE LIGHTING
3. LIGHTS TO BE ORDERED & SUPPLIED BY OWNER.
4. GC TO INSTALL

AF FEATURE WALL

EXAMPLE PHOTOS

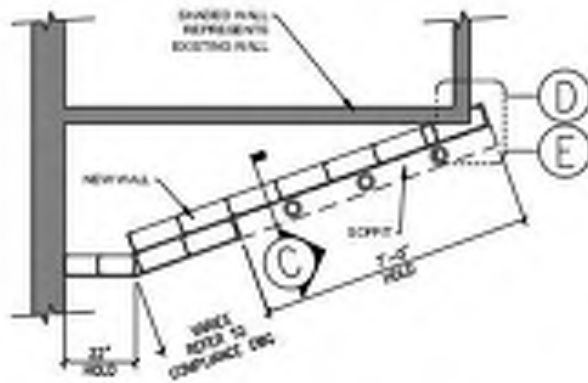


HELPFUL TIPS AND REMINDERS:

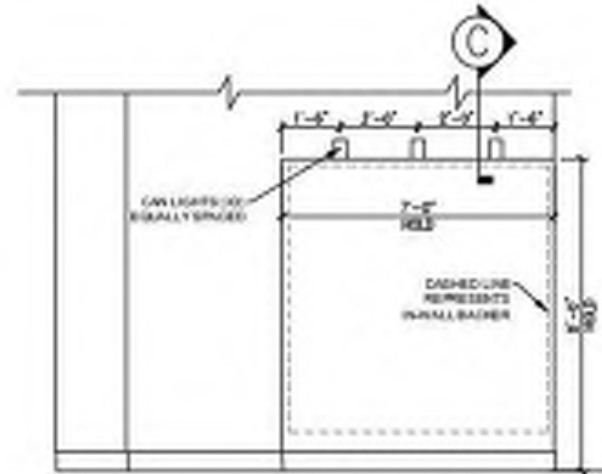
The 4" bump-out/overhang at the end of the wall is intentional and required. It provides an inside corner to change paint colors at for a clean, crisp paint transition.

AF FEATURE WALL - ANGLED

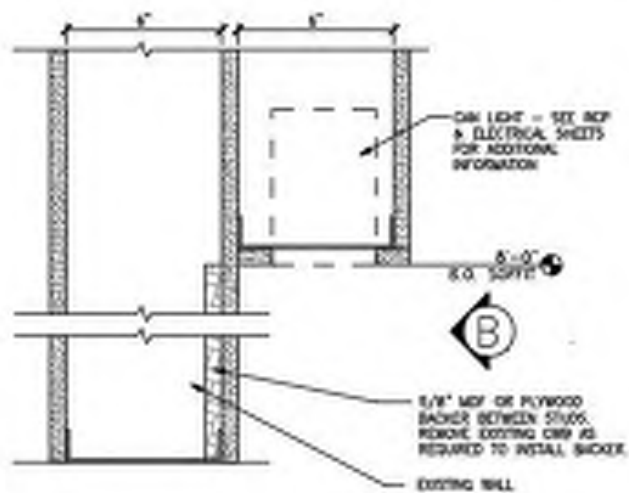
CONSTRUCTION DETAILS



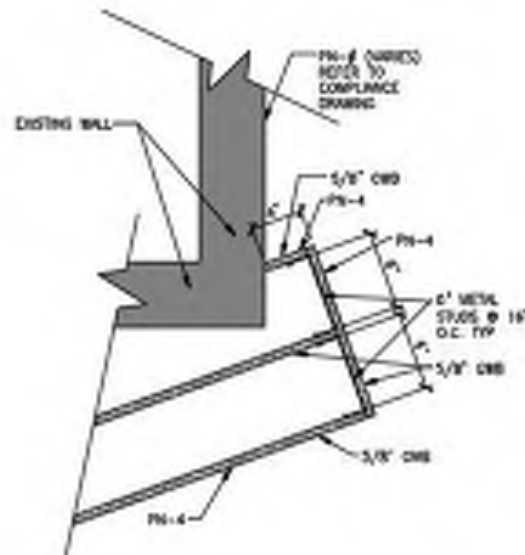
(A) FEATURE WALL - PLAN VIEW



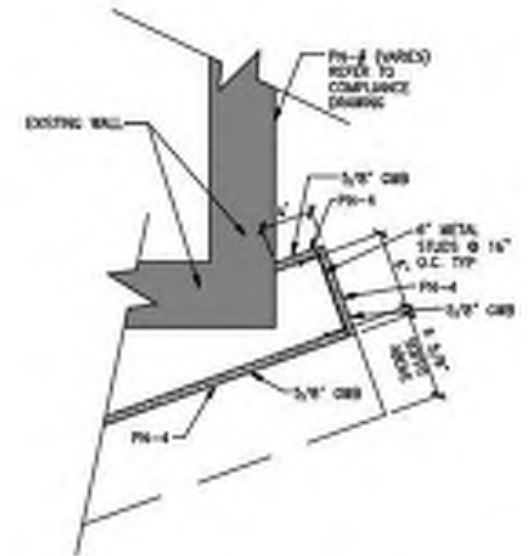
(B) FEATURE WALL - ELEVATION



(C) SECTION DETAIL



(D) SECTION THROUGH SOFFIT



(E) SECTION BELOW SOFFIT

AF FEATURE WALL

HOW TO ORDER: Contact Vendor

WHAT TO ORDER: Soffit Can Lights

VENDOR: Specialty Lighting

Nick Stemm • (860) 767-0110 x227

nick.stemm@sslighting.com

- OR -

Allison Gora • (860) 767-0110 x239

allison.gora@sslighting.com

WHAT TO ORDER: Custom AF Display Panels

VENDOR: Global Retail Environments (GRE)

Customer Service • (320) 983-0000

dscharber@globalretailenvironments.com

WHAT TO ORDER: Frames (Set of 6) & Dry Erase Board

VENDOR: Archetype (US Clubs)

Customer Service • (952) 641-9600

customerservice@archetypesign.com

VENDOR: Sixstream (Canadian Clubs)

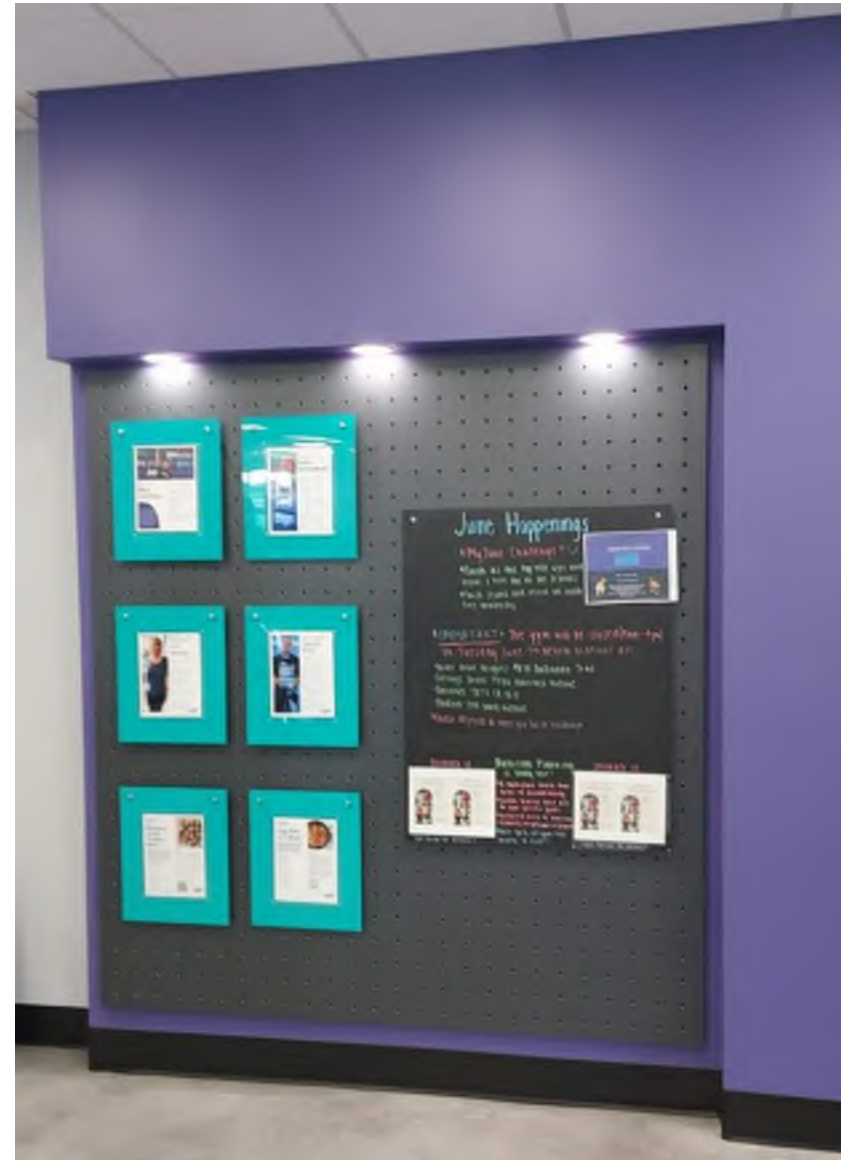
Nick Ngo • (604) 375-2589

nick@sixstreamsigns.com

Customer Service • (604) 502-9981

anytimefitness@sixstreamsigns.com

EXAMPLE PHOTO



ANYTIME FITNESS RECOMMENDATION FOR FUNCTIONAL EQUIPMENT

BASED ON YOUR CLUB LAYOUT, THE BEST EQUIPMENT SOLUTION FOR FUNCTIONAL TRAINING IS:

☑ THE DEDICATED PERIMETER WALL SYSTEM

THIS SYSTEM WILL PROVIDE STORAGE AND FUNCTIONALITY WHILE MAINTAINING AN OPEN FEELING THROUGHOUT THE CLUB, INCLUDING THE FREE WEIGHT AREA.

BENEFITS

Mounts directly to the floor, no wall reinforcement required

Installs next to the wall on the perimeter of the turf to maximize open floor space

Pull up bars, anchors for TRX, tension bands & battle ropes with tons of storage

Modular units provide flexibility to accommodate any size of turf



APPROVED EQUIPMENT VENDORS



LIFEFITNESS



TORQUE



MATRIX



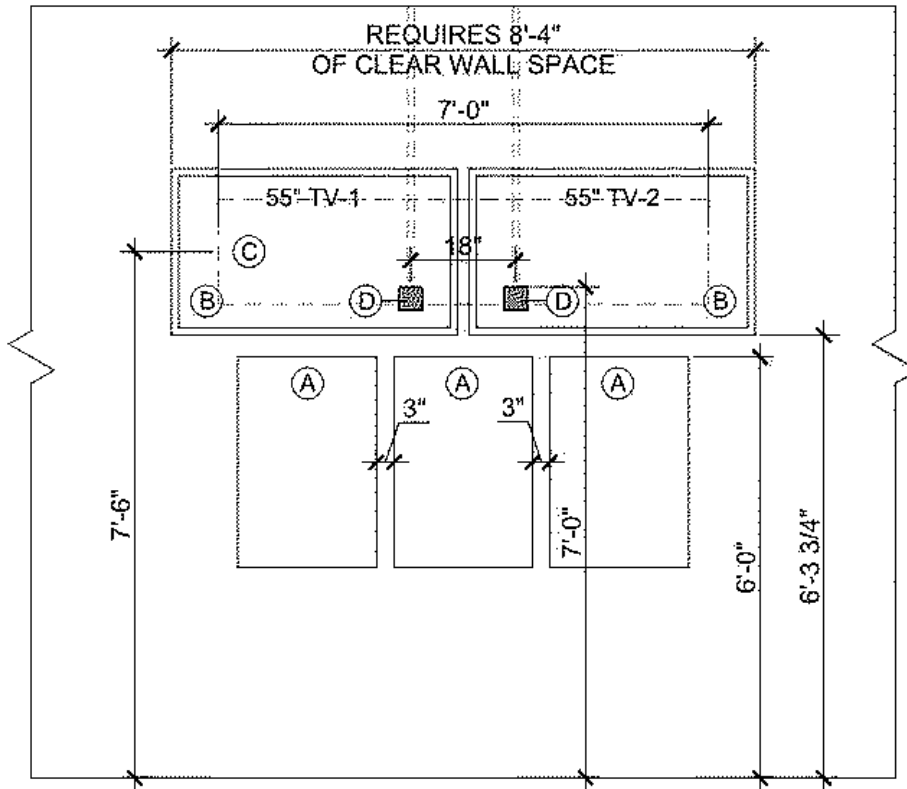
POWER SYSTEMS



AF TRAINING COMMUNICATION KIT SIGNAGE – TURF AREA

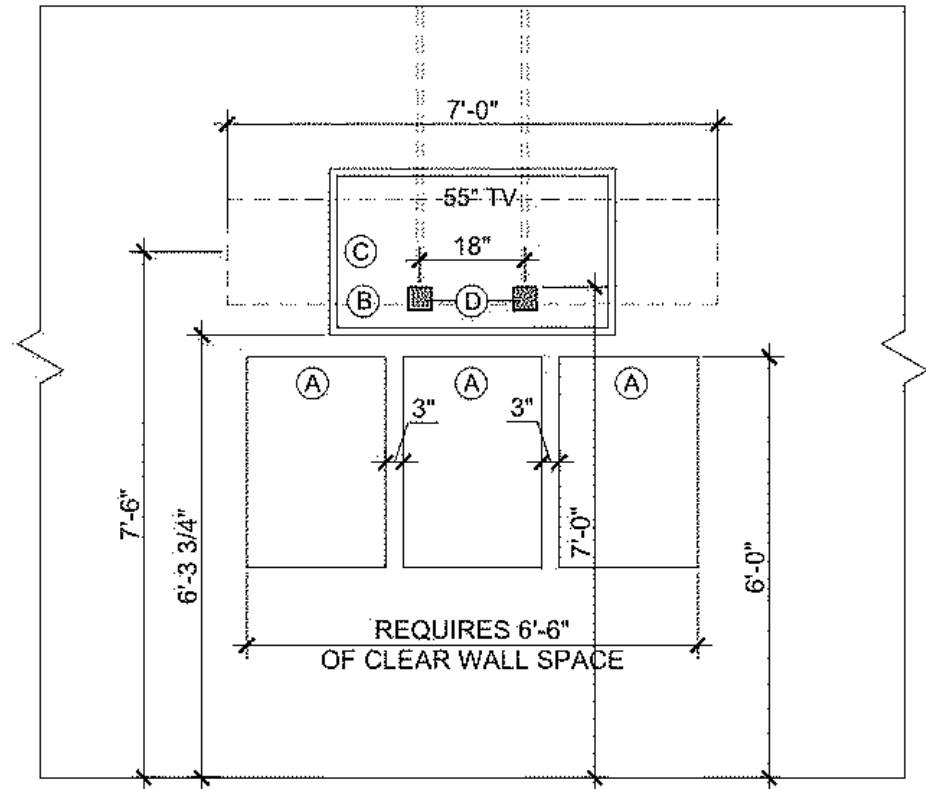
OPTION A

2 TVS - RECOMMENDED



OPTION B

1 TV - IF LIMITED SPACE



A – BASE / BURN / BUILD Acrylic Dry Erase Panels – Refer to Required Signs page of DCP

- Contact Vendor to Purchase – Archetype (US Clubs) or Sixstream (Canadian Clubs)

B – 55” Flat Panel TVs & Tilting Wall Mounts – This size is required to maintain clearances for signage and visibility of screen content from a distance

- Flat Panel TVs and Tilting Wall Mounts are available for purchase on the Vendor Portal

C – Wood Backing for TV and Wall Mount – GC to provide in-wall wood backing as needed to support the mount and weight of the TV(s).

- If you choose to install 1 TV, we recommend your GC installs backing wide enough to support 2 TVs in the event you choose to add a TV in the future.

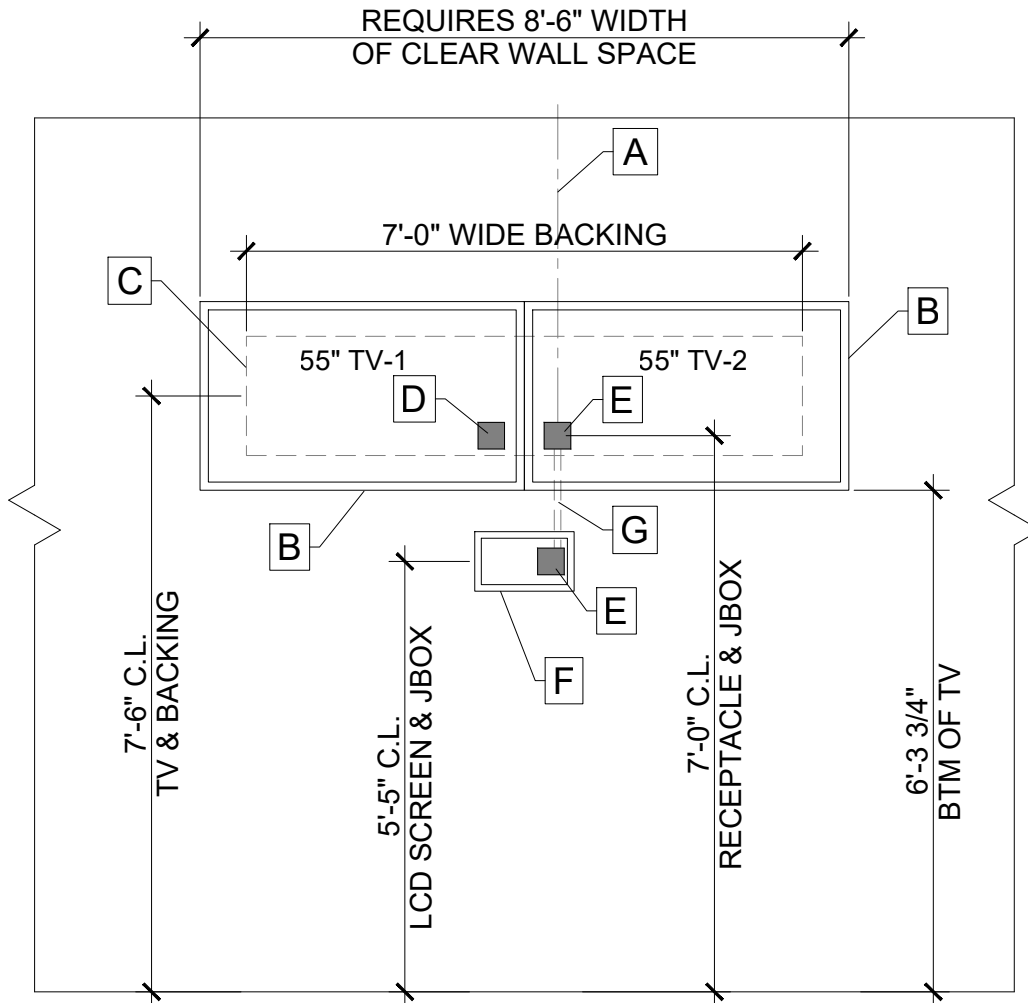
D – Power and Technology Requirements –

- One quadplex J-box with line voltage behind TVs
- One keystone jack and wall plate behind TVs
- One cat6e cable terminated at each end and ran back to nerve center and labeled
- Optional coax cable may also be installed in J-box with cat6e if desired

For additional information, please visit:
<https://resourcecenter.sebrands.com/af/how-to-display-af-training-workouts-56130210.html>

AF TRAINING COMMUNICATION KIT - TURF AREA

OPTION C MYZONE LCD SCREEN



- A - Pull string from J-box to above ceiling for data line; provide conduit if necessary
- B - 55" flat panel TVs & tilting wall mounts - this size is required to maintain clearances for signage and visibility of screen content from a distance; supplied by owner, installed by contractor
- C - Wood backing for TV and wall mount - contractor to provide in-wall wood backing as needed to support the mount and weight of the TVs.
- D - Quad receptacle; concealed behind TV
- E - Duplex J-box for all cables; concealed behind TV & LCD screen
- F - MyZone LCD screen; supplied by owner, installed by Provision Security
- G - 1" Conduit in-wall from LCD screen to TV with J-box at each end and pull string

All materials supplied & installed by contractor unless noted otherwise.

All conduit and devices to be recessed/in-wall. No surface mounted and/or exposed conduit, devices, cable or cords permitted.

