

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar number, and address): Richard A. Marker, SBN 126018 GREEN & MARKER 1875 Century Park East Suite 1495 Los Angeles, CA 90067 TELEPHONE NO.: (310) 201-0464 FAX NO. (Optional): (310) 201-0461 E-MAIL ADDRESS (Optional): ATTORNEY FOR (Name): HUNTINGTON COMMERCE CENTER, LLC	FOR COURT USE ONLY
SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE STREET ADDRESS: 700 Civic Center Drive MAILING ADDRESS: 700 Civic Center Drive CITY AND ZIP CODE: Santa Ana, CA 92702-1994 BRANCH NAME: CENTRAL JUSTICE CENTER	
PLAINTIFF: HUNTINGTON COMMERCE CENTER, LLC DEFENDANT: TROUCE GROUP, INC.; PIERSIDE REMODELING, LLC; TYLER TROUNCE; and DOES 1 to 20, inclusive <input type="checkbox"/> DOES 1 TO _____	
COMPLAINT — UNLAWFUL DETAINER* <input checked="" type="checkbox"/> COMPLAINT <input type="checkbox"/> AMENDED COMPLAINT (Amendment Number): _____	CASE NUMBER: _____
Jurisdiction (check all that apply): <input checked="" type="checkbox"/> ACTION IS A LIMITED CIVIL CASE Amount demanded <input checked="" type="checkbox"/> does not exceed \$10,000 <input type="checkbox"/> exceeds \$10,000 but does not exceed \$25,000 <input type="checkbox"/> ACTION IS AN UNLIMITED CIVIL CASE (amount demanded exceeds \$25,000) <input type="checkbox"/> ACTION IS RECLASSIFIED by this amended complaint or cross-complaint (check all that apply): <input type="checkbox"/> from unlawful detainer to general unlimited civil (possession not in issue) <input type="checkbox"/> from limited to unlimited <input type="checkbox"/> from unlawful detainer to general limited civil (possession not in issue) <input type="checkbox"/> from unlimited to limited	

1. PLAINTIFF (name each): HUNTINGTON COMMERCE CENTER, LLC

alleges causes of action against DEFENDANT (name each): TROUCE GROUP, INC., PIERSIDE REMODELING, LLC, and TYLER TROUNCE

2. a. Plaintiff is (1) ☐ an individual over the age of 18 years. (4) ☐ a partnership.
 (2) ☐ a public agency. (5) ☐ a corporation.
 (3) ☒ other (specify): Limited liability company

b. ☐ Plaintiff has complied with the fictitious business name laws and is doing business under the fictitious name of (specify):

3. Defendant named above is in possession of the premises located at (street address, apt. no., city, zip code, and county):
 5862 Bolsa Avenue, Suite 104, Huntington Beach, CA 92649; Orange County

4. Plaintiff's interest in the premises is ☒ as owner ☐ other (specify):

5. The true names and capacities of defendants sued as Does are unknown to plaintiff.

6. a. On or about (date): 12-11-12 defendant (name each): PIERSIDE REMODELING, LLC

(1) agreed to rent the premises as a ☐ month-to-month tenancy ☒ other tenancy (specify): Lease

(2) agreed to pay rent of \$ 2,631.30 payable ☒ monthly ☐ other (specify frequency):

(3) agreed to pay rent on the ☒ first of the month ☐ other day (specify):

b. This ☒ written ☐ oral agreement was made with

(1) ☒ plaintiff. (3) ☐ plaintiff's predecessor in interest.

(2) ☐ plaintiff's agent. (4) ☐ other (specify):

*NOTE: Do not use this form for evictions after sale (Code Civ. Proc., § 1161a).

PLAINTIFF (Name): HUNTINGTON COMMERCE CENTER, LLC	CASE NUMBER:
DEFENDANT (Name): TROUCE GROUP, INC.; PIERSIDE REMODELING, LLC; TYLER TROUNCE; and DOES 1 to 20, inclusive	

6. c. ☒ The defendants not named in item 6a are
- (1) ☐ subtenants.
 - (2) ☐ assignees.
 - (3) ☒ other (specify): Assignee (Trouce Group, Inc.) and Guarantor (Tyler Trouce)
- d. ☒ The agreement was later changed as follows (specify): Lease amended to extend term three (3) years and rent increased to current monthly rental rate of \$3,115.26.
- e. ☒ A copy of the written agreement, including any addenda or attachments that form the basis of this complaint, is attached and labeled Exhibit 1. (Required for residential property, unless item 6f is checked. See Code Civ. Proc., § 1166.)
- f. ☐ (For residential property) A copy of the written agreement is **not** attached because (specify reason):
- (1) ☐ the written agreement is not in the possession of the landlord or the landlord's employees or agents.
 - (2) ☐ this action is solely for nonpayment of rent (Code Civ. Proc., § 1161(2)).
7. ☒ a. Defendant (name each): TROUCE GROUP, INC., PIERSIDE REMODELING, LLC, and TYLER TROUNCE
- was served the following notice on the same date and in the same manner:
- (1) ☒ 3-day notice to pay rent or quit
 - (2) ☐ 30-day notice to quit
 - (3) ☐ 60-day notice to quit
 - (4) ☐ 3-day notice to perform covenants or quit
 - (5) ☐ 3-day notice to quit
 - (6) ☐ Other (specify):
- b. (1) On (date): 9-6-16 the period stated in the notice expired at the end of the day.
 (2) Defendants failed to comply with the requirements of the notice by that date.
- c. All facts stated in the notice are true.
- d. ☒ The notice included an election of forfeiture.
- e. ☒ A copy of the notice is attached and labeled Exhibit 2. (Required for residential property. See Code Civ. Proc., § 1166.)
- f. ☐ One or more defendants were served (1) with a different notice, (2) on a different date, or (3) in a different manner, as stated in Attachment 8c. (Check item 8c and attach a statement providing the information required by items 7a-e and 8 for each defendant.)
8. a. ☒ The notice in item 7a was served on the defendant named in item 7a as follows:
- (1) ☐ by personally handing a copy to defendant on (date):
 - (2) ☐ by leaving a copy with (name or description):
 a person of suitable age and discretion, on (date): _____ at defendant's
☐ residence ☐ business AND mailing a copy to defendant at defendant's place of residence on
 (date): _____ because defendant cannot be found at defendant's residence or usual
 place of business.
 - (3) ☒ by posting a copy on the premises on (date): 9-2-16 ☐ AND giving a copy to a person found
 residing at the premises AND mailing a copy to defendant at the premises on
 (date): 9-2-16
 (a) ☐ because defendant's residence and usual place of business cannot be ascertained OR
 (b) ☒ because no person of suitable age or discretion can be found there.
 - (4) ☐ (Not for 3-day notice; see Civil Code, § 1946 before using) by sending a copy by certified or registered mail
 addressed to defendant on (date):
 - (5) ☐ (Not for residential tenancies; see Civil Code, § 1953 before using) in the manner specified in a written
 commercial lease between the parties.
- b. ☐ (Name): _____
 was served on behalf of all defendants who signed a joint written rental agreement.
- c. ☐ Information about service of notice on the defendants alleged in item 7f is stated in Attachment 8c.
- d. ☐ Proof of service of the notice in item 7a is attached and labeled Exhibit 3.

PLAINTIFF (Name): HUNTINGTON COMMERCE CENTER, LLC	CASE NUMBER:
DEFENDANT (Name): TROUCE GROUP, INC.; PIERSIDE REMODELING, LLC; TYLER TROUNCE; and DOES 1 to 20, inclusive	

9. ☐ Plaintiff demands possession from each defendant because of expiration of a fixed-term lease.
10. ☒ At the time the 3-day notice to pay rent or quit was served, the amount of **rent due** was \$ 6,230.52
11. ☒ The fair rental value of the premises is \$ 103.84 per day.
12. ☐ Defendant's continued possession is malicious, and plaintiff is entitled to statutory damages under Code of Civil Procedure section 1174(b). (State specific facts supporting a claim up to \$600 in Attachment 12.)
13. ☒ A written agreement between the parties provides for attorney fees.
14. ☐ Defendant's tenancy is subject to the local rent control or eviction control ordinance of (city or county, title of ordinance, and date of passage):

Plaintiff has met all applicable requirements of the ordinances.

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

17. PLAINTIFF REQUESTS

- | | |
|--|---|
| <p>a. possession of the premises.</p> <p>b. costs incurred in this proceeding:</p> <p>c. <input checked="" type="checkbox"/> past-due rent of \$ 6,230.52</p> <p>d. <input checked="" type="checkbox"/> reasonable attorney fees.</p> <p>e. <input checked="" type="checkbox"/> forfeiture of the agreement.</p> | <p>f. <input checked="" type="checkbox"/> damages at the rate stated in item 11 from (date): 10-1-16 for each day that defendants remain in possession through entry of judgment.</p> <p>g. <input type="checkbox"/> statutory damages up to \$600 for the conduct alleged in item 12.</p> <p>h. <input checked="" type="checkbox"/> other (specify): Late rent charge of 10% of the amount due if not paid within 3 days of date due</p> |
|--|---|

18. ☒ Number of pages attached (specify): 38

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

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

- | | |
|---|---|
| <p>a. Assistant's name:</p> <p>b. Street address, city, and zip code:</p> | <p>c. Telephone No.:</p> <p>d. County of registration:</p> <p>e. Registration No.:</p> <p>f. Expires on (date):</p> |
|---|---|

Date: September 8, 2016

Richard A. Marker, SBN 126018
(TYPE OR PRINT NAME)



(SIGNATURE OF PLAINTIFF OR ATTORNEY)

VERIFICATION

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

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

Date:

(TYPE OR PRINT NAME)



(SIGNATURE OF PLAINTIFF)

VERIFICATION

STATE OF CALIFORNIA, COUNTY OF ORANGE

I have read the foregoing Complaint for Unlawful Detainer

and know its contents.

CHECK APPLICABLE PARAGRAPHS

☐ I am a party to this action. The matters stated in the foregoing document are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters I believe them to be true.

☒ I am ☐ an Officer ☐ a partner ☒ a Manager of Huntington Commerce Center, LLC, a party to this action, and am authorized to make this verification for and on its behalf, and I make this verification for that reason. ☒ I am informed and believe and on that ground allege that the matters stated in the foregoing document are true. ☐ The matters stated in the foregoing document are true of my own knowledge, except as to those matters which are stated on information and belief, and as to those matters I believe them to be true.

☐ I am one of the attorneys for _____ a party to this action. Such party is absent from the county of aforesaid where such attorneys have their offices, and I make this verification for and on behalf of that party for that reason. I am informed and believe and on that ground allege that the matters stated in the foregoing document are true.

Executed on September 8, 2016, at Beverly Hills, California.

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

ROBERT ORMOND

Type or Print Name

Signature

PROOF OF SERVICE

1013a (3) CCP Revised 5/1/88

STATE OF CALIFORNIA, COUNTY OF

I am employed in the county of _____, State of California.

I am over the age of 18 and not a party to the within action; my business address is: _____

On, _____ I served the foregoing document described as _____

_____ on _____ in this action

☐ by placing the true copies thereof enclosed in sealed envelopes addressed as stated on the attached mailing list:

☐ by placing ☐ the original ☐ a true copy thereof enclosed in sealed envelopes addressed as follows:

BY MAIL

☐ *I deposited such envelope in the mail at _____, California.

The envelope was mailed with postage thereon fully prepaid.

☐ As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at _____ California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

Executed on _____, at _____, California.

☐ ****(BY PERSONAL SERVICE)** I delivered such envelope by hand to the offices of the addressee.

Executed on _____, at _____, California.

☐ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Type or Print Name

Signature

*(BY MAIL SIGNATURE MUST BE OF PERSON DEPOSITING ENVELOPE IN MAIL SLOT, BOX, OR BAG)

**(FOR PERSONAL SERVICE SIGNATURE MUST BE THAT OF MESSENGER)

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Rev. 7/99

INDUSTRIAL MULTI-TENANT LEASE

LANDLORD: **HUNTINGTON COMMERCE CENTER, LLC**
 A CALIFORNIA LIMITED LIABILITY COMPANY

TENANT: **PIERSIDE REMODELING, LLC**
 A CALIFORNIA LIMITED LIABILITY COMPANY

PREMISES: **5862 BOLSA AVENUE, SUITE 104**
 HUNTINGTON BEACH, CALIFORNIA 92649

Table of Contents

1. BASIC LEASE.....	3
2. PREMISES.....	4
3. LEASE TERM.....	4
4. RENT.....	5
5. SECURITY DEPOSIT	5
6. OPERATING EXPENSES	5
7. PERMITTED USE.....	7
8. PARKING.....	8
9. COMMON AREAS.....	8
10. HAZARDOUS MATERIALS.....	9
11. MAINTENANCE AND REPAIRS	10
12. ALTERATIONS.....	11
13. INSURANCE.....	12
14. DAMAGE AND DESTRUCTION	13
15. REAL PROPERTY TAXES.....	15
16. UTILITIES.....	15
17. ASSIGNMENT.....	15
18. DEFAULT AND REMEDIES	17
19. CONDEMNATION.....	18
20. ESTOPPEL CERTIFICATE.....	19
21. LANDLORD'S LIABILITY.....	19
22. NOTICES.....	19
23. WAIVERS.....	20
24. HOLD OVER.....	20
25. SUBORDINATION.....	20
26. ATTORNEY FEES.....	20
27. LANDLORD'S ACCESS.....	20
28. SECURITY MEASURES	21
29. EASEMENTS.....	21
30. LATE CHARGES.....	21
31. RELOCATION OF PREMISES	22
32. RULES AND REGULATIONS	22
33. MISCELLANEOUS PROVISIONS	22

EXHIBITS

Exhibit A: General Site Plan of Premises.

Exhibit B: Rules and Regulations.

Exhibit C: Work Letter.

Exhibit C-1: Tenant Work Floor Plan.

Exhibit D: Guarantee of Lease.

Exhibit E: Form of Tenant's Statement.

Exhibit F: Form of Commencement Letter.

INDUSTRIAL MULTI-TENANT LEASE

THIS INDUSTRIAL MULTI-TENANT LEASE (the "Lease") dated, for reference purposes only, as of this 11th day of December 2012, is made by and between Huntington Commerce Center, LLC, a California limited liability company (hereinafter the "Landlord"), and Pierside Remodeling, LLC, a California limited liability company (hereinafter the "Tenant"). Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, upon the terms and conditions hereinafter set forth, the rental premises described below.

1. BASIC LEASE

1.1 Premises: Suite Number 104, on the ground floor at 5862 Bolsa Ave., in the City of Huntington Beach, State of California, postal Zip Code 92649 consisting of approximately twenty five hundred and six (2,506) Rentable Square Feet, as defined in Article 2 and as shown on Exhibit "A" hereto (the "Premises"). Rentable Square Feet shall be measured in accordance with the methods specified in the BOMA publication ANSI Z65.1 2010. The Building and Premises shall be measured in accordance with such BOMA standards, provided however, the rentable area shall not include any portion of the Building outside the perimeter walls of the Building or below the ground floor of the Building.

1.2 Building: The Building is commonly described and located at 5862 Bolsa Avenue, in the City of Huntington Beach, County of Orange, State of California, 92649 (the "Building").

1.3 Project: The Building complex where the Premises are located in is commonly known as Huntington CommerceCenter II (the "Project").

1.4 Use: The Tenant shall use the Premises for showroom, office and warehouse use for a kitchen remodeling company and for no other use. No manufacturing or woodworking is permitted. (hereinafter "Tenant's Permitted Use").

1.5 Term: The Term shall be for thirty six (36) months, commencing on March 1, 2013 ("Commencement Date"), and ending February 29, 2016 ("Expiration Date").

1.6 Base Rent: The initial Base Rent payable pursuant to Section 1.15, and Article 4 below shall be One Dollar and Five Cents (\$1.05) per rentable square foot, payable in equal monthly installments of Two Thousand Six Hundred and Thirty One Dollars and Thirty Cents (\$2,631.30), payable on the first day of each month.

1.10 Security Deposit: Tenant shall deposit with Landlord the sum of Five Thousand Two Hundred and Sixty Two Dollars and Sixty Cents (\$5,262.60) at the time of Lease signing which shall be held by Landlord as Security Deposit subject to the terms and conditions of Article 5 below. Such amount to be payable to Landlord only by cashier's check or wire transfer.

1.11 Tenant's Share of Operating Expense Increase: Subject to Article 6 below, Tenant's initial monthly estimated proportionate share for Operating Expenses, Real Property Taxes, and Insurance (herein after collectively the "Operating Expense Increase") shall be estimated at thirteen and 96/100 percent (13.96%) payable on the first day of each month. It is hereby understood and agreed that such expenses shall not be "capped" or otherwise reduced and/or limited during any period of the Lease Term, as such term may be extended. Tenant further understand that Landlord makes no representation or warranties and cannot guarantee what such charges will be at the onset of the Lease or during any period of the Lease Term, as such term may be extended.

1.12 Base Year: Tenant's Base Year for Operating Expenses shall be 2013.

1.13 Lease Commencement Date: The Lease Commencement Date shall be March 1, 2013.

1.14 Rent Commencement Date: The Rent Commencement Date shall be the Lease Commencement Date.

1.15 Early Occupancy: Provided that Tenant and its agents do not unreasonably interfere with the work being performed by Landlord's contractor in the Building and Premises, Landlord shall allow Tenant access to the Building and Premises upon execution of this Lease and prior to the commencement of the Term for the purposes of Tenant installing its furniture, fixtures and equipment for the operation of its business. Tenant shall not be required to pay Rent for the period of early access to complete work in the Premises, however, all other terms and conditions of this Lease shall apply. Tenant shall hold Landlord harmless from and against any loss or damage to the Building or Premises and against any injury to any persons caused by Tenant's actions pursuant to this early access to the Premises.

