Fill in this information to identify the case:

Debtor 1: West Marine Products, Inc.

Debtor 2 (Spouse, if filing): _____

United States Bankruptcy Court for the: District of Delaware

Case number: 26-10794-KBO

Official Form 410

Proof of Claim

04/25

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) **that you received.**

Part 1: Identify the Claim

1. **Who is the current creditor?**

AM-GSR Exchange, LLC
Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. **Has this claim been acquired from someone else?**

☑ No
☐ Yes. From whom? _____

3. **Where should notices and payments to the creditor be sent?**
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?

Meruelo Group, LLC; Attn. Matt Baltierra
Name

9550 Firestone Blvd., Ste. 105
Number Street

Downey CA 90241
City State ZIP Code

Contact phone 562-441-7273

Contact email matthew.baltierra@meruelogroup.com

Where should payments to the creditor be sent? (if different)

Meruelo Group, LLC; Attn. Armando Delgado
Name

9550 Firestone Blvd., Ste. 105
Number Street

Downey CA 90241
City State ZIP Code

Contact phone 562-745-2311

Contact email armando.delgado@meruelogroup.com

RECEIVED
OCT 20 2026
VERITA GLOBAL

Uniform claim identifier (if you use one):

_ _

4. **Does this claim amend one already filed?**

☐ No
☑ Yes. Claim number on court claims registry (if known) _____ Filed on 07/07/2026
MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?**

☑ No
☐ Yes. Who made the earlier filing? _____



2610801261020000000000001

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. **Do you have any number you use to identify the debtor?**
   - ☑ No
   - ☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ____ ____ ____ ____

7. **How much is the claim?** $ 19,737.78 . **Does this amount include interest or other charges?**
   - ☑ No
   - ☐ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. **What is the basis of the claim?**
   Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
   Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
   Limit disclosing information that is entitled to privacy, such as health care information.
   Breach of written lease agreement; paras. 10(B) and 11 (attached).

9. **Is all or part of the claim secured?**
   - ☑ No
   - ☐ Yes. The claim is secured by a lien on property.

   Nature of property:
   - ☐ Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim.*
   - ☐ Motor vehicle
   - ☐ Other. Describe: _____

   Basis for perfection: _____
   Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

   Value of property: $_____
   Amount of the claim that is secured: $_____
   Amount of the claim that is unsecured: $_____ (The sum of the secured and unsecured amounts should match the amount in line 7.)

   Amount necessary to cure any default as of the date of the petition: $_____

   Annual Interest Rate (when case was filed)_____%
   - ☐ Fixed
   - ☐ Variable

RECEIVED
OCT 20 2026
VERITA GLOBAL

10. **Is this claim based on a lease?**
    - ☐ No
    - ☑ Yes. **Amount necessary to cure any default as of the date of the petition.** $ 19,737.78

11. **Is this claim subject to a right of setoff?**
    - ☑ No
    - ☐ Yes. Identify the property: _____

12. **Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?**

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☑ No

☐ Yes. *Check one:*

	Amount entitled to priority
☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	$_____
☐ Up to $3,800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	$_____
☐ Wages, salaries, or commissions (up to $17,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	$_____
☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	$_____
☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	$_____
☐ Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies.	$_____

* Amounts are subject to adjustment on 4/01/28 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.
☑ I am the creditor's attorney or authorized agent.
☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

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

Executed on date 10/08/2026
MM / DD / YYYY



Signature

Print the name of the person who is completing and signing this claim:

Name: Matthew (First name) B. (Middle name) Baltierra (Last name)

Title: Associate General Counsel

Company: Meruelo Group, LLC
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address: 9550 Firestone Blvd., Ste. 105
Number Street

Downey (City) CA (State) 90241 (ZIP Code)

Contact phone 562-441-7273 Email matthew.baltierra@meruelogroup.com

RECEIVED
OCT 20 2026
VERITA GLOBAL

8. What is the basis of the claim?

Continued: Pursuant to paragraphs 10(B) and 11, Tenant, defined as West Marine Products, Inc., is responsible for repairs necessitated due to Tenant's own negligent acts, and Tenant is required to maintain all interior plumbing at the Premises. (*See* Lease, attached to this Proof of Claim as Exhibit A). Debtor AM-GSR Exchange, LLC is the current owner and landlord of the Premises. (*See* Assignment, attached to this Proof of Claim as Exhibit B).

On January 10, 2026, a plumber – All Connect Plumbing – was called to the Premises to address a leak, and during the visit found that the toilet line was obstructed due to "feminine products." (*See* All Connect Plumbing invoice dated January 10, 2026, attached to this Proof of Claim as Exhibit C).

Therefore, the plumbing and repairs for same are the responsibility of the Tenant, or West Marine Products, Inc. However, West Marine Products, Inc. deducted the plumbing and repair costs on its last payments to the landlord, leaving $7,056.77.

2505 MILL STREET LEASE

Basic Lease Information

Lease Date: May __, 2022

Tenant: West Marine Products, Inc., a Florida corporation

Tenant's Mailing Address: 1 East Broward Blvd., Suite 100, Fort Lauderdale, Florida 33301

Landlord: Kingsland Properties, LLC, a California limited liability company

Landlord's Mailing Address: P.O. Box 6240, Gardnerville, Nevada 89460

Premises: 2505 Mill Street, Unit A, Reno, Nevada 89502

Description of Premises: Approximately 6,400 sf of that certain multi-tenancy commercial single story building, as depicted in Exhibit A attached hereto.

Description of Building: An approximately 10,000 sf multi-tenancy retail/commercial single story building located on an approximately 1.382 acre parcel, APN 012-220-037, commonly known as 2505 Mill Street, Reno, Nevada

Permitted Use: Operation of a Marine Supply, Boating Gear and Boating Apparel store (or any other lawful retail purpose, subject to the prior consent of Landlord, which shall not be unreasonably withheld or delayed).

Term Commencement Date: November 1, 2021

Length of Term: Five (5) years

Base Rent: $6,300.00 per month

Fixed Operating Cost: $1,000 per month fixed Operating Cost in addition to Base Rent, notwithstanding any other provisions of this Lease or actual Operating Expenses (as defined below) for the Premises or the Property. plus Tenant's Proportionate Share of Taxes and Insurance (See Section 7)

Security Deposit: None.

Tenant's Proportionate Share:	64%
Tenant Improvement Rent Concession:	$10,000.00 paid or allocated from the forgiveness of initial payments of Base Rent until such amount is fully allocated to Tenant.
Option to Extend Term:	N/A

Broker(s): Landlord's Broker: Rockford Realty, LLC, Stephanie Wedge, Broker License #B1002511

Tenant's Broker: None.

The foregoing Basic Lease Information is incorporated into and made a part of this Lease. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information above and shall be construed to incorporate all of the terms provided under the particular Lease paragraph pertaining to such information. In the event of any conflict between the Basic Lease Information and the Lease, the latter shall control.

TABLE OF CONTENTS

Page

Basic Lease Information 1

TABLE OF CONTENTS 3

1. PREMISES: 5
2. POSSESSION AND LEASE COMMENCEMENT: 5
3. TERM: 5
4. USE: 6
5. RULES AND REGULATIONS: 8
6. RENT: 8
7. BASIC OPERATING COST: 8
8. INSURANCE AND INDEMNIFICATION: 10
9. WAIVER OF SUBROGATION: 12
10. LANDLORD'S REPAIRS AND SERVICES: 12
11. TENANT'S REPAIRS: 13
12. ALTERATIONS AND TENANT IMPROVEMENTS: 13
13. SIGNS: 15
14. INSPECTION/POSTING NOTICES: 15
15. UTILITIES: 16
16. SUBORDINATION: 16
17. FINANCIAL STATEMENTS: 17
18. ESTOPPEL CERTIFICATE: 17
19. SECURITY DEPOSIT: 17
20. TENANT'S REMEDIES: 17
21. ASSIGNMENT AND SUBLETTING: 18
22. AUTHORITY OF PARTIES: 19
23. CONDEMNATION: 20
24. CASUALTY DAMAGE: 20
25. HOLDING OVER: 22

26. DEFAULT: 22
27. LIENS: 25
28. TENANT'S OPTION TO EXTEND TERM. 25
29. TRANSFERS BY LANDLORD: 25
30. RIGHT OF LANDLORD TO PERFORM TENANT'S COVENANTS: 26
31. WAIVER: 26
32. NOTICES: 26
33. ATTORNEYS' FEES: 27
34. SUCCESSORS AND ASSIGNS: 27
35. FORCE MAJEURE: 27
36. BROKERAGE COMMISSION: 28
37. MISCELLANEOUS: 28
Signatures 30

Exhibit "A" .... Site Plan
Exhibit "B" ....Rules and Regulations
Exhibit "C" ....Information Required for Assignment/Sublease

LEASE

THIS LEASE ("Lease") is made as of this _____ day of April, 2022, by and between Kingsland Properties, LLC, a California limited liability company ("Landlord") and West Marine Products, Inc., a Florida corporation ("Tenant"). The terms of the Basic Lease Information above are hereby incorporated by reference.