For additional information, please visit: <https://resourcecenter.sebrands.com/af/how-to-display-af-training-workouts-56130210.html>

COACHING ROOM

EXAMPLE PHOTOS



HELPFUL TIPS AND REMINDERS:

- Installation instructions and mounting heights will be included with the frames – contact the vendor with any questions
- Evolt should be located in this room, along with the corresponding printer and printer stand – GC to verify/add outlets as needed

HOW TO ORDER: Contact Vendor

WHAT TO ORDER: AF Coaching Frames & Posters (Required)

VENDOR: Archetype (Required)

CONTACT: Customer Service – (952) 641-9600 – customerservice@archetypesign.com

WHAT TO ORDER: White Table & Printer Stand (Required)

VENDOR: Global Retail Environments (GRE) (Optional)

CONTACT: Customer Service – (320) 983-0000 – dscharber@globalretailenvironments.com

WHAT TO ORDER: Centiar Gray Upholstered Chairs (Required)

ONLINE SOURCES: (Optional)

The Furniture Mart – Item: SIGD37208

Ashley Furniture – Item: D372-08

COACHING ROOM

FURNITURE, FIXTURES & EQUIPMENT

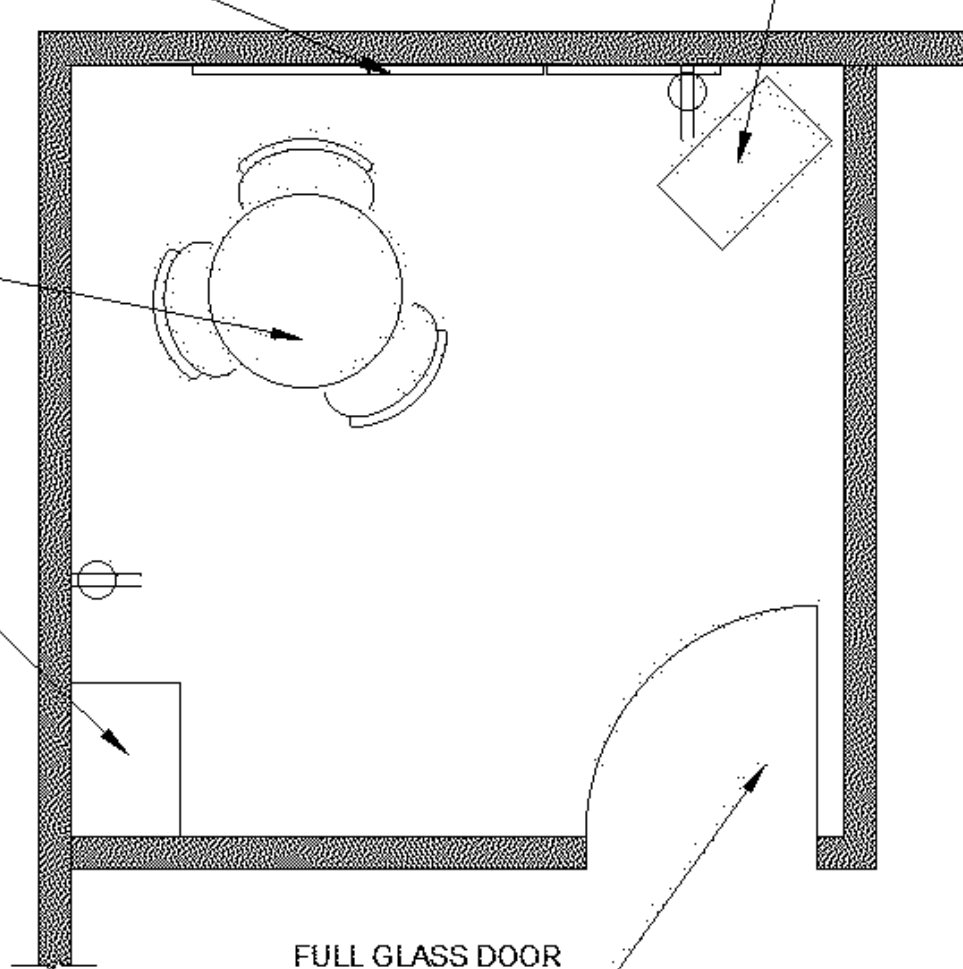
3 - POSTER HOLDERS
CENTERED ON WALL
OPPOSITE DOOR

VERIFY EXISTING POWER
LOCATIONS, ADD AS
REQ'D FOR PRINTER
AND EVOLT

TABLE AND CHAIRS

PRINTER STAND

EVOLT



FULL GLASS DOOR
WITH AF COACHING
SIGN ABOVE ON
EXTERIOR WALL

ANYTIME FITNESS - REAL AF REQUIRED SIGNS

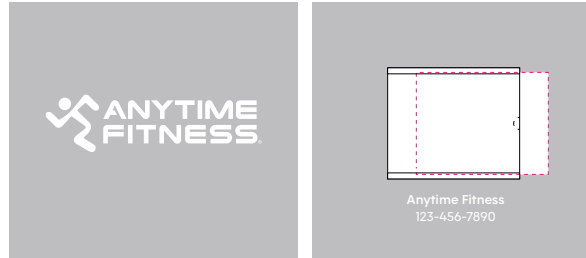
ORDER THESE ITEMS ONLINE THROUGH VENDOR PORTAL



customerservice@archetypesign.com
952.641.9600



EMERGENCY EXIT (MISC INFO 2)



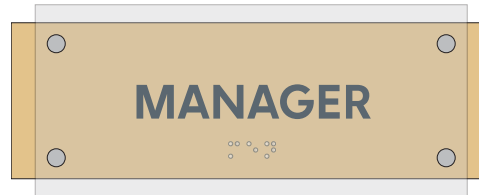
ENTRY DOOR VINYL



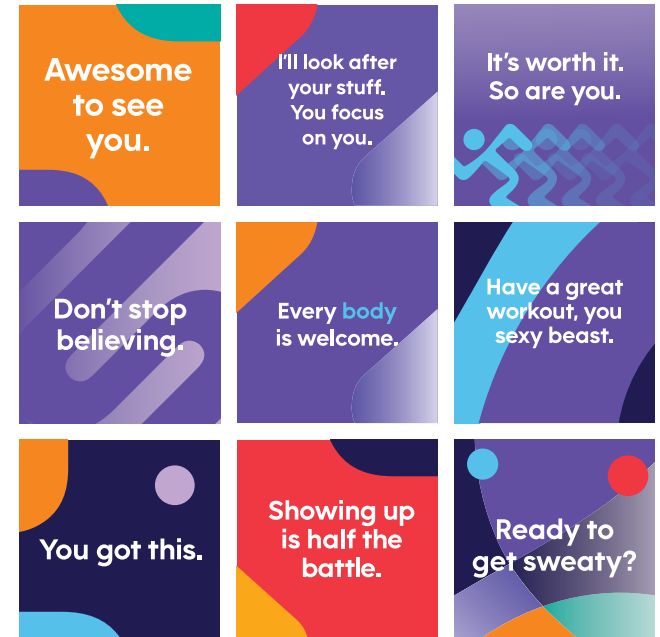
KEY FOB VINYL



REGULATORY SIGNS



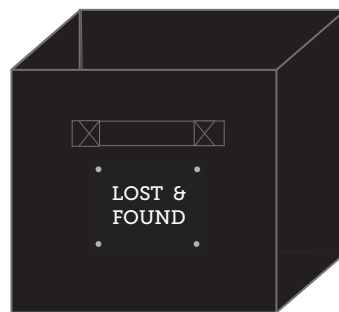
ROOM SIGN



CUBBIE GRAPHICS - 9 PACK



RESTROOM SIGN



LOST & FOUND (BIN SIGN)

ANYTIME FITNESS - REAL AF REQUIRED SIGNS

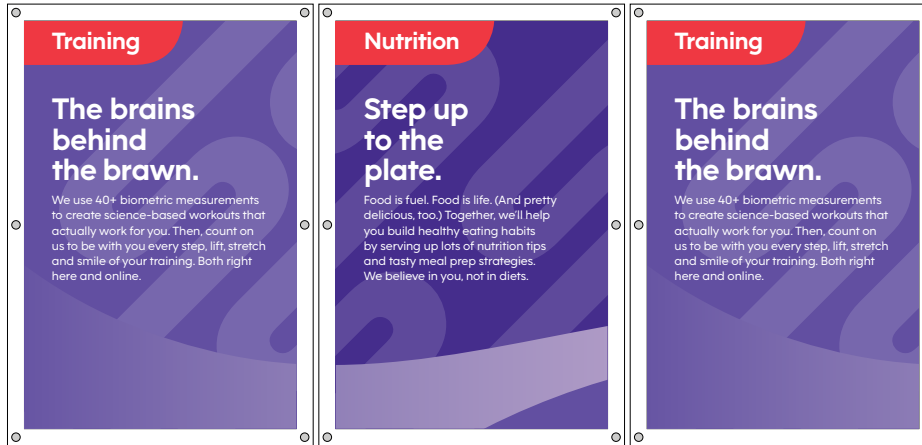
CONTACT ARCHETYPE DIRECTLY TO ORDER THESE ITEMS



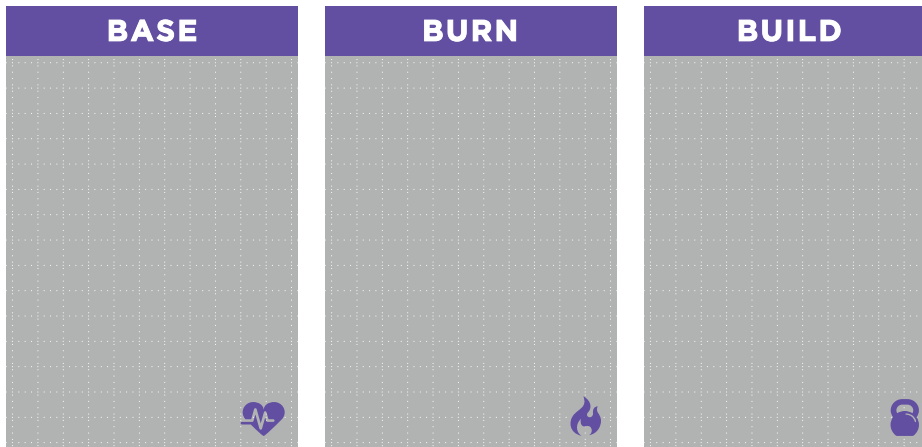
customerservice@archetypesign.com
952.641.9600



AF HALO LIT SIGN



3 POSTERS + POSTER HOLDERS



AF TRAINING KIT (BOARDS)



**FEATURE WALL SIGNAGE
(6 POSTER HOLDERS—1 ERASABLE PANEL)
*DISPLAY WALL IS ORDERED FROM GRE***

AF NEW DESIGN – PAINT COLORS (SHERWIN WILLIAMS)

KEY	PAINT CODE	COLOR
PN-1	SW 7662 EVENING SHADOW	
PN-2	SW 9161 DUSTBLU	
PN-3	SW 7069 IRON ORE	
PN-4	(CUSTOM) NEW ANYTIME PURPLE	
PN-5	SW 7649 SILVERPLATE	

KEY	PAINT CODE	COLOR
PN-6	(CUSTOM) ANYTIME TEAL	
PN-7	NOT CURRENTLY USED	NOT CURRENTLY USED
PN-8	SW 9162 AFRICAN GRAY	
PN-9	SW 7006 EXTRA WHITE (COLUMNS)	
PN-10	B42W00082 EGGSHELL WHITE WATERBORNE ACRYLIC DRYFALL (CEILING)	

SPECIFICATIONS:

Standard Paint:

Wall Paint: ProMar 200 - Eggshell
Wall Primer: Zero VOC B28W2600

(Optional) Upgraded Paint for GOOD Wall Protection:

Sherwin Williams Industrial Pre-catalyzed Water-Based Epoxy K45W151 – Eggshell

(Optional) Upgraded Paint for BEST Wall Protection:

Sherwin Williams Industrial Catalyzed Water-Based Epoxy 2 Part - Eggshell
Part A: B73W361 &
Part B: B73V300

(US) National Account Number: 5753-1214-5

(Canada) Cash Account Number: 7959-0652-8

Sherwin Williams will give 30-60% discount thru the Anytime Fitness National Account. Mention it when you are ordering. Follow the manufacturer's instructions regarding surface preparation and the use of proper primers to provide the best finish possible. Poor surface preparation and/or the use of incorrect primer will likely cost you time and money in requiring multiple coats to achieve the correct color. This will also increase the probability of low performance in maintaining and cleaning the surface. A minimum of one coat tinted primer and two coats of eggshell finish are required.

Color-matching with brands other than Sherwin-Williams is NOT allowed.

AF NEW DESIGN – PAINT COLORS (SHERWIN WILLIAMS)

CUSTOM PAINT CODES

SHERWIN-WILLIAMS 703272 12/02/21
651-436-1440 Order# 0209666

INTERIOR ARCHITECTURAL
PROMAR 200 ZERO VOC ACRYLIC LATEX
EG-SHEL STANDALONE

NEW ANYTIME PURPLE
CUSTOM MANUAL MATCH

CCE*COLORANT	0Z	32	64	128
L1-Blue	2	38	-	-
R3-Magenta	6	57	-	-

ONE GALLON DEEP
B20W02653 650186935

Non Returnable Tinted Color

CAUTION: To assure consistent color, always order enough paint to complete the job and intermix all containers of the same color before application. Mixed colors may vary slightly from color strip or color chip.



0209666-001

SHERWIN-WILLIAMS 703272 12/02/21
651-436-1440 Order# 0209666

INTERIOR ARCHITECTURAL
PROMAR 200 ZERO VOC ACRYLIC LATEX
EG-SHEL STANDALONE

ANYTIME TEAL
CUSTOM SHER-COLOR MATCH

CCE*COLORANT	0Z	32	64	128
W1-White	4	48	1	1
G2-New Green	4	13	-	1
L1-Blue	-	53	-	1
Y1-Yellow	-	12	1	1

ONE GALLON DEEP
B20W02653 650186935

INTERIOR

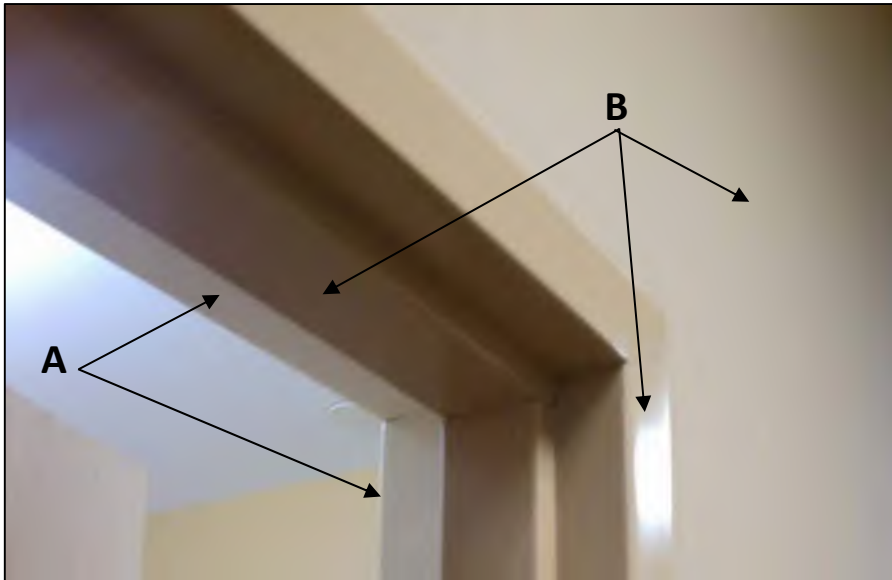
Non Returnable Tinted Color

CAUTION: To assure consistent color, always order enough paint to complete the job and intermix all containers of the same color before application. Mixed colors may vary slightly from color strip or color chip.

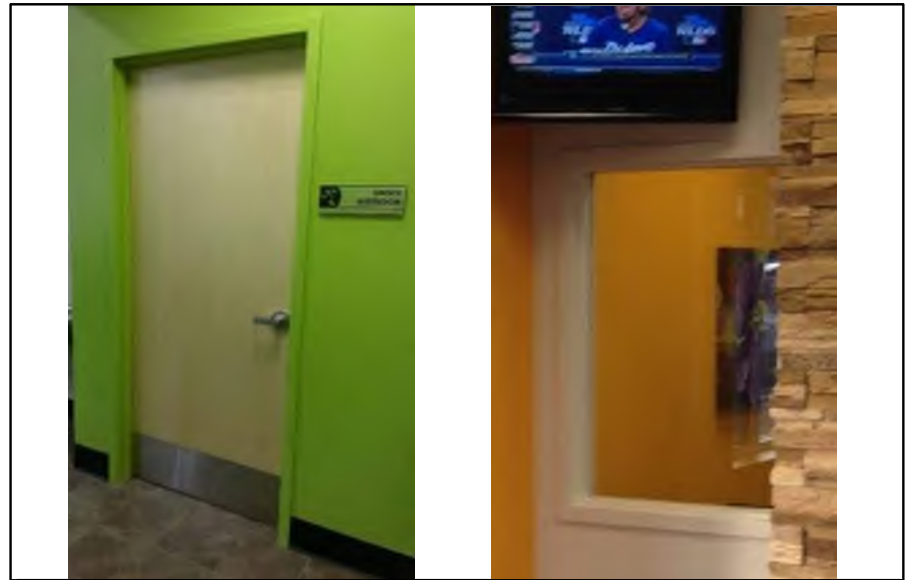


0209666-001

2100

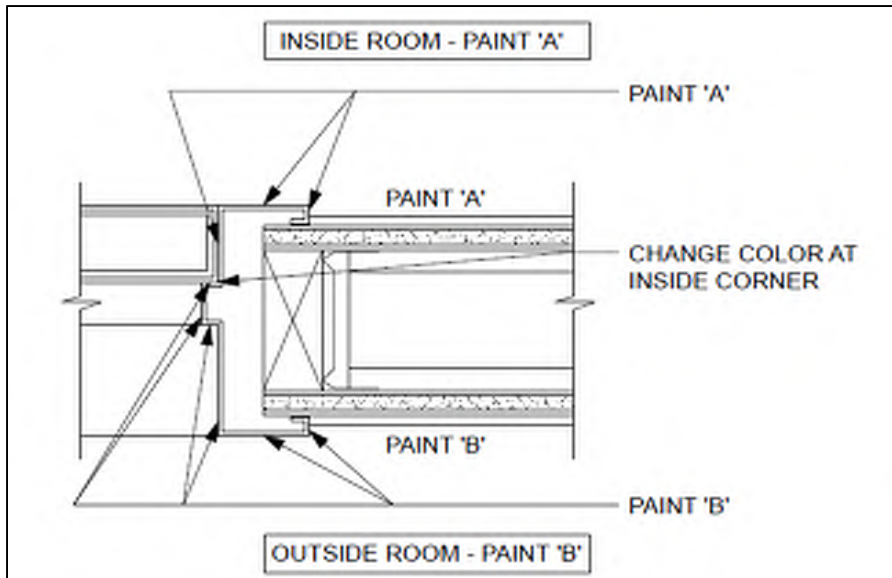


COLOR CHANGE AT DOOR FRAME The paint color (A) is inside of the room, (B) is outside, refer to detail below for more information.



Door Frame

Window Frame



COLOR CHANGE AT DOOR FRAME Change the paint color at the inside corner of the doorstop of the frame, see photo above.

OVERVIEW Door and window frames are to be painted to match the adjacent wall color.

- Ensure frames are properly prepared including the appropriate primer and paint. Paint should be applied via spray application to avoid brush marks.
- If the paint color is different on the inside of the room vs. the outside, the paint color will need to be changed on the frame. The color change needs to happen on the frame inside the room at the inside corner of the door stop. Refer to the drawing and photo to the right.
- Prefinished aluminum storefront doors and frames should not be painted.

INTERIOR FINISHES - New Design SCHEME

CARPET - Cardio, Strength Training, Offices

	MANUFACTURER	COLOR/ NUMBER	STYLE	SAMPLE
CA-1	Patcraft	Darker Haze (69557)	Color Switched (802U0) Brick Pattern Linear Installation	
Designated Vendor: Shaw Integrated Solutions (S.I.S.) Customer Service: 800-338-9479 anytime.fitness@shawinc.com				


RUBBER - Free Weights

	MANUFACTURER	COLOR/ NUMBER	STYLE	SAMPLE
RF-1	Ecore	EL09 Pumpin' Purple	Everlast Roll	
Designated Vendor: Ecore International, Inc. Customer Service: 515-450-2144 mbk@ecoreintl.com				


CUSHIONED TURF - Functional Area

	MANUFACTURER	COLOR/ NUMBER	STYLE	SAMPLE
TURF	Ecore	LMNT - 000215 Laminate L1 Better Purple	Custom	
Designated Vendor: Ecore International, Inc. Customer Service: 515-450-2144 mbk@ecoreintl.com				


STAINED CONCRETE - (New Construction Only) - ask CDM for more info

	MANUFACTURER	COLOR/ NUMBER	SAMPLE
STC	Ameripolish	Ameripolish 3D HS Densifier Ameripolish SureLock Dye Color: Gray Ameripolish 3D SP Stain Protector CONCRETE (STAINED) Floor Finish	
Recommended Vendor: Contractor to source locally			


VINYL BASE – Used at all walls, excluding restrooms

	MANUFACTURER	COLOR/ NUMBER	STYLE	SAMPLE
VB-1	Johnsonite	40 - Black	6" Vinyl Cove Base	
Preferred Vendor: Shaw Integrated Solutions (S.I.S.) Customer Service: 800-338-9479 anytime.fitness@shawinc.com				

VINYL FLOORING TRANSITION STRIP – To be used between all flooring material changes

	MANUFACTURER	COLOR/ NUMBER	STYLE	SAMPLE
TS-1	Johnsonite	CE-40-C Black	12' "T" Molding Transition 12' Flex Track – MTC-00-A	
Designated Vendor: Shaw Integrated Solutions (S.I.S.) Customer Service: 800-338-9479 anytime.fitness@shawinc.com				

DOORS, FRAMES & HARDWARE – Interior Doors & Windows

	MANUFACTURER	COLOR/ NUMBER	Important	SAMPLE
Doors	Twin City Hardware	Sealed clear maple Solid core commercial grade w/ metal knock down frames with hardware	Glass not included (When applicable) (Contractor to source locally)	
Preferred Vendor: Twin City Hardware (TCH) Customer Service: 651-735-2200 bhaen@tchco.com				

WALL MIRRORS– Free Weight Area & Multi-Purpose Room

	MANUFACTURER	COLOR/ NUMBER	Important	SAMPLE
Mirrors	The Mirror Company			
Preferred Vendor: The Mirror Company Customer Service: 800-473-0619 stacy@themirrorcompany.com				

INTERIOR FINISHES – WALL PROTECTION

Product

Wall Protection:

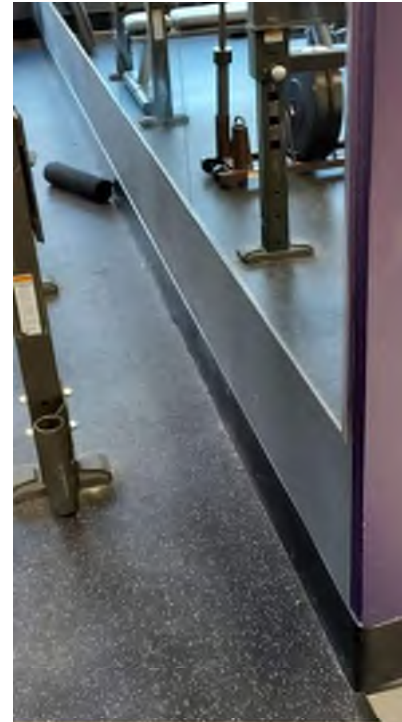
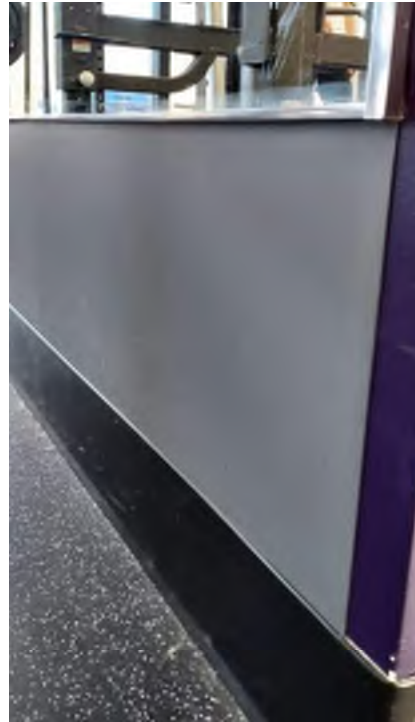
406 Palladium Rigid Sheet
.060 Thick
Pewter Gray #0107

Corner Guards:

3/4" Tape-On Corner Guards
Pewter Gray #0107

Note: Maple wall paneling and diamond plate wall protection should not be used with the Real AF design

Example Photos



Corner Guard

HELPFUL TIPS AND REMINDERS:

- Wall protection is optional, not required.
- Wall protection to be used in the Free Weights area only, below and beside mirrors.
- Wall protection should not be used throughout the club or in areas other than Free Weights.
- Wall protection comes in 4' x 10' sheets or 80' rolls - order accordingly, based on the total amount needed for your club.
- Product should be installed without the use of a top cap or vertical divider bar - panel ends should be butt joined only.