1.16 Prepaid Rent Upon Execution: Upon Tenant's execution of the Lease, Tenant shall deposit with Landlord the sum of Two Thousand Six Hundred Thirty-One and 30/100 Dollars (\$2,631.30) which shall be applied towards Base Rent (as defined below) for March 2013.

2. PREMISES

2.1 Condition of Premises. Tenant shall and does accept the Premises in a strictly "AS-IS" condition. Tenant has heretofore inspected the Premises, is fully aware of, and does hereby approve the condition thereof subject to the completion of Landlord's work if any described in the Work Letter, attached hereto as Exhibit "C". Tenant acknowledges that Landlord makes no warranties, expressed or implied, concerning the condition, fitness for use or intended use (included the use set forth herein), or otherwise, except the warranty of title and authority to make this Lease, and that Tenant has not relied upon any statements, commitments or claims made by or on behalf of Landlord. Notwithstanding the previous, Landlord shall deliver the Premises in a "broom clean condition" and warrants that for thirty days from the Lease Commencement Date all building systems such as HVAC, lighting, plumbing, etc. are in good working order.

Notwithstanding anything to the contrary contained elsewhere in this Lease, Landlord shall perform tenant improvements pursuant to the Work Letter at Landlord's expense. Tenant to be solely responsible for the remainder of tenant improvements and costs, if any. It is hereby understood that Tenant intends to take possession of the Premises in an as-is condition subject to any work to be provided by Landlord pursuant to Exhibit "C" of this Lease. Notwithstanding anything to the contrary contained in this document or the exhibits attached hereto, Landlord shall not be responsible or suffer any loss for and Tenant shall not be entitled to any abatement or relief of any amounts owed Landlord for any type of disruption and/or inconvenience of any nature whatsoever suffered by Tenant or Tenant's business as a result of Landlord or Landlord's agents performing the improvements pursuant to the Work Letter attached hereto as Exhibit "C".

2.2 Tenant's Plans. Tenant shall, at its cost, upon delivery to it of the Premises, but after receipt of: (a) Landlord's approval of Tenant's plans and specifications therefor; and (b) all approvals and permits from the appropriate governmental authorities having jurisdiction, commence and diligently complete the Premises and install therein its improvements, equipment, apparatus, machinery, fixtures, trade fixtures and personal property as necessary for the full and complete operation and conduct by Tenant of its business.

Prior to the commencement of the aforesaid completion and installation by Tenant, Tenant shall submit to Landlord, for Landlord's approval, plans and specifications for the same. Such plans and specifications shall include, but shall not be limited to, Tenant's signage, wall and floor surfaces and coverings, ceiling surfaces and coverings, and all light fixtures to be used by Tenant in the Premises and Landlord shall have full rights of approval of all. It being the intent of the parties that (in addition to all other rights of approval provided in this Lease) Landlord shall have full rights of approval of all interior and exterior elements of the Premises visible to customers, or to guests of Tenant or of the Building or Project. Said plans and specifications shall be prepared by Tenant, at its cost, in conformity with the provisions hereof, and with any design and/or sign criteria submitted by Landlord. In order to properly review said plans and specifications, Landlord reserves the right to retain or hire an architect, engineer and/or other consultants; in such event, the reasonable cost and expense of such professional fees shall be reimbursed by Tenant to Landlord. The review of said plans and specifications by any such architect, engineer and/or consultant shall be for the sole benefit of Landlord; Tenant shall strictly and solely rely upon its own architects, engineers and consultants in the preparation of its plans and specifications. The aforesaid approval of Landlord shall be granted in Landlord's sole discretion, and Landlord's approval, once granted, shall not be deemed to be the approval of any governmental authority.

2.3 Early Occupancy. If Tenant occupies the Premises prior to the Lease Commencement Date, such occupancy shall be subject to all provisions of this Lease, such occupancy shall not advance the Lease termination date.

2.4 Roof and Exterior Walls. Landlord reserves the right to use the roof and exterior walls of the Premises, and the area beneath, adjacent to and above the Premises, together with the right to install, use, maintain and replace equipment, machinery, pipes, conduits and wiring through the Premises, which serve other parts of the Project, in a manner and in locations which do not unreasonably interfere with Tenant's use of the Premises. No light, air or view easement is created by this Lease.

3. LEASE TERM

3.1 Term. The Lease shall be for a period of time equal to the Lease Term; provided however, that in the event the Rent Commencement Date falls on a date other than the first day of a month, the Lease Term hereof shall be extended to the last day of the month in which the lease term would expire. Following the Lease Commencement Date, Landlord shall deliver to Tenant a written statement as shown on Exhibit "F", Acknowledgement of Rent Commencement Date, attached hereto. Tenant shall execute said statement and deliver it to Landlord within ten (10) days following the receipt of said written statement. The Lease is a binding legal document upon the signature and delivery of said document from Landlord, to Tenant and all guarantors, if any (hereinafter the "Lease Effective Date").

3.2 Delay in Possession. Notwithstanding the Commencement Date, if for any reason Landlord cannot deliver possession of the Premises to Tenant within sixty (60) days from Lease Commencement, Landlord shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or the obligations of Tenant hereunder or extend the Term hereof, but, in such case, Tenant shall not be obligated to pay Base Rent or perform any other obligation of Tenant under the terms of this Lease, except as may otherwise be provided for in this Lease, until possession of the Premises is tendered to Tenant, as hereinafter defined; provided, however, that if Landlord shall

not have delivered possession of the Premises within sixty (60) days following said Commencement Date, Landlord and/or Tenant may elect with ten (10) days written notice to either party, to cancel this Lease, in which event the parties shall be discharged from all obligations hereunder; provided, however, that, as to Tenant's obligations, Tenant first reimburses Landlord for all costs incurred for Non-Standard Improvements and, as to Landlord's obligations, Landlord shall return any money previously deposited by Tenant (less any offsets due Landlord for Non-Standard Improvements); and provided further, that if such written notice by Tenant is not received by Landlord within said ten (10) day period, Tenant's right to cancel this Lease hereunder shall terminate and be of no further force or effect.

4. RENT

4.1 Base Rent. Tenant agrees to pay to Landlord, at the times and in the manner herein provided, the Base Rent. Base Rent shall commence upon the Rent Commencement date and shall be payable on the first day of each succeeding calendar month, without notice, demand or offset whatsoever, commencing upon the Rental Commencement Date as provided in Article 1.6, except that the first installment of Base Rent and the Security Deposit shall be paid upon the execution of this Lease.

If the Rental Commencement Date falls on a day of the month other than the first day of such month, the rental for the first fractional month shall accrue on a daily basis for the period from the Rental Commencement Date to the end of such calendar month at a rate equal to 1/30 of the said Base Rent for each such day. All other payments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

All Taxes and Insurance Expenses, Common Area Expenses (and or NNN Estimates), late payment fees, interest and all other sums of money or charges required to be paid pursuant to this Lease shall be deemed collectively hereinafter as Additional Rent, and in any Notice to Pay Rent or Quit the Premises, Landlord may include and designate same as Rent then past due and owing, if such be the case. Notwithstanding anything to the contrary, any monies due to the Landlord including but not limited to Base Rent, Additional Rent, and other charges shall be collectively hereinafter considered Rent. All Rent shall be paid by Tenant in then lawful currency of the United States of America and shall be paid to Landlord at the address specified for service of notices upon Landlord, or at such other places as may from time to time be designated by Landlord in writing.

4.2 Base Rent Adjustment. The monthly Base Rent payable during the Lease Term shall be as follows:

Period	Base Rate / Rentable Square Foot	Monthly Base Rent
March 1, 2013 through February 28, 2014	\$1.05	\$2,631.30
March 1, 2014 through February 28, 2015	\$1.08	\$2,706.48
March 1, 2015 through February 29, 2016	\$1.12	\$2,806.72

5. SECURITY DEPOSIT

Tenant shall deposit with Landlord upon execution hereof the Security Deposit (or the "Deposit") set forth in Article 1.10, above, as security for Tenant's faithful performance of Tenant's obligations hereunder. If Tenant fails to pay Rent or other charges due hereunder, or otherwise Defaults with respect to any provision of this Lease, Landlord may use, apply or retain all or any portion of said Security Deposit for the payment of any Rent or other charge in Default or for the payment of any other sum to which Landlord may become obligated by reason of Tenant's Default, or to compensate Landlord for any loss or damage which Landlord may suffer thereby. If Landlord so uses or applies all or any portion of said Deposit, Tenant shall within ten (10) days after written demand therefor deposit cash with Landlord in an amount sufficient to restore said Deposit to the full amount then required of Tenant. If the monthly Base Rent shall, from time to time, increase during the Term of this Lease, Tenant shall, at the time of such increase, deposit with Landlord additional money as a Security Deposit so that the total amount of the Security Deposit held by Landlord shall at all times bear the same proportion to the then current Base Rent as the initial Security Deposit bears to the initial Base Rent set forth in Section 1.6 above. Landlord shall not be required to keep said Security Deposit separate from its general accounts. If Tenant performs all of Tenant's obligations hereunder, said Deposit, or so much thereof as has not heretofore been applied by Landlord, shall be returned, without payment of interest, or other increment for its use, to Tenant, (or, at Landlord's option, to the last assignee, if any, of Tenant's Interest hereunder) at the expiration of the Term hereof, and after Tenant has vacated the Premises. No trust relationship is created herein between Landlord and Tenant with respect to said Security Deposit.

6. OPERATING EXPENSES

6.1 Share Of Operating Expenses. Tenant shall pay to Landlord during the Term hereof, in addition to the Base Rent, "Tenant's Share" of the amount by which all "Operating Expenses" for each "Comparison Year" exceeds the amount of all Operating Expenses for the "Base Year" (as such terms are hereinafter defined) such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

(a) "Tenant's Share" is defined, for purposes of this Lease, as the percentage set forth in Article 1.11 above, which percentage has been determined by dividing the approximate square footage of the Premises by the total approximate square footage of the rentable space contained in the Building, multiplied by

ninety-five percent (95%). It is understood and agreed that the rentable square footage assessment for the Premises is an approximation which Landlord and Tenant agree is reasonable and shall not be subject to revision except in connection with an actual change in the size of the Premises due to a Landlord caused Premises re-measurement or the Tenant decides to expand or decreases their Premises footprint.

(b) "Base Year" is defined in Section 1.12 above;

(c) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year. Tenant's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease term shall be prorated according to that portion of such Comparison Year as to which Tenant is responsible for a share of such increase.

(d) "Operating Expenses" is defined, for purposes of this Lease, to include all expenses, costs and fees paid or incurred by Landlord in the exercise of its reasonable discretion during any calendar year during the Term hereof in connection with or attributable to the Building, for:

(i) The ownership, operation, management, repair, maintenance, and replacement, in neat, clean, safe, good order and condition, of the Project, including but not limited to, the following:

(aa) The Common Areas, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, lighting facilities, building exteriors, foundations, walls, structural systems, roofs, fences and gates and other portions of the Project;

(bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, telecommunication and other equipment used in common by, or for the benefit of tenants or occupants of the Building, including, if applicable tenant directories, fire detection systems including sprinkler system maintenance and repair.

(ii) Trash disposal and security services, if any;

(iii) Any other service to be provided by Landlord that is elsewhere in this Lease stated to be an "Operating Expense";

(iv) The cost of the premiums for the insurance policies to be maintained by Landlord under Article 13 hereof and any deductible portion of an insured loss concerning any of the Items or matters;

(v) The amount of the real property taxes and assessments to be paid by Landlord under Article 15 hereof;

(vi) The cost of water, sewer, gas, electricity, and other publicly mandated services to the Building that is not individually metered to tenants of the Project;

(vii) Labor, salaries and applicable fringe benefits and costs, materials, supplies and tools, used in supervising, maintaining and/or cleaning the Building and accounting and a management fee attributable to the operation of the Building;

(viii) Replacing and/or adding improvements mandated by any governmental agency and any repairs or removals necessitated thereby amortized over their useful life according to Federal Income Tax regulations or guidelines for depreciation thereof (including interest on the unamortized balance as is then reasonable in the judgment of Landlord's accountants);

(ix) Replacing and /or adding improvements that promote cost savings in connection with the operation, maintenance or repair of the Building and those that enhance security and/or safety at the Building amortized in equal annual installments over the useful life of the improvement;

(x) Replacements of equipment or improvements that have a useful life for depreciation purposes according to Federal Income Tax guidelines of five (5) years or less, as amortized over such life;

(xi) An allowance for Landlord's supervision of the Project and said Common Areas in an amount equal to ten percent (10%) of the total Operating Expenses.

(e) Operating Expenses shall not include the costs of replacement of equipment or improvements that have a useful life for Federal Income Tax purposes in excess of five (5) years unless they are of the type described in Article 6.3(d)(viii), in which case their cost shall be included as above provided.

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

(g) Tenant's Share of the Operating Expense Increase shall be payable by Tenant within ten (10) days after a statement of actual Operating Expenses is presented to Tenant by Landlord. At Landlord's option, however, an amount may be estimated by Landlord from time to time in advance of Tenant's Share of the Operating Expense Increase for any Comparison Year and the same shall be payable monthly or quarterly, as Landlord shall designate, during each Comparison Year of the Lease Term, on the same day as the Base Rent is due hereunder. In the event that Tenant pays Landlord's estimate of Tenant's Share of Operating Expense Increase as aforesaid, Landlord shall deliver to Tenant within sixty (60) days after the expiration of each Comparison Year a statement showing Tenant's Share of actual Operating Expense Increase incurred during such year. Any such statement(s) delivered by Landlord pursuant to this Article shall be binding unless objected to by Tenant within thirty (30) days after receipt thereof. Any Tenant objection shall be in writing and shall specify in detail the respects in which the statement is claimed to be incorrect. Tenant's objection to the statement does not excuse Tenant from its obligation to timely pay sums due pursuant to the statement. Within sixty (60) days of Landlord's receipt of Tenant's objection, Tenant shall have the right to inspect, at Landlord's offices and at a mutually agreed upon time, Landlord's books and records which directly relate to any such disputed item(s). If Tenant's payments under this Article during said Comparison Year exceed Tenant's Share as indicated on said statement, Tenant shall be entitled to credit the amount of such overpayment against Tenant's Share of Operating Expense Increase next falling due.

Tenant's sole and exclusive remedy for a claim that Landlord overcharged Operating Expenses shall be the audit rights described herein and said credit. Tenant shall maintain the confidentiality of any information gained from its review of Landlord's books and records, except it may disclose such information to its accountant's, attorneys and as required by law. Nothing contained herein shall be deemed to allow a review of Landlord's books by any subtenant of Tenant.

Notwithstanding anything to the contrary, Landlord's failure to collect Tenant's share of Operating Expenses or failure to send statements to Tenant on a timely basis shall not be deemed a waiver of Landlord's right to collect same. If Tenant's payments under this Article during any given year were less than Tenant's Share as indicated on said statement, Tenant shall pay to Landlord the amount of the deficiency within ten (10) days after notice to Tenant. Landlord and Tenant shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Tenant is responsible as to any Operating Expense Increases, notwithstanding that the Lease Term may have been terminated before the end of such Comparison Year.

(h) Any cost or expense included in Operating Expenses which is attributable to Common Area shall be prorated by Landlord to the Building based on the proportion which the total square footage of the Building bears to the total square footage of all buildings in the Project from time to time or by such other fair and reasonable method of allocation based on use or benefit as Landlord may determine, except that, with regard to taxes, Landlord may use such allocation of taxes among various parcels in the Project as may have been used by the taxing authority.

(i) The inclusion of any of the improvements, facilities and services set forth in this Article 4.3 shall not be deemed to impose an obligation upon Landlord to either have said improvements or facilities or to provide those services unless the Project already has the same, Landlord already provides the services, or Landlord has agreed elsewhere in this Lease to provide some or all of said improvements, facilities or services.

(j) Notwithstanding anything to the contrary, if Landlord makes any capital improvements pursuant to the requirements of the Americans With Disabilities Act of 1990 ("ADA"), as same may be amended from time to time, such improvements shall not be charged to Tenant. Notwithstanding the foregoing, Tenant shall be responsible for Tenant's share of any and all costs for ADA related capital improvements required to be performed in connection with the build-out of Tenant's space pursuant to the Work Letter attached hereto in Exhibit "C" (such costs to be included as part of the improvement allowance, if any, referenced in Article 36) or as a result of or in connection with Tenant's particular manner of conduct of business at the Project. Tenant acknowledges that Landlord is not making any representations or warranties as to the current or future compliance and/or non-compliance of any portion of the Project with ADA.

7. PERMITTED USE

7.1 Use. The Premises shall be used and occupied only for the purpose set forth in Section 1.4 above. Tenant shall not use or permit the Premises to be used for any other purpose without Landlord's prior written consent, which may be granted or withheld in Landlord's sole discretion.

7.2 Compliance with Law.

(a) Tenant, at Tenant's expense, shall comply with all laws, rules, ordinances, directions, regulations and requirements of federal, state, county and municipal authorities, now in force or which may hereafter be in force, which shall impose any duty upon Landlord or Tenant with respect to the use, occupation, or alteration of the Premises.

(b) Tenant shall, at Tenant's expense, promptly comply with all applicable statutes, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements of any fire insurance underwriters or rating bureaus, now in effect or which may hereafter come into effect, whether or not they reflect a change in policy from that now existing, during the Term or any part of the Term hereof, relating in any manner to the Premises and the occupation and use by Tenant of the Premises, the Building and the Common Areas. Tenant shall

conduct its business in a lawful manner and shall not use or permit the use of the Premises, the Building or the Common Areas in any manner that will tend to create waste or a nuisance or shall tend to disturb other tenants of the Project.

8. PARKING

8.1 Parking. So long as Tenant is not in Default, and subject to the rules and regulations attached hereto, and as established by Landlord from time to time, Tenant, for the use and benefit of Tenant, its agents, employees, customers, licensees, invitees, and subtenants (collectively "Permittees") shall have the nonexclusive right in common with Landlord, and other present and future owners, tenants and their agents, employees and customers, licensees and subtenants, to use the common parking area of the Project during the entire Term of this Lease, and any extension hereof, for ingress and egress, roadway, sidewalk and automobile parking.