1. PREMISES:

Landlord leases to Tenant and Tenant leases from Landlord, upon the terms and conditions set forth in this Lease, those premises (the "Premises") described in the Basic Lease Information and more fully depicted in Exhibit A. The Premises are comprised of an approximately 6,400 square foot portion of the multi-tenancy retail/commercial single-story building located at 2505 Mill Street, Reno, Nevada (the "Building"), and known as Unit A thereof, as more fully depicted in Exhibit A. The Building is situated on the real property located at 2505 Mill Street, Reno, Washoe County, Nevada, also commonly referred to as Assessor's Parcel Number 012-220-37 (the "Property").

2. POSSESSION AND LEASE COMMENCEMENT:

A. Existing Improvements. Tenant, by and through its predecessor in interest, has occupied the Premises for over thirty (30) years and accepts the Premises in its present condition, broom clean, "as is," as suitable for the purpose for which the Premises are leased. Tenant agrees that the Premises and other improvements are in good and satisfactory condition as of the date of this Lease. Tenant further acknowledges that no representations as to the condition or repair of the Premises nor promises to alter, remodel or improve the Premises have been made by Landlord except as expressly set forth in this Lease.

B. Termination of Prior Tenancy. This Lease supersedes, replaces, and terminates any and all prior agreements between any prior owner of the Property or other predecessor-in-interest to Landlord and Tenant, or any predecessor-in-interest to Tenant. Tenant has no rights with respect to the Premises, the Building, or the Property except those expressly set forth in this Lease.

3. TERM:

The Term of this Lease shall commence on the Term Commencement Date and continue in full force and effect for the number of months specified as the Length of Term in the Basic Lease Information or until this Lease is terminated as otherwise provided herein. If the Term Commencement Date is a date other than the first day of the calendar month, the Term shall be the number of months of the Length of Term in addition to the remainder of the calendar month following the Term Commencement Date.

4. USE:

A. General. Tenant shall use the Premises for the Permitted Use and for no other use or purpose. Tenant shall control Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees and subtenants (collectively, "Tenant's Parties") in such a manner that Tenant and Tenant's Parties do not, at any time, violate the Permitted Use or any terms of this Lease, including such commercially reasonable rules and regulations as Landlord may from time to time prescribe. Tenant and Tenant's Parties shall have the nonexclusive right to use, in common with other parties occupying the Building, the parking areas and driveways at the Property, subject to such commercially reasonable rules and regulations as Landlord may from time to time prescribe. Tenant may operate its business on the Premises, subject to the terms of this Lease, as Tenant deems best and there shall be no restrictions upon Tenant or upon the operation of its business, other than as expressly set forth in this Lease. Tenant may discontinue the operation of its business at the Premises at any time and from time to time during the Term, but shall remain in legal and physical possession and occupancy of the Premises and liable for the performance of the terms and conditions of this Lease.

B. Limitations. Tenant shall not permit any odors, smoke, dust, gas, substances, noise or vibrations to emanate from the Premises (or with respect to dust, to accumulate within the Premises in excessive amounts), nor take any action which would constitute a nuisance or would disturb, obstruct or endanger any other third parties or tenants of the Building or interfere with their use of their respective premises. Subject to the immediately following paragraph, storage outside the Premises of materials, vehicles or any other items is prohibited. Tenant shall not use or allow the Premises to be used for any unlawful purpose, nor shall Tenant cause or maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer the commission of any waste in, on or about the Premises. Tenant shall not allow any sale by auction upon the Premises, or place any loads upon the floors, walls or ceilings which endanger the structure, or place any harmful liquids or substances otherwise prohibited by law or regulation in the drainage system of the Building or Property. No waste, materials or refuse shall be dumped upon or permitted to remain outside the Premises except in trash containers placed inside exterior enclosures designated for that purpose by Landlord. Landlord shall not be responsible to Tenant for the non-compliance by any other tenant or occupant of the Building with any of the above-referenced rules or any other terms or provisions of such tenant's or occupant's lease or other contract. The Premises shall not be used for any purpose that would invalidate the insurance or increase the premiums for insurance on the Premises, the Building, or the Property.

Tenant acknowledges and agrees that no outdoor storage of any kind shall be permitted on the Premises or the Property on which the Premises is located without Landlord's prior written consent, which consent Landlord may grant or withhold in its sole and absolute discretion. Subject to the applicable terms, conditions and requirements of this Lease, Tenant shall be entitled to maintain a display of inflatable boats and motors at no additional cost in the portions of the common areas of the Property without obstructing any parking or pedestrian path ("Outdoor

Display Area"). Tenant's display of inflatable boats, motors, kayaks, and stand up paddle boards will be conducted solely within the Outdoor Display Area and in a manner so as to comply with all applicable laws, ordinances, rules and regulations.

C. Compliance with Regulations. Tenant accepts the Premises in the condition existing as of the date of this Lease, subject to all existing or future applicable municipal, state and federal and other governmental statutes, regulations, laws and ordinances, including zoning ordinances and regulations governing and relating to the use, occupancy and possession of the Premises and the use, storage, generation and disposal of Hazardous Materials (hereinafter defined) in, on and under the Premises (collectively "Regulations"). Tenant shall, at Tenant's sole expense, strictly comply with all Regulations now in force or which may hereafter be in force relating to Tenant's use and occupancy of the Premises and/or the use, storage, generation of Hazardous Materials in, on and under the Premises. Tenant shall at its sole cost and expense obtain any and all licenses or permits necessary for Tenant's use of the Premises. Tenant shall promptly comply with the requirements of any board of fire underwriters or other similar body now or hereafter constituted. Tenant shall not do or permit anything to be done in, on, or about the Premises or bring or keep anything which will in any way increase the rate of any insurance upon the Premises, the Building, or the Property, or upon any contents therein or cause a cancellation of said insurance or otherwise affect said insurance in any manner. Tenant shall indemnify, defend, protect and hold Landlord harmless from and against any loss, cost, expense, damage, attorneys' fees or liability arising out of the failure of Tenant to comply with Regulations relating to Tenant's use and occupancy of the Premises and/or the use, storage, generation of Hazardous Materials in, on and under the Premises or comply with the requirements as set forth herein.

D. Hazardous Materials. Other than reasonable quantities of Hazardous Materials used by Tenant in the ordinary course of its business and in strict compliance with all Environmental Laws, Tenant shall not cause, or allow any of Tenant's Parties to cause, any Hazardous Materials to be used, generated, stored or disposed of on or about the Premises, the Building or the Property. As used in this Lease, "Hazardous Materials" shall include, but not be limited to, hazardous, toxic and radioactive materials and those substances defined as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or other similar designations in any Regulation. Landlord shall have the right at all reasonable times to inspect the Premises and to conduct tests and investigations to determine whether Tenant is in compliance with the foregoing provisions, the costs of all such inspections, tests and investigations to be borne by Tenant. Tenant shall indemnify, defend, protect and hold Landlord harmless from and against all liabilities, losses, costs and expenses, demands, causes of action, claims or judgments directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Materials by Tenant or any of Tenant's Parties, which indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the termination of this Lease. Neither the written consent by Landlord to the use, generation, storage, or disposal of Hazardous Materials, nor the strict compliance by Tenant with all Regulations pertaining to Hazardous Materials shall excuse Tenant

from Tenant's obligation of indemnification pursuant to this paragraph. Tenant's obligations pursuant to the foregoing indemnity shall survive the termination of this Lease.

5. RULES AND REGULATIONS:

Tenant shall faithfully observe and comply with any commercially reasonable rules and regulations Landlord may from time to time prescribe in writing for the purpose of maintaining the proper care, cleanliness, safety, traffic flow and general order of the Premises, Building, and/or Property. Tenant shall cause Tenant's Parties to comply with such rules and regulations. Landlord shall not be responsible to Tenant for the non-compliance by any other tenant or occupant of the Building or Property with any of the rules and regulations. The Rules and Regulations, in the form adopted by Landlord as of the date of this Lease, if any, are attached as Exhibit B. In the event any provisions of the Rules and Regulations shall conflict with any other specific provisions of this Lease, the other provisions of this Lease shall control.