HOW TO ORDER: Contact Vendor

(Wall Protection is Optional)

VENDOR: Inpro Architectural Products (Required)

CONTACT: Natalie Grehn • ngrehn@inprocorp.com • (262) 679-9010 x5162

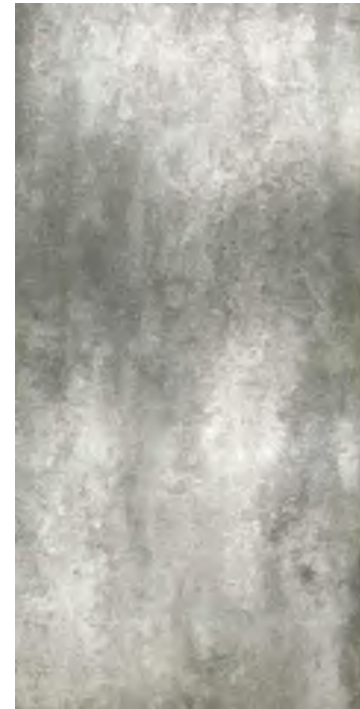
INTERIOR FINISHES – LUXURY VINYL TILE (LVT)

Product

LVT:

Portico Systems Natures View
Style: Rustique 40 mil – 18"x36"
Color: Titanium NVS3724

Example Photos



HELPFUL TIPS AND REMINDERS:

- Do not use any pad when installing
- Installation: 50% offset brick pattern

HOW TO ORDER: Contact Vendor

VENDOR: PORTICO SYSTEMS

CONTACT: Mike Bedford: (612) 209-4874/mbedford@porticosystems.com

INTERIOR FINISHES - TILE

LOBBY, HALLWAY AND RESTROOM FLOORS

Modern Formation Smoky Ridge

- Floor Tile MF05 12x24 #MF0512241PK
- Pattern – Linear Pattern
Installed with 1/2 Tile Overlap on 12" Side



RESTROOM & SHOWER – BASE

Modern Formation Smoky Ridge with Schluter Dilex

- MF05 12x24 cut down to 6x24 #MF051224PK
- Schluter Trim -- Dilex AHK1S100AE #9999544080
- Grout – Mapei Flexcolor CQ #107 Iron



RESTROOM WALLS & SHOWER WALLS

Color Story Balance (Matte)

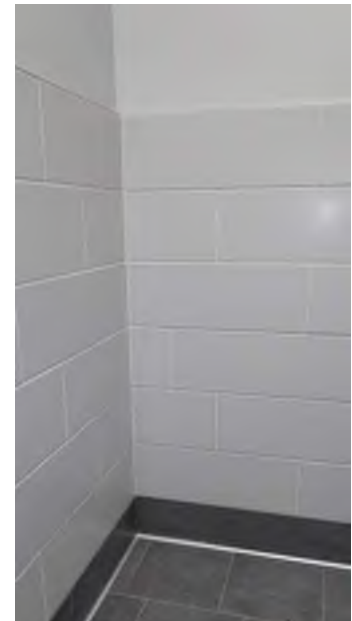
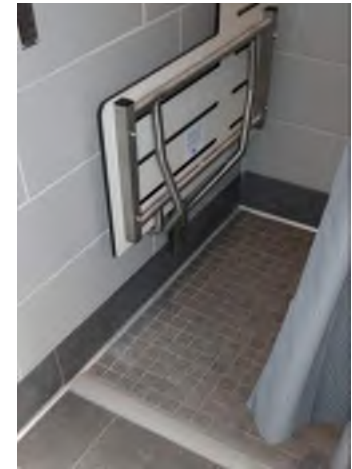
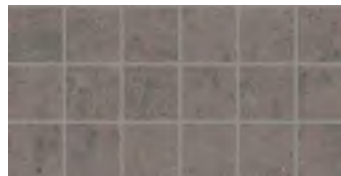
- Wall Tile 8X24 #00348241P2
- Grout – Mapei Flexcolor CQ #77 Frost
- Pattern – Brick Pattern
Installed with 1/3 Tile Overlap
- Schluter Trim -- Schiene AE100 #9999533553



SHOWER FLOORS

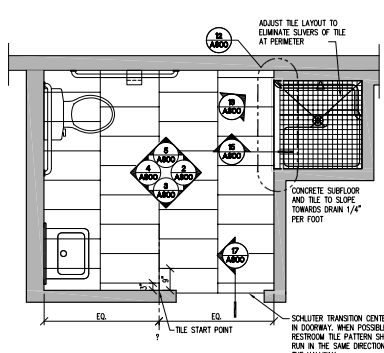
Modern Formation Smoky Ridge

- 2x2 Mosaic #MF0522MS1P1
- Grout – Mapei Flexcolor CQ #107 Iron

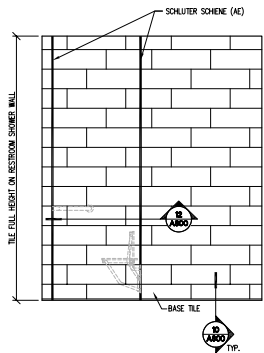


Designated Vendor: Daltile System 360

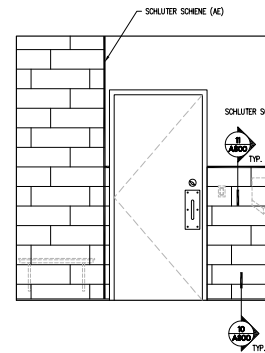
To process an order or check pricing, contact sebrands@daltile.com or 214.309.4651. For special concerns and escalations, please contact Amy McMacken at amy.mcmacken@daltile.com or 734.218.4995.



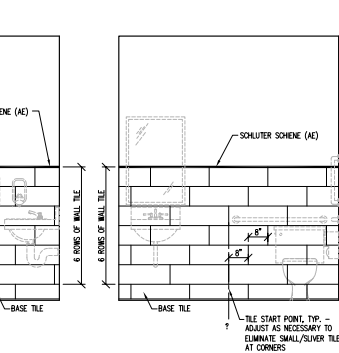
1 ENLARGED SHOWER RESTROOM PLAN
SCALE 1/2" = 1'-0"



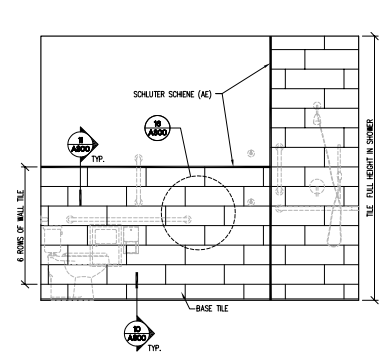
2 ELEVATION
SCALE 1/2" = 1'-0"



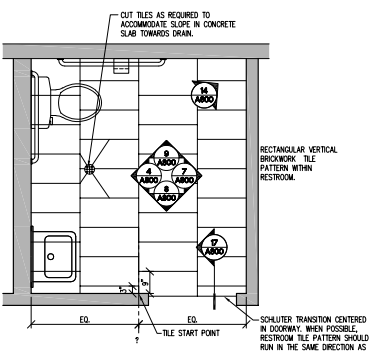
3 ELEVATION
SCALE 1/2" = 1'-0"



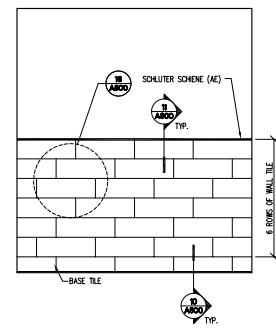
4 ELEVATION
SCALE 1/2" = 1'-0"



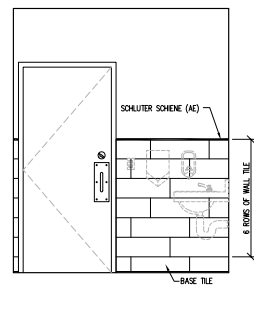
5 ELEVATION
SCALE 1/2" = 1'-0"



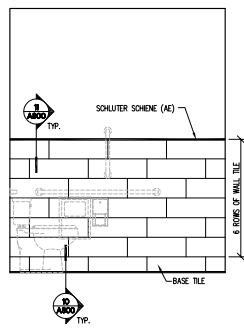
6 ENLARGED RESTROOM PLAN
SCALE 1/2" = 1'-0"



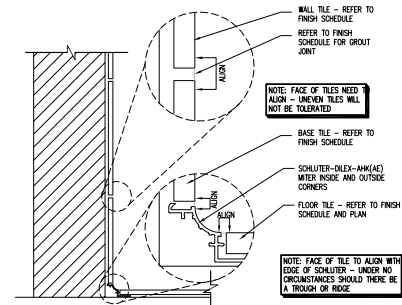
7 ELEVATION
SCALE 1/2" = 1'-0"



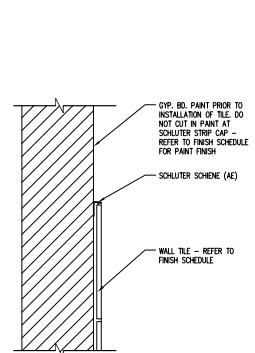
8 ELEVATION
SCALE 1/2" = 1'-0"



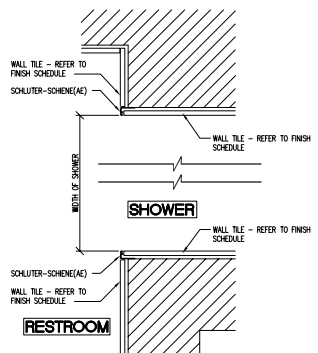
9 ELEVATION
SCALE 1/2" = 1'-0"



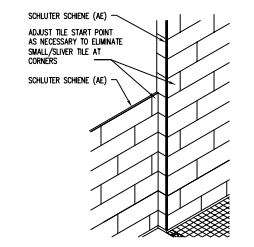
10 COVE BASE DETAIL
SCALE 3" = 1'-0"



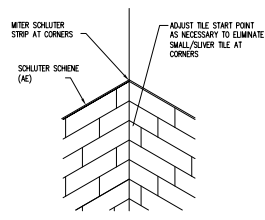
11 TILE TO GYP. DETAIL
SCALE 3" = 1'-0"



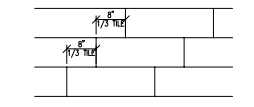
12 OUTSIDE CORNER SECTION
SCALE 3" = 1'-0"



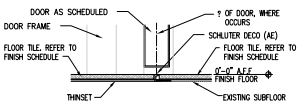
13 CORNER TILE DETAIL
SCALE 1/2" = 1'-0"



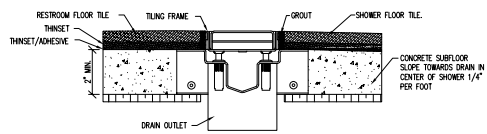
14 CORNER TILE DETAIL
SCALE 1/2" = 1'-0"



16 1/3 TILE OFFSET DTL
SCALE 3/4" = 1'-0"



17 FLOOR TRANSITION DTL
SCALE 3" = 1'-0"



15 SHOWER DRAIN DTL
SCALE 3" = 1'-0"

GENERAL NOTES

1. THESE DETAILS ARE NOT PLAN SPECIFIC. THEY ARE INTENDED TO SHOW INSTALLATION METHODOLOGY AND ENSURE A QUALITY INSTALLATION. REFER TO FLOOR PLAN AND ELEVATIONS FOR PROJECT SPECIFIC INFORMATION.
2. USE OF THE APPROPRIATE TILE SPACERS FOR GROUT JOINTS IS REQUIRED FOR BOTH WALL AND FLOOR TILE.

PRELIMINARY SUBMITTALS NOT FOR CONSTRUCTION
DATE
DESCRIPTION

CENTER NAME
STREET ADDRESS
CITY, STATE, ZIP
SPACE# / STORE#

PROJECT NO.: 00000
DRAWN BY: DXX
CHECKED BY: DXX
ISSUE DATE: 01/12/22
RESTROOM TILE DETAILS
A800



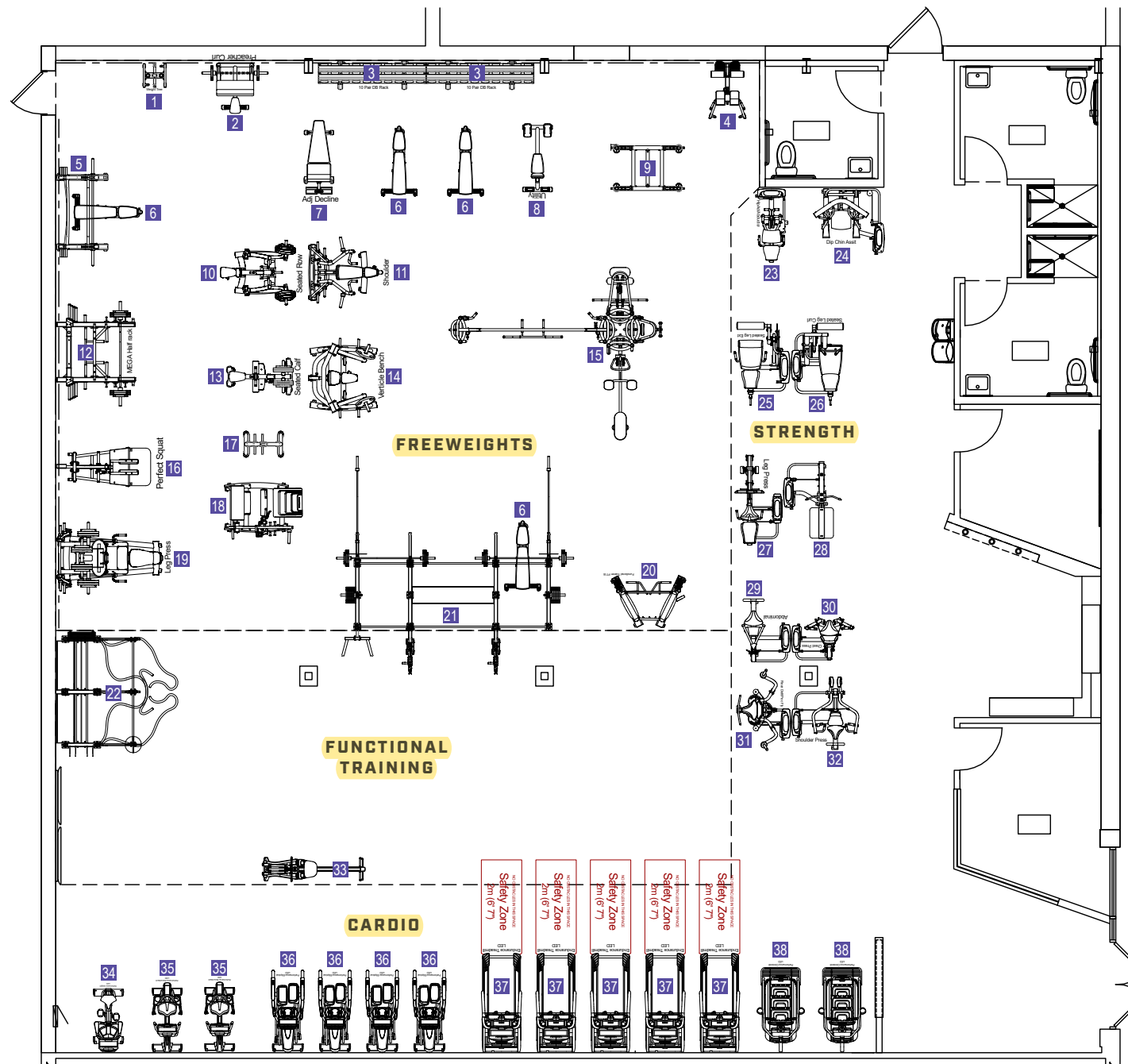
AF VENDOR SCHEDULE

Vendor	Product/Service	Contact	Phone/Email
Archetype * For Clubs in US	Interior Signage & Graphics Exterior Signage	Jenny Kruse	(952) 641-9646 customerservice@archetypesign.com (952) 641-9600 (Jenny) jennyk@archetypesign.com
Daltile	Tile	Kim Perez - ordering/pricing Amy McMacken - escalations	sebrands@daltile.com (214) 309-4482 - Kim amy.mcmacken@daltile.com (734) 218-4995 - Amy
Dyson	Restroom Hand Dryer	Adam Finn	(312) 919-2077 adam.finn@dyson.com
Ecore International	Rubber Flooring (Free Weights) & Turf (Functional Training)	Customer Service	(515) 450-2144 mbk@ecoreintl.com
Global Retail Environments	Member Lobby - Cubbies, Lockable Inserts, Benches & Feature Wall Display Panels Manager's Office - Desk Laminate Spacer for Lightbox Guest & Member Lobby - Custom Decorative Lighting	John Scharber Denise Scharber	(320) 983-0000 jscharber@globalretailenvironments.com dscharber@globalretailenvironments.com
IKEA	Cubbies Furniture		www.ikea.com/us/en
Inpro Architectural Products	Wall Protection	Natalie Grehn	ngrehn@inprocorp.com (262) 679-9010 x5162
KENDU	Lightbox	Juliana Diaz	juliana.diaz@kendu.com (786) 580-3892
MAG Resources	Window Shades	Jason Giovanini	(330) 419-8699 j2_giovanini@magresources.net
The Mirror Company	Mirrors (Free Weights)		(800) 473-0619 - Customer Service stacy@themirrorcompany.com
Portico Systems	LVT Flooring	Mike Bedford	(612) 209-4874 mbedford@porticosystems.com
Provision Security	Security		(866) 315-0777 projects@provisionsecurity.com
SEG Systems	Lightbox	Tim Hoiem	(612) 280-7016 tim.hoiem@segsystems.com
Shaw Integrated Solutions	Carpet & LVP	Customer Service	(800) 338-9479 anytime.fitness@shawinc.com
Sherwin Williams	Paint	Local Store	(US) National Account Number: 5753-1214-5 (Canada) Account Number: 7959-0652-8 for discounted national account pricing
Sixstream Signs * For Clubs in Canada	Interior Signage & Graphics Exterior Signage	Nick Ngo	anytimefitness@sixstreamsigns.com (604) 502-9981 (Main) (604) 375-2589 (Nick) nick@sixstreamsigns.com
Specialty Lighting	Lighting	Allison Gora Nick Stemm	(860) 767-0110 x239 (Allison) allison.gora@sslighting.com (860) 767-0110 x227 (Nick) nick.stemm@sslighting.com
TubeArt Group * For Clubs in US	Exterior Signage	Jackie Salesses Paul Genge	(800) 562-2854 anytimefitness@tubeart.com
Twin City Hardware	Doors, Frames & Hardware	Bob Haen	(651) 735-2200 - Customer Service (651) 731-7142 - Bob bhaen@tchco.com

PROJECT COMPLETION

REQUIRED:

You will need to submit completion photos at the end of the project to your Store Development Coordinator which will enable us to mark this project complete and close it out on our end.



EQUIPMENT LEGEND

TREADMILLS REQUIRE A 6'-7" REAR CLEARANCE

FREE WEIGHTS

1. Magnum - Weight Tree
2. Magnum - Preacher Curl
3. Magnum - DB Rack
4. Magnum - Back Extension
5. Magnum - Smith Machine
6. Magnum - Multi Adj Bench
7. Magnum - Adj Decline Bench
8. Magnum - Utility Bench
9. Magnum - Barbell Rack
10. Magnum - PL Seated Row
11. Magnum - PL Shoulder Press
12. Magnum - MEGA Half Rack
13. Magnum - PL Seated Calf
14. Magnum - PL Vertical Bench
15. Aura - 5 Stack
16. Varsity - Perfect Squats
17. Magnum - Olympic Weight Tree
18. Magnum - Glute Trainer
19. Magnum - Leg Press
20. Versa - Functional Trainer

STRENGTH

23. Versa - Hip Ab Adductor
24. Versa - Dip Chin
25. Versa - Leg Ext
26. Versa - Seated Leg Curl
27. Versa - Leg Press
28. Versa - Bicep Tricep
29. Versa - Abdominal
30. Versa - Conv Chest
31. Versa - Pec Fly Rear Delt
32. Versa - Conv Shoulder

CARDIO

33. Rower
34. Performance - Upright / LED
35. Performance - Recumbent / LED
36. Performance - Elliptical / LED
37. Endurance - Treadmill / LED
38. Performance - ClimbMill / LED

FUNCTIONAL TRAINING

21. Rig - Island
22. Rig - 2 Bay

NOT FOR CONSTRUCTION:

THIS DRAWING IS FOR GENERAL VISUAL REFERENCE AND CONCEPT PURPOSES ONLY. IT IS NOT AN ARCHITECTURAL DRAWING AND IS NOT INTENDED TO BE USED AS A CONSTRUCTION DOCUMENT. JOHNSON HEALTH TECH NORTH AMERICA, INC. / MATRIX FITNESS MAKES NO REPRESENTATION OR WARRANTY THAT THE FLOOR PLAN COMPLIES WITH ANY APPLICABLE LAW, RULE, REGULATION, OR ANY INDUSTRY OR SAFETY STANDARD OR REQUIREMENT. ANY DIMENSIONS, CODES, SIZES, COLORS, OR TEXTURES USED TO CREATE THESE DRAWINGS SHOULD BE VERIFIED BY THE OWNERS OF THE FACILITY, CONTRACTORS, AND/OR THEIR AGENTS. IT IS THE OWNERS SOLE RESPONSIBILITY TO INSURE THAT THE PLACEMENT OF EQUIPMENT, FURNITURE OR ASSOCIATED ITEMS IS SAFE AND COMPLIES WITH ALL APPLICABLE LAWS, RULES, REGULATIONS, AND STANDARDS, AND JOHNSON HEALTH TECH NORTH AMERICA, INC. / MATRIX FITNESS DISCLAIMS ALL RESPONSIBILITY WITH RESPECT THERETO.

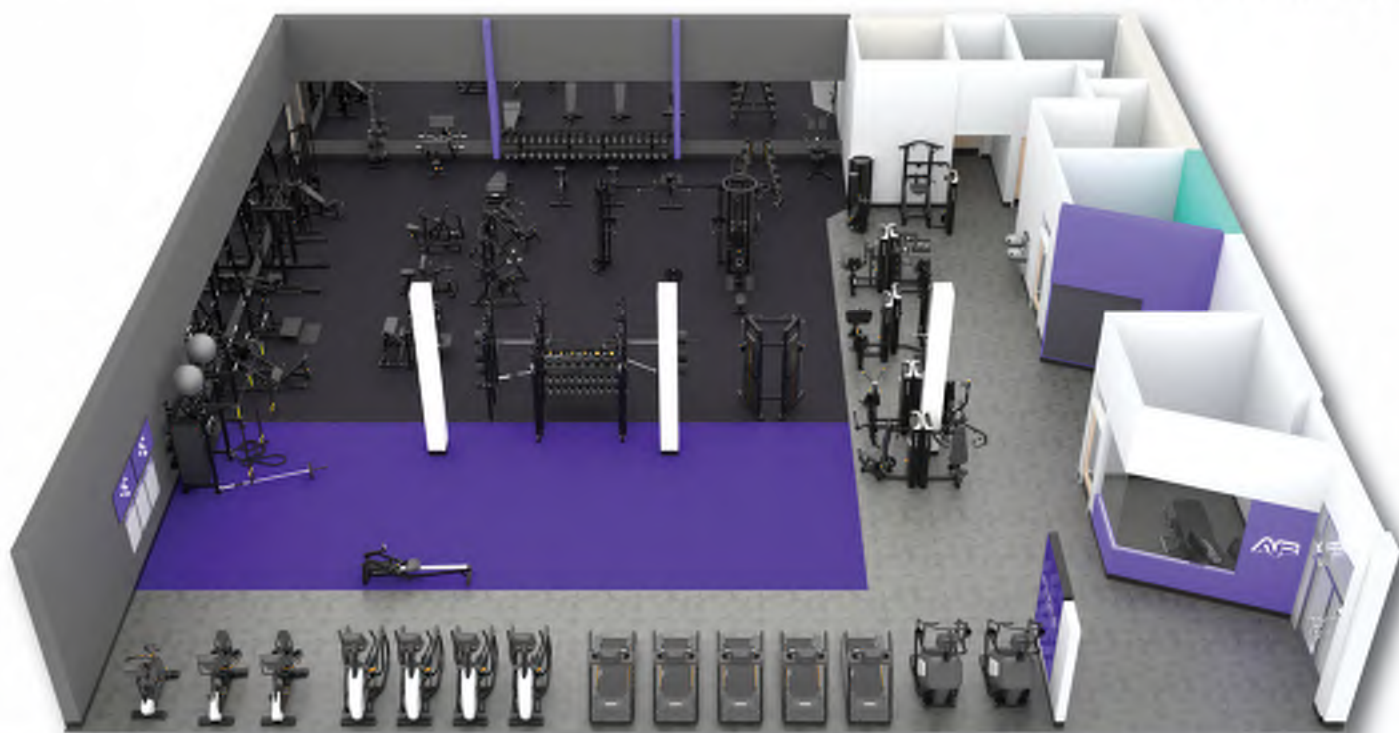


ELECTRICAL REQUIREMENTS:

All Treadmills require a DEDICATED 20amp Circuit with NON-LOOPED Ground and Neutral wires with NEMA 5-20R receptacles. Matrix power recommendations for all xe & xi series cardio, excluding Treadmills, utilize a 15amp circuit using NEMA 5-15R receptacles. Up to 4 units may be Daisy Chained on 1 - 15amp circuit. Treadmills cannot be daisy chained. *Bikes, Ellipticals & Ascents can be self powered. Customer responsible for all electrical plans as well as placement of Mirrors, Outlets, furniture etc., as well as installation of all electrical outlets and receptacles.