Tenant's Permittees shall use no more than five (5) parking spaces at any given time. Tenant's Permittees shall park their automobiles immediately adjacent to the Premises and shall not park or allow their automobiles to be parked in roadways or areas set aside by Landlord for ingress, egress or other uses in connection with the Project. Tenant shall not be entitled to any "Reserved" parking spaces. Parking spaces at the Project shall be used only for parking of vehicles no larger than full size passenger automobiles or pick-up trucks, herein called "Permitted Size Vehicles." Tenant is prohibited from servicing any vehicles at the Project and/or the Premises. Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles." The amount due for parking, if any, for any period during the Term hereof which is for less than one (1) month shall be prorated based on a 30-day month.

Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or by any suppliers, shippers or other Permittees to be loaded, or parked in areas other than those designated by Landlord for such activities.

8.2 Violation for Parking If Tenant commits, permits or allows any of the prohibited activities described in the Lease or in the rules and regulations then in effect, Landlord 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 full cost to Tenant, which cost shall be immediately payable upon demand by Landlord.

9. COMMON AREAS.

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

9.2 Common Areas - Tenant's Rights. Landlord hereby grants to Tenant, for the benefit of Tenant and its employees, suppliers, shippers, customers and invitees, during the Term of this Lease and any extension hereof, 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 Landlord under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to Tenant to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord 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 Tenant, which cost shall be immediately payable upon demand by Landlord.

9.3 Common Areas - Rules and Regulations. Tenant agrees to abide by and conform to the Rules and Regulations attached hereto as Exhibit "B" with respect to the Project and Common Areas, and to cause its employees, suppliers, shippers, customers and invitees to so abide and conform. Landlord or such other person(s) as Landlord may appoint shall have the exclusive control over the Common Areas and the management thereof and shall have the right from time to time to establish, modify, amend and enforce said rules and regulations. Tenant agrees to comply with all such rules and regulations, and to cause its employees, suppliers, shippers, customers, and invitees to comply with such rules and regulations. Landlord shall not be responsible to Tenant for the non-compliance with said rules and regulations by other tenants, their agents, employees and invitees of the Project.

9.4 Common Areas - Changes. Landlord shall have the right, in Landlord's sole discretion, from time to time provided reasonable access to the Building and the Premises remains available:

(a) To make changes to the Building and Common Areas, including, without limitation, changes in the location, size, shape, number, and appearance thereof, including but not limited to the windows, number and boundaries of driveways, traffic lanes, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas and walkways and the direction of traffic driving into or out of the parking areas of the Project;

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

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

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

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

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

9.5 Tenant's Operation

(a) Tenant may not keep or store its merchandise, equipment, or property outside the defined exterior walls and permanent doorways of the Premises.

(b) Tenant shall not install any exterior lighting, amplifiers or similar devices; or use in or about the Premises any advertising medium which may be heard or seen outside the Premises, such as flashing lights, searchlights, loudspeakers, phonographs or radio broadcasts.

(c) On termination of Tenant's tenancy, all keys shall be delivered to Landlord and any and all personal property left in the Premises shall become the property of Landlord and Tenant waives, releases and forever discharges Landlord from any and all claims, liability and expense with respect to such personal property.

(d) No rubbish, containers, pallets, or debris are to be left outside of the Premises. All refuse is to be placed in designated trash bins. Any debris is subject to immediate removal by Landlord at Tenant's expense. Tenant (a) will pay for the removal of trash and debris created, produced or resulting from Tenant's activities where the volume of such trash and debris exceeds two (2) cubic yards per week, and (b) properly identify, classify and label cleaning solvents, oil, paint, antifreeze, etc. for transport pursuant to applicable laws and regulations (specifically, the state health and safety codes, hazardous waste manifest).

(e) Tenant shall not conduct or permit to be conducted any sale by auction of said Premises. Tenant shall not place or permit to be placed any projecting sign, marquee, or awning on the front of said Premises without the written consent of Landlord. Tenant, upon the request of Landlord, shall immediately remove any sign or decoration which Tenant has placed or permitted to be placed in, on or about the front of the Premises and which, in the opinion of Landlord, is objectionable or offensive; and if Tenant fails to do so, Landlord may enter upon said Premises and remove said item; and Tenant shall not place or permit to be placed upon any side wall, rear wall, any window, or roof, any sign, advertisement, or notice without the written consent of Landlord, to be given or withheld in Landlord's sole and absolute discretion.

(f) There will be no overnight storage of vehicles or trailers in the parking lot. Vehicles used and moved on a daily basis are exempt. There will be no storage of wrecked or damaged cars at any time. Tenant will not work in the parking lot or common areas. All work must be confined within the Premises.

10. HAZARDOUS MATERIALS

10.1 Definition. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, materials, including any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "toxic substances" or similar term now or subsequently regulated under any applicable federal, state or local laws or regulations including, without limitation, petroleum based products, paints, solvents, lead, cyanide, DDT, printing inks, acids, pesticides, ammonia compounds, and other chemical products, asbestos, PCBs and similar compounds, and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

10.2 No Storage. Except for the routine use and storage of common office products, Tenant shall not cause or permit any Hazardous Materials to be generated, produced, brought upon, used, stored, treated or disposed of in or about the Premises, the Building or the Project by Tenant, its agents, employees, contractors, sublessees or invitees.

10.3 Compliance with Laws. Tenant shall comply with all Federal, state and local laws, rules, regulations, orders and ordinances pertaining to Hazardous Materials and Tenant shall, at its own cost and expense, promptly take any and all necessary investigatory and/or remedial action required or ordered in connection with any release of any Hazardous Materials or contamination of the Premises, the Project or elements surrounding the same by Tenant, its agents, employees, assignees, sublessees, contractors or invitees. Tenant shall promptly notify Landlord and shall provide Landlord with copies of the following relating to Hazardous Materials with respect to the Premises: notices of

violation or potential violation, notices to comply, citations, inquiries, reports filed pursuant to self-reporting requirements and reports filed pursuant to any law or regulation, permits and permit applications.

10.4 Indemnification. Tenant shall at its sole cost and expense indemnify defend (with counsel reasonably acceptable to Landlord) and hold Landlord, its agents, employees, partners, lenders, ground lessee, if any harmless from any and all actions, liabilities, claims, demands, causes of action, expenses, costs, penalties and damages of any kind including, but not limited to, attorney's fees and the cost of any investigation, remediation, clean-up and/or abatement arising out of or resulting from the release of Hazardous Material in or about the Premises or Project or the violation of any law relating to the use, storage or release of any Hazardous Material by Tenant or its agents, employees, contractors, assignees, sublessees, contractors or invitees. No release agreement entered into by Landlord and Tenant nor any termination, cancellation or cessation of this Lease shall release Tenant from its obligations under this Article, unless such release agreement expressly sets forth Landlord's intention to release Tenant from its obligations hereunder for Hazardous Material.

10.5 Right of Inspection. Landlord and Landlord's agents shall have the right to enter the Premises to inspect, monitor and/or take remedial action with respect to Hazardous Material in, on, under or affecting the Premises, or to discharge Tenant's obligations hereunder with respect to Hazardous Materials when Tenant has failed to do so within the time specified by Landlord.

10.6 California Code. In accordance with the California Health and Safety Code, Section 25359.7(b), if Tenant has knowledge, or has reasonable cause to believe, that any Hazardous Materials have come to be located on, under or about the Premises, Tenant shall, upon discovery of the presence or suspected presence of Hazardous Materials, immediately give written notice of that condition to Landlord. Failure of Tenant to provide written notice to Landlord as herein defined shall make this agreement and this Lease voidable at the discretion of Landlord. If Tenant has knowledge of the presence of any Hazardous Materials located on, under or about the Premises and knowingly and willfully fails to provide written notice to Landlord when herein defined, Tenant may be liable for a civil penalty by governmental authorities not to exceed Five Thousand and 00/100 Dollars (\$5,000.00) for each separate violation.

11. MAINTENANCE AND REPAIRS

11.1 Landlord's Obligations. Landlord shall keep in good condition and repair the foundations, exterior walls, structural condition of interior bearing walls, and roof of the Premises, as well as the parking lots, walkways, driveways, landscaping, fences, signs and utility installations of the Common Areas and all parts thereof. Landlord shall not, however, be obligated to paint the exterior or interior surface of exterior walls, nor shall Landlord be required to maintain, repair, or replace windows, doors, or plate glass of the Premises. Landlord shall have no obligation to make repairs under this Section until a reasonable time after receipt of written notice from Tenant of the need for such repairs. There shall be no abatement of Rent or liability of Landlord on account of any injury or interference with Tenant's business with respect to any Improvements, alterations or repairs made by Landlord to the Project or any part thereof. Tenant expressly waives the benefits of California Civil Code Sections 1941-1942 or any other statute or law now or hereafter in effect which would otherwise afford Tenant the right to make repairs at Landlord's expense or to terminate this Lease because of Landlord's failure to keep the Premises in good order, condition and repair. Landlord shall not be liable for damages or loss of any kind or nature by reason of Landlord's failure to furnish any Common Area services when such failure is caused by accident, breakage, repairs, strikes, lockout, or other labor disturbances or disputes of any character, or by any other cause beyond the reasonable control of Landlord.

11.2 Tenant's Obligations.

(a) Tenant's expense, shall keep in good order, condition and repair the Premises and every part thereof (whether or not the damaged portion of the Premises or the means of repairing the same are reasonably or readily accessible to Tenant) including, without limiting the generality of the foregoing, all plumbing, heating, ventilating and air conditioning systems (Tenant shall procure and maintain, at Tenant's expense, a ventilating and air conditioning system maintenance contract), electrical and lighting facilities and equipment within the Premises, fixtures, interior walls and interior surfaces of exterior walls, ceilings, windows, doors, plate glass and skylights located within the Premises. Landlord reserves the right to procure and maintain the ventilating and air conditioning system maintenance contract and if Landlord so elects, Tenant shall reimburse Landlord, upon demand, for the cost thereof. Tenant hereby waives Sections 1941 and 1942 of the California Civil Code.

(b) If Tenant fails to perform Tenant's obligations under this Article or under any other Article of this Lease, Landlord may enter upon the Premises after five (5) days' prior written notice to Tenant (except in the case of emergency, in which case no notice shall be required), perform such obligations on Tenant's behalf and put the Premises in good order, condition and repair, and the cost thereof together with interest thereon at the maximum rate then allowable by law shall be due and payable as additional rent to Landlord together with Tenant's next Base Rent installment.

(c) On the last day of the Term thereof, or on any sooner termination, Tenant shall surrender the Premises to Landlord in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Any damage or deterioration of the Premises shall not be deemed ordinary wear and tear if the same could have been prevented by good maintenance practices. Tenant shall repair any damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, alterations, furnishings and equipment. Notwithstanding

anything to the contrary otherwise stated in this Lease, Tenant, upon surrender of the Premises, shall leave the air lines, power panels, electrical distribution systems, lighting fixtures, space heaters, air conditioning, plumbing and fencing on the Premises in good operating condition.

12. ALTERATIONS

12.1 Written Consent. Tenant shall not, without Landlord's prior written consent, make any alterations, improvements, additions, Utility Installations or repairs in, on or about the Premises, the Building, or the Project. As used in this Article the term "Utility Installations" shall mean floor coverings, window and wall coverings, air lines, power panels, electrical distribution systems, lighting fixtures, air conditioning, plumbing, fencing and telephone and telecommunication wiring and equipment. At the expiration of the Term or early termination of this Lease, Landlord may require the removal of any or all of said alterations, improvements, additions or Utility Installations, and the restoration of the Premises and the Building to their prior condition, at Tenant's expense. Should Landlord permit Tenant to make its own alterations, improvements, additions or Utility Installations, Tenant shall use only such contractor as has been expressly approved by Landlord, and Landlord may require Tenant to provide Landlord, at Tenant's sole cost and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such alterations, improvements, additions or Utility Installations, to insure Landlord against any liability for mechanics' and materialmen's liens and to insure completion of the work. Tenant shall carry Builders All Risk Insurance, or equivalent insurance, in an amount covering the construction of any alterations, improvements or additions and provide evidence of the same to Landlord prior to commencement of such work. Contractors retained by Tenant shall also maintain workers compensation insurance and commercial general liability insurance satisfactory to Landlord. Prior to the commencement of work, Tenant shall present to Landlord certificates of insurance from each of its contractors setting forth their insurance coverage and identifying Landlord as certificate holder and shall also provide endorsements naming Landlord and Tenant as additional insureds under the liability policies of each contractor. Should Tenant make any alterations, improvements, additions or Utility Installations without the prior written approval of Landlord, or use a contractor not expressly approved by Landlord, Landlord may, at any time during the Term of this Lease, require that Tenant remove any part or all of the same.

Tenant shall give Landlord thirty (30) days written notice of its intention to make Any alterations, improvements, additions or Utility Installations in or about the Premises or the Building that Tenant shall desire to make and Tenant shall provide with the notice detailed and complete plans for the proposed work. Tenant shall reimburse Landlord for the reasonable fees and costs of any architects engineers, or other consultants retained by Landlord to review the proposed work. Landlord's approval of the plans, specifications and working drawings for Tenant's alterations, improvements, additions or Utility Installations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. If Landlord shall give its consent to Tenant's making such alterations, improvements, additions or Utility Installations, the consent shall be deemed conditioned upon Tenant acquiring a permit to do so from the applicable governmental agencies, furnishing a copy thereof to Landlord prior to the commencement of the work, and compliance by Tenant with all conditions of said permit in a prompt and expeditious manner. Tenant shall only use licensed contractors approved, in writing, by Landlord.

12.2 Liens. Tenant shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises, the Building or the Project, or any interest therein. Tenant shall keep the Premises, the Building and Project free and clear of mechanics liens and materialmen's liens and other liens related to work done or materials ordered or installed by or for Tenant. After Landlord's approval of the proposed work, Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of the work in the Premises. Landlord shall have the right to post notices of non-responsibility in or on the Premises or the Building as provided by law. If Tenant shall, in good faith, contest the validity of any such lien, claim or demand, then Tenant shall, at its sole expense defend itself and Landlord against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against Landlord or the Premises, the Building or the Project, upon the condition that if Landlord shall require, Tenant shall furnish to Landlord a surety bond satisfactory to Landlord in an amount equal to such contested lien, claim or demand indemnifying Landlord against liability for the same and holding the Premises, the Building and the Project free from the effect of such lien, claim or demand. In addition, Landlord may require Tenant to pay Landlord's reasonable attorneys' fees and costs in participating in such action if Landlord shall decide it is to Landlord's best interest so to do.

12.3 Alterations. All alterations, improvements, additions and Utility Installations which may be made to the Premises by Tenant, including but not limited to, floor coverings, paneling, doors, drapes, built-ins, moldings, sound attenuation, and lighting and telephone or communication systems, conduit, wiring and outlets, shall be made and done in a good and workmanlike manner and of good and sufficient quality and materials and shall be the property of Landlord and remain upon and be surrendered with the Premises at the expiration or early termination of the Lease Term, unless Landlord requires their removal. Provided Tenant is not in Default, notwithstanding the provisions of this Article, Tenant's personal property, trade fixtures and equipment, other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises or the Building, and other than Utility Installations, shall remain the property of Tenant and may be removed by Tenant.

Upon completion of any alteration or addition, Tenant shall promptly deliver to Landlord evidence of full payment and unconditional final waivers of all liens for labor, services or materials and shall provide Landlord with as-built

plans and specifications and copies of building permits, if any, with sign-offs for any alterations, improvements, additions or Utility Installations.

12.4 Utility Additions. Landlord reserves the right to install new or additional utility facilities throughout the Project and the Common Areas for the benefit of Landlord or Tenant, or any other tenant of the Project, including but not by way of limitation, such utilities as plumbing, electrical systems, security systems, communication systems, and the fire protection and detection systems, so long as such installations do not unreasonably interfere with Tenant's use of the Premises.

13. INSURANCE

13.1 Liability Insurance - Tenant. Tenant shall, at Tenant's expense, obtain and keep in force during the Term of this Lease a policy of Combined Single Limit Bodily Injury Insurance with limits of not less than \$2,000,000 insuring Tenant and Landlord against any liability arising out of the use, occupancy or maintenance of the Premises and the Project and property damage liability insurance with a limit of not less than \$2,000,000 per occurrence. The policy shall insure performance by Tenant of the indemnity provisions of this Article. The limits of said insurance shall not, however, limit the liability of Tenant hereunder.

13.2 Liability Insurance - Landlord. Landlord shall, as part of Operating Expenses, obtain and keep in force during the Term of this Lease a policy of Combined Single Limit Bodily Injury and Broad Form Property Damage Insurance, plus coverage against such other risks Landlord deems advisable from time to time, insuring Landlord, but not Tenant, against any liability arising out of the ownership, use, occupancy or maintenance of the Project in an amount not less than \$1,000,000 per occurrence.

13.3 Property Insurance - Tenant. Tenant shall, at Tenant's expense, obtain and keep in force during the Term of this Lease for the benefit of Tenant, replacement cost fire and extended coverage insurance, with vandalism and malicious mischief, sprinkler leakage and earthquake sprinkler leakage endorsements, in an amount sufficient to cover not less than one hundred percent (100%) of the full replacement cost, as the same may exist from time to time, of all of Tenant's personal property, fixtures, equipment and tenant improvements.