6. RENT:

A. Base Rent. Tenant shall pay to Landlord Base Rent as set forth in the Basic Lease Information without demand throughout the Term, payable monthly in advance on or before the first day of each calendar month, in lawful money of the United States, without deduction or offset whatsoever, by check or other means acceptable to Landlord in its sole discretion, to the mailing address specified in the Basic Lease Information or to such other place as Landlord may from time to time designate in writing. If the obligation for payment of Base Rent commences on other than the first day of a month, then Base Rent shall be prorated, and the prorated installment shall be paid together with the Base Rent applicable to the first full calendar month on or before the Term Commencement Date.

B. Additional Rent. All monies other than Base Rent required to be paid by Tenant hereunder, including, but not limited to, the interest and late charge described in Paragraph 26.D, any monies spent by Landlord pursuant to Paragraph 30, and Tenant's Fixed Operating Cost, as specified in Paragraph 7 of this Lease, shall be considered additional rent ("Additional Rent"). "Rent" shall mean Base Rent and Additional Rent.

7. FIXED OPERATING COST:

A. Operating Expenses. In addition to the Base Rent, Tenant shall pay as Additional Rent, a Fixed Operating Cost payment obligation equal to $1,000 per month capped at $1,000 for the entire Term of the Lease, irrespective of anything that could be construed to the contrary in this Lease (the "Operating Expenses"), plus Tenant's Proportionate Share of Taxes and Insurance as described below.

(1) Taxes. All real property taxes, possessory interest taxes, business or license taxes or fees, service payments in lieu of such taxes or fees, annual or periodic license or use fees, excises, transit charges, housing fund assessments, open space charges, assessments, levies, fees or charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind (including fees "in-lieu" of any such tax or assessment) which are assessed, levied, charged, confirmed, or imposed by any public authority upon the Building, the Property, its operations, or the Rent (or any portion or component thereof (all of the foregoing being hereinafter collectively referred to as "real property taxes"), or any tax imposed in substitution, partially or totally, of any tax previously included within the definition of real property taxes, or any additional tax the nature of which was previously included within the definition of real property taxes, except (a) inheritance or estate taxes imposed upon or assessed against the Property, or any part thereof or interest therein, and (b) taxes computed upon the basis of net income of Landlord or the owner of any interest therein. Basic Operating Cost shall also include any taxes, assessments, or any other fees imposed by any public authority upon or measured by the monthly rental or other charges payable hereunder, including, any excise tax levied by the local governmental authority in which the Property is located, the federal government, or any other governmental body with respect to receipt of such rental, or upon, with respect to or by reason of the development, possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof, or upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises. In the event that it shall not be lawful for Tenant to reimburse Landlord for all or any part of such taxes, the monthly rental payable to Landlord under this Lease shall be revised to net to Landlord the same net rental after imposition of any such taxes by Landlord as would have been payable to Landlord prior to the payment of any such taxes.

(2) Insurance. All insurance premiums and costs, including but not limited to, any deductible amounts, premiums and cost of insurance incurred by Landlord, as more fully set forth in Paragraph 8.A. herein.

B. ***Reserved.***

C. ***Reserved.***

D. Net Lease. This shall be a net Lease and Base Rent shall be paid to Landlord absolutely net of all costs and expenses, except as specifically provided to the contrary in this Lease. The provisions for payment of Basic Operating Cost as set forth in Paragraph A above are intended to pass on to Tenant and reimburse Landlord for all costs and expenses of the nature described in Paragraph 7.A. incurred in connection with the ownership, maintenance and operation of the Building or Property and such additional facilities now and in subsequent years as may be determined by Landlord to be

necessary to the Building or Property, subject to the exclusions to Basic Operating Cost as set forth in this Lease.

E. ***Reserved.***

8. INSURANCE AND INDEMNIFICATION:

A. Landlord's Insurance. Landlord shall maintain property insurance insuring the Building and the Property against fire, lightning, vandalism and malicious mischief (including, if Landlord elects, earthquake and/or flood insurance), in an amount not less than one hundred percent (100%) of the replacement cost thereof, with deductibles and the form and endorsements of such coverage as selected by Landlord. Such insurance may also include, at Landlord's option, insurance against loss of Base Rent and Additional Rent, in an amount equal to the amount of Base Rent and Additional Rent payable by Tenant for a period of at least twelve (12) months commencing on the date of loss. Such insurance shall be for the sole benefit of Landlord and under Landlord's sole control. Landlord shall not be obligated to insure any furniture, equipment, machinery, goods or supplies which Tenant may keep or maintain in the Premises or any leasehold improvements or alterations within the Premises installed or constructed by Tenant, whether or not so installed or constructed by Tenant before or after the Term Commencement Date. Landlord may also carry such other insurance as Landlord may deem prudent or advisable, including, without limitation, liability insurance in such amounts and on such terms as Landlord shall determine.

B. Tenant's Insurance

(1) Property Insurance. Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term, insurance on all personal property and fixtures of Tenant and all improvements, additions or alterations within the Premises constructed or installed by Tenant, insuring such property for the full replacement value of such property.

(2) Liability Insurance. At the commencement of the Lease Term and upon written request from Landlord, Tenant shall provide Landlord with an endorsement, issued by the insuring carrier, showing Landlord as the additional insured with respect to the commercial general liability policy and any other liability policy required hereunder to which additional insureds can be added. Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term Commercial General Liability insurance applying to Tenant's use and occupancy of the Premises, the Building, and the Property, and any part of them, and any areas adjacent thereto, and the business operated by Tenant, including any other occupant of the Premises, which occupancy is subject to the terms of this Lease. Such insurance shall include Broad Form Contractual Liability insurance coverage naming this Lease as an "insured contract". Such coverage shall have a minimum combined single limit of liability of at least Two Million Dollars

($2,000,000.00), and a general aggregate limit of Three Million Dollars ($3,000,000.00). All such liability policies shall be written to apply to all bodily injury, property damage or loss, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add Landlord, Landlord's management company, and any party holding an interest to which this Lease may be subordinated as an additional insured, and shall provide that such coverage shall be primary and that any insurance maintained by Landlord shall be excess insurance only. Such coverage shall also contain endorsements: (i) deleting any Tenant employee exclusion on personal injury coverage; (ii) including Tenant's employees as additional insureds; (iii) deleting any liquor liability exclusion; and (iv) providing for coverage of employer's (i.e. Tenant's) automobile non-ownership liability. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insureds shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Said coverage shall be written on an "occurrence" basis, if available. If an "occurrence" basis form is not available, Tenant must purchase "tail" coverage for the greatest number of years available, and Tenant must also purchase "tail" coverage if the retroactive date of an "occurrence" basis form is changed so as to leave a gap in coverage for occurrences that might have occurred in prior years. If a "claims made" policy is ever used, the policy must be endorsed so that Landlord is given the right to purchase "tail" coverage should Tenant for any reason not do so or if the policy is to be canceled for nonpayment of premium.

(3) General Insurance Requirements. All coverages described in this Paragraph 8.B. shall be endorsed to provide Landlord with thirty (30) days' notice of cancellation or change in terms. All insurance policies required to be carried under this Lease shall be written by companies rated A or better with no less than a class VII in "Best's Insurance Guide" and authorized to do business in Nevada. Any deductible amounts under any insurance policies required to be obtained and maintained by Tenant hereunder shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld. For the purposes of applying the foregoing sentence, Landlord shall not be deemed to withhold consent unreasonably to any insurance deductible that is materially in excess of deductibles then generally available at commercially reasonable premium amounts and customarily carried and maintained by other commercial and retail tenants in the greater Reno area. Tenant shall deliver to Landlord on or before the Term Commencement Date, and thereafter at least twenty (20) days before the expiration dates of the expiring policies, a certificate (or certificates) evidencing Tenant's insurance coverages issued by the insurer thereunder, showing that all premiums have been paid for the full policy period; and, in the event Tenant shall fail to procure such insurance, or to deliver such policies or certificates, Landlord may, at Landlord's option and in addition to Landlord's other remedies in the event of a default by Tenant hereunder, procure the same for the account of Tenant, and the cost thereof shall be paid to Landlord as Additional Rent.