MATRIX

ANYTIME FITNESS
SEBASTAPOL CA, [AF5042]



This floor plan is provided for general visual reference only. Johnson Health Tech North America (d/b/a Matrix Fitness) makes no representation or warranty that the floor plan complies with any applicable law, rule or regulation or any industry or safety standard or requirement. It is the owner's sole responsibility to insure that the placement of equipment, furniture or associated items is safe and complies with all applicable laws, rules regulations and standards, and Johnson Health Tech North America (d/b/a Matrix Fitness) disclaims all responsibility with respect thereto.



3D LAYOUTS BY MATRIX FITNESS







































EXIT













RECORDING REQUESTED BY

Transamerica Title Ins. Co.

WHEN RECORDED MAIL TO

Mr. & Mrs. Oscanio Del Gallo
c/o Redwood Empire Title Company
2985 Cleveland Ave.
Santa Rosa, California

RECORDED AT REQUEST OF Atties
AT 20 MIN. PAST 12 M.
Official Records of Sonoma County, Calif.
Hed. Anglin COUNTY RECORDER
Fee 2.00 Paid. Date APR 2 1968

K 73064

BOOK 2323 PAGE 266

SPACE ABOVE THIS LINE FOR RECORDER'S USE

GRANT DEED

(Escrow No. 400574)

By this instrument dated March 28, 1968 for a valuable consideration,

HEADRICK BROS., a partnership, composed of
JAMES W. HEADRICK and EARL D. HEADRICK, Partners

hereby GRANTS to

OSCANIO DEL GALLO and ETHEL DEL GALLO, his wife

The following described Real Property in the State of California, County of SONOMA

City of Sebastopol

LOT 2, as designated on the map entitled "MINOR SUBDIVISION
OF THE LANDS OF HEADRICK BROS.", which map was filed in the
office of the Recorder of the County of Sonoma, State of
California on March 27, 1968 in Book 109 of Maps at page 5.

\$2.75
APR 2 1968
SONOMA COUNTY
RECORDING STAMP

\$22.00 APR 2 1968 SONOMA COUNTY RECORDING STAMP
\$22.00 APR 2 1968 SONOMA COUNTY RECORDING STAMP
\$22.00 APR 2 1968 SONOMA COUNTY RECORDING STAMP
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\$22.00 APR 2 1968 SONOMA COUNTY RECORDING STAMP
\$22.00 APR 2 1968 SONOMA COUNTY RECORDING STAMP

HEADRICK Bros.

James W. Headrick
James W. Headrick
Earl D. Headrick
Earl D. Headrick

Asx IRS

\$ 178.75

STATE OF CALIFORNIA

COUNTY OF SONOMA

On March 29, 1968

Sonoma

before me, the undersigned, a Notary Public in and for said

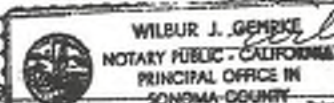
County and State, personally appeared James W. Headrick and

Earl D. Headrick

known to me to be the partners of the partnership that executed the within instrument, and acknowledged to me that such partnership executed the same.

WITNESS my hand and official seal.
(SEAL)

My commission expires: Feb. 8, 1968
PARTNERSHIP END OF DOCUMENT



Wilbur J. Genrke
Notary Public - California
Wilbur J. Genrke
true name of Notary Public

S 3 8554

No TAX DUE

WHEN RECORDED RETURN TO
 REDWOOD EMPIRE TITLE CO.
 2995 CLEVELAND AVE.
 SANTA ROSA, CALIFORNIA

RECORDED AT REQUEST OF RET CG
 AT 2:00 MIN. PAST 1:29 P.M.
 Official Records of Sonoma County, Calif.

Hub. Langford COUNTY RECORDER

Fee \$ 2.80 Paid. Date APR 2 1968

K 73065

BOOK 2323 PAGE 267

GRANT OF EASEMENT FOR PARKING

FOR VALUE RECEIVED headrick Bros., a partnership, composed of JAMES W. HEADRICK and EARL D. HEADRICK, partners, being the owners of the real property located in the City of Sebastopol, County of Sonoma, State of California, described as follows:

Lot 1, as designated on the map entitled "MINOR SUBDIVISION OF THE LANDS OF HEADRICK BROS.", which map was filed in the office of the Recorder of the County of Sonoma, State of California on March 27, 1968 in Book 109 of Maps at page 5.

hereby grant to OSCANIO DEL GALLO and ETHEL DEL GALLO, his wife, the non-exclusive right to use so much of grantors premises described above for parking purposes as will provide for a hard surfaced parking area for a capacity of not less than 15 automobiles, together with the right of ingress and egress for such parking purposes. Said parking area shall be immediately contiguous to the lands of grantee at all times.

The easement herein granted shall be for motor vehicle parking and neither the grantee nor any person claiming under the grantee of the easement shall be entitled to use or authorize the use of the easement for any other purpose.

The rights granted herein are not exclusive, but are subject to the equal rights of grantors to use the parking area herein granted, which right is hereby expressly reserved.

Subject to the limitation as to capacity and the requirement that the area be immediately contiguous to the lands of grantee, grantor reserves the right to determine the actual location and

1 to change or relocate the parking area and parking layout at
2 anytime and from time to time.

3 The grantors and grantees of the herein easement agree that
4 this easement shall not be terminated, abandoned or cancelled
5 without the prior consent of the City of Sebastopol.

6 Dated: April 1, 1968

7
8 GRANTEES:

9 Oscanio Del Gallo
Oscanio Del Gallo

GRANTORS:

HEADRICK BROTHERS, A Partnership

10
11 Ethel Del Gallo
12 Ethel Del Gallo

James W. Headrick
James W. Headrick, Partner

Earl D. Headrick
Earl D. Headrick, Partner

STATE OF CALIFORNIA

County of Sonoma

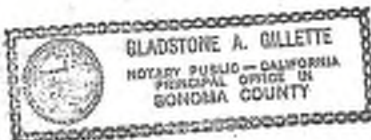
On this 1st day of April in the year one thousand nine hundred and 68
before me, Gladstone A. Gillette a Notary Public in and for the

County of Sonoma, State of California, residing therein,
duly commissioned and sworn, personally appeared

JAMES W. HEADRICK and EARL D. HEADRICK

known to me to be one of the partners of the partnership that executed the within instrument,
and acknowledged to me that such partnership executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal,
in the County of Sonoma the day and year in this
certificate first above written.



Gladstone A. Gillette

Notary Public in and for the County of Sonoma

My Commission expires: November 16, 1971

STATE OF CALIFORNIA

COUNTY OF SONOMA

On April 1, 1968

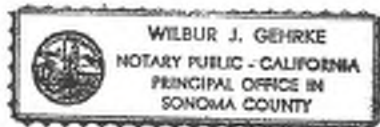
before me,
the undersigned, a Notary Public in and for said County and State,
personally appeared OSCANIO DEL GALLO and
ETHEL DEL GALLO

known to me
to be the persons whose names are subscribed to the within
instrument and acknowledged that they executed the same.

Signature: Wilbur J. Gehrke
Wilbur J. Gehrke

my commission expires 2-8-69
Name (Typed or Printed)
Notary Public in and for said County and State

FOR NOTARY SEAL OR STAMP



END OF DOCUMENT

Recorded at request of:

TRANSAMERICA TITLE INSURANCE COMPANY
Escrow No. 400574

When recorded mail to:
WHEN RECORDED RETURN TO
REDWOOD EMPIRE TITLE CO.
2995 CLEVELAND AVE.
SANTA ROSA, CALIFORNIA

RECORDED AT REQUEST OF RET CO
AT 20 MIN. PAST 127 M.
Official Records of Sonoma County, Calif.
H. H. Longley COUNTY RECORDER
Fee \$ 2.00 Paid. Date APR 2 1968

K 73066

ABOVE SPACE SOLELY FOR RECORDER'S USE

THIS DEED OF TRUST, made this 21st day of February, 1968
BETWEEN OSCANIO DEL GALLO and ETHEL DEL GALLO, his wife,

Whose address is _____ (City) _____ (State)
TRANSAMERICA TITLE INSURANCE COMPANY
herein called Trustor, _____ a California corporation, herein called Trustee, and
JAMES W. HEADRICK and EARL D. HEADRICK
herein called Beneficiary.

WITNESSETH: That Trustor irrevocably GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property is the City of Sebastopol, County of Sonoma, California, described as

Lot 2, as designated on the map entitled "Minor Subdivision of the Lands of Headrick Bros.", which map was filed in the office of the Recorder of the County of Sonoma, State of California, on March 27, 1968, in Book 109 of Maps, at page 5.

TOGETHER WITH an easement for parking purposes by and between Headrick Bros., a partnership, and Oscanio Del Gallo, et ux, recorded April 2, 1968, under Recorder's Serial No. K-73065, Sonoma County Records.

TOGETHER WITH the rent, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority given to and conferred upon Beneficiary by Paragraph 5 of Part B of the provisions incorporated herein by reference to collect and apply such rent, issues and profits, for the purpose of securing payment of the indebtedness evidenced by a promissory note, of even date herewith, executed by Trustor in the sum of ONE HUNDRED THIRTY-FIVE THOUSAND AND NO/100ths--- Dollars, (\$ 135,000.00), any additional sums and interest thereon which may hereafter be loaned to the Trustor or his successors or assigns by the Beneficiary, and the performance of each agreement herein contained. Additional loans hereafter made and interest thereon shall be secured by this Deed of Trust only if made to the Trustor while he is the owner of record of his present interest in said property, or to his successors or assigns while they are the owners of record thereof, and shall be evidenced by a promissory note reciting that it is secured by this Deed of Trust.

BY THE EXECUTION AND DELIVERY OF THIS DEED OF TRUST and the note secured hereby the parties hereto agree that there are adopted and included herein for any and all purposes by reference as though the same were written in full herein the provisions of Section A, including paragraphs 1 through 6 thereof, and of Section B, including paragraphs 1 through 10 thereof, of that certain Section Deed of Trust recorded in the official records in the offices of the County Recorders of the following counties on January 20, 1958, unless otherwise indicated by * in the books and at the pages designated after the name of each county:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	8573	256	Imperial	583	545	Modoc	154	324	San Diego	6914	262
Alpine	"N"	170	Inyo	130	514	Mono	39	237	*San Francisco	7216	79
Arnold	74	587	Kern	2896	203	Monterey	1842	388	San Joaquin	2034	538
Butte	907	571	Kings	699	108	Napa	561	140	San Luis Obispo	924	192
Calaveras	115	472	Lake	288	97	Nevada	241	417	*San Mateo	5354	275
Celina	250	407	Lassen	156	495	Orange	4169	334	Santa Barbara	1497	161
Contra Costa	3105	483	Los Angeles	T-21	562	Placer	752	219	*Santa Clara	3976	408
Del Norte	424	251	Madera	709	374	Plumas	111	49	Santa Cruz	1167	362
El Dorado	424	117	Mariposa	1166	337	*Riverside	2209	560	Shasta	552	290
Fresno	4017	268	Mariposa	61	12	Sacramento	5457	263	Sierra	18	194
Glenn	364	428	Mendocino	476	423	San Benito	237	358	Siskiyou	398	325
Humboldt	473	311	Merced	1350	139	San Bernardino	4417	170	Solano	913	101

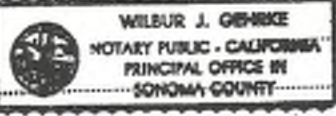
*Riverside, January 21, 1958; *San Francisco, January 15, 1958; *San Mateo, January 16, 1958; *Santa Clara, January 7, 1958.
A copy of said provisions so adopted and included herein by reference is set forth on the reverse hereof.
The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at his address given above.

Oscanio Del Gallo
Oscanio Del Gallo
Ethel Del Gallo
Ethel Del Gallo

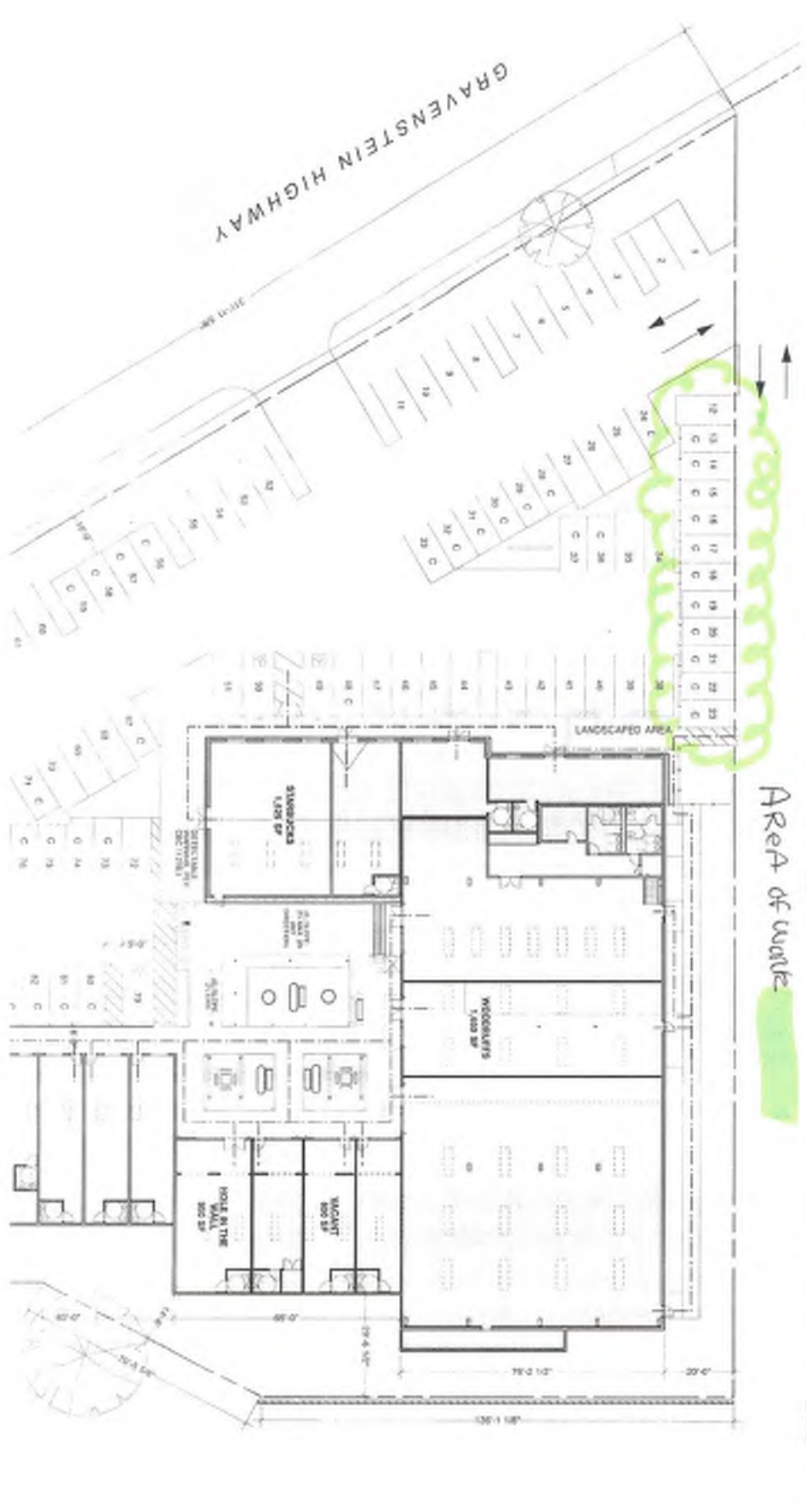
STATE OF CALIFORNIA }
County of Sonoma }
On this 1st day of April, 1968, before me,
Wilbur J. Gehrke, a Notary Public in and for said Sonoma County, personally appeared
OSCANIO DEL GALLO and ETHEL DEL GALLO

known to me to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged to me that they executed the same.

WITNESS my hand and official seal (SEAL)
My Commission Expires 2/8/69



Wilbur J. Gehrke
Notary Public in and for said County and State.
Printed or typed name of Notary Public: Wilbur J. Gehrke



GRAVENSTEIN HIGHWAY

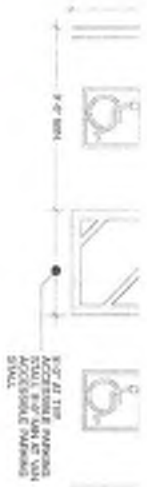
AT ACCESSIBLE STALLS, SEE CIRC 11298.5

PROPORTIONS

EXISTING STORAGE 3

EXISTING HANDICAP PARKING 2

Area of water





STANDARD MULTI-TENANT SHOPPING CENTER LEASE - NET

1. Basic Provisions ("Basic Provisions").

1.1 **Parties.** This Lease ("Lease"), dated for reference purposes only March 6, 2023, is made by and between 970 Gravenstein Hwy, LLC ("Lessor") and GSK Fitness Novato, Inc., a California Corporation DBA: Anytime Fitness ("Lessee") (collectively the "Parties", or individually a "Party").

1.2 **Premises:** That certain portion of the Shopping Center (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known as (street address, unit/suite, city, state): 968 Gravenstein Highway South, Sebastopol, CA 95472 ("Premises"). The Premises are located in the County of Sonoma and generally described as (describe briefly the nature of the Premises): 5,450± SF retail suite.

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, the exterior walls, or the utility raceways of the building containing the Premises ("Building") or to any other buildings in the Shopping Center. The Premises and the Building are situated within the Shopping Center known as Gravenstein Square. The Premises, the Building, the Common Areas, and all other buildings and improvements within said Shopping Center, together with the land upon which they are located, are herein collectively referred to as the "Shopping Center." (See also Paragraph 2)

1.3 **Term:** Five (5) years and Six (6) months ("Original Term") commencing March 6, 2023 ("Commencement Date") and ending August 31, 2028 ("Expiration Date"). (See also Paragraph 3)

1.4 **Early Possession:** If the Premises are available Lessee may have non-exclusive possession of the Premises commencing upon full execution of the Lease and receipt of Lessee's deposit and insurance certificate ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 **Base Rent:** \$7,630.00 per month ("Base Rent"), payable on the First (1st) day of each month commencing September 6, 2023. (See also Paragraph 4) **See also Addendum A PP 51**

If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph 72.

1.6 **Percentage Rent Rate:** N/A percent (N/A %) of Gross Sales. Percentage Rent shall be due and payable in accordance with the provisions of the Percentage Rent Addendum, if any, attached hereto and made a part hereof, and Paragraph 4 hereof.

1.7 **Lessee's Share of Common Area Operating Expenses:** Twenty-Six Point Zero percent (26.0 %) ("Lessee's Share"). In the event that the size of the Premises and/or the Shopping Center are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification.

1.8 **Merchants' Association Annual Dues:** N/A per year ("Merchants' Association Dues"). Lessee shall pay Merchants' Association Dues and/or become a member of the Merchants' Association in accordance with the provisions of the Merchants' Association Addendum, if any, attached hereto.

1.9 Base Rent and Other Monies Paid Upon Execution:

(a) **Base Rent:** \$6,271.00 for the period September 6, 2023 - September 30, 2023. **See also Addendum A PP 51**

(b) **Common Area Operating Expenses:** The current estimate for the period September 6, 2023 - September 30, 2023 is \$2,901.00. **See also Addendum A PP 51**

(c) **Security Deposit:** \$8,587.63 ("Security Deposit"). (See also Paragraph 5)

(d) **Merchants' Association Dues:** N/A for the period N/A.

(e) **Other:** _____ for _____.

(f) **Total Due Upon Execution of this Lease:** \$17,759.63.

1.10 **Agreed Use:** Fitness Studio. (See also Paragraph 6) **See Addendum PP 59**

1.11 **Agreed Trade Name:** Anytime Fitness. (See also Paragraph 6)

1.12 **Insuring Party.** Lessor is the "Insuring Party". (See also Paragraph 8)

1.13 **Real Estate Brokers.** (See also Paragraph 15 and 25)

(a) **Representation:** Each Party acknowledges receiving a Disclosure Regarding Real Estate Agency Relationship, confirms and consents to the following agency relationships in this Lease with the following real estate brokers ("Broker(s)") and/or their agents ("Agent(s)"):

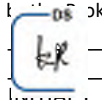
Lessor's Brokerage Firm Keegan & Coppin Company, Inc. License No. 00531022 Is the broker of (check one): the Lessor; or both the Lessee and Lessor (dual agent).

Lessor's Agent Sara Wann License No. 01437146 is (check one): the Lessor's Agent (salesperson or broker associate); or both the Lessee's Agent and the Lessor's Agent (dual agent).

Lessee's Brokerage Firm Retail California License No. _____ Is the broker of (check one): the Lessee; or both the Lessee and Lessor (dual agent).

Lessee's Agent Lewis Smith License No. 01214178 is (check one): the Lessee's Agent (salesperson or broker associate); or both the Lessee's Agent and the Lessor's Agent (dual agent).

(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 _____ or _____ % of the total Base Rent) for the brokerage services rendered by the Brokers.





1.14 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by _____ ("Guarantor"). (See also Paragraph 37)

1.15 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

- an Addendum consisting of Paragraphs 51 through 71; **Addendum A**
- a site plan marked Exhibit A depicting the Premises;
- a site plan marked Exhibit _____ depicting the Shopping Center;
- a current set of the Rules and Regulations for the Shopping Center;
- a current set of the Sign Criteria for the Shopping Center;
- a Work Letter;
- other (specify): Rent Adjustment(s) (PP 72); Option(s) to Extend Term (PP 73); Exhibit B - Garbage Map; Exhibit C - Parking Map; Standard Lease Disclosure Addendum; Leasing Disclosure and Confirmation Regarding Real Estate Agency Relationship.

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. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. **NOTE: Lessee is advised to verify the actual size prior to executing this Lease.**

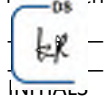
2.2 **Condition.** Lessor shall deliver the Premises to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("**Start Date**"), and, so long as the required service contracts described in Paragraph 7.1(b) below are obtained by Lessee and in effect within 30 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 Premises, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Premises shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. 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 Premises. 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). Lessor also warrants, that unless otherwise specified in writing, Lessor is unaware of (i) any recorded Notices of Default affecting the Premise; (ii) any delinquent amounts due under any loan secured by the Premises; and (iii) any bankruptcy proceeding affecting the Premises.

2.3 **Compliance.** Lessor warrants that to the best of its knowledge the improvements on the Premises and the Common Areas comply with the building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances ("**Applicable Requirements**") that were in effect at the time that each improvement, or portion thereof, was constructed. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 50), 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 Applicable Requirements, and especially the zoning, are appropriate 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 Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the 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 shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, 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 either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.





2.4 **Acknowledgements.** Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises; (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and 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; (c) 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; (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor; (e) the square footage of the Premises was not material to Lessee's decision to lease the Premises and pay the Rent stated herein; and (f) 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 not use and shall not permit its employees to use any parking spaces in the Shopping Center except for parking by vehicles that are no larger than full-size passenger automobiles or pick-up trucks, herein called "**Permitted Size Vehicles.**" Lessee shall permit its employees to only occupy those parking spaces, if any, as depicted as employee parking spaces on the Shopping Center site plan. 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. In addition:

- (a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, 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 Shopping Center and interior utility raceways and installations within the Premises 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 Shopping Center 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 Shopping Center. 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, nor the right to display merchandise or conduct sales in the Common Areas. Any such storage, display or sales shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, as exercised in Lessor's sole discretion, which consent may be revoked at any time. In the event that any unauthorized storage or displays 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 Shopping Center and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts 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 Shopping Center.