13.4 Property Insurance - Landlord. Landlord shall obtain and keep in force during the Term of this Lease a policy or policies of insurance covering loss or damage to the Project improvements, but not Tenant's personal property, fixtures, equipment or tenant improvements, in an amount equal to at least eighty percent (80%) of the full replacement cost thereof, as the same may exist from time to time providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, plate glass, flood and other perils such as earthquake and terrorism as Landlord deems advisable or as may be required by a lender having a lien on the Project. In addition, Landlord shall, as part of Operating Expenses, obtain and keep in force during the Term of this Lease a policy of rental value insurance covering a period of one (1) year, with loss payable to Landlord, which insurance shall also cover all Operating Expenses for said period. Tenant shall not be named in any such policies carried by Landlord and shall have no right to any proceeds therefrom. The policies required by this Article shall contain such deductibles as Landlord or the aforesaid lender may determine. In the event that the Premises shall suffer an insured loss, the deductible amounts under the applicable insurance policies shall be deemed an Operating Expense and shall be paid by Tenant. Tenant shall not do or permit to be done anything which shall invalidate the insurance policies carried by Landlord.

13.5 Insurance Policies. All policies of insurance provided for in this Article shall be issued by insurance companies with a general policy holder's rating of not less than A- and a financial rating of not less than Class X as rated in the most current available Best's Insurance Reports and qualified to do business in the State of California. All such policies shall be issued in the names of Landlord, as an additional insured, and Tenant, and if requested by Landlord, Landlord's lenders as additional insured, which policies shall be for the mutual and joint benefit and protection of Landlord, Tenant and Landlord's lenders. Executed copies of such policies of insurance or certificates thereof shall be delivered to Landlord within ten (10) days prior to delivery of possession of the Premises to Tenant and thereafter at least thirty (30) days prior to the expiration of the term of each such policy. All public liability and property damage policies shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees by reason of any act or omission of Tenant or its servants, agents, employees or contractors. As often as any such policy shall expire or terminate, renewal or additional policies shall be procured and maintained by Tenant in like manner and to like extent. All policies of insurance delivered to Landlord must contain a provision that the company writing said policy will give Landlord at least thirty (30) days' notice in writing in advance of any cancellation or lapse of the effective date of any reduction in the amount of insurance. All public liability, property damage, or other casualty policies shall be written as primary policies, not contributing with coverage that Landlord may carry.

13.6 Waiver of Subrogation; Cross Liability; Severability of Interests. Tenant and Landlord each hereby release and relieve the other, and waive their entire right of recovery against the other for loss or damage arising out of or incident to the perils insured against which perils occur in, on or about the Premises, whether due to the negligence of Landlord or Tenant or their agents, employees, contractors and/or invitees. Tenant and Landlord shall, upon obtaining the policies of insurance required, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease. Tenant's general liability policies shall provide cross-liability coverage for Tenant, Landlord and any lender of Landlord and to provide severability of interests.

13.7 Indemnity. To the fullest extent permitted by law Tenant shall indemnify, defend (at Tenant's sole cost and expense with legal counsel approved by Landlord, which approval shall not be unreasonably withheld) and hold harmless Landlord and its agents, members, managers, partners, employees, lenders, and successors and assigns ("collectively Indemnified Parties") from and against any and all claims (including without limitation, claims for bodily injury, death, damages to property, economic losses and consequential damage), demands, obligations, damages, actions, causes of action, suits, liens, losses, judgments, fines, penalties, costs and expenses (including without limitation attorneys' fees and all other professional, expert and consultants' fees and costs) arising from: (a) Tenant's use or occupancy of the Premises or the Project; (b) from the conduct of Tenant's business in or about the Premises or elsewhere; (c) any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease including obligations that survive the expiration or earlier termination of this Lease under the terms of this Lease; (d) any act, error, omission or negligence of Tenant, or any of Tenant's agents, contractors, employees, guests or invitees; and (e) any alteration, work, repairs, activity or thing done, omitted, allowed or suffered by Tenant at the Premises or Project, including without limitation the violation or failure to comply with any law, statute, ordinance, order or judgment. The payment by any of the Indemnified Parties of any sum to Tenant is not required to enforce such parties' rights hereunder. The Tenant's duty to defend shall be wholly independent of and separate from the duty to indemnify. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property of Tenant or injury to persons, in, upon or about the Premises or the Project arising from any cause and Tenant hereby waives all claims in respect thereof against Landlord.

13.8 Exemption of Landlord from Liability. Tenant hereby agrees that Landlord and the Indemnified Parties shall not be liable for injury to Tenant's business or any loss of income therefrom or for loss of or damage to the goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees, customers, or any other person in or about the Premises, the Building, or the Project, nor shall Landlord be liable for injury to the person of Tenant, Tenant's employees, agents or contractors, whether such damage or injury is caused by or results from theft, fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether said damage or injury results from conditions arising upon the Premises or upon other portions of the Project, or from other sources or places, or from new construction or the repair, alteration or improvement of any part of the Project, or of the equipment, fixtures or appurtenances applicable thereto, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible. Landlord shall not be liable for any damages arising from any act or neglect of any other tenant, occupant or user of the Project, nor from the failure of Landlord to enforce the provisions of any other lease of any other tenant of the Project.

13.9. No Representation of Adequate Coverage. Landlord makes no representation that the limits or forms of coverage of insurance specified in this Article are adequate to cover Tenant's property or obligations under this Lease.

14. DAMAGE AND DESTRUCTION

14.1 Definitions.

(a) "Premises Damage" shall mean if the Premises are damaged or destroyed as contemplated under this Section 14.

(b) "Building Partial Damage" shall mean if the Building of which the Premises are a part is damaged or destroyed to the extent that the cost to repair is less than fifty percent (50%) of the then Replacement Cost of the Building.

(c) "Building Total Destruction" shall mean if the Building of which the Premises are a part is damaged or destroyed to the extent that the cost to repair is fifty percent (50%) or more of the then Replacement Cost of the Building.

(d) "Project Buildings" shall mean all of the buildings on the Project site.

(e) "Project Buildings Total Destruction" shall mean if the Project Buildings are damaged or destroyed to the extent that the cost of repair is fifty percent (50%) or more of the then Replacement Cost of the Project Buildings.

(f) "Insured Loss" shall mean damage or destruction which was caused by an event required to be covered by the insurance described in Article 13 above. The fact that an Insured Loss has a deductible amount shall not make the loss an uninsured loss.

(g) "Replacement Cost" shall mean the amount of money necessary to be spent in order to repair or rebuild the damaged area to the condition that existed immediately prior to the damage occurring, excluding all improvements made by tenants, other than those installed by Landlord at Tenant's expense, if any.

14.2 Notice of Damage. Tenant agrees to promptly notify Landlord in writing of any damage to the Premises as a result of fire or any other casualty.

14.3 Premises Damage; Building Partial Damage.

(a) **Insured Loss:** Subject to the provisions of Article 13 above, if at any time during the Term of this Lease there is damage which is an Insured Loss and which falls into the classification of either Premises Damage or Building Partial Damage, then Landlord shall, after notice from its insurance company of the amount of insurance proceeds available for the loss, use reasonable and diligent efforts under the circumstances to commence repairs to the Premises and/or Building, at Landlord's expense (but not Tenant's fixtures, equipment or tenant improvements originally paid for by Tenant) to its condition existing immediately prior to the time of the damage, and this Lease shall continue in full force and effect. Notwithstanding the foregoing, in the event insurance proceeds are not sufficient to cover the cost of such repairs or if Landlord is restricted by any government authority to repairing and restoring the Building to a condition substantially similar to that which existed before the damage, Landlord may elect to terminate the Lease or pay the cost of the repairs. If Landlord so elects to terminate this Lease, the Lease shall cease and terminate as of the date of the occurrence of the damage.

(b) **Uninsured Loss:** Subject to the provisions of Article 13 above, if at any time during the Term of this Lease there is damage which is not an Insured Loss and which falls within the classification of Premises Damage or Building Partial Damage, unless caused by a negligent or willful act of Tenant (in which event Tenant shall make the repairs at Tenant's expense), which damage prevents Tenant from making any substantial use of the Premises, Landlord may at Landlord's option either (i) commence repair to such damage (but not Tenant's fixtures, equipment or tenant improvements originally paid for by Tenant) as soon as commercially practicable for Landlord, at Landlord's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Tenant within one hundred twenty (120) days after the date of the occurrence of such damage of Landlord's intention to cancel and terminate this Lease, in which event this Lease shall terminate as of the date of the occurrence of such damage.

14.4 Building Total Destruction; Project Total Destruction. If at any time during the Term of this Lease there is damage, whether or not it is an Insured Loss, which falls into the classification of either (i) Building Total Destruction, or (ii) Project Total Destruction, then Landlord may at Landlord's option either (i) commence repair to such damage or destruction (but not Tenant's fixtures, equipment or tenant improvements originally paid for by Tenant) as soon as commercially practicable for Landlord at Landlord's expense (to the extent the required materials are readily available through usual commercial channels) to its condition existing immediately prior to the date of the damage, and this Lease shall continue in full force and effect, or (ii) give written notice to Tenant within one hundred twenty (120) days after the date of occurrence of such damage of Landlord's intention to cancel and terminate this Lease, in which case this Lease shall terminate as of the date of the occurrence of such damage.

14.5 Damage Near End of Term.

(a) If at any time during the last twelve (12) months of the Term of this Lease there is damage to the Premises, whether or not an Insured Loss that prevents Tenant from using more than fifty percent (50%) of the rentable square footage of the Premises and Landlord cannot with reasonable and diligent efforts complete reconstruction and restoration within thirty (30) days from Landlord determining the full extent of the damage, either Landlord or Tenant may at their own option terminate this Lease by giving written notice to the other within thirty (30) days from the date Landlord was to have completed the repairs pursuant to this Article 9.5 and this Lease shall cease and terminate as of the date of such notice.

(b) Notwithstanding anything to the contrary in this lease, in the event that Tenant has an option to extend or renew this Lease, and the time within which said option may be exercised has not yet expired, Tenant shall exercise such option, if it is to be exercised at all, no later than twenty (20) days after the occurrence of an Insured Loss falling within the classification of Premises Damage during the last twelve (12) months of the Term of this Lease. If Tenant duly exercises such option during said twenty (20) day period, Landlord shall, at Landlord's expense, repair such damage but not Tenant's fixtures, equipment or tenant improvements, as soon as reasonably possible and this Lease shall continue in full force and effect. If Tenant fails to exercise such option during said twenty (20) day period, then Landlord may at Landlord's option terminate and cancel this Lease as of the expiration of said twenty (20) day period by giving written notice to Tenant of Landlord's election to do so within ten (10) days after the expiration of said twenty (20) day period, notwithstanding any term or provision in the grant of option to the contrary.

14.6 Abatement of Rent: Tenant's Remedies.

(a) Upon the occurrence of any partial damage or total destruction of building event pursuant to the provisions of this Article 14, where Landlord repairs or restores the Building or Premises and any part of the Premises is not usable (including loss of use due to loss of access or essential services), the Rent payable hereunder (including Tenant's Share of Operating Expenses) for the period during which such damage, repair or restoration continues shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired; provided (1) the damage was not the result of the negligence or willful misconduct of Tenant, and (2) such abatement shall only be to the extent the operation of Tenant's business as operated from the Premises is adversely and materially affected. Except for said abatement of Rent, if any, Tenant shall have no claim against Landlord for any damage suffered because or by reason of any such damage, destruction, repair or restoration.

(b) If Landlord shall be obligated to repair or restore the Premises or the Building after material damage to the Premises and Landlord does not commence such repair or restoration within ninety (90) days after its obligations shall accrue, Tenant may at Tenant's option cancel and terminate this Lease by giving Landlord written notice of Tenant's election to do so at any time prior to the commencement of such repair or restoration. In such event this Lease shall terminate as of the date of such notice.

(c) Tenant agrees to cooperate with Landlord in connection with any such restoration and repair, including but not limited to, the approval and/or execution of plans and specifications required.

14.7 Termination - Advance Payments. Upon termination of this Lease pursuant to this Article, an equitable adjustment shall be made concerning advance rent and any advance payments made by Tenant or Landlord. Landlord shall, in addition, return to Tenant so much of Tenant's security deposit as has not theretofore been applied by Landlord.

14.8 Waiver. Landlord and Tenant hereby waive the provisions of any statute which relates to termination of leases when leased property is destroyed and agree that such event shall be governed by the terms of this Lease.

15. REAL PROPERTY TAXES

15.1 Payment of Taxes. Landlord shall pay the real property taxes applicable to the Project subject to reimbursement by Tenant of Tenant's Share of such taxes.

15.2 Definition of "Real Property Taxes". As used herein, the term "real property taxes" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Project or any portion thereof by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord in the Project or in any portion thereof, and as against Landlord's business of leasing the Project. The term "real property taxes" shall also include any tax, fee, levy, assessment or charge (i) in substitution of partially or totally, any tax, fee, levy, assessment or charge hereinabove included within the definition of "real property taxes", or (ii) the nature of which was hereinbefore included within the definition of "real property taxes", or (iii) which is imposed for a service or right not charged prior to June 1, 1978, or (iv) which is imposed as a result of a change in ownership, as defined by applicable local statutes for property tax purposes, of the Project or which is added to a tax or charge hereinbefore included within the definition of real property taxes by reason of such change of ownership, or (v) which is imposed by reason of this transaction, any modifications or changes hereto, or any transfers hereof.

15.3 Personal Property Taxes. Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Tenant contained in the Premises or elsewhere. If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay to Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

15.4 Joint Assessment. If the improvements or property, the taxes for which are to be paid separately by Tenant are not separately assessed, Tenant's portion of that tax shall be equitably determined by Landlord from the respective valuations assigned in the assessor's work sheets or such other information (which may include the cost of construction) as may be reasonably available. Landlord's reasonable determination thereof, in good faith, shall be conclusive.

16. UTILITIES

Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered to the Premises, Tenant shall pay at Landlord's option, either Tenant's Share or a reasonable proportion to be determined by Landlord of all charges jointly metered with other premises in the Building.

There shall be no abatement of Rent and Landlord shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service to the Project due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Landlord's reasonable control or in cooperation with governmental request or directions.

17. ASSIGNMENT

17.1 Landlord's Consent Required. Tenant shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Tenant's interest in the Lease or in the Premises, without Landlord's prior written consent, which Landlord's consent shall not be unreasonably withheld. Landlord shall respond to Tenant's request for consent hereunder in a timely manner and any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void and shall constitute a Material Default and Breach of this Lease without the need for notice to Tenant.

17.2 Terms and Conditions of Assignment. Notwithstanding anything to the contrary and regardless of Landlord's consent, no assignment shall release Tenant of Tenant's obligations hereunder or alter the primary liability of Tenant to pay the Minimum Rent, Additional Rent and all additional fees, and to perform all other obligations to be performed by Tenant hereunder or alter the liabilities and responsibilities of any party pursuant to the Guaranty of Lease. Landlord may accept rent from any person other than Tenant pending approval or disapproval of such assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of rent shall constitute a waiver or estoppel of Landlord's right to exercise its remedies for the breach of any of the terms or conditions. Consent by Landlord to one assignment shall not be deemed consent to any subsequent assignment and no assignee shall further assign or sublet all or any part of the Premises without also notifying the Tenant or Tenant's successor, if applicable, in writing. In the event of Default or Breach by any assignee of Tenant or any successor of Tenant, in the performance of any of the terms hereof, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against said assignee. Landlord may consent to subsequent assignments of this Lease or amendments or modifications to this Lease with assignees of Tenant, without notifying Tenant or any successor of Tenant, and without obtaining its or their consent thereto and such action shall not relieve Tenant of liability under this Lease.

17.3 Subletting. Tenant will not, without the prior written consent of Landlord, which consent may be withheld in Landlord's sole discretion, sublease all or any part of the Premises to any individual, partnership or entity. In the event of a sublease, Tenant acknowledges that the terms of such sublease are at all times subordinate and subject to the terms of this Lease. No subletting will release Tenant from its primary liability to pay the rents and perform its obligations under this Lease.

17.4 Transfer Fees and Attorney's Fees. At the time of Tenant's request for Landlord's consent to any assignment or subletting, Tenant shall pay Landlord a transfer fee of Five Hundred and 00/100 Dollars (\$500.00) for Landlord's administrative and other costs for reviewing and processing Tenant's request. Tenant shall pay the fee whether or not Landlord consents to the transfer. In addition, Tenant shall pay Landlord's reasonable attorneys fees incurred in connection therewith, such attorneys fees not to exceed One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) for each such request.

17.5 Tenant's Application (Assignment and Sublease). Tenant shall notify Landlord in writing of Tenant's intent to assign, encumber, or sublease this Lease, the name of the proposed assignee or sublessee, information concerning the financial responsibility of the proposed assignee or sublessee and the terms of the proposed assignment or subletting, and Landlord shall, within thirty (30) days of receipt of such written notice, and additional information requested by Landlord concerning the proposed assignee's or sublessee's financial responsibility, elect one of the following:

- (a) consent to such proposed assignment, encumbrance or sublease;
- (b) refuse such consent, which refusal shall be on reasonable grounds; or
- (c) elect to terminate this Lease, or in the case of a partial sublease, terminate this Lease as to the portion of the Premises proposed to be sublet.

Landlord's disapproval shall be deemed reasonable if it is based on Landlord's analysis of (a) the proposed assignee's or sublessee's credit, character and business or professional standing, (b) whether the assignee or sublessee's use and occupancy of the Premises will be consistent with the Permitted Use and whether assignee or sublessee's proposed intensity of use is consistent with that shown by Tenant, (c) whether the proposed assignee or sublessee is a then-existing or prospective tenant as a condition for granting its consent to any assignment, encumbrance or sublease.

17.6 Profit from Assignment or Subletting.

(a) In the event Tenant shall make a permitted assignment hereunder, the dollar amount of the funds or property other than rent (herein after the "Transfer Consideration") transferred from an assignee to Tenant as consideration for the assignment shall be deemed Additional Rent owed to Landlord by Tenant under this Lease. The Transfer Consideration shall include, but not be limited to, key money, bonus money, payment in excess of fair market value for services rendered by the permitted assignee to Tenant, assets, fixtures, inventory, accounts, goodwill, equipment, furniture, general intangibles, capital stock or equity ownership.