C. Indemnification. Landlord shall not be liable to Tenant for any loss or damage to person or property caused by theft, fire, acts of God, acts of a public enemy, riot, strike, insurrection, war, court order, requisition or order of governmental body or authority or for any damage or inconvenience which may arise through repair or alteration of any part of the Building or Property or failure to make any such repair, except as expressly otherwise provided in Paragraph 10. Tenant shall indemnify, defend by counsel selected by Landlord, protect and hold Landlord harmless from and against any and all liabilities, losses, costs, damages, injuries or expenses, including reasonable attorneys' fees and court costs, claimed by third parties and arising out of: (1) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from the use or occupancy of the Premises by Tenant or Tenant's Parties, or from the negligence of Tenant or Tenant's Parties in or about the Premises, Building, or Property; (2) claims for work or labor performed, or for materials or supplies furnished to or at the request of Tenant in connection with performance of any work done for the account of Tenant within the Premises, Building, or Property; and (3) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease. The foregoing indemnity shall not be applicable to claims arising from the active negligence or willful misconduct of Landlord. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

9. WAIVER OF SUBROGATION:

To the extent permitted by law and without affecting the coverage provided by insurance to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for: (a) damages for injury to or death of persons or to property; (b) damages to the Premises or any part thereof; and (c) claims arising by reason of the foregoing, in each case (i) to the extent due to hazards covered by insurance actually carried or required to be carried by the waiving party and (ii) to the extent of the proceeds recovered therefrom (or, if the waiving party failed to carry any insurance required to be carried under this lease, to the extent of the proceeds that would have been recovered had the waiving party carried the required insurance). This provision is intended to waive fully, and for the benefit of each party, any rights and/or claims described in the immediately preceding sentence which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this paragraph.

10. LANDLORD'S REPAIRS AND SERVICES:

A. Landlord's Expense. Landlord shall, at Landlord's expense maintain and repair (including replacements) the structural components, roof, foundations and exterior walls of the Building, in good repair, reasonable wear and tear excepted. The term "exterior walls" as used herein shall not include windows, glass or plate glass, doors, loading dock doors, exterior bumpers or dock levelers, special store fronts or office entries.

B. Tenants' Expense. Landlord shall also maintain and repair (including replacements), as an item of Basic Operating Cost (subject to the exclusions to Basic Operating Cost), the public and common areas of the Property (including but not limited to pest extermination, the landscaped areas, parking areas, driveways, and truck staging areas (excluding loading or roll up dock doors, levelers, or bumpers), and rail spur areas), gutters and downspouts, and the following systems, lines, and equipment serving the Building and Premises: fire sprinkler, sanitary and storm sewer, electrical, telephone, exterior lighting, heating and air conditioning, mechanical, plumbing (excluding interior plumbing), and life safety. In connection with the foregoing, Landlord shall have the right to obtain and enter into maintenance contracts with third parties for the purpose of performing some or all of Landlord's obligations set forth above, the cost of which shall be included in Basic Operating Cost. Any damage caused by or repairs necessitated by any negligent act of Tenant or any of Tenant's Parties may be repaired by Landlord at Landlord's option and at Tenant's expense, subject to the waivers in Paragraph 9 above. Tenant shall promptly give Landlord written notice of any defect or need of repairs after which Landlord shall have a reasonable opportunity to repair same. Landlord's liability with respect to any defects, repairs, or maintenance for which Landlord is responsible under any of the provisions of this Lease shall be limited to the cost of such repairs or maintenance.

11. TENANT'S REPAIRS:

To the extent not required to be maintained by Landlord as set forth in Paragraph 10 above, Tenant shall at Tenant's expense maintain all interior, non-structural parts of the Premises in a good clean and secure condition consistent with similar properties and promptly make all necessary repairs and replacements, including but not limited to all windows, glass, doors, interior walls and wall finishes, floor covering, loading and roll-up doors, dock bumpers, dock plates and levelers, interior plumbing work and fixtures, interior electrical and lighting fixtures. Such repairs shall be made with like new materials, and shall be of similar appearance (and paint or finish color), as existed as of the Term Commencement Date (e.g., to the extent reasonably practicable, light bulbs shall be of the same color, wattage and brand, door panels shall be the same color and produced by the same manufacturer, and paint shall be of the same color, shade and grade). Tenant shall at Tenant's expense also perform regular removal of trash and debris. Tenant shall not damage any demising wall or disturb the integrity and support provided by any demising wall and shall, at its sole expense (subject to the waivers in Paragraph 9 above), immediately repair any damage to any demising wall caused by Tenant or Tenant's Parties.

12. ALTERATIONS AND TENANT IMPROVEMENTS:

A. Alterations. Tenant shall not make, or allow to be made, any alterations or physical additions in, about or to the Premises without obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld with respect to proposed alterations and additions which: (a) comply with all applicable laws, ordinances, rules and regulations; (b) are in Landlord's reasonable opinion compatible with the Property and its mechanical, plumbing, electrical,

heating/ventilation/air conditioning systems; and (c) will not interfere with the use and occupancy of any other portion of the Building or Property by any other tenant or its invitees. Specifically, but without limiting the generality of the foregoing, Landlord shall have the right of written consent for all plans and specifications for the proposed alterations or additions, construction means and methods, all appropriate permits and licenses, any contractor or subcontractor to be employed on the work of alteration or additions, and the time for performance of such work. Tenant shall also supply to Landlord any documents and information reasonably requested by Landlord in connection with Landlord's consideration of a request for approval hereunder. Tenant shall reimburse Landlord for all reasonable out-of-pocket costs which Landlord may incur in connection with granting approval to Tenant for any such alterations and additions, including any reasonable costs or expenses which Landlord may incur in electing to have outside architects and engineers review said plans and specifications. All such alterations, physical additions or improvements shall remain the property of Tenant until termination of this Lease, at which time they shall be and become the property of Landlord if Landlord so elects; provided, however, that Landlord may, at Landlord's option (which must be exercised, if at all, in writing to Tenant prior to installation of the applicable alterations, physical additions or improvements), require that Tenant, at Tenant's expense, remove any or all alterations, additions, improvements and partitions made by Tenant and restore the Premises by the termination of this Lease, whether by lapse of time, or otherwise, to their condition existing prior to the construction of any such alterations, additions, partitions or leasehold improvements, including without limitation repainting of walls, replacement of lighting fixtures and bulbs to the extent not in compliance with the terms of this Lease, repair and filling of intrusions through concrete, and removal of telephone, cable and other electronic installations. All such removals and restoration shall be accomplished in a good and workmanlike manner so as not to cause any damage to the Premises, Building, or Property whatsoever. If Tenant fails to so remove such alterations, additions, improvements and partitions or Tenant's trade fixtures or furniture, Landlord may keep and use them or remove any of them and cause them to be stored or sold in accordance with applicable law, at Tenant's sole expense. **Notwithstanding anything in this Lease to the contrary, upon the expiration or earlier termination of this Lease, Tenant shall not be required to remove or restore any alterations, additions, improvements and partitions existing as of the Term Commencement Date.** In addition to and wholly apart from Tenant's obligation to pay Tenant's Proportionate Share of Basic Operating Cost, Tenant shall be responsible for and shall pay prior to delinquency any taxes or governmental service fees, possessory interest taxes, fees or charges in lieu of any such taxes, capital levies, or other charges imposed upon, levied with respect to or assessed against its personal property, on the value of the alterations, additions or improvements within the Premises, and on Tenant's interest pursuant to this Lease. To the extent that any such taxes are not separately assessed or billed to Tenant, Tenant shall pay the amount thereof as invoiced to Tenant by Landlord.

B. Rent Concession for Tenant Improvements. Should Tenant elect, within the first six (6) months of the Term, to make alterations to the Premises in accordance with Paragraph 12.A above for the purposes of updating and upgrading the Premises, Landlord shall contribute up to $10,000.00 toward such improvements by way of concessions to Base Rent due (provided that Tenant is not in

default under this Lease beyond applicable notice and cure periods). To the extent required in Paragraph 12.A, Tenant must obtain Landlord's prior written authorization to conduct any improvements using the rent concession allowed in this Paragraph. Prior to applying any rent concession, Tenant shall submit all necessary plans, bids, and contracts for Landlord's review and approval. In order to use any rent concessions, Tenant shall provide, on or before the date that such Base Rent is due, receipts and lien waivers establishing that work has been completed and all contractors have been paid, a complete accounting establishing the amount of rent concession Tenant is requesting for that month, and payment of the balance of Base Rent due for that month. Under no circumstances shall any rent concession apply against Additional Rent due.