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

- (a) To make changes or additions 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, elevations, landscaped areas, signage, walkways and utility raceways;
- (b) To use and close temporarily any of the Common Areas for the purpose of maintaining, repairing and altering the Shopping Center, so long as reasonable access to the Premises remains available, and to close temporarily any of the Common Areas to whatever extent is required in the opinion of Lessor's counsel to prevent a dedication of or the accrual of any rights of any persons or of the public to any of the Common Areas;
- (c) To designate other land outside the boundaries of the Shopping Center to be a part of the Common Areas or to be entitled to use the Common Areas on a reciprocal basis;
- (d) To add additional buildings and improvements to the Common Areas; and
- (e) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Shopping Center as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

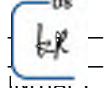
2.11 **Common Areas - Promotional Events; Sidewalk Sales.** Lessor reserves the right, from time to time, in Lessor's sole discretion, to utilize portions of the Common Areas for promotional events, which may include but shall not be limited to entertainment. Lessor further reserves the right, in Lessor's sole discretion, to permit any one or more tenants of the Shopping Center to conduct the display and/or sale of merchandise from the sidewalks immediately adjacent to such tenants' respective premises.

2.12 **Common Areas - Remodeling.** At any time during the Term, Lessor may remodel or expand, in any manner, the existing Shopping Center, which work may include, without limitation, the addition of shops and/or new buildings to the Shopping Center (collectively, "**Remodeled Center**"). If Lessor deems it necessary for construction personnel to enter the Premises in order to construct the Remodeled Center, Lessor shall give Lessee no less than 60 days prior notice and Lessee shall allow such entry. Lessor shall use reasonable efforts to complete any work affecting the Premises in an efficient manner so as not to interfere unreasonably with Lessee's business. Lessee shall not be entitled to any damages for any inconvenience or any disruption to Lessee's business caused by such work; provided, however, the Base Rent paid by Lessee for the period of the inconvenience shall be abated in proportion to the degree that Lessee's use of the Premises is impaired. Lessor shall have the right to use portions of the Premises to accommodate any structures required for the Remodeled Center, provided that if as a result thereof there is a permanent decrease in the floor area of the Premises of 3% or more, there shall be a proportionate downward adjustment of Base Rent and Lessee's Share.

3. **Term.**

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

Early Possession. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for





such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If an Early Possession Date has been specified in Paragraph 1.4, the Parties intend that Lessee shall have access to the Premises as of the Early Possession Date for purposes of preparing and fixturing the Premises for the conduct of Lessee's business. If Lessee totally or partially occupies the Premises prior to the Commencement Date for any reason (and for purposes hereof, "occupancy" shall include, without limitation, Lessee's entry onto the Premises for purposes of preparing and fixturing the Premises for business), the obligation to pay Base Rent and Percentage Rent shall be abated for the period of such early possession. All other terms of this Lease (including but not limited to Lessee's obligations to carry insurance and to maintain the Premises) shall be in effect during such period, except that Lessee's obligations to pay Lessee's Share of Common Area Operating Expenses, Real Property Taxes and insurance premiums shall only be in effect prior to the Commencement Date if Lessee has opened for business in the Premises prior to the Commencement Date. Any such Early Possession shall not affect the Expiration Date.

3.3 Delay In Possession. Lessor agrees to use commercially reasonable efforts to deliver exclusive possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what 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 is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, 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. If possession of the Premises is not delivered within 120 days 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 and, if applicable, Percentage Rent, Lessee's Share (as specified in Paragraph 1.7) 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" are defined, for purposes of this Lease, as all costs relating to the ownership and operation of the Shopping Center, including, but not limited to, the following:
- (i) Costs relating to the operation, repair and maintenance, in neat, clean, good order and condition, and replacement as reasonably necessary, 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, parking lot striping, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, exterior walls of the buildings, building systems and roof drainage systems.
 - (bb) Exterior signs and any tenant directories.
 - (cc) Any fire detection and/or sprinkler systems.
 - (dd) Common electrical, plumbing and other utilities servicing any building in the Shopping Center and/or the Common Areas.
 - (ee) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.
 - (ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.
 - (iii) The cost of trash disposal, pest control services, property management (including, but not be limited to, a property management fee to Lessor equal to 5% of Base Rent and Percentage Rent), security services, and the costs of any environmental inspections.
 - (iv) Reserves set aside for equipment, maintenance, repair and replacement of Common Areas.
 - (v) Real Property Taxes (as defined in Paragraph 10).
 - (vi) The cost of the premiums for the insurance maintained by Lessor pursuant to Paragraph 8.
 - (vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.
 - (viii) Auditors', accountants' and attorneys' fees and costs related to the operation of the Shopping Center.
 - (ix) The cost of any capital improvement to the Building or the Shopping Center not covered under the provisions of Paragraph 2.3, provided, however, that Lessor shall allocate the cost of any such capital improvement 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 improvement in any given month. Lessee shall pay Interest on the unamortized balance but may prepay its obligation at any time.
 - (x) The cost of any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.
- (b) If Lessor determines that the method of proration of any item included within Common Area Operating Expenses is inequitable, Lessor may prorate such item on the basis of usage or other equitable considerations. Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Premises, the Building or to any other premises or building in the Shopping Center or to the operation, repair and maintenance thereof, shall be allocated entirely to such premises or building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to any premises or building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Shopping Center.
- (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 Shopping Center 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 is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the annual Common Area Operating Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.
- (e) If there are one or more Major Tenants (as hereinafter defined) within the Shopping Center, then at Lessor's sole option, the amount to be

reimbursed by such Major Tenants to Lessor for all or a portion of the Common Area Operating Expenses may be determined by alternative equitable methods (e.g., a Major Tenant may pay directly for its own security), and the actual amount paid by such Major Tenants shall be credited against the Common Area Operating Expenses allocated to other tenants of the Shopping Center; provided, however, that in such event the rentable area of the buildings leased to such Major Tenants shall be excluded from the rentable area of the Shopping Center for purposes of determining Lessee's Share of Common Area Operating Expenses for those specific items, notwithstanding the percentage set forth in Paragraph 1.7. As used herein, the term "**Major Tenant**" shall mean a tenant leasing at least 15,000 square feet of rentable area within the Shopping Center.

(f) Common Area Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or insurance proceeds.

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. All monetary amounts shall be rounded to the nearest whole dollar. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. 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 ~~\$35~~ ~~\$25~~ in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

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 already due Lessor, for Rents which will be due in the future, and/ 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 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 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. 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. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT.

6. Use.

6.1 Use.

(a) **Agreed Use; Agreed Trade Name.** Lessee shall use and occupy the Premises only for the Agreed Use, and for no other purpose, and Lessee shall operate at the Premises only under the Agreed Trade Name and under no other trade name, **however, Lessee may change its trade name to an affiliate's trade name without Lessor's consent.** 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. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. 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 improvement on the Premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises, and/or is not in conflict with or incompatible with the existing or proposed uses (whether or not exclusive) of other occupants of the Shopping Center. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Trade Name, so long as the same is not in conflict with or incompatible with the nature and character of the Shopping Center or other existing or proposed uses of other occupants of the Shopping Center. 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 and/or Agreed Trade Name.

(b) **Continuous Operation.** Lessee shall continuously (i) operate and conduct the Agreed Use under the Agreed Trade Name within the entire Premises in a reputable manner and in conformity with industry standards of practice prevailing in the field of business among merchants engaged in the same or similar business in the city in which the Premises are located, (ii) staff the Premises with sufficient sales personnel, stock the Premises with adequate merchandise and exercise sound business practices so as to maximize Gross Sales for the benefit of Lessor. At a minimum, Lessee shall keep the Premises continuously open for business Monday through Friday from 9:00 a.m. to 6:00 p.m., Saturday from 9:00 a.m. to 6:00 p.m., and Sunday from 10:00 a.m. to 6:00 p.m. If Lessee fails to comply with the requirements of this Paragraph 6.1(b), then in addition to any and all other rights and remedies of Lessor, Lessee shall pay to Lessor an amount equal to 1/15th of the Base Rent for each day or portion thereof that Lessee fails to so comply. Such sum shall be in addition to, and not a part of, the Base Rent otherwise due under this Lease.

(c) **Violations of Exclusive Use Rights.** Lessee acknowledges that Lessor may grant, or may have previously granted, exclusive use rights to other tenants of the Shopping Center and agrees that a material consideration to Lessor in entering into this Lease is Lessee's covenant to limit its use of the Premises to the Agreed Use under the Agreed Trade Name as set forth above. Lessee's violation of exclusive use rights granted to other tenants of the Shopping Center will result in Lessor suffering irreparable harm and, therefore, in addition to all other rights and remedies available to Lessor, Lessor may seek to enjoin Lessee's breach of such covenant and Lessee shall be liable for any damages incurred or sustained by Lessor to such other tenants whose exclusive use rights are breached by Lessee. In no event shall Lessor be liable to Lessee for any failure of any other tenants of the Shopping Center to operate their businesses, or for any loss or damage that may be occasioned by or through the acts or omissions of other tenants or third parties.

(d) **Other Tenancies.** Lessor, at its sole discretion, reserves the absolute right to establish procedures to control other tenancies in the Shopping Center. Regardless of whether any specific tenants are shown on any site plan attached hereto, Lessee does not rely on that fact, nor does Lessor represent that any specific tenant or number or type of tenants shall or shall not during the Term occupy any portion of the Shopping Center, nor does Lessee rely on any other tenant operating its business in the Shopping Center at any particular time or times. Further, no conduct by any tenant, subtenant or other occupant of, or any customer of, or any

supplier to or use of any portion of the Shopping Center shall constitute an eviction, constructive or otherwise, of Lessee from the Premises, and Lessee hereby waives any and all claims that it might otherwise have against Lessor by reason thereof.

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, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, 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, comply with all Applicable Requirements and 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 Shopping Center not caused or contributed to by Lessee). 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.** Except as otherwise provided in paragraph 8.7, 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 are suffered as a direct result of Hazardous Substances on the Premises prior to Lessee taking possession 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 Lessee taking possession, 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.

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 Applicable 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. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 **Inspection; Compliance.** Lessor and Lessor's "**Lender**" (as defined in Paragraph 30) and consultants authorized by Lessor shall have the right to enter into

Premises at any time in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting and/or testing the condition of the Premises and/or 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 Hazardous Substance Condition (see Paragraph 9.1(e)) 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. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of written request therefor. Lessee acknowledges that any failure on its part to allow such inspections or testing will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to allow such inspections and/or testing in a timely fashion the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater for the remainder to the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to allow such inspection and/or testing. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to such failure nor prevent the exercise of any of the other rights and remedies granted hereunder.

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, and (iii) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and 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 pay to Lessor a sum equal to 115% of 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 or any extension thereof, 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 but may 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 reimbursement 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.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "**Utility Installations**" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, 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 Alterations or 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, will not affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, 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) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) 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) **Liens; Bonds.** 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.

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 and the provisions of Paragraph 7.1(a), if the Lessee occupies the Premises 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 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 Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. 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 Premiums. The cost of the premiums for the insurance policies required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), shall be a Common Area Operating Expense. 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. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. 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. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance 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 insurable 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 not by Lessor. 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 \$5,000 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 Shopping Center if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

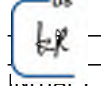
(d) **Lessee's Improvements.** Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

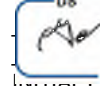
8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(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.

(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) **Worker's Compensation Insurance.** Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with





the certificate of insurance or copy of the policy required by paragraph 8.5.

(d) **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.

8.5 **Insurance Policies.** Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, 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 with copies of the required endorsements 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 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may increase his liability insurance coverage 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 relieve 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 insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor'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, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises and/or Project by Lessee and/or by Lessee's employees, contractors or invitees. 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 and its Agents from Liability.** Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) 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, indoor air quality, the presence of mold 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 of which the Premises are a part, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Shopping Center, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance.** Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

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, in, on, or under the Premises or Common Areas which requires restoration.

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 Replacement Cost of which is \$10,000 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 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

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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 (subject to reimbursement pursuant to Paragraph 4.2), 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 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 Damage to Shopping Center. In the event of any damage or destruction to other portions of the Building or to any other buildings in the Shopping Center, whether insured or uninsured (and whether or not there is also damage or destruction to the Premises), which cannot reasonably be repaired in 6 months or less from the date of the damage or destruction, Lessor may either (i) repair such damage or destruction as soon as reasonably possible without expense to Lessee, 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 or destruction. Such termination shall be effective 60 days following the date of such notice.

9.7 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 Base 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.

9.8 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.

10. Real Property Taxes.

10.1 Definition. 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 Shopping Center, 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 Shopping Center address. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Shopping Center, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease. 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. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Shopping Center, and said payments 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 Shopping Center 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, or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

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.

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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 and Services.

11.1 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. To the extent any such utilities and/or services are not separately metered, Lessee shall pay Lessee's Share thereof in accordance with Paragraph 4.2. 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 trash receptacle and/or an increase in the number of times per month that it is emptied, then Lessor may increase Lessee's Base Rent by an amount equal to such increased costs. There shall be no abatement of Rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

11.2 Within fifteen days of Lessor's written request, Lessee agrees to deliver to Lessor such information, documents and/or authorization as Lessor needs in order for Lessor to comply with new or existing Applicable Requirements relating to commercial building energy usage, ratings, and/or the reporting thereof.

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) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, 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 buyout 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(d), 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 and Percentage Rent Rate to 110% of the Base Rent and Percentage Rent Rate 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.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.

(a) Regardless of Lessor's consent, no assignment or subletting shall: (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 therefor 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 Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 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. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, 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.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

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. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. 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.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn 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 vacating or abandonment of the Premises. Lessee shall be deemed to have vacated the Premises if Lessee ceases to continuously operate its business in the Premises for a period of 5 consecutive days and such cessation is neither due to a force majeure event nor excused pursuant to Section 2.12 or Section 9 hereof.

(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. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) 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 or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material safety data sheets (MSDS), or (ix) 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.

(e) 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), (c) or (d), 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.

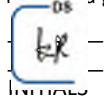
(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed 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 is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

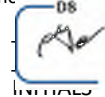
(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) 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. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. 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:

(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 which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such 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 any damages to which Lessor is otherwise entitled. 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, the cost of tenant improvements for Lessee paid for or performed by Lessor, 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 immediately 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 shall bear interest from the 31st day after it was due. The interest ("**Interest**") charged shall be computed at the rate of 10% per annum 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 to 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 the actual and reasonable cost to perform such cure, provided, however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to reimbursement from Lessor for any such expense in excess of such offset. 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 Premises, or more than 25% of the parking spaces situated within the parking area, 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 paid by the condemnor 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 1.13 above, Lessor agrees that: ~~(a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Shopping Center, (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 fee schedule of the Brokers in effect at the time the Lease was executed. The provisions of this paragraph are intended to supersede the provisions of any earlier agreement to the contrary.~~

~~**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 1.13, 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, agent or finder (other than the Brokers and Agents, if any) in connection with this Lease, and that no one other than said named Brokers and Agents 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 AIR CRE, 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. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor 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. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, 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 in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

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. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, 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 Lessor's partners, members, 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.

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, or by email, 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.

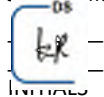
23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23.3 Options. Notwithstanding the foregoing, in order to exercise any Options (see paragraph 39), the Notice must be sent by Certified Mail (return receipt requested), Express Mail (signature required), courier (signature required) or some other methodology that provides a receipt establishing the date the notice was received by the Lessor.

24. Waivers.

(a) 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.

(b) 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.





(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

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:

(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 confidential information, including, but not limited to, facts relating to either Lessee's or Lessor's financial position, motivations, bargaining position, or other personal information that may impact rent, including Lessor's willingness to accept a rent less than the listing rent or Lessee's willingness to pay rent greater than the rent 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. Both Lessor and Lessee should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding 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) Lessor and Lessee 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. At or prior to the expiration or termination of this Lease Lessee shall deliver exclusive possession of the Premises to Lessor. For purposes of this provision and Paragraph 13.1(a), exclusive possession shall mean that Lessee shall have vacated the Premises, removed all of its personal property therefrom and that the Premises have been returned in the condition specified in this Lease. In the event that Lessee does not deliver exclusive possession to Lessor as specified above, then Lessor's damages during any holdover period shall be computed at the amount of the Rent (as defined in Paragraph 4.1) due during the last full month before the expiration or termination of this Lease (disregarding any temporary abatement of Rent that may have been in effect), but with Base Rent and Percentage Rent Rate being 150% of the Base Rent and Percentage Rent Rate payable during such last full month. 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.

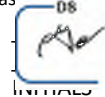
29. Binding Effect; Choice of Law. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located. Signatures to this Lease accomplished by means of electronic signature or similar technology shall be legal and binding.

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. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request enter into a new lease, containing all of the terms and provisions of this Lease with such new owner for the remainder of the term hereof, or, at the election





of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that 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 which was not paid or credited to such new owner.

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, if requested by Lessee, 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 after reasonable prior notice 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 or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent, which consent shall be granted or denied at Lessor's sole discretion.

34. Signs. Lessor may place on the Premises ordinary "**For Sale**" signs at any time and ordinary "**For Lease**" signs during the last 6 months of the term hereof. All signs must comply with all Applicable Requirements. Lessee shall not place, construct, or maintain on the glass panes or supports of the show windows of the Premises, the doors, exterior walls or the roof of the Building, or anywhere else within the Shopping Center outside of the Premises, or on any interior portions of the Premises that are visible from the exterior of the Premises, any signs, advertisements, names, insignia, trademarks, descriptive material or any other items without Lessor's prior written consent, which consent shall be granted or denied at Lessor's sole discretion. Lessor shall designate the size, shape, color, design, and location of all exterior sign(s) to be installed by Lessee, and Lessee shall, at Lessee's sole cost and expense, fabricate, construct and install all such sign(s) in full compliance with Lessor's designation and in accordance with the Sign Criteria for the Shopping Center attached hereto, if any. Lessee agrees to submit plans and specifications for Lessee's sign(s) for Lessor's written approval within 30 days after the full execution hereof and to install such sign(s) prior to opening for business at the Premises. Lessor, at Lessee's cost, may remove any item placed, constructed or maintained in, upon or about the Premises or Shopping Center which does not comply with this paragraph. In the event there is a pole, pylon or monument sign for the Shopping Center, Lessor shall have the right, but not the obligation, to install lettering designating Lessee's business on such sign, at Lessee's expense, with Lessor's approval of location, size, style and color. All signs that are permanently attached to the Premises or Building shall become the property of Lessor at the expiration or earlier termination hereof; provided, however, that Lessee shall promptly remove all such signs if Lessor so elects, and Lessee shall promptly repair all damage caused by such removal. Lessee shall not place, construct or maintain in, upon or about the Premises any search lights, flashing lights, loudspeakers, phonographs or other visual or audio media.

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. All requests for consent shall be in writing. 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. In those express instances where consent is within the sole discretion of a party, the party shall have no obligation to adhere to a standard of reasonableness. 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 AIR CRE.

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 any option, as defined below, then the following provisions shall apply.

39.1 Definition. "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of 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, the right of first offer 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 or completion of the purchase, (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), or (ii) 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. While Lessor does not assume any responsibility to provide any security measures or any liability for failure to provide security measures or for any inadequacy thereof, Lessor shall have the authority to institute or continue such security measures as Lessor in its sole discretion deems necessary or appropriate from time to time, the cost and expenses of which shall be considered Common Area Operating Expenses. To the degree directed by Lessor, Lessee shall coordinate its security measures at the Premises with the security measures instituted by Lessor, if any.

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. Building Planning. Lessor shall have the right at any time or times, upon giving Lessee not less than 60 days prior written notice, to provide and furnish Lessee with space of comparable visibility located elsewhere within any of the buildings within the Shopping Center and to move Lessee into such new space, provided that the usable area of such new space is not less than the usable area of the Premises and provided that all of Lessee's reasonable out-of-pocket moving expenses (including but not limited to the cost of moving Lessee's personal property, the cost of reprinting Lessee's stationery or other business materials with the new address, and the cost to relocate and reinstall tenant improvements and Lessee's telecommunications and computer equipment) shall be paid by Lessor, and provided further that Lessor shall construct at Lessor's expense such improvements to such new space as shall be necessary to place it in a condition that is substantially comparable to the Premises. Except as provided in the immediately preceding sentence, Lessor shall have no obligation to improve such space or pay any other expenses incurred by Lessee as a result of such relocation. On such relocation, the terms and conditions of this Lease shall remain in full force and effect, including but not limited to the Base Rent payable hereunder and Lessee's Share (even if the usable area of such relocated Premises is in excess of the usable area of the Premises), except that the Premises shall be in such new location. Upon Lessor's request, the Parties shall execute an amendment to this Lease in form required by Lessor confirming the relocation of the Premises to such new location. If the new space does not meet with Lessee's approval, which approval Lessee shall give or withhold in accordance with Paragraph 36, Lessee shall have the right to cancel this Lease by giving Lessor written notice thereof within 15 days of receipt of Lessor's notification of its intent to relocate Lessee. Lessee's failure to give such notice within such 15 day period shall be deemed Lessee's approval of the new space. If timely notice is given by Lessee, then this Lease shall terminate unless Lessor rescinds Lessor's prior notice of its intent to relocate Lessee within 10 days after Lessor's receipt of Lessee's notice of cancellation.

43. 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. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

44. Authority; Multiple Parties; Execution.

(a) 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.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

45. **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.

46. **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.

47. **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.

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. **Arbitration of Disputes.** An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease is is not attached to this Lease.

50. **Accessibility; Americans with Disabilities Act.**

(a) The Premises:

have not undergone an inspection by a Certified Access Specialist (CASp). Note: A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential.

have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential except as necessary to complete repairs and corrections of violations of construction related accessibility standards.

In the event that the Premises have been issued an inspection report by a CASp the Lessor shall provide a copy of the disability access inspection certificate to Lessee within 7 days of the execution of this Lease.

(b) Since compliance with the Americans with Disabilities Act (ADA) and other state and local accessibility statutes are dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA or other accessibility statutes, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

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.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE 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.

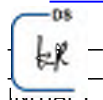
WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: Ca.
On: 3/7/2023

By LESSOR:

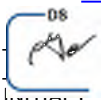
970 Gravenstein Hwy, LLC
DocuSigned by:
By: Ken Rogers
N: EEDD8CES37G7840C...
Title: C/O W Property Management
Phone: 707-615-5950
Fax: _____



Executed at: 1600 Kassidy Place, Rohnert Park, CA 94928
On: 3/7/2023

By LESSEE:

GSK Fitness Novato, Inc., a California Corporation DBA: Anytime Fitness
DocuSigned by:
By: Grant Stjepan
Name: ham
Title: President/Secretary
Phone: 707-490-4682



Email: _____

Fax: _____

Email: Grant.Witham@gmail.com

By: _____

By: _____

Name Printed: _____

Name Printed: _____

Title: _____

Title: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____

Email: _____

Email: _____

Address: 1101 College Ave, Suite 140, Santa Rosa, CA 95403

Address: 1600 Cassidy Place, Rohnert Park, CA 94928

Federal ID No.: _____

Federal ID No.: _____

BROKER

BROKER

Keegan & Coppin Company, Inc.