(b) In the event that Landlord permits Tenant to sublet or assign the Premises, then Tenant shall pay to Landlord, as Additional Rent hereunder, an amount equal to fifty percent (50%) of any "Profit," as hereinafter defined, which Additional Rent shall be paid at the times and in the manner that Base Rent is to be paid hereunder. As used herein, "Profit" shall mean the "Total Rent Received," (as defined below) per square foot Minimum Rent plus any per square foot rent escalation then due and payable by Tenant to Landlord under the terms of this Lease. "Total Rent Received" shall include all assignment or sublease rent, "key money", and any other money or in kind consideration received directly or indirectly by Tenant or in any way connected with the relation between Tenant and the sublessee.

18. DEFAULT AND REMEDIES

18.1 Default. The occurrence of any one or more of the following events shall constitute a material default of this Lease by Tenant:

(a) The vacation or abandonment of the Premises by Tenant. Vacation of the Premises shall include the failure to occupy the Premises for a continuous period of sixty (60) days or more, whether or not the Rent is paid.

(b) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due. In the event that Landlord serves Tenant with a Notice to Pay Rent or Quit pursuant to applicable Unlawful Detainer statutes such Notice to Pay Rent or Quit shall also constitute the notice required by this Article.

(c) The breach by Tenant of any of the covenants, conditions or provisions of this Lease, all of which are hereby deemed to be material, non-curable Defaults without the necessity of any notice by Landlord to Tenant thereof.

(d) Except as otherwise provided in this Lease, the failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant other than those referenced in paragraphs (b) and (c) above, where such failure shall continue for a period of thirty (30) days after written notice thereof from Landlord to Tenant; provided, however, that if the nature of Tenant's noncompliance is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently pursues such cure to completion. To the extent permitted by law, such thirty (30) day notice shall constitute the sole and exclusive notice required to be given to Tenant under applicable Unlawful Detainer statutes.

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

(f) The discovery by Landlord that any financial statement given to Landlord by Tenant, or its successor in interest or by any guarantor of Tenant's obligation hereunder, was materially false.

18.2 Remedies. In the event of any material Default or breach of this Lease by Tenant, Landlord may at any time thereafter, with or without notice or demand and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such default:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the Term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default 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, any real estate commission actually paid and costs of advertising; as well as (1) the worth, at the time of the award, of any unpaid Rent which had been earned at the time of such termination; plus (2) the worth, at the time of the award, of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rental loss that Tenant proves could have been reasonably avoided; plus (3) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such Rental loss that Tenant proves could have been reasonably avoided; plus (4) any other amount, and court costs, necessary to compensate Landlord for all the detriment proximately caused by Tenant's default or which in the ordinary course of things would be likely to result therefrom (including, without limiting the generality of the foregoing, the amount of any commissions or finder's fee for a replacement tenant); plus (5) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

As used in this Article, the "worth, at the time of award" is to be computed by allowing interest at the then maximum rate of interest allowable under law for business loans (not primarily for personal, family or household purposes) not exempt from the usury law at the time of termination or, if there is no such usury law at the time of termination or, if there is no such maximum annual interest rate, at the rate of twelve percent (12%) per annum and, as used in Article the "worth, at the time of award" is to be computed by discounting such amount at the discount rate of the U.S. Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%). The term "Rent", as used in this Article, shall be deemed to be and to mean all Rent, Operating Expenses, parking fees and other monetary sums required to be paid by Tenant pursuant to this Lease. For the purpose of determining the amount of "unpaid Rent which would have been earned after termination" or the "unpaid Rent for the balance of the term" (as referenced in subparagraphs (2) and (3) hereof, the amount of parking fees and Operating Expenses shall be deemed to increase

annually for the balance of the Term by an amount equal to the average annual increase in parking fees and Operating Expenses during the three (3) calendar years preceding the year in which the Lease was terminated, or, if such termination shall occur prior to the expiration of the third (3rd) calendar year occurring during the Term of this Lease, then the amount of parking fees and Operating Expenses shall be deemed to increase monthly for the balance of the Term by an amount equal to the average monthly percentage increase in parking fees and Operating Expense Increase during all of the calendar months preceding the month in which the Lease was terminated.

(b) Maintain Tenant's right to possession, pursuant to Civil Code Section 1951.4, in which case this Lease shall continue in effect whether or not Tenant shall have vacated or abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the Rent as it becomes due hereunder.

(c) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state wherein the Premises are located. Unpaid installments of Rent and other unpaid monetary obligations of Tenant under the terms of this Lease shall bear interest from the date due at the maximum rate then allowable by law.

(d) Proceed to cure the default at Tenant's sole cost and expense, without waiving or releasing Tenant from any obligation hereunder. If at any time Landlord pays any sum or incurs any expense as a result of or in connection with curing any default of Tenant (including any administrative fees provided for herein and reasonable attorneys' fees), the amount thereof shall be deemed additional Rent hereunder and shall be immediately due as of the date of such expenditure and, together with interest at the maximum interest rate described in Article 13(a) hereof from the date of such expenditures, shall be paid by Tenant to Landlord immediately upon demand, and Tenant hereby covenants to pay any and all such sums.

(e) Landlord may accept payments from Tenant without waiving any rights under this Lease, including rights under a previously served notice of default. If Landlord accepts payments after serving a notice of default, Landlord may commence and pursue an action to enforce rights and remedies under the previously served notice of default. Landlord's pursuit of any one right or remedy granted under this Lease or under applicable law shall not constitute an election of remedies nor be a bar to Landlord's pursuing any other right or remedy.

18.3 Default by Landlord. Landlord shall not be in default unless Landlord fails to perform obligations required of Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Tenant in writing, specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently pursues the same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to monetary damages. Nothing contained herein shall be interpreted to mean that Tenant is excused, as a result of Landlord's default, from paying Rent or other sums due hereunder. The obligations of Landlord under this Lease do not constitute personal obligations of Landlord, and Tenant shall look solely to the real estate that is the subject of this Lease and to no other assets of Landlord or its partners for satisfaction of any liability with respect to this Lease and will not seek recourse against Landlord herein or its partners nor against any of their personal assets for such satisfaction.

19. CONDEMNATION

If the Premises or any portion thereof or the Building are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs; provided that if so much of the Premises or the Building are taken by such condemnation as would substantially and adversely affect the operation and profitability of Tenant's business conducted from the Premises, Tenant shall have the option, to be exercised only in writing within thirty (30) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within thirty (30) days after the condemning authority shall have taken possession, to terminate this Lease as of the date the condemning authority takes possession. If Tenant 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 Rent and Tenant's Share of Operating Expenses shall be reduced in the proportion that the floor area of the Premises taken bears to the total floor area of the Premises. Common Areas taken shall be excluded from the Common Areas usable by Tenant and no reduction of Rent shall occur with respect thereto or by reason thereof. Landlord shall have the option in its sole discretion to terminate this Lease as of the taking of possession by the condemning authority by giving written notice to Tenant of such election within thirty (30) days after receipt of notice of a taking by condemnation of any part of the Premises, the Building, or the Project. Any award for the taking of all or any part of the Premises, the Building, or the Project under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Tenant shall be entitled to any separate award for loss of or damage to Tenant's trade fixtures, removable personal property and unamortized tenant improvements that have been paid for by Tenant. For that purpose the cost of such improvements shall be amortized over the original Term of this Lease excluding any options. In the event that this Lease is not terminated by reason of such condemnation, Landlord shall

to the extent of severance damages received by Landlord in connection with such condemnation, repair any damage to the Premises caused by such condemnation except to the extent that Tenant has been reimbursed therefor by the condemning authority. Tenant shall pay any amount in excess of such severance damages required to complete such repair.

20. ESTOPPEL CERTIFICATE

(a) Each party (as "responding party") shall at any time on not less than ten (10) days prior written notice from the other party ("requesting party") execute, acknowledge and deliver to the requesting party a statement in writing in substantially the form set forth in Exhibit "E" attached hereto, or such other form as may be customarily required by the requesting party's lender.

(b) The failure of either party to deliver such statement within such time shall result in being conclusive upon such party that (i) this 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 Landlord is the requesting party, not more than one month's Rent has been paid in advance. Tenant acknowledges that its failure to timely execute, acknowledge and deliver such statement shall cause Landlord to incur significant costs not contemplated by this Lease, the exact amount of which would be extremely difficult to ascertain. Tenant shall promptly pay to Landlord One Thousand Dollars (\$1,000) as additional Rent for its untimely delivery of such statement as required hereunder. The parties agree such additional Rent is a reasonable estimate of costs Landlord will incur by reason of Tenant's failure to deliver the statement. The failure of either party to execute and deliver the requested statement ten (10) days after notice of such failure from the party requesting the form shall constitute a material default of this Lease.

(c) If Landlord desires to finance, refinance, or sell the Project, or any part thereof, Tenant hereby agrees to deliver to any lender or purchaser designated by Landlord such financial statements of Tenant as may be reasonably required by such lender or purchaser and prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Such statements shall include the past three (3) years' financial statements of Tenant. All such financial statements shall be received by Landlord and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

21. LANDLORD'S LIABILITY

The term "Landlord" as used herein shall mean only the owner or owners, at the time in question, of the fee title or a tenants interest in a ground lease of the Project, and except as expressly provided in Article 15, in the event of any transfer of such title or interest, Landlord herein named (and in case of any subsequent transfers then the grantor) shall be relieved from and after the date of such transfer of all liability as respects Landlord's obligations thereafter to be performed, provided that any funds in the hands of Landlord or the then grantor at the time of such transfer, in which Tenant has an interest, shall be delivered to the grantee. The obligations contained in this Lease to be performed by Landlord shall, subject as aforesaid, be binding on Landlord's successors and assigns only during their respective periods of ownership.

22. NOTICES

Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery, overnight delivery service or by certified or registered mail, or through electronic mail or facsimile, and shall be deemed sufficiently given if delivered or addressed to Tenant or to Landlord at the address noted below or adjacent to the signatures of the respective parties, as the case may be. Mailed notices shall be deemed given upon actual receipt at the address required, or forty-eight (48) hours following deposit in the mail, postage prepaid, whichever first occurs. Notice for overnight delivery shall be effective on delivery if delivery is confirmed by the delivery service. Either party may by notice to the other specify a different address for notice purposes except that upon Tenant's taking possession of the Premises, the Premises shall constitute Tenant's address for notice purposes. A copy of all notices required or permitted to be given to Landlord hereunder shall be concurrently transmitted to such party or parties at such addresses as Landlord may from time to time hereafter designate by notice to Tenant.

LANDLORD: Huntington Commerce Center, LLC
9990 Santa Monica Boulevard
Beverly Hills, California 90212
Telephone: 310-712-1700
Facsimile: 310-712-1710

TENANT: Pierside Remodeling LLC
5862 Bolsa Ave. Suite 104
Huntington Beach, CA 92649
Attention: Tyler Trounce
Telephone: 714-614-4886 (cell)
Facsimile: 714-916-5765
e-mail: tyler@trouncerenovations.com

23. WAIVERS

No waiver by Landlord of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant. The acceptance of Rent hereunder by Landlord shall not be a waiver of any preceding breach by Tenant of any provision hereof, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent.

24. HOLD OVER

If Tenant, without Landlord's written consent, remains in possession of the Premises or any part thereof after the expiration of the Term hereof, such occupancy shall be a tenancy at sufferance and shall not constitute a renewal hereof or an extension for any further term and Base Rent payable shall be one hundred seventy-five percent (175%) of the Base Rent applicable during the last rental period of the Lease Term under the Lease. In the event Tenant holds over without Landlord's consent, Tenant shall indemnify, defend and hold Landlord harmless from loss or liability resulting from such failure, including without limitation, any claims made by any succeeding tenant based upon such failure to surrender.

25. SUBORDINATION

(a) This Lease, and any Option or right of first refusal granted hereby, at Landlord's option, shall be subordinate to any ground lease, mortgage, deed of trust, or any other hypothecation or security now or hereafter placed upon the Project and to any and all advances made on the security thereof and to all renewals, modifications, consolidations, replacements and extensions thereof. Notwithstanding such subordination, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant shall pay the Rent and observe and perform all of the provisions of this Lease, unless this Lease is otherwise terminated pursuant to its terms. If any mortgage, trustee, or ground lessor shall elect to have this Lease and any Options granted thereto senior to and priority over the lien of its mortgage, deed of trust or ground lease and shall give written notice thereof to Tenant, this Lease and such Options shall be deemed prior to such mortgage, deed of trust or ground lease, whether this Lease or such Options are dated prior or subsequent to the date of said mortgage, deed of trust or ground lease or the date of recording thereof.

(b) Tenant agrees to execute any documents required to effectuate an attornment, a subordination, or to make this Lease or any Option granted herein prior to the lien of any mortgage, deed of trust or ground lease, as the case may be. Tenant's failure to execute such documents within ten (10) days after written demand shall constitute a material default by Tenant hereunder without further notice to Tenant.

26. ATTORNEY FEES

26.1 If either party named herein initiates legal proceedings to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action, arbitration, trial or appeal thereon, shall be entitled to his reasonable attorneys' fees to be paid by the losing party as fixed by the court in the same or a separate suit, and whether or not such action is pursued to decision or judgment.

26.2 The attorneys' fee 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 good faith.

26.3 Landlord shall be entitled to reasonable attorneys' fees and all other costs and expenses incurred in the preparation and service of notice of default and consultations in connection therewith, whether or not a legal transaction is subsequently commenced in connection with such default.

27. LANDLORD'S ACCESS

Landlord and Landlord's agents shall have the right to enter the Premises at reasonable times for the purpose of inspecting the same, performing any services required of Landlord, showing the same to prospective purchasers, lenders, or tenants, taking such safety measures, erecting such scaffolding or other necessary additions to the Premises or to the Project as Landlord may reasonably 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 to Tenant's use of the Premises. Landlord shall have the right to retain keys to the Premises and to unlock all doors in or upon the Premises other than to files, vaults and safes, and in the case of emergency to enter the Premises by any reasonably appropriate means, and any such entry shall not be deemed a forcible or unlawful entry or detainer of the Premises or an eviction.

Tenant waives any charges for damages or injuries or interference with Tenant's property or business in connection therewith. Landlord may at any time place on or about the Premises any ordinary "For Sale" signs and Landlord may at any time during the last one hundred twenty (120) days of the Term hereof place on or about the Premises any ordinary "For Lease" signs. Except for damage caused by Landlord's gross negligence or willful misconduct, all activities of Landlord pursuant to this Article shall be without abatement of Rent, nor shall Landlord have any liability to Tenant for the same.

28. SECURITY MEASURES

28.1 Security. Tenant hereby acknowledges that Landlord shall have no obligation whatsoever to provide guard service or other security measures for the benefit of the Premises, the Building or the Project. Tenant assumes all responsibility for the protection of Tenant, its agents, employees, guests and invitees and the property of Tenant and of Tenant's agents, employees, guests and invitees from acts of third parties. Nothing herein contained shall prevent Landlord, at Landlord's sole option, from hiring an independent company and other security protection for the Project or any part thereof, in which event the cost thereof shall be included in the Operating Expenses.

28.2 Rights. Landlord shall have the following rights:

(a) To change the name, address or title of the Project or Building in which the Premises are located upon not less than ninety (90) days prior written notice;

(b) To, at Tenant's expense, provide and install Building standard graphics on the door of the Premises and such portions of the Common Areas as Landlord shall reasonably deem appropriate;

(c) To permit any tenant the exclusive right to conduct any business as long as such exclusive does not conflict with any rights expressly given herein;

(d) To place such signs, notices or displays as Landlord reasonably deems necessary or advisable upon the roof, exterior of the buildings or the Project or on pole signs in the Common Areas;

(e) Tenant acknowledges that Landlord, in Landlord's sole discretion, may change, eliminate or add to the shape, size, location, number and extent of improvements in or on the Project, provided Landlord shall not change the size or location of the Premises without Tenant's consent;

(f) Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine. Tenant does not rely on the fact nor does Landlord represent that any specific tenant or number of tenants shall, during the Term of this Lease, occupy or not occupy any space in the Project.

28.3 Not Permitted. Tenant shall not:

(a) Use a representation (photographic or otherwise) of the Building or the Project or their name(s) in connection with Tenant's business;

(b) Suffer or permit anyone, except in emergency, to go upon the roof of the Building;

(c) Place on or about the Premises, the Building or the Common Area any sign or other decoration, except for the name of Tenant's company on the door of the Premises in standard lettering approved by Landlord. Tenant shall not place or permit to be placed upon any window or roof any such sign, advertisement or notice;

(d) Block or obstruct any portion of the Common Area;

29. EASEMENTS

Landlord reserves to itself the right, from time to time, to grant such easements, rights and dedications that Landlord deems necessary or desirable, and to cause the recordation of Parcel Maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Tenant. Tenant shall sign any of the aforementioned documents upon request of Landlord and failure to do so shall constitute a material default of this Lease by Tenant without the need for further notice to Tenant.

30. LATE CHARGES

30.1 Charges. Tenant hereby acknowledges that late payment by Tenant to Landlord of Base Rent, Tenant's Share of Operating Expenses, Vehicle Parking Charge(s) or any other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Project. Accordingly, if any installment of Base Rent, Operating Expenses, Vehicle Parking Charge(s) or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within three (3) days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall immediately pay to Landlord a late charge equal to ten percent (10%) of such overdue amount. Such ten percent (10%) late charge shall be applied to the overdue amount for each and every month such amount is past due. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted in this Lease.

30.2. 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 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 under the provisions of this Lease.