13. SIGNS:

A. Tenant's Signage. Except to the extent now or later in violation of applicable local sign ordinances and regulations, Tenant shall be entitled to maintain any and all existing Building and other signage in place as of the Term Commencement Date, together with the upper portion (to the extent currently utilized by Tenant) of the monument sign located on the property ("Tenant's Existing Signs"). All other signs, notices and graphics of every kind or character, visible in or from public view or corridors, the common areas or the exterior of the Premises, shall be subject to Landlord's prior written approval. Other than any Tenant's Existing Signs, Tenant shall not place or maintain any banners whatsoever or any window decor in or on any exterior window or window fronting upon any common areas or service area or upon any truck doors or man doors without Landlord's prior written approval. Any installation of signs or graphics on or about the Premises and Property shall be subject to any applicable governmental laws, ordinances, regulations and to any other requirements imposed by Landlord. Tenant shall remove all such signs and graphics prior to the termination of this Lease. Such installations and removals shall be made in such manner as to avoid injury or defacement of the Premises, Building, or Property and any other improvements contained therein, and Tenant shall repair any injury or defacement, including without limitation, discoloration caused by such installation or removal.

B. Landlord to Remove Existing Black Sign. Within sixty (60) days of the Term Commencement Date, Landlord shall, at Landlord's sole expense, remove the black sign existing on the front of the Building and repair any damage to the Building caused by the sign or its removal.

14. INSPECTION/POSTING NOTICES:

After reasonable notice, except in emergencies where no such notice shall be required, Landlord, and Landlord's agents and representatives, shall have the right to enter the Premises to inspect the same, to clean, to perform such work as may be permitted or required hereunder, to make repairs or alterations to the Premises or Property or to other tenant spaces therein, to deal with emergencies, to post such notices as may be permitted or required by law to prevent the perfection of liens against Landlord's interest in the Property or to exhibit the Premises to prospective purchasers, encumbrancers or, during the last six (6) months of the Term, prospective tenants, or for any other

purpose as Landlord may deem necessary or desirable in its commercially reasonable discretion; provided, however, that Landlord shall use reasonable efforts not to unreasonably interfere with Tenant's business operations. Tenant shall not be entitled to any abatement of Rent by reason of the exercise of any such right of entry. At any time within six (6) months prior to the end of the Term, Landlord shall have the right to erect on the Property a suitable sign indicating that the Premises are available for lease. Tenant shall give written notice to Landlord at least thirty (30) days prior to vacating the Premises and shall meet with Landlord for a joint inspection of the Premises at the time of vacating. In the event of Tenant's failure to give such notice or participate in such joint inspection, Landlord's inspection at or after Tenant's vacating the Premises shall conclusively be deemed correct for purposes of determining Tenant's responsibility for repairs and restoration.

15. UTILITIES:

Tenant shall pay directly for all water, gas, heat, air conditioning, light, power, telephone, sewer, sprinkler charges and other utilities and services used on or from the Premises, together with any taxes, penalties, surcharges or the like pertaining thereto, and maintenance charges for utilities and shall furnish all electric light bulbs, ballasts and tubes of the type, color and wattage as existed in the Premises as of the Term Commencement Date. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion, as determined by Landlord, of all charges jointly serving other premises as Additional Rent. Landlord shall not be liable for any damages directly or indirectly resulting from nor shall the Rent or any monies owed Landlord under this Lease herein reserved be abated by reason of: (a) the installation, use or interruption of use of any equipment used in connection with the furnishing of any such utilities or services; (b) the failure to furnish or delay in furnishing any such utilities or services when such failure or delay is caused by acts of God or the elements, labor disturbances of any character, or any other accidents or other conditions beyond the reasonable control of Landlord; or (c) the limitation, curtailment, rationing or restriction on use of water, electricity, gas or any other form of energy or any other service or utility whatsoever serving the Premises or Property. Landlord shall be entitled to cooperate voluntarily and in a reasonable manner with the efforts of national, state or local governmental agencies or utility suppliers in reducing energy or other resource consumption. The obligation to make services available hereunder shall be subject to the limitations of any such voluntary, reasonable program.

16. SUBORDINATION:

Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, the Lease shall be subject and subordinate at all times to: (a) all ground leases or underlying leases which may hereafter be executed affecting the Premises and/or the land upon which the Premises and Property are situated, or both; and (b) any mortgage or deed of trust which may be placed upon said Property, land, ground leases or underlying leases, or Landlord's interest or estate in any of said items which is specified as security (each, an "Encumbrance"). Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. In the event

that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord at the option of such successor in interest. Within ten (10) business days after request by Landlord, Tenant shall execute and deliver any additional documents evidencing Tenant's attornment or the subordination of this Lease with respect to any such ground leases or underlying leases or any such mortgage or deed of trust, in the form requested by Landlord or by any ground landlord, mortgagee, or beneficiary under a deed of trust.

Notwithstanding the foregoing, (i) Landlord represents and warrants that, as of the Term Commencement Date, there are no Encumbrances other than the existing lease for the portions of the Building not constituting the Premises, and (ii) the subordination of this Lease to any future Encumbrance shall be conditioned upon the applicable Encumbrance holder agreeing that Tenant's occupancy of the Premises and other rights under this Lease shall not be disturbed by reason of the foreclosure of such Encumbrance, so long as Tenant is not in default under this Lease beyond any and all applicable notice and cure periods. Without limiting the foregoing, any agreement or obligation of Tenant in the Lease to subordinate its interest to any future Encumbrance or to attorn to any future Encumbrance holder, is and shall be expressly conditioned and contingent upon Tenant's receipt from the applicable Encumbrance holder, for Tenant's benefit, of an executed subordination, non-disturbance, and attornment agreement in form and substance reasonably acceptable to Tenant ("SNDA").

17. INTENTIONALLY DELETED.

18. ESTOPPEL CERTIFICATE:

Tenant agrees from time to time, within ten (10) business days after request of Landlord, to deliver to Landlord, or Landlord's designee, an estoppel certificate stating, to the extent true, that this Lease is in full force and effect, the date to which Rent has been paid, the unexpired portion of this Lease, and such other matters pertaining to this Lease as may be reasonably requested by Landlord. Failure by Tenant to execute and deliver such certificate shall constitute an acceptance of the Premises and acknowledgment by Tenant that the statements included are true and correct without exception. Landlord and Tenant intend that any statement delivered pursuant to this Paragraph may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the Property or any interest therein. The parties agree that Tenant's obligation to furnish such estoppel certificates in a timely fashion is a material inducement for Landlord's execution of the Lease, and shall be an event of default if Tenant fails to fully comply.

19. INTENTIONALLY DELETED.

20. TENANT'S REMEDIES:

The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease are not personal obligations of the individual or other partners, directors, officers and shareholders of Landlord, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any amount from Landlord, and shall not look to other assets of Landlord nor seek recourse against the assets of the individual or other partners, directors, officers and shareholders of Landlord. Any lien obtained to enforce any such judgment and any levy of execution thereon shall be subject and subordinate to any lien, mortgage or deed of trust on the Property.

21. ASSIGNMENT AND SUBLETTING:

A. General. Tenant shall not assign or sublet the Premises or any part thereof without Landlord's prior written approval, not to be unreasonably withheld, conditioned, or delayed. If Tenant desires to assign this Lease or sublet any or all of the Premises, Tenant shall give Landlord written notice at least thirty (30) days prior to the anticipated effective date of the assignment or sublease. In connection with Landlord's review of any proposed assignment or sublease of all or substantially all of the Premises, Landlord shall have the right to request and consider the documents and information described on Exhibit C attached hereto. Landlord shall then have a period of fifteen (15) days following receipt of the later of such notice or the required documents (including, in the case of an assignment, and without limitation, financial statements and other financial information of such assignee) to notify Tenant in writing that Landlord elects either: (1) reject Tenant's request to assign this Lease or sublet such space; or (2) to permit Tenant to assign this Lease or sublet such space, subject, however, to Landlord's prior written approval, not to be unreasonably withheld, conditioned, or delayed, of any related documents or agreements associated with the assignment or sublease. If Landlord should fail to notify Tenant in writing of such election within said period, Landlord shall be deemed to have elected option (2) above. Without limiting the other instances in Landlord may withhold Landlord's consent to an assignment or subletting, Landlord and Tenant acknowledge that it shall be reasonable for Landlord to withhold Landlord's consent in the following instances: the use of the Premises by such proposed assignee or subtenant would not be a permitted use or would increase the parking density of the Property; the proposed assignee or subtenant is not of sound financial condition; the proposed assignee or subtenant is a governmental agency; the proposed assignee or subtenant does not have a good reputation as a tenant of property; the proposed assignee or subtenant is a person with whom Landlord is negotiating to lease space in the Building; or the assignment or subletting would entail any alterations which would lessen the value of the leasehold improvements in the Premises. If Landlord approves proposed assignment as outlined herein, Tenant agrees to pay Landlord all Landlord's actual out of pocket costs, including attorney fees to the extent not in excess of the lesser of one-half month's Base Rent or Three Thousand Dollars, as consideration for Landlord's time an effort in processing an assignment.