Retail California

Attn: Sara Wann

Attn: Lewis Smith

Title: Senior Real Estate Advisor

Title: Senior Vice President

Address: 1201 N. McDowell Blvd., Petaluma, CA 94954

Address: 7480 North Palm Avenue, Suite 101, Fresno, CA 93711

Phone: 707-664-1400

Phone: 559-447-6235

Fax: 707-792-7336

Fax: 559-432-2938

Email: SWann@KeeganCoppin.com

Email: LSmith@RetailCalifornia.com

Federal ID No.: _____

Federal ID No.: _____


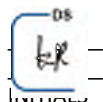
Broker DRE License #: 00531022

Broker DRE License #: _____

Agent DRE License #: 01437146

Agent DRE License #: 01214178

AIR CRE * <https://www.aircre.com> * 213-687-8777 * contracts@aircre.com
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**ADDENDUM A
LEASE CONDITIONS**

To Lease dated March 6, 2023 by and between Lessor 970 Gravenstein Hwy., LLC and Lessee GSK Fitness Novato, Inc., a California Corporation DBA: Anytime Fitness

In the event of any conflict between the provisions of this Addendum and the printed provisions of the Lease, this Addendum shall control.

51. Rent Commencement Date:

1. Lessee to have up to one hundred eighty (180) days free of Base Rent and Common Area Operating expenses (the "Rent Abatement Period") commencing on the Lease Commencement Date and extending until the earlier of (i) One Hundred Eighty (180) days from the Lease Commencement Date or (ii) upon Lessee's opening for business.
2. Rent and Common Area Operating Expenses will commence upon the expiration of the Rent Abatement Period.
3. During the Rent Abatement Period, Lessee will be responsible for Lessee's utilities as further defined in ¶57 below.
4. Prepaid Base Rent in the amount of \$6,271.00 and prepaid Common Area Operating Expenses in the amount of \$2,901.00 are to be applied to the first twenty-five (25) days following the Rent Commencement Date, anticipated to be the period September 6, 2023 to September 30, 2023.

52. Pre-sales:

Lessee will be allowed (if available and approved by Lessor) to use a suitable neighboring space for a membership presale ten (10) weeks prior to opening. Lessee will pay the prorata share of utilities and provide a certificate of liability insurance during the period of time Lessee occupies the temp space. Lessee will cooperate in allowing showings to prospective tenants during Lessee's occupancy of the temp space. If no suitable neighboring space is available, the Lessee is permitted to place a trailer or RV (length and location to be pre-approved by Lessor) in a suitable location at the Property for the same purpose.

53. HVAC:

- a) Lessor shall deliver the existing HVAC units in good working condition.
- b) Tenant to be responsible for maintenance and repairs of any HVAC unit(s) that solely serve the subject Premises. Landlord to be responsible for any replacements.
- c) Any changes and additions to the existing HVAC system servicing the Premises will be at Lessee's sole Expense.
- d) Tenant to submit proof of routine maintenance service contract for semiannual HVAC service to Property Management Company.

54. Drawings:

Lessor shall provide Lessee with any and all scale drawings of the Premises that were turned over by the previous Owner, immediately for review. Plans must be returned in whole to Lessor within



ninety (90) days of receipt. Any drawing not returned or damaged, shall be replaced at Lessee's sole expense.

55. Lessee's Improvement Scope:

All of Lessee's work to be completed by licensed and insured contractors at Lessee's expense. Lessee will be responsible for all permits and approvals from the City of Sebastopol, and other applicable county agencies, and all related fees associated with such permits. Lessee to submit improvement plans, including finishes, for Lessor's review and approval prior to commencing any work.

Lessee shall not tamper with building structure, electrical, plumbing, HVAC or any other of the building mechanical systems without prior written permission of the Lessor. Any and all damages from tampering will be billed directly to Lessee.

Lessee to install Lessee's desired Tenant Improvements in a quality good workmanlike manner. Lessee shall remove all mechanic's liens, to satisfy all claims and meet all contract requirements with suppliers, contractors and employees arising out of said installation of improvements. Lessee to have worker's compensation and liability insurance with a minimum \$500,000 per occurrence for said installation and to name Lessor additional insured. Lessee shall indemnify and hold harmless Lessor for all claims of employees, invitees, materialmen, supplier arising out of said installation.

56. Rent Credit:

Lessor shall give Lessee a twenty-five thousand dollar (\$25,000) rent credit, which will be applied to Lessee's rental and CAM payment account upon completion of each of the following conditions:

- a) Opening for business
- b) Presentation of all lien waivers

57. Utilities:

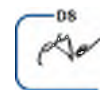
Electric/ Gas: Separately metered. Lessee shall contract directly with PG&E for service, commencing on the Lease Commencement Date.

Water/ Sewer:

Lessee is responsible for Lessee's prorata share of the water and sewer utilities to the Center. Lessor will bill Lessee every other month for Lessee's prorata charges. Commencing ninety (90) calendar days after the Lease Commencement Date, Lessee shall be responsible for 2% prorata share of the water/sewer expenses to the Center. Commencing the earlier of (a) Tenant opening for business or (b) one hundred and eighty (180) days Lessee shall be responsible for Lessee's full prorata share which is estimated to be 15%. Prorata share % will fluctuate depending on actual occupied units at the time of billing.

Garbage: See attached Exhibit B - Garbage Map.

There is limited space in the garbage enclosure. The 95-gallon rolling garbage can is for all non-restaurant tenants and is only for garbage and not to be used for recycling or compost waste. The garbage enclosure must remain closed at all times, please be sure to close upon exiting. Please report any illegal dumping, homeless, or rodent activity to the Management Company immediately.



Tenants are responsible for ensuring that their garbage and recycling are placed in the correct receptacles and that the garbage enclosure is kept in clean and tidy condition at all times. The garbage company will not take the garbage bins if they are overstuffed and if recycling is not sorted and broken down properly. Additional fees will be charged by the garbage company to return and pick up. Do not throw garbage in the recycling bins or recycling in the garbage bins. Sonoma County takes its trash very seriously.

Lessee shall dispose of trash on a timely basis to assure a clean and orderly facility, free of odors, pests or the accumulation of excess waste or debris. Any large items of furniture, equipment, shelving, printers, computers or electrical equipment, pallets, solvents, hazardous waste and any and all construction debris, etc., are to be taken by Lessee to the proper dump or other receiving facility for proper disposal at Lessee's expense. Lessee must manage and dispose of cardboard and other combustibles generated, in a safe, sanitary, and prompt manner. Any spillage or litter will be dealt with promptly and any associated stains removed. The receptacles will be kept fresh looking and attractive. Lessee to dispose of any toxic waste in the appropriate manner to a proper receiving facility at Lessee's sole expense.

58. Insurance:

Lessee to provide to Lessor, prior to occupancy, a certificate of insurance for 968 Gravenstein Hwy., in accordance with paragraph 8, naming "970 Gravenstein Hwy., LLC" as additional insured as follows:

Certificate Holder

970 Gravenstein Hwy., LLC
C/o W Property Management
1101 College Ave., Suite 140
Santa Rosa, CA 95403

Additional Insured

970 Gravenstein Hwy., LLC

59. Permitted Use:

The premises may be used by Lessee for a 24-hour / 7 days per week fitness studio/boutique which may include self-directed training, personal fitness training and coaching, group training, including a variety of weight and cardio training methods and other uses related to the business of health, nutrition and fitness (the "Primary Use").

Lessee may also sell Anytime Fitness branded retail products, prepackaged health foods and supplements (for off premises consumption) as well as exercise equipment; nutrition counseling; physical therapy, bottled and single serve non-alcoholic drinks, water, juices and smoothies; the offering of health-related services; sports massage therapy; and tanning and hydro-massage.

60. Exclusive Use:

Lessor shall not occupy or use, nor suffer nor permit to be used, any other premises in the Shopping Center as a health club, training center, gym, or similar use whose primary business is offering access to fitness and exercise equipment. The foregoing shall not preclude Lessor from leasing other premises in the Shopping Center to studios offering instruction or classes in specialized fitness activities (for example, dance, martial arts, yoga, or pilates studios).

Should Lessor violate said exclusive, upon receipt of Lessee's written notice identifying the violation,



Lessee's rent and all other Lease charges payable by Lessee to Lessor shall be reduced by 50% for as long as such condition exists.

If Lessor is unable to successfully cure the breach within sixty (60) days from receipt of Lessee's written notice, then Lessee may elect to terminate the lease at any time upon thirty (30) days' notice to Landlord.

61. Existing Exclusive Uses:

Lessee acknowledges the following existing Exclusive Uses within the Center.

Acre Coffee:

Acre Coffee has the exclusive right to operate as a Coffee Shop within the building. Lessor shall not allow any person or entity to use any portion of the property whose primary use is the sale of (a) freshly ground or whole coffee beans, (b) espresso, espresso-based coffee drinks or coffee-based drinks, (c) tea or tea-based drinks, or (d) gourmet, brand identified brewed coffee.

Bubbles Boba Tea:

Bubbles Boba Tea has the exclusive right to sell "Boba". Lessor shall not allow any person or entity other than Lessee (Bubbles Boba Tea) to use any portion of Gravenstein Square whose primary use is the sales of Boba.

Lessee agrees to not engage in the selling of any type of boba, iced coffee drinks and coffee related drinks. Lessee may only sell unbranded brewed coffee.

62. Permits/Contingency:

- a) Lessee will have a period not to exceed sixty (60) days to obtain a Conditional Use Permit from the City of Sebastopol for the operation of the Agreed Use on the Premises (the "CUP Contingency Period"). The CUP Contingency Period will commence on the Lease Commencement Date and continue until the earlier of (i) sixty (60) days from the Lease Commencement Date or (ii) the day Lessee opens for business. If Lessee fails to obtain a Conditional Use Permit during the CUP Contingency Period, Lessee may, at its option, by notice in writing within 10 days after the end of the CUP Contingency 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.
- b) During the CUP Contingency Period, Lessee will be responsible for the utilities on the Premises, as described in paragraph 57 above.
- c) Lessee shall use due diligence in pursuing such permits and pay all costs associated with them. Lessee shall have the responsibility to maintain any use permits and to comply with all terms and conditions of said permits during the term of this Lease.

63. Maintenance and Repair:

- a) In addition to Lessee's responsibilities as listed in section 7.1 of the Lease, Lessee shall, at Lessee's sole cost, keep and maintain the Premises and appurtenances and every part thereof including, without limitation, the storefront, interior walls, floors, ceilings, doors, electrical facilities and equipment, including lighting fixtures, HVAC, plumbing and sewer facilities and the interior of the Premises, in first class and sanitary order, condition and repair.
- b) All in unit fire extinguishers shall be serviced, up to date and maintained in good working order

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at all times by Lessee.

64. Employee Parking:

Lessee and all employees are to park in the designated employee parking to the far south side of the parking lot as detailed on the attached Exhibit C: Parking Map. There is no employee parking in the 15 minute zones. Parking close to the building is for the exclusive use of Gravenstein Square customers only.

65. Building Rules:

- a) Lessee, and Lessee's guests and any and all items of personal nature must not to block the walkway outside of business doors. Walkway to remain clear at all times.
- b) Lessee is to adhere to the no smoking signs located throughout the property as well as the Sebastopol No Smoking City ordinance. There is no smoking anywhere near doors, windows or anywhere within 20 feet of the building in all directions. We ask Tenants to remain vigilant and refrain from smoking at Gravenstein Square and to respect their fellow Tenants and customers.

66. Signage

Lessee shall be allowed to install building signage up to the full extent allowed by Lessor and approved by the City of Sebastopol's regulations and the Gravenstein Square sign program. Lessee is to submit all signage drawings, including installation methods, to the Lessor in advance, for review and approval. Upon receipt of Lessor's approval, Lessee to obtain a sign permit from the City of Sebastopol. Once all approvals are in place, Lessee may install signage on the two monument signs located at each entrance to Gravenstein Square in the spaces currently occupied by "St. Joseph Health", size to remain the same. Lessee may also install one sign above the entry door to the Premises and one sign on the monument sign in the courtyard. All signage costs are the sole expense of the Lessee.

Lessee shall have the right to place temporary signage in the windows and in front of the Premises for eight weeks leading up to the Grand Opening, as well as utilize temporary signage with prior Landlord and City approvals, eight (8) weeks prior to opening for business. Signage may not block existing tenant's signage outside of the Premises.

67. Assignment:

Lessee, per ¶12, may assign the Lease or sublet the Premises to a third party upon the Lessor's prior consent, with such consent not unreasonably withheld, conditioned or delayed.

Lessor is required to notify the Franchisor of any breach of the Lease by the Lessee. Franchisor may assume the Lease upon curing the Lessee's monetary default or should the franchise agreement be terminated.

Anytime Fitness

Written Notice to Franchisor

Attn:

Address: 111 Weir Dr, Woodbury, MN 55125, USA

Phone:

68. Rent Deferments, Relief or Forgiveness.

Lessor does not offer Rent Deferments, Relief or Forgives. All rent is due on the 1st of each month and every month thereafter as per the terms of the Lease Agreement. Lessee agrees to adhere, follow and to post Local, State and Federal indoor and outdoor dining mandates and ordinances as required.

Tenant to contact governing agencies for assistance.

69. Lessee has reviewed and approves the physical condition of all systems the Lessee is responsible for maintaining or replacements under the Lease and as stipulated in the above scope of responsibilities. Lessee accepts the Premises "as is" without any agreements, representations, understandings or obligation on the part of the Lessor to perform any alterations, repairs or improvements, except as may be expressly provided otherwise in this Lease and/or Addendum.

70. Hazardous Waste:

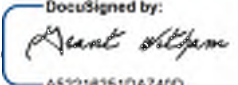
"If Lessee uses, stores, or becomes aware of any hazardous waste or substances as listed by Proposition 65, he will advise Lessor within three (3) days of such existence and either obtain approval from Lessor and the appropriate governing agencies within thirty (30) days from notice or remove and clean up said hazardous waste to standards required by the Lessor and the appropriate governing agencies within sixty (60) days from notice."

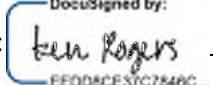
"If Lessee, his invitees, employees, agents or associates cause or allow a spill, or contamination of the premises, common area, soil or surrounding area, then it will be the responsibility of Lessee to clean up said hazard to the degree required and within the time frame set by any public entity which has jurisdiction and particularly in response to the Super Fund Act and Proposition 65."

Lessee will be responsible for complying with all Proposition 65 requirements, including signage.

Lessor is responsible for any hazardous waste violations, occurrences or clean-up required prior to lease commencement or caused by Lessor or other tenants during the lease term without reimbursement from Lessee.

71. It is agreed and understood that Lessee may acknowledge only the existence of this Lease by and between Lessor and Lessee, and that the Lessee may not disclose any of the terms and provisions contained in this Lease to any Tenant or other occupant in the Building or to any agent, employee, subtenant or assignee of such tenant or occupant. Lessee acknowledges that any breach by Lessee of the agreements set forth in this section shall cause Lessor irreparable harm. The terms and provisions of this section 71 shall survive the termination of this Lease (whether by lapse of time or otherwise).

Agreed by: Lessee  _____ Date: 3/7/2023

Agreed by: Lessor:  _____ Date: 3/7/2023



RENT ADJUSTMENT(S) STANDARD LEASE ADDENDUM

Dated: March 6, 2023

By and Between

Lessor: 970 Gravenstein Hwy, LLC

Lessee: GSK Fitness Novato, Inc., a California Corporation DBA: Anytime Fitness

Property Address: 968 Gravenstein Highway South, Sebastopol, CA 95472
(street address, city, state, zip)

Paragraph: 72

A. RENT ADJUSTMENTS

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:
(Check Method(s) to be Used and Fill in Appropriately)

I. Cost of Living Adjustment(s) (COLA)

a. On (Fill in COLA Dates): _____ the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): CPI W (Urban Wage Earners and Clerical Workers) or CPI U (All Urban Consumers), for (Fill in Urban Area): _____, All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly Base Rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or (Fill in Other "Base Month"): _____. The sum so calculated shall constitute the new monthly Base Rent hereunder, but in no event, shall any such new monthly Base Rent be less than the Base Rent payable for the month immediately preceding the Base Rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.

II. Market Rental Value Adjustment(s) (MRV)

a. On (Fill in MRV Adjustment Date(s): _____ the Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an independent third party appraiser or broker ("Consultant" - check one) of their choice to act as an arbitrator (Note: the parties may not select either of the Brokers that was involved in negotiating the Lease). The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.

2) When determining MRV, the Lessor, Lessee and Consultants shall consider the terms of comparable market transactions which shall include, but not be limited to, rent, rental adjustments, abated rent, lease term and financial condition of tenants.

3) Notwithstanding the foregoing, the new Base Rent shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

- 1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and
- 2) the first month of each Market Rental Value term shall become the new 'Base Month' for the purpose of calculating any further Adjustments.

III. Fixed Rental Adjustment(s) (FRA)

The Base Rent shall be increased to the following amounts on the dates set forth below, **subject to Addendum A PP 51:**

On (Fill in FRA Adjustment Date(s)):

September 1, 2024
September 1, 2025
September 1, 2026
September 1, 2027

The New Base Rent shall be:

\$7,858.90
\$8,094.67
\$8,337.51
\$8,587.63

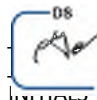
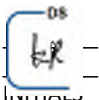
B. NOTICE

Unless specified otherwise herein, notice of any rental adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. BROKER'S FEE

The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.

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OPTION(S) TO EXTEND TERM STANDARD LEASE ADDENDUM

Dated: March 6, 2023

By and Between

Lessor: 970 Gravenstein Hwy, LLC

Lessee: GSK Fitness Novato, Inc., a California Corporation DBA: Anytime Fitness

Property Address: 968 Gravenstein Highway South, Sebastopol, CA 95472
(street address, city, state, zip)

Paragraph: 73 **OPTION(S) TO EXTEND TERM.** Subject to the terms, conditions and provisions of Paragraph 39, Lessor grants Lessee Two (2) option(s) to extend the term of the Lease ("**Extension Option(s)**"), with each Extension Option being for a term of Sixty (60) months, commencing when the prior term expires ("**Option Term(s)**"). In order to exercise an Extension Option, Lessee must give written notice of such election to Lessor and Lessor must receive such notice at least Six (6) but not more than Nine (9) months prior to the date that the applicable Option Term would commence, time being of the essence. If timely and proper notification of the exercise of an Extension Option is not given by Lessee and/or received by Lessor, such Extension Option shall automatically expire. Except as specifically modified, the terms, conditions and provisions of the Lease shall apply during Option Terms but the amount of Rent during Option Terms shall be established by using the method(s) selected below (*check method(s) to be used and fill in appropriately*):

I. Consumer Price Index.

(a) During the Option Term(s) which start(s) on _____, the monthly Base Rent shall be increased on _____ and every _____ months thereafter during such Option Term(s) ("**Option Term CPI Increase Date(s)**") commensurate with the increase in the Option Term CPI (as herein defined) determined as follows: the monthly Base Rent scheduled for the month immediately preceding the first occurring Option Term CPI Increase Date shall be multiplied by a fraction the denominator of which is the Option Term Base CPI (as herein defined), and the numerator of which is the Option Term Comparison CPI (as herein defined). The amount so calculated shall constitute the new Base Rent until the next Option Term CPI Increase Date during the applicable Option Term, but in no event shall any such new Base Rent be less than the Base Rent for the month immediately preceding the applicable Option Term CPI Increase Date.

(b) The term "**Option Term CPI**" shall mean the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (*select one*): CPI W (Urban Wage Earners and Clerical Workers) or CPI U (All Urban Consumers), for (*fill in Urban Area*): _____ or the area in which the Premises is located, All Items (1982-1984 = 100). The term "**Option Term Comparison CPI**" shall mean the CPI of the calendar month which is 2 full months prior to the applicable Option Term CPI Increase Date. The term "**Option Term Base CPI**" shall mean the CPI of the calendar month which is 2 full months prior to (*select one*): Commencement Date of the Original Term, start of the applicable Option Term, or (*fill in month*) _____.

(c) If compilation and/or publication of the CPI is transferred to another governmental department, bureau or agency or is discontinued, then instead the index most nearly the same as the CPI shall be used to calculate the Base Rent increases hereunder. If the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said association and the decision of the arbitrators shall be binding upon the parties, with the cost of such arbitration being paid equally by the Parties.

II. Fixed Percentage. During the Option Term(s) which start(s) on _____, the monthly Base Rent shall be increased on _____ and every _____ months thereafter during such Option Term(s) ("**Option Term Percentage Increase Date(s)**") by _____ percent (_____ %) of the monthly Base Rent scheduled to be paid for the month immediately preceding the applicable Option Term Percentage Increase Date.

III. Fair Market Value.

(a) During the Option Term(s) which start(s) on _____, the amount of Rent shall be the amount forecasted to be the fair market rental value of the Premises during such Option Term established pursuant to the procedures, terms, assumptions and conditions set forth herein ("**Fair Market Value**"); provided, however, regardless of such Fair Market Value, Base Rent during an Option Term shall not be less than the Base Rent scheduled as of when the prior term expires. Starting as of Lessee's exercise of the applicable Extension Option (but not earlier than six (6) months before start of the applicable Option Term), the Parties shall for thirty (30) days ("**Negotiation Period**") attempt to agree upon the Fair Market Value. If during the Negotiation Period the Parties do not agree on the Fair Market Value, then the Fair Market Value shall be established pursuant to the procedures set forth herein, which shall be binding.

(b) Each Party shall, within fifteen (15) days after the end of the Negotiation Period, in writing submit to the other Party such Party's determination of the Fair Market Value ("**Submitted Value(s)**"). If a Party fails to timely provide a Submitted Value, then the other Party's Submitted Value shall be the Fair Market Value. If both Parties timely provide Submitted Values, then each Party shall, within fifteen (15) days after both Parties have exchanged Submitted Values, in writing notify the other Party of such Party's selected arbitrator who shall meet the qualifications set forth herein ("**Advocate Arbitrator(s)**"). Lessor and Lessee may select an Advocate Arbitrator who is favorable to such Party's position and may, prior to or after appointment of an Advocate Arbitrator, consult with such Party's Advocate Arbitrator. If a Party fails to timely and properly provide notice of such Party's chosen Advocate Arbitrator, then the other Party's Submitted Value shall be the Fair Market Value.

(c) If both Parties timely and properly designate Advocate Arbitrators, then such Advocate Arbitrators shall, within fifteen (15) days after their selection, choose a third (3rd) neutral arbitrator who shall meet the qualifications set forth herein ("**Neutral Arbitrator**"). The Neutral Arbitrator shall be engaged jointly by Lessor and Lessee. If Advocate Arbitrators fail to agree upon and timely appoint a Neutral Arbitrator, then the President of AIR CRE shall appoint such Neutral

Arbitrator within fifteen (15) days after request by either Party. If the President of AIR CRE does not timely appoint the Neutral Arbitrator, then either Party may file an appropriate legal action for a judge with competent jurisdiction over the Parties to appoint the Neutral Arbitrator.

(d) The Advocate Arbitrators and the Neutral Arbitrator ("Arbitrator(s)") shall be duly licensed real estate brokers or salespersons in good standing in the state in which the Premises is located, shall have been active over the five (5) year period before their appointment in the leasing of properties similar to the Premises within the general real estate market of the Premises. The Neutral Arbitrator shall additionally not be related to or affiliated with either Party or Advocate Arbitrator, and shall not have previously represented in a real estate transaction a Party or anyone related to or affiliated with a Party. All matters to be determined by the Arbitrators shall be decided by a majority vote of the Arbitrators, with each Arbitrator having one (1) vote. The Arbitrators may, as the Arbitrators determine, hold hearings and require briefs, including market data and additional information.