31. RELOCATION OF PREMISES

Notwithstanding any contrary provision of this Lease, if Landlord requires the Premises for use in conjunction with another suite or for other reasons related to Landlord's occupancy plans for the Building, then upon at least thirty (30) days' prior written notice to Tenant, Landlord shall have the right to either terminate this Lease or move Tenant to other space in the Building, and thereupon such other space shall be deemed to be the Premises covered by this Lease. The expense of moving Tenant, its property and equipment to the substituted space and of improving same to a condition similar to the then current condition of the Premises shall be borne by Landlord. If the substituted space is smaller or larger than the Premises, the Base Rent, Security Deposit and Tenant's Share specified in this Lease shall be adjusted proportionately, and Landlord and Tenant shall execute an amendment to this Lease in accordance therewith. However, if the substituted space does not meet with Tenant's approval, Tenant may cancel this Lease upon thirty (30) days' prior written notice to Landlord, given within ten (10) days after Tenant's receipt of Landlord's notice referred to above.

32. RULES AND REGULATIONS

The Rules and Regulations attached hereto as Exhibit "B" are expressly made a part hereof. Tenant agrees to comply with such Rules and Regulations and any reasonable amendments, modifications or additions thereto as may hereafter be adopted and published by notice to tenants in the Building, and to cause its agents, contractors and employees to comply therewith, and agrees that the violation of any of them shall constitute a default by Tenant under this Lease. If there is a conflict between the Rules and Regulations and any of the provisions of this Lease, the provisions of this Lease shall prevail. Landlord shall not be responsible to Tenant for the non-performance by any other tenant or occupant of the Building or of the Project of any of the Rules and Regulations.

33. MISCELLANEOUS PROVISIONS

33.1. Auctions Tenant shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises, the Building, or the Common Areas without first having obtained Landlord's prior written consent. Notwithstanding anything to the contrary in this Lease, Landlord shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent. The holding of any auction on the Premises, the Building or Common Areas in violation of this Article shall constitute a material default of this Lease.

33.2. Merger The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, or a termination by Landlord, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subtenancies or may, at the option of Landlord, operate as an assignment to Landlord of any or all of such subtenancies.

33.3. Quiet Possession Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof subject to all of the provisions of this Lease. The individuals executing this Lease on behalf of Landlord represent and warrant to Tenant that they are fully authorized and legally capable of executing this Lease on behalf of Landlord and that such execution is binding upon all parties holding an ownership interest in the Project.

33.4. Broker's Fee The Landlord's broker involved in this transaction is: Jordan De Meis from Southwest Commercial representing the Landlord ("Broker"). Upon execution of this Lease by both parties, Landlord shall pay a commission for brokerage services, pursuant to a separate agreement with Broker. Tenant's broker, Craig Sullivan of DAUM Commercial Real Estate Services shall be paid any commission due, pursuant to the Landlord's Agreement with Broker. Landlord and Tenant each represent and warrant to the other that neither has had any dealings with any person, firm, broker or finder (other than the person(s), if any, whose names are set forth herein) in connection with the negotiation of this Lease and/or the consummation of the transaction contemplated hereby, and no other broker or other person, firm or entity is entitled to any commission or finder's fee in connection with said transaction and Tenant and Landlord do each hereby indemnify and hold the other harmless from and against any costs, expenses, attorneys' fees or 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.

33.5. 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.

33.6. Interest on Past Due Obligations. Except as expressly herein provided, any amount due to Landlord not paid when due shall bear interest at the maximum rate then allowable by law or judgments from the date due. Payment

of such interest shall not excuse or cure any default by Tenant under this Lease; provided, however, that interest shall not be payable on late charges incurred by Tenant.

33.7 Time of Essence. Time is of the essence with respect to the obligations to be performed under this Lease.

33.8 Entire Agreement; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior or contemporaneous agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification. Except as otherwise stated in this Lease, Tenant hereby acknowledges that neither the real estate broker hereof nor any cooperating broker on this transaction nor Landlord or any employee or agents of any of said persons has made any oral or written warranties or representations to Tenant relative to the condition or use by Tenant of the Premises, the Building, or the Project and Tenant acknowledges that Tenant assumes all responsibility regarding the Occupational Safety Health Act, the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the Term of this Lease.

33.9 Recording. Either Landlord or Tenant shall, upon request of the other, execute, acknowledge and deliver to the other a "short form" memorandum of this Lease for recording purposes.

33.10 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.

33.11 Covenants and Conditions. Each provision of this Lease performable by Tenant shall be deemed both a covenant and a condition.

33.12 Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by Tenant and subject to the provisions of Article 17, this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of the State where the Project is located and any litigation concerning this Lease between the parties hereto shall be initiated in the County in which the Project is located.

33.12 Signs. Tenant shall not place any sign upon the Premises, the Building or the Project without Landlord's prior written consent. Under no circumstances shall Tenant place a sign on any roof of the Project.

33.13 Guarantor. In the event that there is a guarantor of this Lease, said guarantor shall have the same obligations as Tenant under this Lease.

33.14 Authority. If Tenant is a corporation, trust or general or limited partnership, Tenant, and each individual executing this Lease on behalf of such entity represent and warrant that such individual is duly authorized to execute and deliver this Lease on behalf of said entity. If Tenant is a corporation, trust or partnership, Tenant shall, within thirty (30) days after execution of this Lease, deliver to Landlord evidence of such authority satisfactory to Landlord.

33.15 Conflict. Any conflict between the printed provisions, Exhibit or Addenda of this Lease and the typewritten or handwritten provisions, if any, shall be controlled by the typewritten or handwritten provisions.

33.16 No Offer. Preparation of this Lease by Landlord or Landlord's agent and submission of same to Tenant shall not be deemed an offer to Tenant to lease. This Lease shall become binding upon Landlord and Tenant only when fully executed by Landlord and Tenant.

33.17 Lender Modification. Tenant agrees to make such reasonable modifications to this Lease as may be reasonably required by an institutional lender in connection with the obtaining of normal financing or refinancing of the Project.

33.18 Multiple Parties. If more than one person or entity is named as either Landlord or Tenant herein, except as otherwise expressly provided herein, the obligations of Landlord or Tenant herein shall be the joint and several responsibility of all persons or entities named herein as such Landlord or Tenant, respectively.

33.19 Exculpation.

(a) The obligations of Landlord under this Lease do not constitute personal obligations of the individual members of the limited liability company which is Landlord, its officers, directors, members, managers, trustees, employees, agents or partners, Landlord's property management company and its officers, directors, members, managers, trustees, employees, agents or partners ("Landlord Parties"). Tenant shall look solely to the real property that is the subject of this Lease and to no other assets of Landlord or the Landlord Parties for satisfaction of any liability with respect to this Lease.

(b) To the fullest extent permitted by law, Tenant Parties waive all claims against Landlord Parties arising out of and agrees that Landlord Parties shall not be liable to Tenant Parties for (i) injury to or death of any person or (ii) loss of, injury or damage to, or destruction of any tangible or intangible property, including the loss of use, economic losses and consequential damage. This provision shall not apply where the injury, loss or damage was the result of the willful intent to harm or fraudulent conduct of the Landlord Parties.

(c) The provisions contained in this Article 33.19 shall survive the expiration or early termination of this Lease.

34. Option Period. Tenant shall have the right and option to extend the Lease term for one (1), three (3) year option period (such option period being hereinafter referred to as the "Option Period") upon the terms and conditions hereinafter set forth. Notwithstanding anything to the contrary, the option rights set forth in this Article 34 may only be exercised by the Tenant first named above in Article 1.1 and may not be exercised by any other party including but not limited to any assignee, sublessee or successor of Pierside Remodeling or Tyler Trounce, in good standing unless otherwise agreed to in writing by Landlord.

34.1 Notice. Tenant shall give Landlord written notice of Tenant's exercise of its option, which notice shall be delivered to Landlord on or before the date which is not less than three (3) months and not more than six (6) months prior to the last day of the Lease term. Upon the giving of such notice and provided that all of the conditions set forth herein below are met, Tenant and Landlord each shall be obligated to continue the Lease term for the additional period noted in this Article 34 of this Lease (the "Option Term"), subject to earlier termination as elsewhere in this Lease provided.

34.2 Terms. The Base Rent during the Option Period shall increase annually by 3% over the base rent for the last month of the Lease Term or immediately preceding term, in accordance with the table in Article 4.2 of this Lease. Notwithstanding anything to the contrary, in no event shall the Base Rent during the Option Period, be less than the Base Rent in effect on the day before the Option Period, and all of the other terms and conditions set forth in the Lease shall continue and shall apply during the Option Period.

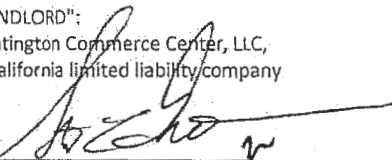
34.3 Conditions to Effectiveness of Exercise. Notwithstanding Tenant's prior exercise (whether such exercise was, at the time, valid or invalid), Tenant shall have no right to extend the Lease term pursuant to this Article 34 if any of the following shall occur:

(a) If at any time during the term of this Lease an Event of Default existed or Tenant was late in the payment of rent or any other amount due Landlord or if there exists any event, fact or circumstance which, with the giving of notice or passage of time, would constitute an Event of Default by Tenant (except that Tenant shall be allowed to cure one (1) Event of Default and maintain Tenant's Option Period; or

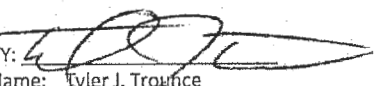
(b) Tenant has not timely exercised its option for the Option Period pursuant to Article 34.1

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY 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 EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE PREMISES.

"LANDLORD":
Huntington Commerce Center, LLC,
a California limited liability company

BY: 
Name: Steven C. Gordon
Title: Manager
Date:

"TENANT":
Pierside Remodeling, a California limited
liability company

BY: 
Name: Tyler J. Trounce
Title: Managing Member
Date:

ADDRESS FOR NOTICES AND RENT FOR
"LANDLORD":

Huntington Commerce Center, LLC
c/o Domino Realty
9990 Santa Monica Boulevard
Beverly Hills, California 90212

ADDRESS FOR NOTICES FOR
"TENANT":

5862 Bolsa Ave. - Suite 104
Huntington Beach, CA 92649

EXHIBIT A
General Site Plan of Premises

Intentionally Deleted.

EXHIBIT B
PROJECT RULES AND REGULATIONS

This Exhibit "B" is attached to and forms a part of that certain lease dated December 11, 2012 between Landlord, Huntington Commerce Center, LLC, a California limited liability company, and Tenant, Pierside Remodeling LLC, a California limited liability company.

The following rules and regulations shall be applicable to the Building:

(1) No sign, placard, picture, advertisement name or notice shall be inscribed, displayed or printed or affixed on or to any part of the Building or Premises if visible from outside the Premises, without the prior written consent of Landlord. Tenant's identification signs and lettering shall be in accordance with Landlord's standard requirements for the Building unless otherwise approved in writing by Landlord, and shall be printed, affixed or inscribed at the expense of Tenant by a person approved by Landlord.

(2) Tenant shall not place or maintain any window covering, blinds or drapes on any window without Landlord's prior written approval. A breach of this rule will directly and adversely affect the exterior appearance of the Building. Upon request by Landlord, Tenant shall remove any window covering, or any other object visible from outside the Premises, if installed or placed without Landlord's written approval.

(3) A directory of the Building will be provided for the display of the name and location of tenants. Landlord will install, at Tenant's expense, directory strips for Tenant's name and a reasonable number of the principal employees thereof and Landlord reserves the right to exclude any other names therefrom.

(4) The sidewalks, halls, passages, exits, entrances, elevators, escalators and stairways shall not be obstructed by Tenant or used by it for any purpose other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, elevators, escalators, stairways, balconies and roof are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto by all persons whose presence in the judgment of Landlord might be prejudicial to the safety, character, reputation and interests of the Building and its tenants, provided that nothing herein contained shall be construed so as to prevent such access to persons with whom Tenant normally deals in the ordinary course of Tenant's business unless such persons are engaged in illegal activities or are creating a nuisance. No employee, invitee, contractor, or agent of Tenant shall go upon the roof of the Building.

(5) Tenant shall be responsible for assuring that doors to the Premises are locked during non-business hours. Such doors shall not be left open during business hours, except while moving furniture or other items in or out of the Premises, unless Landlord consents otherwise.

(6) The toilet rooms and urinals, wash bowls and other apparatus therein shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be placed therein; the expense of breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees, invitees, contractors or agents, shall have caused it.

(7) Except as to normal pictures and furnishings, Tenant shall not mark, drive nails, screw or drill into partitions, woodwork, or plaster or in any way deface the Premises or any part thereof. No boring, cutting or stringing of wires shall be permitted except with the prior written consent of Landlord and as Landlord may direct. Tenant shall not lay linoleum, tile carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord. The expense of repairing any damage resulting from a violation of this rule or removal of any floor covering shall be borne by Tenant.

(8) Tenant shall not overload any floor of the Premises or the Building. No furniture, freight or equipment of any kind shall be brought into the Building by Tenant or its contractors or agents without prior consent of Landlord and all moving of the same into or out of the Building shall be done at such time and in such manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy objects brought into or out of the Building and also the time and manner of moving same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on wood strips of such thickness as is necessary to properly distribute weight. Landlord will not be responsible for loss or damage to any property from any such cause, and all damage done to the Building by moving or maintaining any such safe or other property shall be repaired at the expense of Tenant. There shall not be used in any part of the Building any hand truck unless it is equipped with rubber tires and side guards.

(9) Tenant shall not employ any person or persons other than the janitor of Landlord for the purpose of cleaning the Premises unless otherwise agreed to in writing by Landlord. Except with the prior written consent of Landlord, no person or persons other than those approved by Landlord shall be permitted to enter the Building for the purpose of cleaning same. Tenant shall not cause any unnecessary labor by reason of Tenant's carelessness or indifference in the preservation of good order and cleanliness. Landlord shall in no way be responsible to Tenant for any loss of property on the Premises, however, occurring, or for any damage done to the effects of Tenant or any of its employees or other persons by the janitor of Landlord. Janitor shall include ordinary dusting and cleaning by the janitor assigned to such work and shall not include cleaning of carpets or rugs, except normal vacuuming, or moving of furniture and other special services. Janitor service will not be furnished to rooms which are occupied after 9:30 p.m. Window cleaning shall be done only by Landlord at reasonable intervals and as Landlord deems necessary.

(10) Tenant shall not use, keep or permit to be used or kept any noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein. No tenant shall make or permit to be made any loud or disturbing noises or interfere with occupants of the Building or those having business with them whether by the use of any musical instrument, radio, phonograph, shouting or in any other manner. Tenant shall not throw anything out of doors or down the passageways.

(11) The Premises shall not be used for the storage of merchandise except as such storage may be incidental to the use of the Premises authorized by the Lease. No cooking shall be done or permitted in the Premises without Landlord's consent, except that use by Tenant of Underwriter's Laboratory approved microwave ovens or equipment for brewing coffee or similar beverages shall be permitted. Tenant shall not advertise for day laborers giving an address at the Premises. The Premises shall not be used for lodging or for any illegal purposes. Tenant shall not keep or maintain pets or animals of any type and shall not store or keep bicycles, mopeds, or motorcycles in the Premises or the Building.

(12) Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline or flammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied or permitted by Landlord.

(13) Landlord will direct electricians as to where and how electrical, telephone and telegraph wires are to be introduced into the Premises. No boring or cutting for wires will be allowed without the prior consent of Landlord. The location of telephone switching equipment, call boxes and other similar equipment in the Premises shall be subject to the approval of Landlord. Lessee shall not employ any construction contractor for services or work to be performed in the Building, except as approved by Lessor.

(14) Landlord will furnish Tenant free of charge two (2) keys for each locking door in the Premises. Any additional or replacement keys will be furnished at a reasonable charge. All keys to offices, rooms and toilet rooms shall be obtained from Landlord and Tenant shall not duplicate or obtain such keys from any other source. Upon termination of the Lease, Tenant shall deliver to Landlord the keys to the offices, rooms and toilet rooms which were previously furnished to Tenant, failing which Tenant shall pay Landlord the cost of replacing same or of changing the lock or locks opened by any unreturned key if Landlord deems it necessary to make such changes. Landlord shall have the right periodically to change all locks and furnish Tenant with new keys therefor. Tenant shall not alter any lock or install any new or additional locks or any bolts on any door of the Premises without the prior written consent of Landlord (except as to safes, vaults and other secured areas of Tenant approved by Landlord).

(15) No furniture, packages, supplies, equipment or merchandise will be received in the Building or carried up or down in the elevators except between such hours and in such elevators as shall be designated by Landlord.

(16) Landlord reserves the right to close and keep locked all entrances and exit doors of the Buildings on Saturdays, Sundays, legal holidays and on other days between non-business hours, and during such further hours as Landlord may deem advisable for the adequate protection of the Building and the property of its tenants (such hours are referred to as "After-Hours"). However, during such After-Hours Tenant and/or authorized employees as well as guests, licensees or invitees of Tenant who are accompanied by Tenant or an authorized employee of Tenant, shall be allowed access to the Building upon proper identification. Landlord shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of same.

(17) The "normal business hours" for the Building are from 8:00 a.m. to 6:00 p.m., Monday through Friday, excluding nationally recognized standard holidays. All other hours are deemed "After-Hours".

(18) Tenant shall not canvass or solicit other tenants in the Building and Tenant shall cooperate to prevent any such canvassing and/or solicitation. Canvassing and peddling in the Building is prohibited. Tenant shall not obtain for use in the Premises food, beverage, shoe-shine or other services except as expressly permitted by Landlord.

(19) Landlord reserves the right to exclude from the Building any person who, in the judgment of Landlord is intoxicated or under the influence of liquor or drugs, has no legitimate purpose to be in the Building, or is violating the rules and regulations of the Building.

(20) The requirements of Tenant will be attended to only upon application to Landlord's designated property manager. Tenant acknowledges that employees of Landlord shall have no obligation to perform any work for Tenant or do anything outside their regular duties for Tenant unless under special instructions from Landlord, and that no employee will have any obligation to admit any person (Tenant or otherwise) to any office of Landlord without specific instructions from Landlord.