B. Bonus Rent. Any Rent or other consideration realized by Tenant under any such sublease or assignment in excess of the Rent payable hereunder, after amortization of a reasonable brokerage commission, shall be divided and paid, ten percent (10%) to Tenant, ninety percent (90%) to Landlord. In any subletting or assignment undertaken by Tenant, Tenant shall diligently seek to

obtain the maximum rental amount available in the marketplace for such subletting or assignment. For the purpose of calculating the amount due Landlord under this subparagraph, amounts realized by Tenant in connection with concessions Tenant may receive, amounts paid for the assets or equity in Tenant in excess of the value Tenant would have received without the Lease, and any other amounts that reflect the value of the Lease in connection with any such transaction shall be deemed to be consideration realized by Tenant under any such sublease or assignment in excess of the Rent payable hereunder.

C. **Corporation.** Subject to Paragraph 12.E. below, if Tenant is a corporation, a transfer of corporate shares by sale, assignment, bequest, inheritance, operation of law or other disposition (including such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency or other proceedings), so as to result in a change in the present control of such corporation or any of its parent corporations by the person or persons owning a majority of said corporate shares, shall constitute an assignment for purposes of this Lease.

D. **Partnership.** Subject to Paragraph 12.E. below, if Tenant is a partnership, joint venture or other incorporated business form, including without limitation a limited liability company, a transfer of the interest of persons, firms or entities responsible for managerial control of Tenant by sale, assignment, bequest, inheritance, operation of law or other disposition, so as to result in a change in the present control of said entity and/or a change in the identity of the persons responsible for the general credit obligations of said entity shall constitute an assignment for all purposes of this Lease.

E. **Permitted Transfers.** Notwithstanding anything to the contrary contained in this Lease, Tenant may assign this Lease or sublet all or any portion of the Premises from time to time, without Landlord's consent but with prior written notice (unless prior notice is prohibited by law) to any of the following (each, a "Permitted Transferee"), (i) any entity controlling, controlled by, or under common control with Tenant, or (iii) any entity that acquires a controlling equity interest in Tenant by merger or acquisition of its parent entity; provided, however, that (a) no such assignment or sublease shall relieve Tenant from any liability under this Lease, whether accrued to the date of such assignment or sublease, or thereafter accruing, and (b) the assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease to obtain Landlord's consent to an assignment or sublease.

F. **Liability.** No assignment or subletting by Tenant shall relieve Tenant of any obligation under this Lease. Any assignment or subletting which conflicts with the provisions hereof shall be void.

22. AUTHORITY OF PARTIES:

Landlord represents and warrants that it has full right and authority to enter into this Lease and to perform all of Landlord's obligations hereunder. Tenant represents and warrants that it has full right and authority to enter into this Lease and to perform all of Tenant's obligations hereunder.

23. CONDEMNATION:

A. Condemnation Resulting in Termination. If the whole or any substantial part of the Property of which the Premises are a part should be taken or condemned for any public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and the taking would prevent or materially interfere with the Permitted Use of the Premises this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective when the physical taking of said Premises shall have occurred.

B. Condemnation Not Resulting in Termination. If a portion of the Property of which the Premises are a part should be taken or condemned for any public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in Paragraph 23.A. above, this Lease shall not terminate, but the Rent payable hereunder during the unexpired portion of the Lease shall be reduced, beginning on the date when the physical taking shall have occurred, to such amount as may be fair and reasonable under all of the circumstances.

C. Award. Landlord shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with such taking or conveyance and Tenant shall have no claim against Landlord or otherwise for the value of any unexpired portion of this Lease. Notwithstanding the foregoing, any compensation specifically awarded Tenant for loss of business, Tenant's personal property, moving costs or loss of goodwill, shall be and remain the property of Tenant.

24. CASUALTY DAMAGE:

A. General. If the Premises, Building, or Property should be damaged or destroyed by fire, tornado or other casualty, Tenant shall give prompt written notice thereof to Landlord. Within thirty (30) days after Landlord's receipt of such notice, Landlord shall notify Tenant whether in Landlord's commercially reasonable opinion such repairs can reasonably be made either: (1) within ninety (90) days; (2) in more than ninety (90) days but in less than one hundred eighty (180) days; or (3) in more than one hundred eighty (180) days from the date of such notice. Landlord's determination shall be binding on Tenant.

B. Less Than 90 Days. If the Premises, Building, or Property should be damaged by fire, tornado or other casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed within ninety (90) days after the date of such damage, this Lease shall not terminate and, provided that insurance proceeds are available to fully repair the damage, Landlord shall proceed to rebuild and repair the Premises in the manner determined by Landlord, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other leasehold improvements which may have been placed in, on or about

the Premises. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be abated proportionately, but only during the time and to the extent the Premises are unfit for occupancy.

C. Greater Than 90 Days. If the Premises, Building, or Property should be damaged by fire, tornado or other casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed in more than ninety (90) days but in less than one hundred eighty (180) days, then Landlord or Tenant shall have the option of terminating the Lease effective upon the date of the occurrence of such damage, in which event the Rent shall be abated during the unexpired portion of the Lease. If neither Landlord nor Tenant terminates the Lease, Landlord shall be obligated to rebuild or repair the Premises to substantially the condition in which they existed prior to such damage, provided that insurance proceeds are available to fully repair the damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other improvements which may have been placed in, on or about the Premises by Tenant. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be abated proportionately, but only during the time and to the extent the Premises are unfit for occupancy. In the event that Landlord should fail to complete such repairs and rebuilding within one hundred eighty days (180) days after the date of such damage, such period of time to be extended for delays caused by the fault or neglect of Tenant or because of acts of God, acts of public agencies, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, supplies or fuels, or delays of the contractors or subcontractors or any other causes or contingencies beyond the reasonable control of Landlord, Tenant may at Tenant's option within ten (10) days after the expiration of such one hundred eighty (180) day period (as such may be extended), terminate this Lease by delivering written notice of termination to Landlord as Tenant's exclusive remedy, whereupon all rights hereunder shall cease and terminate thirty (30) days after Landlord's receipt of such termination notice.

D. Greater Than 180 Days. If the Premises, Building, or Property should be so damaged by fire, tornado or other casualty that rebuilding or repairs cannot in Landlord's estimation be completed within one hundred eighty (180) days after such damage, this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage.

E. Tenant's Fault. If the Premises or any other portion of the Building are damaged by fire or other casualty resulting from the fault, negligence or willful misconduct of Tenant or any of Tenant's Parties, Base Rent and Additional Rent shall not be diminished during the repair of such damage and Tenant shall be liable to Landlord for the cost and expense of the repair and restoration of the Building caused thereby to the extent such cost and expense is not covered by insurance proceeds. Furthermore, if the repair of such damage extends beyond the Term, Tenant shall be deemed to be holding over pursuant to Paragraph 25 below.

F. Uninsured Casualty. Notwithstanding anything herein to the contrary, in the event that the Premises or Building are damaged or destroyed and are not fully covered by the insurance proceeds received by Landlord or in the event that the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises requires that the insurance proceeds be applied to such indebtedness, then in either case Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within thirty (30) days after the date of notice to Landlord that said damage or destruction is not fully covered by insurance or such requirement is made by any such holder, as the case may be, whereupon all rights and obligations hereunder shall cease and terminate.