(e) Within thirty (30) days after selection of the Neutral Arbitrator, the three Arbitrators shall first reach a decision as to their own independent opinion of the Fair Market Value established by taking into account the terms, assumptions and conditions set forth herein ("Arbitrators' Market Value"), then decide which Party's Submitted Value is closer in monetary amount to the Arbitrators' Market Value ("Selected Market Value"), then provide the Parties a copy of the Arbitrators' Market Value and finally notify the Parties of the Selected Market Value. The Selected Market Value shall be the Fair Market Value. The Arbitrators shall have no right to decide a Selected Market Value which is a compromise to (or modification of) the Submitted Values. The decision of the Arbitrators shall be binding upon the Parties. The Party whose Submitted Value is not the Selected Market Value shall, within ten (10) days after the Arbitrators decide the Selected Market Value, pay the fees and costs of all three (3) Arbitrators.

(f) If the Fair Market Value has not been established before the start of the applicable Option Term, then Lessee shall continue to pay to Lessor rent in the amount payable for the month immediately preceding the start of such Option Term and Lessor's acceptance of such rent shall not waive, adversely affect or prejudice the Parties' right to complete establishment of the Fair Market Value or Lessor's right to collect the full amount of the Fair Market Value once the Fair Market Value is established. Lessee shall, within ten (10) days after establishment of the Fair Market Value, pay to Lessor any deficiency in rent then due for the Option Term. Following establishment of Fair Market Value, the Parties shall, within ten (10) days after request by either Party, sign an amendment to this Lease to confirm the Fair Market Value and the expiration date of this Lease, but the Parties' failure to request or to sign such an amendment shall not affect establishment of the Fair Market Value or extension of the Lease term.

(g) The Arbitrators, in deciding the Arbitrators' Market Value, shall take into account rent rates, rent abatements, periodic rent increases, real property taxes, insurance premiums and other operating expenses, tenant improvement and other applicable allowances, building services, length of lease term and other factors professional real estate brokers and/or appraisers customarily consider in determining fair market rent of property in an arm's length transaction by ready, willing and able parties for space of comparable location, size, age, condition, quality, parking, visibility, view, signage and accessibility if the Premises were marketed in a normal and customary manner for a reasonable length of time on the open market to be leased to a tenant with financial strength and credit worthiness comparable to Lessee and guarantors (if any) of this Lease (as of Lessee's exercise of the Extension Option) for a term comparable to the length of the applicable Option Term and used for the Agreed Use (or other reasonably comparable uses). The Arbitrators, in deciding the Arbitrators' Market Value, shall not consider as a comparable transaction any of the following: a sublease, lease assignment, lease renewal or extension; lease with a tenant that has equity, is related to or affiliated with the landlord; or a lease of space that was subject to a right of first refusal, right of first offer, expansion option or other encumbrances. The Arbitrators, in deciding the Arbitrators' Market Value, shall reduce the Fair Market Value on account of Alterations and improvements made by Lessee to the extent the cost thereof was paid solely by Lessee (in excess of any applicable improvement allowance, abated rent in lieu of improvement allowance or other consideration provided by Lessor for Lessee's improvement of the Premises), shall not reduce the Fair Market Value on account of any real estate brokerage commission savings by Lessor, and shall not reduce the Fair Market Value on account of deferred maintenance or repair of the Premises for which Lessee was responsible under the Lease but did not perform.

IV. Fixed Rental Adjustment(s) ("FRA").

The monthly Base Rent shall be increased to the following amounts on the dates set forth below, subject to Addendum A PP 51:

On (fill in FRA Adjustment Date(s)):	The new Base Rent shall be:
<u>September 1, 2028</u>	<u>\$8,845.26</u>
<u>September 1, 2029</u>	<u>\$9,110.62</u>
<u>September 1, 2030</u>	<u>\$9,383.94</u>
<u>September 1, 2031</u>	<u>\$9,665.46</u>
<u>September 1, 2032</u>	<u>\$9,955.42</u>
<u>September 1, 2033</u>	<u>\$10,254.08</u>
<u>September 1, 2034</u>	<u>\$10,561.70</u>
<u>September 1, 2035</u>	<u>\$10,878.55</u>
<u>September 1, 2036</u>	<u>\$11,204.91</u>
<u>September 1, 2037</u>	<u>\$11,541.06</u>

V. Continuation of Original Term Adjustments.

The monthly Base Rent during the Option Term(s) which start(s) on _____ shall be increased in accordance with the same formula provided in the Lease to be used to calculate increases in the Base Rent during the Original Term of the Lease.

~~BROKER'S FEE: For each adjustment in Base Rent specified above, the Brokers shall be paid a Brokerage Fee in accordance with paragraph 15 of the Lease or if applicable, paragraph 9 of the Sublease.~~

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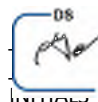
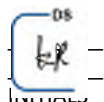
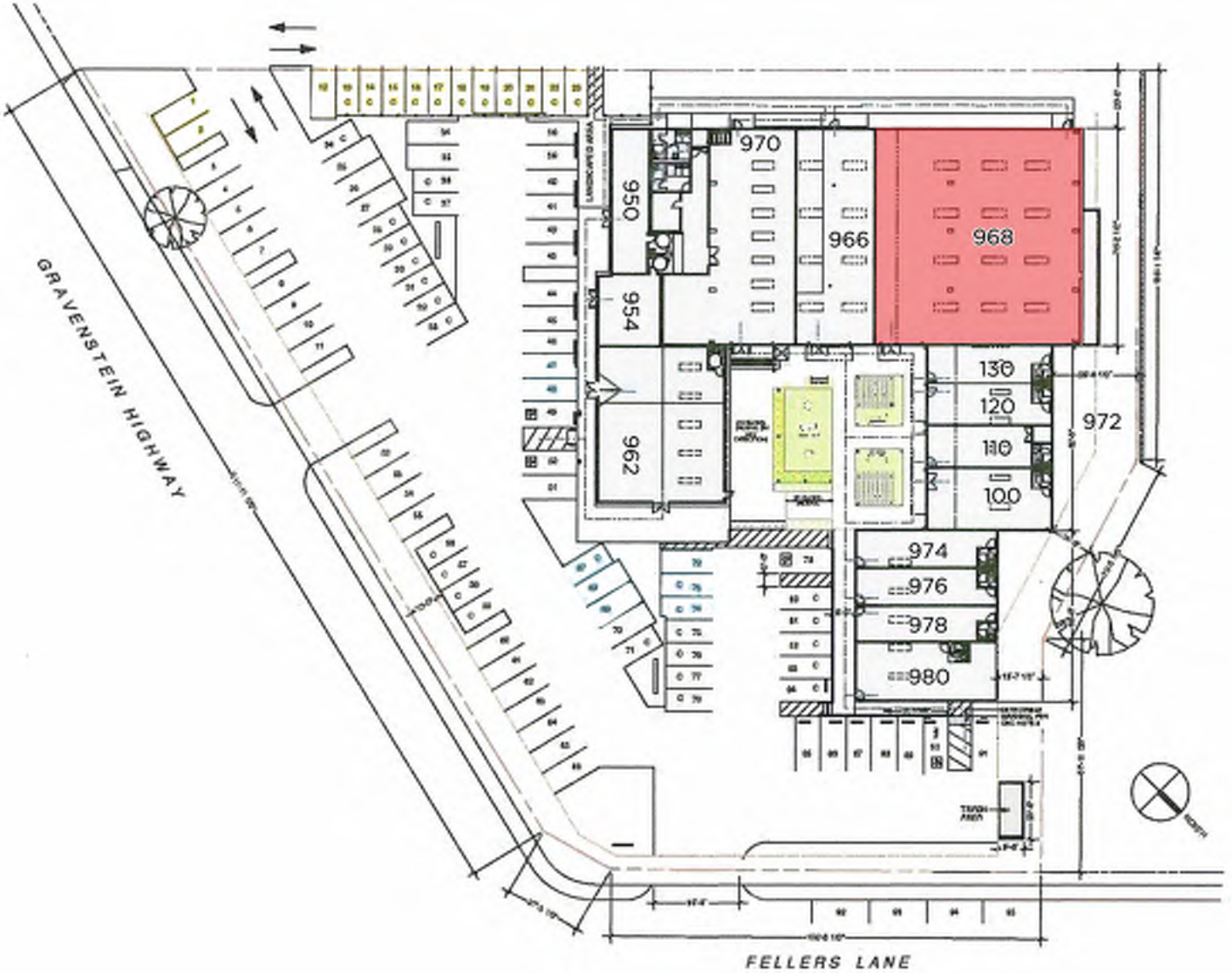



Exhibit A

950-980 Gravenstein Hwy

Sebastopol, CA



 = Subject Space

Initials 

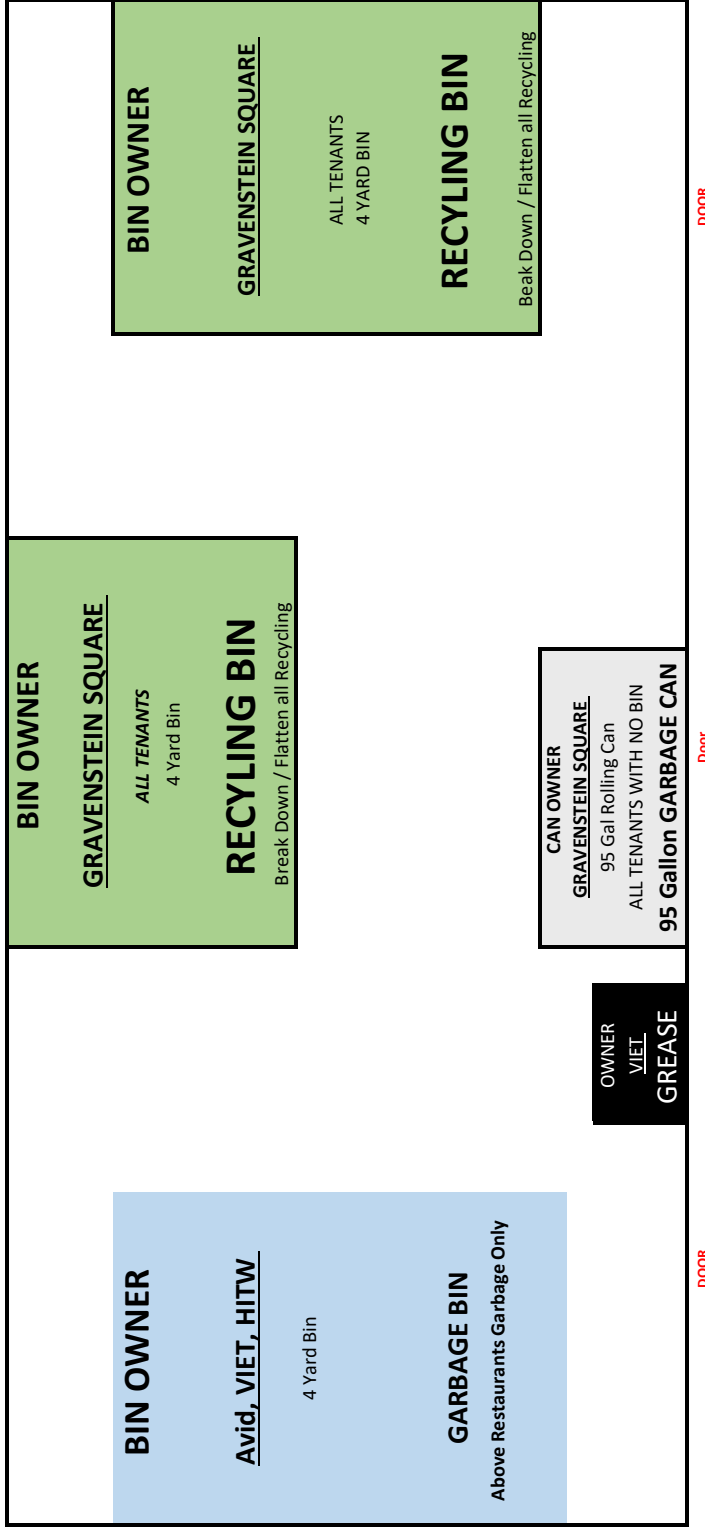
Date 3/7/2023

Initials 

Date 3/7/2023

Exhibit B Garbage Map

GRAVENSTEIN SQUARE GARBAGE AND RECYCLING ENCLOSURE LAYOUT



- IMPORTANT:**
- PLACE ALL GARBAGE IN CORRECT RECYCLING. TRASH COMPANY WILL **NOT** PICK UP IF CROSS CONTAMINATED
 - BREAK DOWN ALL RECYCLING AND PLACE IN RECYCLING BINS
 - PLEASE DO NOT PLACE ANY GARBAGE OR RECYCLING ON THE GROUND
 - ALL LIDS MUST BE CLOSED TIGHTLY
 - SECURELY CLOSE THE ENCLOSURE DOORS AND LOCK
 - REPORT ILLEGAL OR IMPROPER DUMPING TO THE MANAGEMENT CO.

AVID, VIET, HITW, GARBAGE
 VIET & HITW RESTAURANT - GREASE
 GRAVENSTEIN SQUARE - RECYCLING
 95 GAL CAN - NON-RESTAURANT TENANTS ONLY

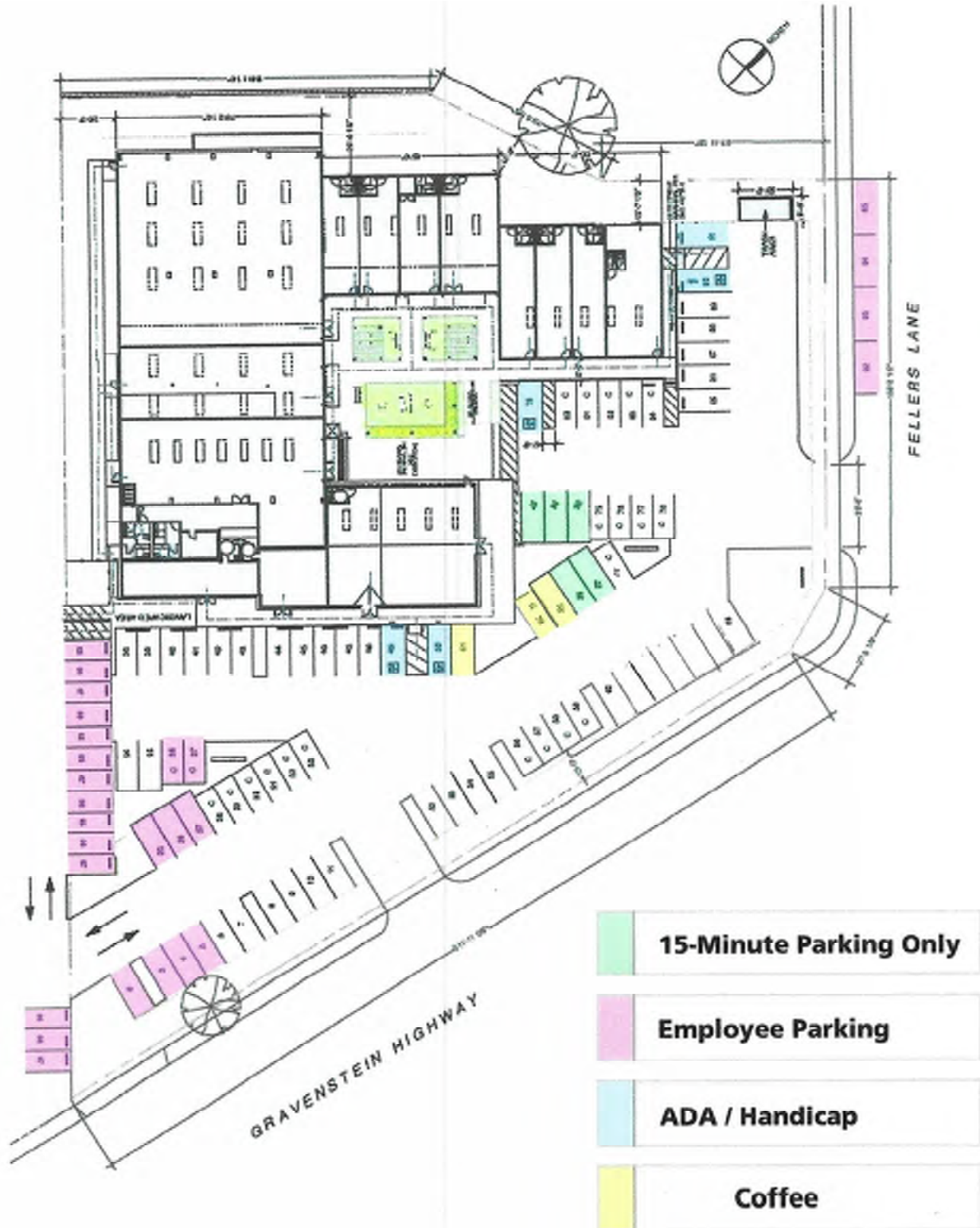
DISPOSAL OF **HAZARDOUS WASTE IS NOT PERMITTED** AND MAY RESULT IN A FINE (THIS INCLUDES: PAINT, BATTERIES, LIGHT BULBS, PESTICIDES, GARDEN CHEMICALS, CLEANING CHEMICALS ETC...)

DISPOSAL OF PALLETS, MATTRESSES, FURNITURE, FIXTURES, CONSTRUCTION MATERIALS (DRYWALL, PLUMBING FLOORING), VACUUM CLEANERS, AND OTHER **BULKY ITEMS ARE TO BE TAKEN TO THE DUMP AT TENANTS EXPENSE.**

THANK YOU FOR KEEPING YOUR RETAIL COMMUNITY CENTER CLEAN AND HEALTHY!
 NEED ASSISTANCE? PLEASE CALL THE PROPERTY MANAGER AT: 1 (707) 545-6187

PARKING MAP

Gravenstein Square
Sebastopol, California



DS
LR

DS
LR

STANDARD LEASE DISCLOSURE ADDENDUM

Certified Access Specialist Disclosure

Pursuant to California Civil Code Section 1938 the subject property has _____ has not X been inspected by a "Certified Access Specialist". If subject property has been inspected, the property _____ has not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53.

SECTION 1. Section 1938 of the Civil Code is amended to read: 1938. (a) A commercial property owner or lessor shall state on every lease form or rental agreement executed on or after January 1, 2017, whether or not the subject premises have undergone inspection by a Certified Access Specialist (CASp).

(b) If the subject premises have undergone inspection by a CASp and, to the best of the commercial property owner's or lessor's knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of the lease or rental agreement which have impacted the subject premises' compliance with construction-related accessibility standards, the commercial property owner or lessor shall provide, prior to execution of the lease or rental agreement, a copy of any report prepared by the CASp with an agreement from the prospective lessee or tenant that information in the report shall remain confidential, except as necessary for the tenant to complete repairs and corrections of violations of construction-related accessibility standards that the lessee or tenant agrees to make.

(c) Making any repairs or modifications necessary to correct violations of construction-related accessibility standards that are noted in a CASp report is presumed to be the responsibility of the commercial property owner or lessor, unless otherwise mutually agreed upon by the commercial property owner or lessor and the lessee or tenant. The prospective lessee or tenant shall have the opportunity to review any CASp report prior to execution of the lease or rental agreement. If the report is not provided to the prospective lessee or tenant as least 48 hours prior to execution of the lease or rental agreement, the prospective lessee or tenant shall have the right to rescind the lease or rental agreement, based upon the information contained in the report, for 72 hours after execution of the agreement.

(d) If the subject premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of section 55.52, the commercial property owner or lessor shall provide a copy of the current disability access inspection certificate and any inspection report to the lessee or tenant not already provided pursuant to subdivision (b) within seven days of the date of the execution of the lease or rental agreement.

(e) If the subject premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, the commercial property owner or lessor shall state the following on the lease form or rental agreement:

"A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and matter of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

SEC 2. This act is an urgency statute necessary to the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are: In order to increase compliance with accessibility standards for the benefit of the public, especially disabled consumers who may experience unjust discomfort, difficulty, or embarrassment when public places or businesses are not compliant with accessibility standards required by law and to improve the ability of business to correct accessibility violations, provide clarity to property owners and tenants regarding responsibility for correcting accessibility violations and increase awareness of state programs to inspect properties for accessibility violations, it is necessary that this act go into effect immediately.

Notice to Owners, Buyers and Tenants Regarding Hazardous Wastes or Substances and Underground Storage Tanks

Comprehensive federal and state laws and regulations have been enacted in the last few years in an effort to develop controls over the use, storage, handling, cleanup, removal and disposal of hazardous wastes or substances. Some of these laws and regulations, such as, for example, the so-called "Super Fund Act", provide for broad liability schemes wherein an owner, tenant or other user of the property may be liable for cleanup costs and damages regardless of fault. Other laws and regulations set standards for the handling of asbestos or establish requirements for the use, modification, abandonment, or closing of underground storage tanks.

It is not practical or possible to list all such laws and regulations in this Notice. Therefore, lessors and lessees are urged to consult legal counsel to determine their respective rights and liabilities with respect to the issues described in this Notice as well as other aspects of the proposed transaction. If various materials that have been or may be in the future determined to be toxic, hazardous or undesirable, or are going to be used, stored, handled or disposed of on the property, or if the property has or may have underground storage tanks for storage of such hazardous materials, or that such materials may be in the equipment, improvements or soil, it is essential that legal and technical advice be obtained to determine, among other things, what permits

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[Signature]

and approvals have been or may be required, if any, the estimated costs and expenses associated with the use, storage, handling, cleanup, removal or disposal of the hazardous wastes or substances and what contractual provisions and protection are necessary or desirable. It may also be important to obtain expert assistance for site investigations and building inspections. The past uses of the property may provide valuable information as to the likelihood of hazardous wastes or substances, or underground storage tanks being on the property.

The term "hazardous wastes or substances" is used in this Notice in its very broadest sense and includes, but is not limited to, all those listed under Proposition 65, petroleum base products, paints and solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonium compounds, asbestos, PCBs and other chemical products. Hazardous wastes or substances and underground storage tanks may be present on all types of real property. This Notice is, therefore, meant to apply to any transaction involving any type of real property, whether improved or unimproved.

Although Keegan & Coppin Co., Inc. or its salespeople, will disclose any knowledge it actually possesses with respect to the existence of hazardous wastes or substances, or underground storage tanks on the property, Keegan & Coppin Co., Inc. has not made investigations or obtained reports regarding the subject matter of this Notice, except as may be described in a separate written document, studies or investigation by experts. Therefore, unless there are additional documents or studies attached to this notice, lease or contract, this will serve as notification that Keegan & Coppin Co., Inc. or its salespeople make no representation regarding the existence or non-existence of hazardous wastes or substances, or underground storage tanks on the property. You should contact a professional, such as a civil engineer, geologist, industrial hygienist or other persons with experience in these matters to advise you concerning the property.

Americans with Disabilities Act (ADA) On July 26, 1990, President Bush signed the federal legislation known as the Americans with Disabilities Act (ADA) into law. The purpose of the ADA is to integrate persons with disabilities into the economic and social mainstream of American life. Title III of the ADA applies to Lessors and Lessees of "places of public accommodation" and "commercial facilities", and requires that places of public accommodation undertake "readily achievable" removal of communication and access barriers to the disabled. This requirement of Title III of the ADA is effective January 26, 1992.

It is important that building owners identify and undertake "readily achievable" removal of any such barriers in the common areas, sidewalks, parking lots and other areas of the building under their control.

The lessor and lessee are responsible for compliance with ADA relating to removal of barriers within the workplace i.e., arrangement of interior furnishings and access within the premises, and any improvements installed by lessor and lessee.