(21) No vending machines of any description shall be installed, maintained, or operated by Tenant upon the Premises or in the Building, without the prior written consent of Landlord.

(22) Tenant agrees that it shall comply with all fire and security regulations that may be issued from time to time by Landlord, and Tenant shall also provide Landlord with the name of a designated responsible employee to represent Tenant in all matters pertaining to such fire or security regulations.

(23) Tenant shall not install any radio or television antenna, loudspeaker or other device on the roof or exterior walls of the Building. Tenant shall not interfere with broadcasting or reception from or in the Building or elsewhere.

(24) Tenant shall store its trash and garbage within the Premises or in other facilities designated by Landlord. Tenant shall not place in any trash receptacle any material which cannot be disposed of in the ordinary practice of trash disposal. All trash and garbage disposal shall be made pursuant to directions issued from time to time by Landlord.

(25) Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.

(26) Landlord may waive any one or more of the rules and regulations as to any tenant without being construed as having waived same as to any other tenant.

(27) Tenant shall be responsible for the observance of the rules and regulations by Tenant's employees, agents, customers, invitees and guests.

(28) Landlord reserves the right upon written notice to Tenant, to rescind, alter or waive any rule or regulation at any time prescribed for the Building, or to establish additional rules and regulations when, in Landlord's sole judgment, it is necessary, desirable or proper for the best interest of the Building and its tenants.

(29) The rules and regulations shall be administered fairly by Landlord and Landlord shall not enforce them in a discriminatory manner as between the tenants of the Building.

COMMON AREA RULES AND REGULATIONS

The following rules and regulations shall be applicable to the Common Areas of the Project:

(1) Tenant shall not be allowed any outside storage of trailers for any period of time. Tenant shall not park or permit the parking of any vehicle under its control, in any parking area designated by Landlord as areas for parking by visitors. Tenant shall not leave vehicles in the parking area overnight nor park any vehicles in the parking areas other than automobiles, motorcycles, motor driven or non-motor driven bicycles or four-wheeled trucks. No extended term storage of vehicles shall be permitted.

(2) Parking stickers or any other device or form of identification supplied by Landlord as a condition of use of the parking facilities shall remain the property of Landlord. Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferrable and any device in the possession of an unauthorized holder will be void.

(3) Vehicles must be parked entirely within the painted stall lines of a single parking stall.

(4) All directional signs and arrows must be observed.

(5) The speed limit within all parking areas shall be five (5) miles per hour.

(6) Parking is prohibited:

- (a) in areas not striped for parking;
- (b) in driveways;

- (c) where "no parking" signs are posted;
- (d) in cross-hatched areas; and
- (e) in such other areas as may be designated by Landlord or its parking operator.

(7) Every parker is required to park and lock his own vehicle unless Landlord furnishes valet service. Valet parking attendants may refuse to drive any vehicle reasonably believed to be unsafe.

(8) Loss or theft of parking identification devices from vehicles must be reported to the parking operator immediately, and a lost or stolen report must be filed at that time. Any parking identification device reported lost or stolen found on any unauthorized vehicle will be confiscated and the illegal holder will be subject to prosecution. Landlord has the right to exclude or remove (at parker's expense) any vehicle from the parking facilities that does not have an identification device.

(9) Lost or stolen identification devices found by Tenant should be reported to the parking facility office or property manager immediately to avoid confusion.

(10) Washing, waxing, cleaning or servicing of any vehicle in any area not specifically reserved for such purpose is prohibited.

(11) Tenant shall acquaint all persons to whom Tenant assigns parking spaces of these Rules and Regulations. Parking facility managers or attendants are not authorized to make or allow any exceptions to these Rules and Regulations.

(12) Landlord reserves the right to refuse the sale of monthly stickers or other parking identification devices to any person and/or his agents or representatives who willfully refuses to comply with these Rules and Regulations.

(13) All claimed damage or loss must be reported and itemized in writing delivered to the parking facility office or property manager's office within ten (10) business days after any claimed damage or loss occurs. Any claim not so made is waived. Landlord has the option to make repairs at its expense of any claimed damage within ten (10) business days after filing of a claim. In all legal proceedings the burden or proof to establish a claim remains with Tenant. Legal proceedings initiated by Tenant for any claim must be filed within ninety (90) days from date of the loss, in a jurisdiction where the claimed loss occurred. Landlord is not responsible for damage by water, fire or for the acts or omissions of others, or for loss of articles left in vehicles. The total liability of Landlord is limited to \$250.00 for all damages or loss to any vehicle. Landlord is not responsible for loss of use.

(14) Tenant is not permitted to place construction debris in trash containers provided by Landlord for general use by Tenant and other tenants of the Project.

(15) Landlord reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking areas.


End of Exhibit

EXHIBIT C
WORK LETTER

This Exhibit "C" is attached to and forms a part of that certain lease dated December 11, 2012 between Landlord, Huntington Commerce Center, LLC, a California limited liability company, and Tenant, Pierside Remodeling, LLC, a California limited liability company.

These provisions define the scope of work to be provided by Landlord in the Premises under the terms of the Lease. Words and phrases used herein which are defined in the Lease have the meanings set forth therein unless provided otherwise.

It is the intent of these provisions that Tenant shall be permitted freedom in the interior design and layout of its space so long as same is consistent with Landlord's policies and structural requirements, applicable building codes, and with sound architectural and construction practices, and provided further that no interference is caused to the operation of the Building's mechanical heating, cooling or electrical systems or structure, or other Building operations or functions, and that no unusual increase in maintenance, insurance, taxes, fees or utility charges will be incurred by Landlord or the other tenants in the Building as a result thereof. Any additional cost of design, construction, operation, insurance, maintenance, taxes, fees or utilities which results therefrom shall be charged to Tenant and paid for by Tenant in accordance with the provisions hereof and of the Lease.

1. Landlord's Work. Landlord shall provide, at its sole cost and expense, only the following services and materials (hereinafter referred to as "Landlord's Work"):

a. Using Building standard materials as offered by Landlord (in its sole discretion), from which Tenant may choose, Landlord shall:

i. None. In lieu of providing carpet throughout the office portion of the Premises. Tenant shall purchase and install its own carpet for the Premises (subject to Landlord approval), and Landlord, shall provide Tenant a "rent credit" in the amount of \$3,150.00 toward the purchase of such carpet.

2. Tenant's Work. All costs incurred for all other improvements, services or materials required by Tenant in or for the Premises (hereinafter referred to as "Tenant's Work") shall be for the account of Tenant and at Tenant's sole cost and expense. As Tenant's Work, shall include, the following services and materials:

a. Demolish office in front area, according to drawing of Tenant's Work Floor Plan attached here as Exhibit C-1, below.
b. Build 2 interior offices as set forth in Exhibit C-1, below.

3. Space Planning. Tenant shall use the services of the space planner retained by Landlord to prepare a space layout and working drawings and specifications for all construction work on the Premises. Tenant shall devote such time in consultation with Landlord's space planner as shall be necessary to enable the space planner to develop complete working drawings and specifications (hereinafter referred to as the "Plans") for construction of improvements in the Premises, showing thereon partitions, doors, electrical and telephone outlets, light fixture locations, wall finishes, floor coverings and special requirements (if any) for Tenant's review and approval. Failure of Tenant to approve the Plans within the time limit specified in Article 4 hereof shall be deemed disapproval.

4. Time Limits. The following maximum time periods shall be allowed for the indicated matters:

Action	Time Limit After Completion of Proceeding Item
(a) Tenant meets with Landlord's space planner and approves space layout.	5 days after lease execution
(b) Tenant furnishes completed working drawing information to Landlord's space planner.	3 business days
(c) Landlord's space planner submits working drawings to Tenant for review and approval.	15 business days
(d) Tenant gives Landlord its approval of working drawings, with any required changes in detail.	3 business days
(e) Landlord resubmits revised, if required, working drawings to Tenant.	10 business day
(f) Tenant approves the Plans and authorizes Landlord to proceed.	3 business days

5. Construction by Landlord's Contractor. All construction work to be performed pursuant to this Exhibit "C" (except that work related to installation of Tenant's trade fixtures, equipment, furnishings, or other personal property) shall be performed by the Tenant Improvement Contractor ("T.I. Contractor") selected and retained by Landlord unless Landlord shall otherwise agree in writing in this Exhibit "C". The T.I. Contractor shall perform all construction work in the Premises including Tenant's Work in a good and workmanlike manner and shall construct the improvements in the Premises substantially in accordance with the Plans. All such construction work shall be

performed in accordance with all laws, ordinances and requirements of government agencies having jurisdiction. If Landlord shall, pursuant to this Exhibit "C", permit Tenant to have any work performed by a contractor retained by

Tenant rather than by the T.I. Contractor, then (1) Tenant shall use only such contractor as shall have first been approved by Landlord; (ii) such contractor shall be bondable; (iii) Landlord will permit entry of such contractor into the Premises for the purpose of performing such work, prior to commencement of the Term of the Lease, and while the T.I. Contractor is working at the Premises, but only at such time or times as Landlord shall deem feasible in the circumstances; (iv) such license to enter before commencement of the Term is expressly conditioned upon the contractor retained by Tenant working in harmony and not interfering with the workmen, mechanics and contractors of Landlord or of any other tenant in the Building or the Project, and if at any time such entry or work by Tenant's contractor shall cause any disharmony or interference, such permission to enter may be withdrawn by Landlord immediately upon written notice to Tenant; (v) worker's compensation and commercial general liability insurance, including completed operations, all in amounts and with companies and on forms satisfactory to Landlord, shall be provided and at all times maintained by Tenant's contractor, and before proceeding with the work, certificates of such insurance shall be furnished to the Landlord and endorsements, satisfactory to Landlord, naming Landlord and Tenant as additional insureds; (vi) such entry shall be deemed to be under all the terms, covenants, provisions and conditions of the Lease, except the covenant to pay Rent and Expenses. It is hereby understood that Tenant has notified Landlord that Tenant intends to take possession of the Premises in an as-is condition and prior to any improvements being done pursuant to this Work Letter. It is further understood that any and all property of any nature whatsoever, materials, work, installations and decorations of any nature whatsoever brought on or installed in the Premises by any party before or after the commencement of the Term of the Lease shall be at Tenant's sole risk, and neither Landlord or any party acting on Landlord's behalf shall be responsible for any damage thereto or loss or destruction thereof.

6. Tenant Coordinator. Landlord has designated a "Tenant Coordinator" who shall be responsible for the management and coordination of all work to be performed in the Premises and coordination with Tenant on all matters governed by these Construction Provisions. With regard to all matters involving such work, Tenant shall communicate with the Tenant Coordinator rather than the T.I. Contractor. Landlord shall not be responsible for any statement, representation or agreement made between Tenant and T.I. Contractor. It is hereby expressly acknowledged by Tenant that such T.I. Contractor is not Landlord's agent and has no authority whatsoever to enter into agreements on Landlord's behalf or otherwise bind Landlord. The Tenant Coordinator will furnish Tenant with notices of substantial completion, cost estimates for Tenant's Work, Landlord's approvals or disapprovals of Plans and changes thereto, billings for actual costs of Tenant's Work and other similar notices. Tenant shall deliver all payments required hereunder to the Tenant Coordinator unless written notice is given by Landlord to the contrary.

7. Changes. If Tenant requests or necessitates any change, addition or deletion to the Premises after approval of the Plans, as described in Article 4(d) above, a request for the change shall be submitted to the Tenant Coordinator accompanied by revised plans prepared by Tenant's space planner at Tenant's sole expense. The Tenant Coordinator shall thereafter notify Tenant in writing of the estimated cost which will be chargeable to Tenant by reason of such change, addition or deletion. Such estimated cost shall include Landlord's cost of any delay in completion of the Premises resulting from such change (including, but not limited to, loss of income, additional interest, penalties, and extra labor costs incurred in order to minimize further delay). Tenant shall within five (5) business days thereafter notify the Tenant Coordinator in writing whether it desires to proceed with such change. In the absence of such written authorization within that five (5) day period, Landlord shall not be obligated to perform such change and shall be deemed to have been authorized by Tenant to proceed without making such change.

8. Responsibility for Delays. Tenant hereby expressly agrees that if Tenant is responsible for any delay in substantial completion of the Premises, whether by reason of (i) failure to meet the time schedule set forth in Article 4 above, (ii) delays in performance or completion by a party employed by Tenant, (iii) building code problems arising from Tenant's design, or (iv) an unapproved change in the work necessitated by Tenant, Landlord shall not be responsible or suffer any loss for and Tenant shall not be entitled to any abatement or relief of any amounts owed Landlord.

9. Incorporation by Reference. This Exhibit is and shall be incorporated by reference in the Lease, and all of the terms and provisions of the Lease are incorporated herein by this reference.

10. Attorneys' Fees. In the event of any action or proceeding initiated by a party hereto for the enforcement or interpretation of the provisions contained herein, the prevailing party shall be entitled to recover its costs incurred in connection therewith, including its reasonable attorneys' fees.

11. Miscellaneous. Tenant is not permitted to place construction debris in trash containers provided by Landlord for general use by Tenant and other tenants of the Project.

Exhibit C-1
Tenant's Work Floor Plan

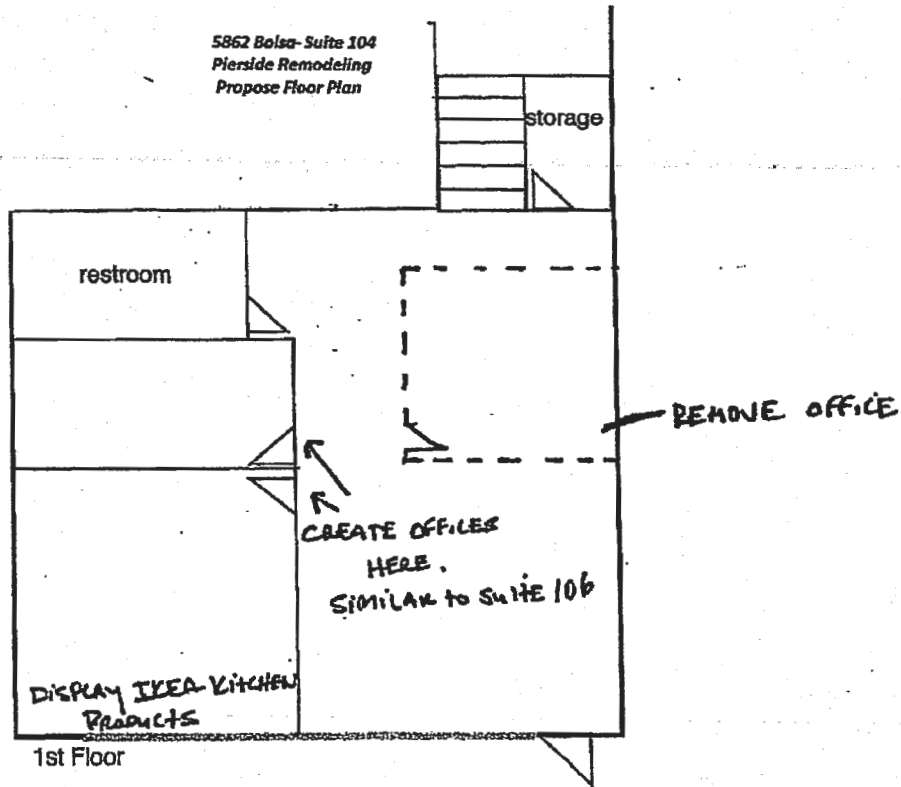


EXHIBIT D
GUARANTY OF LEASE

THIS GUARANTY OF LEASE (the "Guaranty") is entered into, effective as of this 11th day of December, 2012 by Tyler Trounce an individual, (the "Guarantor"), in favor of Huntington Commerce Center, LLC, a California Limited Liability Company ("Landlord"), in light of the following facts:

A. WHEREAS, Landlord has entered into, or intends to enter into, a certain lease of even date herewith executed by and between Landlord and Pierside Remodeling, a California limited liability company ("Tenant"), covering certain premises commonly known as 5862 Bolsa Avenue, in the City of Huntington Beach, County of Orange, State of California, (the "Building") Suite 104, consisting of approximately 2,506 Rentable Square Feet (the "Lease");

B. WHEREAS, Landlord has required as a condition to its execution of the Lease that the undersigned guarantee the full performance of the obligations of Tenant under the Lease; and

C. WHEREAS, Guarantor is desirous that Landlord enters into said Lease with Tenant.

NOW, THEREFORE, for good and valuable consideration, including but not limited to the execution of the Lease by Landlord, receipt of which is hereby acknowledged by each of the undersigned, Guarantor hereby unconditionally and irrevocably agrees as follows:

1. Guarantor unconditionally guarantees to Landlord the full, complete, and timely payment and performance of each and all of the terms, covenants and conditions of the Lease and any amendments thereto required to be performed by Tenant, including but not limited to, the payment of all rent, additional rent, taxes, insurance premiums, common area charges, parking charges and any and all other charges or sums, or any portion thereof, to accrue or become due from Tenant to Landlord pursuant to the terms of the Lease ("Monetary Obligations").

2. If Tenant fails to pay any Monetary Obligations when due under the Lease, then, within ten (10) days of written notice to Guarantor by Landlord, Guarantor shall pay to Landlord any such Monetary Obligations as may be due and owing from Tenant to Landlord by reason of Tenant's failure to so perform.

3. If after all applicable cure periods, if any, Tenant fails to perform any covenants, terms or conditions of the Lease as required to be performed, other than any Monetary Obligations ("Non-Monetary Obligations") then upon written notice to Guarantor by Landlord, Guarantor shall commence and complete performance of the Non-Monetary Obligations within ten (10) business days after the date of Landlord's notice to Guarantor of such failure by Tenant to so perform, provided in the event the performance by Guarantor cannot be completed within ten (10) business days, Guarantor shall commence performance within that time and diligently pursue completion thereof within a reasonable period of time but not to exceed forty-five (45) days.