25. HOLDING OVER:

If Tenant shall retain possession of the Premises or any portion thereof without Landlord's consent following the expiration of the Lease or sooner termination for any reason, then Tenant shall pay to Landlord for each day of such retention 150% of the amount of the daily rental as of the last month prior to the date of expiration or termination. Tenant shall also indemnify, defend, protect and hold Landlord harmless from any loss, liability or cost, including reasonable attorneys' fees, resulting from delay by Tenant in surrendering the Premises, including, without limitation, any claims made by any succeeding tenant founded on such delay. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease, and nothing contained in this Paragraph 25 shall waive Landlord's right of reentry or any other right. Unless Landlord consents in writing to Tenant's holding over, Tenant shall be only a Tenant at sufferance, whether or not Landlord accepts any Rent from Tenant while Tenant is holding over without Landlord's written consent. Additionally, in the event that upon termination of the Lease, Tenant has not fulfilled its obligation with respect to repairs and cleanup of the Premises or any other Tenant obligations as set forth in this Lease, then Landlord shall have the right to perform any such obligations as it deems necessary at Tenant's sole cost and expense, and any time required by Landlord to complete such obligations shall be considered a period of holding over and the terms of this Paragraph 25 shall apply.

26. DEFAULT:

A. Events of Default. The occurrence of any of the following shall constitute an event of default on the part of Tenant:

(1) Abandonment. Abandonment of the Premises for a continuous period in excess of sixty (60) days.

(2) Nonpayment of Rent. Failure to pay any installment of Rent or any other amount due and payable hereunder upon the date when said payment is due or within ten (10) days thereafter..

(3) Other Obligations. Failure to perform any obligation, agreement, or covenant under this Lease other than those matters specified in subparagraphs (1) and (2) of this Paragraph 26.A., which failure continues for thirty (30) days after written notice to Tenant of such failure; except that if any such failure is not reasonably capable of being cured within such thirty (30) day period, Tenant shall be given a reasonable time to cure such failure, so long as Tenant commences the cure within the initial thirty (30) day period and thereafter diligently proceeds to cure such failure as soon as reasonably practicable.

(4) General Assignment. A general assignment by Tenant for the benefit of creditors.

(5) Bankruptcy. The filing of any voluntary petition in bankruptcy by Tenant, or the filing of an involuntary petition by Tenant's creditors, which involuntary petition remains undischarged for a period of thirty (30) days. In the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant hereunder outstanding as of the date of the affirmance of this Lease and provide to Landlord such adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease.

(6) Receivership. The employment of a receiver to take possession of substantially all of Tenant's assets or the Premises, if such appointment remains undismissed or undischarged for a period of ten (10) days after the order therefor.

(7) Attachment. The attachment, execution, or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of ten (10) days after the levy thereof.

(8) Insurance. Failure to comply with Paragraph 8 of the Lease and/or failure to provide Landlord with written confirmation of proper insurance coverage per Paragraph 8, which failure is not cured within five (5) days after written notice to Tenant.

(9) Foreign Qualification. Tenant fails at any time to be and remained qualified to do business as a foreign entity within the State of Nevada.

B. Remedies Upon Default.

(1) Termination. In the event of the occurrence of any event of default, Landlord shall have the right to give a written termination notice to Tenant, and on the date specified in such notice, Tenant's right to possession shall terminate, and this Lease shall terminate. At any time after such termination, Landlord may recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same,

by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination.

(2) Continuation After Default. Even though an event of default may have occurred, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession under Paragraph 26.B.(1) hereof, and Landlord may enforce all of Landlord's rights and remedies under this Lease, including without limitation, the right to recover Rent as it becomes due, and Landlord, without terminating this Lease, may exercise all of the rights and remedies of a landlord. Acts of maintenance, preservation, or efforts to lease the Premises or the appointment of a receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

C. Damages After Default. Should Landlord terminate this Lease pursuant to the provisions of Paragraph 26.B.(1) hereof, Landlord shall have the rights and remedies of a Landlord. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled under applicable law, Landlord shall be entitled to recover from Tenant: (1) the worth at the time of award of the unpaid Rent and other amounts which had been earned at the time of termination, (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant proves could have been reasonably avoided; (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 Rent loss that the Tenant proves could be reasonably avoided; and (4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom. The "worth at the time of award" of the amounts referred to in (1) and (2), above shall be computed at the lesser of the "prime rate," as announced from time to time by Wells Fargo Bank, N.A. (San Francisco), plus five (5) percentage points, or the maximum interest rate allowed by law ("Applicable Interest Rate"). The "worth at the time of award" of the amount referred to in (3) above shall be computed by discounting such amount at the Federal Discount Rate of the Federal Reserve Bank of San Francisco at the time of the award. If this Lease provides for any periods during the Term during which Tenant is not required to pay Base Rent or if Tenant otherwise receives a Rent concession, then upon the occurrence of an event of default, Tenant shall owe to Landlord the full amount of such Base Rent or value of such Rent concession, plus interest at the Applicable Interest Rate, calculated from the date that such Base Rent or Rent concession would have been payable.

D. Late Charge. If any installment of Rent is not paid promptly when due, such amount shall bear interest at the Applicable Interest Rate from the date on which said payment was due until the date on which Landlord shall receive said payment. In addition, Tenant shall pay Landlord a late charge equal to five percent (5%) of the delinquency, to compensate Landlord for the loss of the use of the amount not paid and the administrative costs caused by the delinquency, the parties agreeing

that Landlord's damage by virtue of such delinquencies would be difficult to compute and the amount stated herein represents a reasonable estimate thereof. This provision shall not relieve Tenant of Tenant's obligation to pay Rent at the time and in the manner herein specified. Notwithstanding the foregoing, with respect to the first (1st) late payment of Rent in any twelve (12) month period, Landlord shall provide Tenant with written notice and a five (5) business day opportunity to cure before assessing any such default interest or late charge.

E. Wiring Requirements. If Tenant is late in the payment of any installment of Rent more than two (2) times during any calendar year, Tenant shall be required to pay all amounts of Base Rent, Additional Rent and other amounts by wire transfer in accordance with the wire transfer instructions provided by Landlord during the balance of the Term.

F. Remedies Cumulative. All rights, privileges and elections or remedies of the parties are cumulative and not alternative, to the extent permitted by law and except as otherwise provided herein.

27. LIENS:

Tenant shall keep the Premises free from liens arising out of or related to work performed, materials or supplies furnished or obligations incurred by Tenant or in connection with work made, suffered or done by or on behalf of Tenant in or on the Premises or Property. In the event that Tenant shall not, within ten (10) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as Landlord shall deem proper, including payment of the claim giving rise to such lien. All sums paid by Landlord on behalf of Tenant and all expenses incurred by Landlord in connection therefor shall be payable to Landlord by Tenant on demand with interest at the Applicable Interest Rate. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord, the Premises, the Property and any other party having an interest therein, from mechanics' and materialmen's liens, and Tenant shall give Landlord not less than ten (10) business days prior written notice of the commencement of any work in the Premises or Property which could lawfully give rise to a claim for mechanics' or materialmen's liens.

28. *Reserved.*

29. TRANSFERS BY LANDLORD:

In the event of a sale or conveyance by Landlord of the Building or Property, or a foreclosure by any creditor of Landlord, the same shall operate to release Landlord from any liability upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant, to the extent required to be performed after the passing of title to Landlord's successor-in-interest. In such event,

Tenant agrees to look solely to the responsibility of the successor-in-interest of Landlord under this Lease with respect to the performance of the covenants and duties of "Landlord" to be performed after the passing of title to Landlord's successor-in-interest. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee. Landlord's successor(s)-interest shall not have liability to Tenant with respect to the failure to perform all of the obligations of "Landlord", to the extent required to be performed prior to the date such successor(s)-interest became the owner of the Building or the Property.

30. RIGHT OF LANDLORD TO PERFORM TENANT'S COVENANTS:

All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent. If Tenant shall fail to pay any sum of money, other than Base Rent and Basic Operating Cost, required to be paid by Tenant hereunder or shall fail to perform any other act on Tenant's part to be performed hereunder, and such failure shall continue for ten (10) days after notice thereof by Landlord, Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed. All sums so paid by Landlord and all necessary incidental costs together with interest thereon at the Applicable Interest Rate from the date of such payment by Landlord shall be payable to Landlord on demand, and Tenant covenants to pay such sums, and Landlord shall have, in addition to any other right or remedy of Landlord, the same right and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of Base Rent and Basic Operating Cost.

31. WAIVER:

If either Landlord or Tenant waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. The acceptance of Rent by Landlord shall not constitute a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time Landlord accepted such Rent. Failure by a party to enforce any of the terms, covenants, or conditions of this Lease for any length of time shall not be deemed to waive or to decrease the right of such party to insist thereafter upon strict performance by the other party. Waiver by either party of any term, covenant or condition contained in this Lease may only be made by a written document signed by such party.