Keegan & Coppin Company, Inc. recommends that both parties seek expert advice regarding the implications of the Act as it affects this agreement.

Natural Hazards Disclosure Act:

"The property which is the subject of this contract may be situated in a Special Study Zone as designated under the Natural Hazards Disclosure Act, inclusive, of the California Public Resources Code; and, as such, the construction or development on this property of any structure for human occupancy may be subject to the findings of a geologic report prepared by a geologist registered in the State of California, unless such report is waived by the City or County under the terms of that act. No representations on the subject are made by the lessor or agent, and the lessee should make his own inquiry or investigation".

Flood Hazard Area Disclosure:

The subject property may be situated in a "Special Flood Hazard Area" as set forth on a Federal Emergency Management Agency (FEMA) "Flood Insurance Rate Map" (FIRM) or "Flood Hazard Boundary Map" (FHBM). The law provides that, as a condition of obtaining financing on most structures located in a "Special Floods Hazard Area", lender requires flood insurance where the property or its attachments are security for a loan. Lessee should consult with experts concerning the possible risk of flooding.

Toxic Mold Disclosure (Pursuant to the Toxic Mold Protection Act of 2001)

The Toxic Mold Protection Act of 2001 requires any person who sells, transfers or rents residential, commercial or industrial property to disclose if they have ACTUAL KNOWLEDGE of a mold condition on the property. The law also requires the California Department of Health Services to identify tolerable exposure limits and develop guidelines for toxic mold identification and remediation. Property owners will be required to provide a more detailed disclosure on toxic mold once the Department of Health Services develops and adopts standards for identifying, measuring and remediating toxic mold.

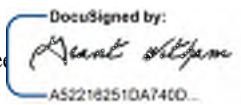
The Toxic Mold Protection Act of 2001 does NOT require that a property owner have their property tested for toxic mold. It also does NOT require that an agent investigate a property for toxic mold. Property owners only need to disclose any ACTUAL KNOWLEDGE of a mold condition on their property until the above mentioned guidelines are developed and approved. Lessees are advised to obtain a professional assessment of the mold condition of the premises prior to execution of

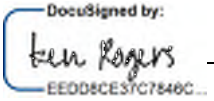
the Lease.

Disclosure

Keegan & Coppin Co., Inc. has made no independent investigation regarding the present or future use or zoning of the Property: ADA-related issues, matters relating to Hazardous Materials, or the compliance of the Property with the Occupational Safety and Health Act or any other federal, state, county or municipal Law. Broker has not investigated, and is not qualified to provide any opinion about the structural, mechanical, or soils conditions of the Property. Broker has not independently verified the size, measurements, or boundaries of the Property, and any representation thereof is made solely based upon information provided to Broker, which Broker deems reliable but does not warrant to be accurate. You should consult your advisors on these matters. Buyer agrees to make its own investigation and determination regarding all matters affecting the value, condition, utility, size, compliance with Laws, and all aspects of the Property's suitability for Buyer's intended use.

Acknowledgment:

Lessee:  _____ Date: 3/7/2023

Lessor:  _____ Date: 3/7/2023

LEASING DISCLOSURE AND CONFIRMATION REGARDING REAL ESTATE AGENCY RELATIONSHIP

When you enter into a discussion with a real estate agent regarding a real estate transaction, you should from the outset understand what type of agency relationship or representation you wish to have with the agent in the transaction. With each specific transaction, you should read the Agency Disclosure and consider how you are being represented.

LESSOR'S AGENT

A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor. A Lessor's agent or a subagent of that agent has the following affirmative obligations:

- To the Lessor: A fiduciary duty of utmost care, integrity, honesty and loyalty in dealings with the Lessor.
- To Lessee and Lessor:
 - (a) Diligent exercise of reasonable skill 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.

LESSEE'S AGENT

An agent can, with a Lessee's consent, 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 Lessee and Lessor:
 - (a) Diligent exercise of reasonable skill 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.

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, honest and loyalty in the dealings with either Lessor or Lessee.
- (b) Other duties to the Lessor and the Lessee as stated above in their respective sections.

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 a rent less than the listed rent or that the Lessee will pay a rent greater than the rent 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. You should carefully read all agreements to assure that they adequately express your understanding of the transaction. A real estate agent is a person qualified to advise someone about real estate. If legal or tax advice is desired, consult a competent professional.

Throughout your real property transaction you may receive more than one disclosure form, depending upon the number of agents assisting in the transaction. The law requires each agent with whom you have more than a casual relationship to present you with this disclosure form. You should read its contents each time it is presented to you, considering the relationship between you and the real estate agent in your specific transaction. This disclosure form includes the provisions of Sections 2079.13 to 2079.24, inclusive of the Civil Code set forth on the reverse hereof. Read it carefully.

We have attached a copy of a copy of this disclosure:

DocuSigned by: Ken Rogers Date 3/7/2023
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DocuSigned by: _____ Date _____

DocuSigned by: Sara Wann Date 3/7/2023
 0410944DEF9A4E5...

DocuSigned by: Grant Wilson Date 3/7/2023
 AS22182510A740D...

DocuSigned by: _____ Date _____

DocuSigned by: Lewis Smith Date 3/7/2023
 458E2029328A491...

CONFIRMATION OF AGENCY

We authorize the following agency:

Keegan & Coppin Company, Inc. is the agent of: (Check one)
 (Name of Lessor's Agent)
 The Lessor exclusively; or
 Both the Lessee and Lessor

Retail California is the agent of: (Check one)
 (Name of Lessee's Agent if not the same as Lessor's Agent)
 The Lessee exclusively; or
 The Lessor exclusively; or
 Both the Lessee and Lessor

CONFIRMED AND AUTHORIZED:

DocuSigned by: Ken Rogers Date 3/7/2023
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Lessee _____ Date _____

Lessor _____ Date _____

Agent for Lessor Sara Wann
 Lic. # 01437146

DocuSigned by: Grant Wilson Date 3/7/2023
 AS22182510A740D...

Lessee _____ Date _____

Lessee _____ Date _____

Agent for Lessee Lewis Smith
 Lic. # 01214178

2079.13. As used in Sections 2079.14 to 2079.24, inclusive, the following terms have the following meanings:

- (a) "Agent" means a person acting under provisions of Title 9 (commencing with section 2295) in a real property transaction, and includes a person who is licensed as a real estate broker under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions code, and under whose license a listing is executed or an offer to purchase is obtained.
- (b) "Associate license" means a person who is licensed as a real estate broker or salesperson under Chapter 3 (commencing with Section 10130) of Part 1 of Division 4 of the Business and Professions Code and who is either licensed under a broker or has entered into written contract with a broker to act as the broker's agent in connection with acts requiring a real estate license and to function under the broker's supervision in the capacity of an associate licensee.
- The agent in the real property transaction bears responsibility for his or her associate licensees who perform as agents of the agent. When as associate licensee owes a duty to any principal, or to transaction, that duty is equivalent to the duty owed to that party by the broker for whom the associate licensee functions.
- (c) "Buyer" means a transferee in a real property transaction, and includes a person who executes an offer to purchase real property from a seller through an agent, or who seeks the services of an agent in more than a casual, transitory, or preliminary manner, with the object of entering into a real property transaction. "Buyer" includes vendee or lessee.
- (d) "Commercial real property" means all real property in the state, except single-family residential real property, dwelling units made subject to Chapter 2 (commencing with Section 1940) of Title 5, mobilehomes, as defined in Section 798.3, or recreational vehicles, as defined in Section 799.29.
- (e) "Dual agent" means an agent acting, either directly or through an associate licensee, as agent for both the seller and the buyer in a real property transaction.
- (f) "Listing agreement" means a contract between an owner of real property and an agent, by which the agent has been authorized to sell the real property or to find or obtain a buyer.
- (g) "Listing agent" means a person who has obtained a listing of real property to act as an agent for compensation.
- (h) "Listing price" is the amount expressed in dollars specified in the listing for which the seller is willing to sell the real property through the listing agent.
- (i) "Offering price" is the amount expressed in dollars specified in an offer to purchase for which the buyer is willing to buy the real property.
- (j) "Offer to purchase" means a written contract executed by a buyer acting through a selling agent that becomes the contract for the sale of the real property upon acceptance by the seller.
- (k) "real property" means any estate specified by subdivision (1) or (2) of Section 761 in property that constitutes or is improved with one to four dwelling units, any commercial real property, any leasehold in these types of property exceeding one year's duration, and mobilehomes, when offered for sale or sold through an agent pursuant to the authority contained in Section 10131.6 of the Business of Professions Code.
- (l) "Real property transaction" means a transaction for the sale of real property in which an agent is employed by one or more of the principals to act in that transaction, and includes a listing or an offer to purchase.
- (m) "Sell," "sale" or "sold" refers to a transaction for the transfer of real property from the seller to the buyer, and includes exchanges of real property between the seller and buyer, transactions for the creation of a real property sales contract within the meaning of Section 2985, and transactions for the creation of leasehold exceeding one year's duration.
- (n) "Seller" means the transferor in a real property transaction, and includes an owner who lists real property with an agent, whether or not a transfer results, or who receives an offer to purchase real property or which he or she is the owner from an agent on behalf of another. "Seller" includes both a vendor and a lessor.
- (o) "Selling agent" means a listing agent who acts alone, or an agent who acts in cooperation with a listing agent, and who sells or finds and obtains a buyer for the real property, or an agent who locates property for a buyer or who finds a buyer for a property for which no listing exists and presents an offer to purchase to the seller.
- (p) "Subagent" means a person to whom an agent delegates agency powers as provided in Article 5(commencing with Section 2349) of Chapter 1 of title 9. However, "subagent" does not include an associate licensee who is acting under the supervision of an agent in real property transaction.

2079.14. Listing agents and selling agents shall provide the seller and buyer in a real property transaction with a copy of the disclosure from specified in Section 2079.16, and, except as provided in subdivision (c), shall obtain a signed acknowledgement of receipt from that seller or buyer, except as provided in this section or Section 2079.15, as follows:

- (a) The listing agent, if any, shall provide the disclosure form to the seller prior to entering into the listing agreement.
- (b) The selling agent shall provide the disclosure form to the seller as soon as practicable prior to presenting the seller with an offer to purchase, unless the selling agent previously provided the seller with a copy of the disclosure form pursuant to subdivision (a).
- (c) Where the selling agent does not deal on a face-to-face basis with the seller, the disclosure form prepared by the selling agent may be furnished to the seller (and acknowledgement of receipt obtained for the selling agent from the seller) by the listing agent, or the selling agent may deliver the disclosure form by certified mail addressed to the seller as his or her last known address, in which case no signed acknowledgement of this receipt is required.
- (d) The selling agent shall provide the disclosure form to the buyer as soon as practicable prior to execution of the buyer's offer to purchase, except that if the offer to purchase is not prepared by the selling agent, the selling agent shall present the disclosure form to the buyer not later than the next business day after the selling agent receives the offer to purchase from the buyer.

2079.15 In any circumstance in which the seller or buyer refuses to sign an acknowledgement or receipt pursuant to Section 2079.14, the agent, or an associate licensee acting for the agent, shall set forth, sign, and date a written declaration of the facts of the refusal.

- 2079.17. (a) As soon as practicable, the selling agent shall disclose to the buyer and seller whether the selling agent is acting in the real property transaction exclusively as the buyer's agent, exclusively as the seller's agent, or as a dual agent representing both the buyer and the seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller, the buyer, and the selling agent prior to or coincident with execution of that contract by the buyer and the seller, respectively.
- (b) As soon as practicable, the listing agent shall disclose to the seller whether the listing agent is acting in the real property transaction exclusively as the seller's agent, or as a dual agent representing both the buyer and seller. This relationship shall be confirmed in the contract to purchase and sell real property or in a separate writing executed or acknowledged by the seller and the listing agent prior to or coincident with the execution of that contract by the seller.
- (c) The confirmation required by subdivisions (a) and (b) shall be in the following form:

<p>_____ is the agent of (Name of Listing Agent) (Check one) <input type="checkbox"/> the seller exclusively; or <input type="checkbox"/> both the buyer and seller.</p>	<p>_____ is the agent of (Name of Selling Agent if not the same as the Listing Agent) (Check one) <input type="checkbox"/> the buyer exclusively; or <input type="checkbox"/> the seller exclusively; or <input type="checkbox"/> both the buyer and seller.</p>
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(d) The disclosures and confirmation required by this section shall be in addition to the disclosure required by Section 2079.14.

2079.18. No selling agent in a real property transaction may act as an agent for the buyer only, when the selling agent is also acting as the listing agent in the transaction.

2079.19. The payment of compensation or the obligation to pay compensation to an agent by the seller or buyer is not necessarily determinative of a particular agency relationship between an agent and the seller or buyer. A listing agent and a selling agent may agree to share any compensation or commission paid, or any right to any compensation or commission for which an obligation arises as the result of a real estate transaction, and the terms of any such agreement shall not necessarily be determinative of a particular relationship.

2079.20. Nothing in this article prevents an agent from selecting, as a condition of the agent's employment, a specific form of agency relationship not specifically prohibited by this article if the requirements of Section 2079.14 and Section 2079.17 are complied with.

2079.21. A dual agent shall not disclose to buyer that the seller is willing to sell the property as a price less than the listing price, without the express written consent of the seller. A dual agent shall not disclose to the seller that the buyer is willing to pay a price greater than the offering price, without the express written consent of the buyer. This section does not alter in any way the duty of responsibility of a dual agent to any principal with respect to confidential information other than price.

2079.22 Nothing in this article precludes a listing agent from also being a selling agent, and the combination of these functions in one agent does not, of itself, make that agent a dual agent.

- 2079.23. (a) A contract between the principal and agent may be modified or altered to change the agency relationship at any time before the performance of the act which is the object of the agency with the written consent of the parties to the agency relationship.
- (b) A lender or an auction company retained by a lender to control aspects of a transaction of real property subject to this part, including validating the sales price, shall not require, as a condition of receiving the lender's approval of the transaction, the homeowner or listing agent to defend or indemnify the lender or auction company from any liability alleged to result from the actions of the lender or auction company. Any clause, provision, covenant, or agreement purporting to impose an obligation to defend or indemnify a lender or an auction company in violation of this subdivision is against public policy, void, and unenforceable.

2079.24. Nothing in this article shall be construed to either diminish the duty of disclosure owed buyers and sellers by agents and their associate licensees, subagents, and employees from liability for their conduct in connection with acts governed by this article or for any breach of a fiduciary duty or a duty of disclosure.

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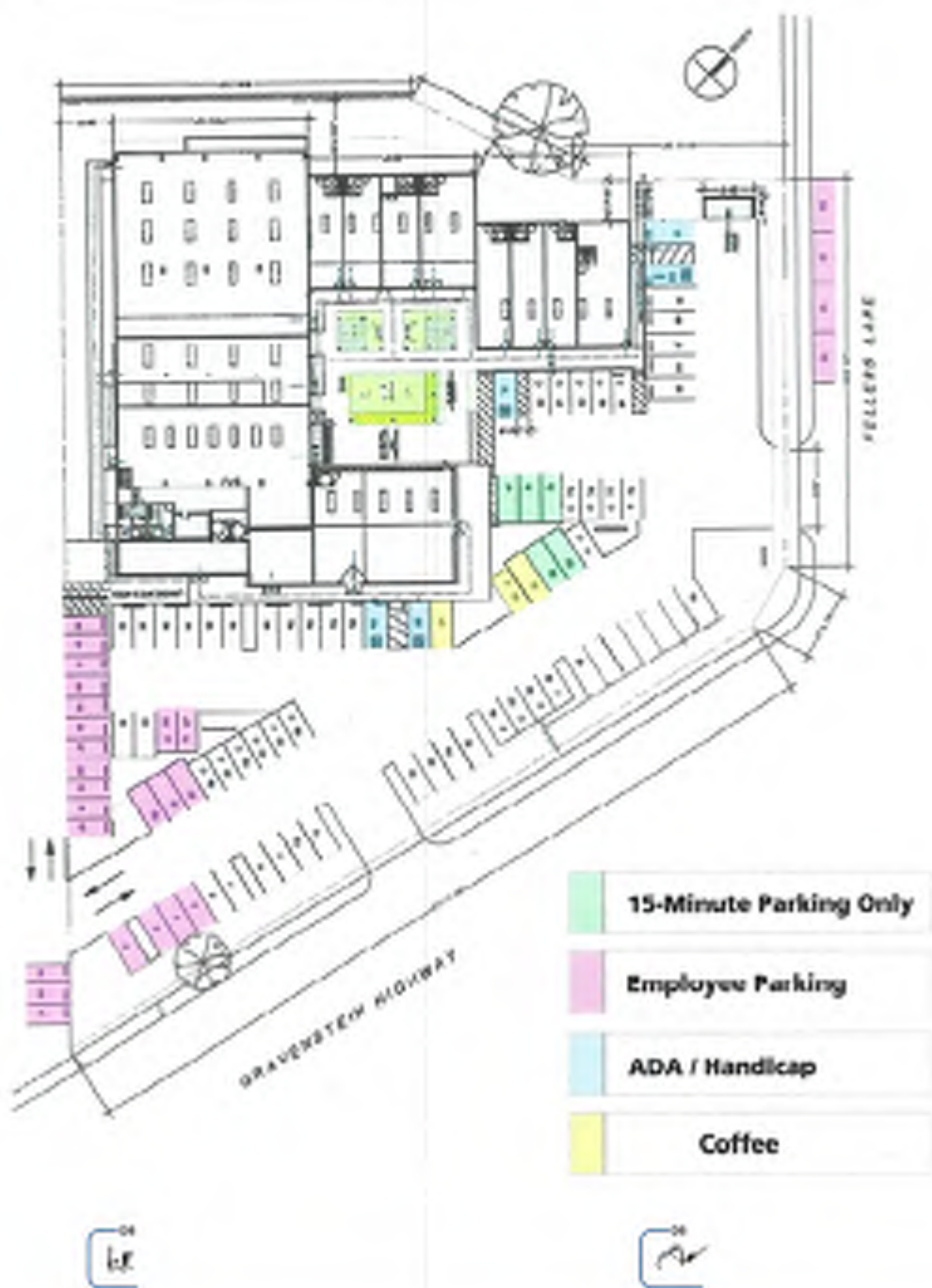

968 Gravenstein Hwy S – Anytime Fitness Project – Parking Information

See attached Parking Exhibit for the Gravenstein Shopping Center. There are 89 guest parking stalls, 27 employee parking stalls, and 5 ADA parking stalls.

At this time 968 Gravenstein Hwy S. (space that Anytime Fitness will occupy) does not have any reserved parking spaces which means that guests must park based on availability.

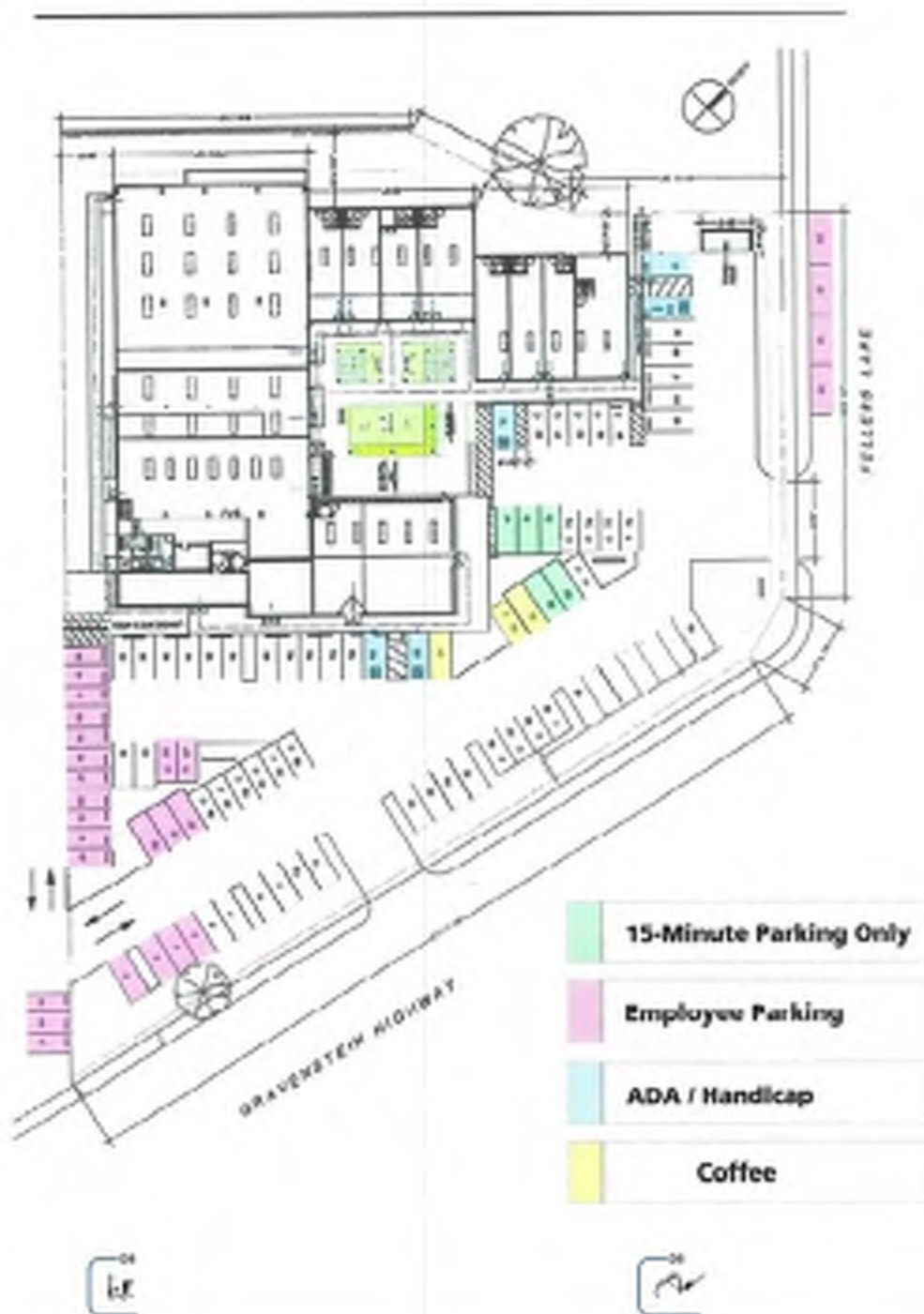
PARKING MAP

Gravenstein Square
Sebastopol, California



PARKING MAP

Gravenstein Square
Sebastopol, California



- Easment & Deed – provided by the landlord. Here is what they told me when sending the easment and deed to me: *“Here is a copy of the Easement Deed. The former owner of 970 Gravenstein Square, built out and paid for the parking lot on the other side of the building behind the white picket fence, which is the area we share with the neighboring property owner.”*
- Parking Information – details the parking at the Gravenstein Square Shopping Center.
- Written Statement and Location of Gym – details the basic location of the gym from Google Maps. The written statement details information about the proposal to open the gym at 968 Gravenstein Hwy S.
- Site Information – details more information about the gym site. Includes aerial photos from the real estate broker who listed the site, details about the site from the prior tenant, and a site plan of the shopping center.
- Lease – copy of the executed lease by both the landlord and tenant (Anytime Fitness).
- Site Layouts, Equipment Layouts – these provide a detailed breakdown of the gym’s floor plan and the equipment layout. The included Design Packet will give the reader an approximate reflection of how the gym will look based on Anytime Fitness’ most recent design.
- Site Photos – photos of the current condition of the site are included.
- Exterior Sign Package – The only change to the exterior of the site will be the exterior sign. This is a packet that will detail what that change will look like. It should be noted that a separate submission for a sign permit will occur. This will provide the most detailed account of the exterior sign changes.