4. In addition to the payment of Monetary Obligations and the performance of any and all Non-Monetary Obligations which may be required of Guarantor by reason of Tenant's failure to perform, Guarantor hereby agrees to pay to Landlord any and all reasonable damages and expenses incurred by Landlord as a direct and proximate result of Tenant's failure to pay or perform Tenant's obligations under the Lease, including but not limited to reasonable attorneys' fees. Guarantor further agrees to pay Landlord interest on any and all sums due and owing to Landlord by reason of Tenant's failure to pay same, which interest shall be at the highest rate allowed by law at the time.

5. Landlord shall have the right, in the event of any failure of Tenant to pay the Monetary Obligations or to perform any Non-Monetary Obligations, to proceed against Tenant or Guarantor, or both, and to enforce against Guarantor or Tenant, or both, any and all rights that Landlord may have to the Monetary Obligations or to effect the Non-Monetary Obligations or damages therefor without giving prior notice to Tenant or Guarantor and without making demands on either. Guarantor understands and agrees that its liability under this Guaranty shall be primary and that, in any right of action which may accrue to Landlord under the Lease or this Guaranty, Landlord, at its option, may proceed against Guarantor without having taken any action or obtained any judgment against Tenant. Guarantor understands and agrees that any failure or delay of Landlord to enforce any of its rights under the Lease or under this Guaranty shall in no way affect Guarantor's obligations under this Guaranty. Guarantor hereby waives to the fullest extent permitted by applicable law each of the following: any and all notices, presentments, and notices of nonpayment or nonperformance, except as otherwise specifically provided herein; the right to require Landlord to proceed against Tenant, exhaust any security which Landlord now holds or may hold in the future from Tenant, or pursue any other right or remedy available to Landlord; any and all right to participate in any security deposit held by Landlord now or in the future; all defenses based upon the disability of Tenant, release of Tenant's liability for any reason whatsoever, or any statute of limitations controlling obligations accruing under the Lease or this Guaranty; any and all rights it may have now or in the future to require or demand that Landlord pursue any right or remedy Landlord may have as against Tenant or any third party; the provisions of California Civil Code Sections 2809, 2810, 2819, 2845, 2847, 2848, 2849, and 2850; the provisions of California Code of Civil Procedure Sections 580(a), 580(d), and 726; and any and all other defenses of whatsoever nature to the fullest extent which they may be waived under applicable law. Guarantor understands and agrees that such waivers may materially impair or eliminate Guarantors' rights as against Tenant or another Guarantor, including any right or subrogation, if any. Each Guarantor further agrees that nothing contained

herein shall prevent Landlord from exercising any rights available to it under the Lease or as to any other Guarantor and the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of such Guarantor. Each Guarantor understands that the exercise by Landlord of certain rights and remedies contained in the Lease or herein may affect or eliminate such Guarantor's right of subrogation or contribution and that such Guarantor may therefore incur a partially or totally non-reimbursable liability hereunder; nevertheless, each Guarantor hereby authorizes and empowers Landlord to exercise, in its sole discretion, any rights and remedies, or any combination thereof, which may then be available, since it is the intent and purpose of the Guarantors that their obligations hereunder be absolute, independent, and unconditional under any and all circumstances. Notwithstanding any foreclosure of any lien with respect to Tenant's property, whether by exercise of the power of sale, an action for judicial foreclosure or by acceptance of a deed in lieu of foreclosure, each Guarantor shall remain bound under this Guaranty.

6. Guarantor understands and agrees that its obligations under this Guaranty in no way shall be affected by any extension or amendment of the Lease and in no way shall any such occurrence release or discharge Guarantor from its obligations under this Guaranty.

7. Guarantor understands and agrees that if Tenant becomes insolvent or is adjudicated bankrupt, whether by voluntary or involuntary petition, or if any bankruptcy action involving Tenant is commenced or filed, or if a petition for reorganization, arrangement, or similar relief is filed against Tenant, or if a receiver of any part of Tenant's property or assets is appointed by any court, Guarantor will pay to Landlord the amount of all accrued, unpaid and accruing Monetary Obligations to the date when the trustee or administrator accepts the Lease and commences paying same and perform or pay for any Non-Monetary Obligations to such date; provided, however, at such time as the trustee or administrator rejects the Lease, Guarantor shall pay to Landlord all accrued, unpaid and accruing Monetary Obligations and perform or pay for any Non-Monetary Obligations under the Lease for the remainder of the Term of the Lease. If the Lease is rejected, then at Landlord's option, Guarantor shall either (i) pay to Landlord an amount equal to the Monetary Obligations which would have been payable for the unexpired Term of the Lease reduced to its present value as provided in Section 21.2(a), or (ii) execute and deliver to Landlord a new lease for the balance of the Term of the Lease with the same terms and conditions of the Lease and with the Guarantor as tenant. Any operation of any present or future debtor's relief act or similar act or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

8. Any notices required under this Guaranty shall be in writing and shall be mailed, certified return receipt requested, postage prepaid, to Guarantor at the address set forth under its signature on this Guaranty or to Landlord at 9990 Santa Monica Blvd., Beverly Hills, California 90212, or at such other place as may be designated by that party upon written notice from time to time to the other party. This Guaranty shall extend to any and all obligations of Tenant to Landlord under the Lease and to any amendments to the Lease. Guarantor shall have no right of subrogation against Tenant until such time as all of Tenant's obligations to Landlord under the Lease have been fully paid and discharged, and Guarantor shall hold in trust for Landlord's benefit any sums hereafter received from Tenant prior to satisfaction of all obligations of Guarantor hereunder. This Guaranty may be assigned in whole or in part by Landlord upon written notice to Guarantor. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, successors, personal representatives, and assigns of the parties hereto. This Guaranty constitutes the full and complete agreement between the parties hereto, and it is understood and agreed that only writing executed by both parties hereto hereof may modify the provisions. As used herein, the masculine shall include the feminine and neuter, and the singular shall include the plural, and vice versa where the context so requires. If any term, provision, covenant or condition of this Guaranty is held to be void, invalid, or unenforceable, the remainder of the provisions herein shall remain in full force and effect and shall no way be affected, impaired or invalidated. The laws of the State of California govern this Guaranty. In the event it becomes necessary to enforce any of the terms and provisions of this Guaranty, the prevailing party shall be entitled to recover all costs and expenses incurred with respect thereto, including but not limited to reasonable attorneys' fees and such other costs and expenses as may be allowed by law, whether or not suit be instituted. It is understood and agreed that this Guaranty is unconditional and continuing and is a guarantee of payment and performance and not of collection. The obligations of Guarantor, if more than one, shall be joint and several under this Guaranty, and Landlord shall be entitled to pursue its rights and remedies hereunder against any one or all of the persons or entities named as Guarantor herein, and no one Guarantor shall have any right to require or demand that Landlord pursue any right or remedy which Landlord may have against any other Guarantor or to first proceed against any other Guarantor.

Signatures follow on the next page.

LANDLORD:

Huntington Commerce Center, LLC
a California Limited Liability Company

By: 

Name: Steven C. Gordon

Title: Manager

Date:

GUARANTOR:

By: 

Name: Tyler Trounce

Title: an individual

Date: 12/12/12

Last 4 digits of SSN: xxx-xx-3573

LANDLORD ADDRESS:

C/o Domino Realty
9990 Santa Monica Boulevard
Beverly Hills, CA 90212

GUARANTOR ADDRESS:

16 Three Vines Ct.
Ladera Ranch (Mission Viejo), CA 92694
tyler@trouncerenovations.com
c: 714-614-4886
f: 714-916-5765

EXHIBIT E
FORM OF TENANT'S STATEMENT

This Exhibit "E" is attached to and forms a part of that certain lease dated December 11, 2012 between Landlord, Huntington Commerce Center, LLC, a California limited liability company, and Pierside Remodeling, LLC, a California limited liability company.

The undersigned as Tenant under that certain Lease made and entered into as of December 11, 2012, by and between Huntington Commerce Center, LLC, a California Limited Liability Company, as Landlord, and Tenant, for Premises in the Project, consisting of approximately 2506 Rentable Square Feet in the Building located at 5862 Bolsa Ave., Suite 104, in the City of Huntington Beach, County of Orange, State of California, 92649 certifies as follows:

1. The undersigned has commenced occupancy of the Premises described in said Lease.
2. Said Lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way except as follows:
3. The initial Base Rent as of the date hereof (adjusted as provided under said Lease) is \$1.05 per square foot per month or Two Thousand Six Hundred Thirty One Dollars and Thirty Cents (\$2,631.30) per month.
4. Said Lease represents the entire agreement between the parties as to said Premises.
5. The Commencement Date is March 1, 2013.
6. The Lease Term expires on February 29, 2016.
7. All conditions of said Lease to be performed by Landlord necessary to the enforceability of said Lease have been satisfied.
8. No rental has been paid in advance and no security has been deposited with Landlord except as provided in said Lease.
9. As of the date hereof, there are no existing defenses or offsets that the undersigned has precluding enforcement of said Lease by Landlord.
10. The Base Rent in the sum of \$ 2,631.30 for the month of March 2013 has been paid.
11. The undersigned acknowledges that this statement may be delivered to Landlord's mortgagee or prospective purchaser, and acknowledges that the undersigned recognizes that if same is done, said mortgagee or prospective purchaser will be relying upon the statements contained herein in making the loan or acquiring the property of which the Premises are a part and in accepting an assignment of the Lease as collateral security, and that receipt of this statement is a condition of making of the loan or acquisition of such property.

Executed at H.B. on the 12 day of December, 2012.

"TENANT":
Pierside Remodeling, LLC, a California limited liability company.

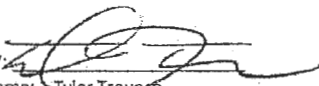
BY: 
Name: Tyler Troughton
Title: Managing Member
Date: 12/12/12

EXHIBIT F

FORM OF COMMENCEMENT LETTER

This Exhibit "F" is attached to and forms a part of that certain lease dated December 11, 2012 between Landlord, Huntington Commerce Center, LLC, a California limited liability company, and Pierside Remodeling, LLC, a California limited liability company.

Pierside Remodeling, LLC Inc., a California limited liability company ("Tenant"), as tenant under that certain Lease made and entered into, effective as of December 11, 2012 by and between Huntington Commerce Center, LLC, a California Limited Liability Company ("Landlord") and Tenant for those certain premises consisting of approximately 2506 Rentable Square Feet in the Building located at 5862 Bolsa Ave, Suite 104, City of Huntington Beach, County of Los Angeles, CA 92649 (the "Premises"), hereby certifies as follows:

1. Tenant was delivered possession of the Premises on December 2012.
2. The Commencement Date of the Lease is March 1, 2013.
3. The Rent Commencement Date of the Lease is March 1, 2013. The monthly Base Rent for March 2013 was paid upon execution of the Lease by Tenant, and Tenant's next payment of Base Rent shall be due on April 1, 2013, in the amount of \$2,631.30.
4. The Expiration Date of the Lease is February 29, 2016.
5. Tenant deposited to Landlord the amount of \$5,262.60 as a security deposit upon execution of the Lease.
6. Tenant is performing all tenant improvements to the Premises.
7. As of the date hereof, there are no existing defenses or offsets that the undersigned has precluding enforcement of said Lease by Landlord.

Executed at H.B on the 12 day of December, 2012.

"TENANT":

Pierside Remodeling, LLC, a California limited liability company.

BY: 

Name: Tyler Troupce

Title: Managing Member

Date: 12/12/12

THREE (3) DAY NOTICE TO PAY ESTIMATED RENT OR QUIT
(C.C.P. SECTION 1161.1)

TO Trouce Group Inc, a California Corporation and all others in possession:

Regarding the premises described as follows:

5862 Bolsa Avenue, Suite #104, Huntington Beach, CA 92649

NOTICE IS HEREBY GIVEN that, pursuant to the rental agreement by which you hold possession of the above-described premises, there is now due and owing a reasonably estimated unpaid rent (per C.C.P. Section 1161.1) for said premises as follows:

Base Rent (August 1, 2016 – September 30, 2016) \$ 6,230.52

TOTAL AMOUNT NOW DUE AND PAYABLE: \$6,230.52

WITHIN THREE (3) DAYS after service of this Notice on you, you are required to pay said estimated rent in full or to deliver up possession of the said premises. You are further notified that the undersigned has elected to, and hereby does, declare the rental agreement for the premises to be forfeited in the event that you fail to pay the rent in full as herein required. If you fail to pay rent in full or to surrender up possession of the premises within said three (3) days, legal proceedings will be commenced against you for possession of the above-described premises, to declare forfeiture the forfeiture of said lease, and to recover all rents due and damages, including \$600 statutory punitive damages for the unlawful detention of the said premises, attorneys' fees and costs as allowed by law.

Landlord will accept any partial payments made by tenant under sub-sections 1161.1(b) and (c) of the California Code of Civil Procedure. If tenant makes any partial payments, Landlord's acceptance of such payments will not constitute a waiver of rights, including Landlord's right to recover possession of the subject premises. If tenant makes a partial payment after the service of this notice, Landlord may accept the partial payment and may file, without further notice or demand, the legal action described in this notice. If tenant makes a partial payment after the service of the legal action described in this notice, Landlord may accept the partial payment and may amend the legal action to reflect the partial payment without delaying that action from proceeding. The undersigned reserves the right to pursue collection of any future rental losses and other damages that may become due under the Lease as allowed by Civil Code Section 1951.2 and Code of Civil Procedure Section 1174.5 notwithstanding the forfeiture of the lease. This Notice supercedes all prior 3 Day Notices served upon you.

Person to whom rent is to be paid: Huntington Commerce Center, LLC Attention: Moir Cleary
Address where rent is to be paid: 9990 Santa Monica Blvd. Beverly Hills, Ca 90212
Telephone number of person to whom rent is to be paid: (310) 551-5421
Days on which rent may be paid: on any Monday through Friday falling within the above stated 3 day
Time period.
Times at which rent may be paid: 9:00 am to 5 pm

DATED: September 1, 2016 OWNER: Huntington Commerce Center, LLC

AGENT: Moir Cleary

Penal Code Section 594 reads: "every person who maliciously sprays, scratches, writes on, or otherwise defaces, damages or destroys any real or personal property not his or her own,... is guilty of vandalism"

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

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

NAME, ADDRESS, AND TELEPHONE NUMBER OF ATTORNEY OR CLAIMANT WITHOUT ATTORNEY:		STATE BAR NUMBER	Reserved for Clerk's File Stamp
ATTORNEY FOR (Name):			
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES ^{ORANGE}			
JUDICIAL DISTRICT: CENTRAL JUSTICE CENTER 700 Civic Center Drive Santa Ana, CA 92702-1994			
PLAINTIFF: HUNTINGTON COMMERCE CENTER, LLC			
DEFENDANT: TROUCE GROUP, INC.; PIERSIDE REMODELING, LLC; TYLER TROUNCE; and DOES 1 to 20, inclusive			
PREJUDGMENT CLAIM OF RIGHT TO POSSESSION (Unlawful Detainer)			CASE NUMBER: (LIMITED)
Complete this form only if ALL of these statements are true: <ol style="list-style-type: none">1. You are NOT named in the accompanying summons and complaint.2. You occupied the premises on or before the date the unlawful detainer (eviction) complaint was filed.3. You still occupy the premises.			(To be completed by the process server)
			DATE OF SERVICE: <div></div> (Date that this form is served or delivered, and posted, and mailed by the officer or process server)

1. My name is (specify):
2. I reside at (street address, unit number, city and ZIP code):
3. The address of the premises subject to this claim is (address):
4. On (insert date): , the landlord or the landlord's authorized agent filed a complaint to recover possession of the premises. (This date is the court filing date on the accompanying summons and complaint.)
5. I occupied the premises on the date the complaint was filed (the date in item 4). I have continued to occupy the premises ever since.
6. I was at least 18 years of age on the date the complaint was filed (the date in item 4).
7. I claim a right to possession of the premises because I occupied the premises on the date the complaint was filed (the date in item 4).
8. I was not named in the summons and complaint.
9. I understand that if I make this claim of right to possession, I will be added as a defendant to the unlawful detainer (eviction) action.

10. (Filing fee) I understand that I must go to the court and pay a filing fee of \$ _____ or file with the court the form *Application for Waiver of Court Fees and Costs*. I understand that if I do not pay the filing fee or file with the court the form for waiver of court fees within 10 days from the date of service on this form (excluding court holidays), I will not be entitled to make a claim of right to possession.

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

11. (Response required within five days after you file this form.) I understand that I will have five days (excluding court holidays) to file a response to the summons and complaint after I file this *Prejudgment Claim of Right to Possession* form.
12. Rental agreement. I have (check all that apply to you):
- ☐ an oral rental agreement with the landlord.
 - ☐ a written rental agreement with the landlord.
 - ☐ an oral rental agreement with a person other than the landlord.
 - ☐ a written rental agreement with a person other than the landlord.
 - ☐ other (explain):
13. Did the claimant pay for help from a registered unlawful detainer assistant (Bus. and Prof. Code §§6400-6415) who helped prepare this form? ☐ Yes ☐ No. If yes, complete the following information:

NAME OF UNLAWFUL DETAINER ASSISTANT		TELEPHONE NUMBER ()
ADDRESS (Mailing address, city, and ZIP code)		
REGISTRATION NUMBER	COUNTY OF REGISTRATION	

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

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

DATE	TYPE OR PRINT CLAIMANT'S NAME	SIGNATURE OF CLAIMANT
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NOTICE: If you file this claim of right to possession, the unlawful detainer (eviction) action against you will be determined at trial. At trial, you may be found liable for rent, costs, and, in some cases, treble damages.

- NOTICE TO OCCUPANTS -

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

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

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

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

After this form is properly filed, you will be added as a defendant in the unlawful detainer (eviction) action, and your right to occupy the premises will be decided by the court.