32. NOTICES:

Each provision of this Lease or of any applicable governmental laws, ordinances, regulations, and other requirements with reference to sending, mailing or delivery of any notice or the making of any payment by Landlord or Tenant to the other shall be deemed to be complied with when and if the following steps are taken:

A. Rent. All Rent and other payments required to be made by Tenant to Landlord hereunder shall be payable to Landlord at the address set forth in the Basic Lease Information, or at such other address as Landlord may specify from time to time by written notice delivered in accordance herewith. Tenant's obligation to pay Rent and any other amounts to Landlord under the terms of this Lease shall not be deemed satisfied until such Rent and other amounts have been actually received by Landlord.

B. Other. All notices, demands, consents and approvals which may or are required to be given by either party to the other hereunder shall be in writing and either personally delivered, sent by commercial overnight courier, mailed, certified or registered, postage prepaid, or emailed or delivered by other customary electronic transmission except as otherwise required by law, in each such case addressed to the party to be notified at the address for such party as specified in the Basic Lease Information or to such other place as the party to be notified may from time to time designate by at least fifteen (15) days' notice to the notifying party. Notices shall be deemed served upon receipt or refusal to accept delivery. Tenant appoints as its agent to receive the service of any notice of commencement of unlawful detainer proceedings the person in charge of or apparently in charge of occupying the Premises at the time, and, if there is no such person, then such service may be made by attaching the same on the main entrance of the Premises.

33. ATTORNEYS' FEES:

In the event that Landlord places the enforcement of this Lease, or any part thereof, or the collection of any Rent due, or to become due hereunder, or recovery of possession of the Premises in the hands of an attorney, Tenant shall pay to Landlord, upon demand, Landlord's reasonable attorneys' fees and court costs. In any action which Landlord or Tenant brings to enforce its respective rights hereunder, the prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees and cost incurred, to be fixed by the court, and said costs and attorneys' fees shall be a part of the judgment in said action.

34. SUCCESSORS AND ASSIGNS:

This Lease shall be binding upon and inure to the benefit of Landlord, its successors and assigns, and shall be binding upon and inure to the benefit of Tenant, its successors, and to the extent assignment is approved by Landlord or otherwise permitted hereunder, Tenant's assigns.

35. FORCE MAJEURE:

Whenever a period of time is herein prescribed for action to be taken by a party to this Lease (other than the payment of money), such party shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of

God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other causes of any kind whatsoever which are beyond the control of such party.

36. BROKERAGE COMMISSION:

Landlord shall pay a brokerage commission to Landlord's Broker in accordance with a separate agreement between Landlord and Broker. Tenant represents and warrants to Landlord that no broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Tenant with respect to Landlord or the Premises. Landlord represents and warrants to Tenant that Landlord's sole contact with Tenant in connection with this transaction has been through Landlord's Broker, and that no other broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Landlord with respect to Tenant or the Premises. Each party shall indemnify, defend by counsel acceptable to the other party, protect and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and costs, resulting from any breach of the indemnifying party's representation and warranty above.

37. MISCELLANEOUS:

A. General. The term "Tenant" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations, and their respective successors, executors, administrators and permitted assigns, according to the context hereof.

B. Time of the Essence. Time is of the essence regarding this Lease and all of its provisions.

C. Choice of Law; Venue. This Lease shall in all respects be governed by the laws of the State of Nevada. The exclusive venue for any action to enforce this Lease shall be the appropriate state or federal court situated in Washoe County, Nevada

D. Entire Agreement. This Lease, together with its Exhibits, contains all the agreements of the parties hereto and supersedes any previous negotiations, leases, or agreements. There have been no representations made by the Landlord or understandings made between the parties other than those set forth in this Lease and its exhibits.

E. Modification. This Lease may not be modified except by a written instrument by the parties hereto.

F. Severability. If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

G. Recordation. Tenant shall not record this Lease or a short form memorandum hereof.

H. Examination of Lease. Submission of this Lease to Tenant does not constitute an option or offer to lease and this Lease is not effective otherwise until execution and delivery by both Landlord and Tenant.

I. Accord and Satisfaction. No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction of full payment of Rent, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such Rent or to pursue other remedies.

J. Drafting and Determination Presumption. The parties acknowledge that this Lease has been agreed to by both the parties, that both Landlord and Tenant have consulted with attorneys with respect to the terms of this Lease and that no presumption shall be created against Landlord because Landlord drafted this Lease. Except as otherwise specifically set forth in this Lease, with respect to any consent, determination or estimation of Landlord required in this Lease or requested of Landlord, Landlord's consent, determination or estimation shall be made in Landlord's good faith opinion, whether objectively reasonable or unreasonable.

K. Exhibits. Exhibits A through C, to the extent applicable to these Premises and attached hereto, are hereby incorporated herein by this reference.

L. No Third-Party Benefit. This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.

[Signature page follows]

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

KINGSLAND PROPERTIES, LLC
A California limited liability company
"Landlord"

DocuSigned by:
Sonya Roth
By: 1877JEE6B41E421...
Its:

Address: _____
_____
_____
Email:
Fax:

With copy to: Stephanie Wedge

Address: _____
_____
_____
Email:
Fax:

WEST MARINE PRODUCTS, INC.
A Florida corporation
"Tenant"

DocuSigned by:
C L Miller
By: 05FFC8B182AC47C...
Its:
Address: _____
_____
_____
Email:
Fax:

EXHIBIT "A"

Site Plan

EXHIBIT "B"

Rules and Regulations

The use of the Premises, the Building, and the Property by Tenant and Tenant's Parties (including agents, employees, servants, visitors, and invitees) shall be subject to the following rules and regulations:

(1) Landlord shall have the right and authority to designate specific areas within the Property or in reasonable proximity thereto in which automobiles and other vehicles owned by Tenant, Tenant's employees, servants, agents, licensees, and concessionaires shall be parked or shall not be parked. Tenant shall furnish to Landlord upon request a complete list of all license numbers and a description of all automobiles and other transportation vehicles operated by Tenant, Tenant's employees, servants, agents, licensees, or concessionaires.

(2) All loading and unloading of goods shall be done consistent with local governmental regulations. Tenant shall make good faith efforts to only allow Tenant's delivery trucks to park in front of or adjacent to its Premises for such reasonable time as is necessary for loading and unloading purposes only and not to block the loading doors associated with the premises of other tenants at the Building.

(3) The delivery or shipping of merchandise, supplies, and fixtures to and from the Premises shall be subject to such rules and regulations as determined by the Landlord in its sole discretion for the proper operation of the Property.

(4) No person shall use any utility area, truck or loading facility or other area reserved for use in connection with the conduct of business except for the specific purpose for which such area is designed.

(5) Unless strictly within Tenant's Permitted Use under the Lease, or with Landlord's prior written consent, no person shall, within the Building or the Property;

(a) Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever;
(b) Distribute any circular, booklet, handbill, placard or other materials;
(c) Solicit membership in any organization, group or association or contribution for any purpose;
(d) Parade, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of the Building or the Property by any other rightful

occupant, create a disturbance, attract attention or harass, annoy, disparage, or be detrimental to the interests of any business establishments within the Property;

(e) Throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind; or

(f) Deface, damage or demolish any sign, light, standard or fixture, landscaping material or other improvements situated within the Property.

(6) The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by Tenant to the complete satisfaction of Landlord.

(7) The Building or Property plumbing facilities shall not be used for any purpose other than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agents or invitees, shall have caused it.

(8) All floor area, including vestibules, entrances and exits, doors, fixtures, windows, loading docks and plate glass shall be maintained in a safe, neat and clean condition.

(9) No portion of the Premises, Building, or Property shall be used for any lodging or illegal purposes.

(10) The sidewalks, halls, passages, exits, entrances, loading docks, and stairways of the Building or the Property shall not be obstructed or used by Tenant for any purpose other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, loading docks, and stairways are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord shall be prejudicial to the safety, character, reputation and interest of the Property and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom any Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Except as specifically permitted by the Lease, the Tenant the Tenant's Parties shall not go upon the roof of the Building.

(11) In the case of any invasion, mob, riot, public excitement or other circumstances rendering such action advisable in Landlord's sole discretion, Landlord reserves the right to prevent access to the Property during the continuance of the same by such action as Landlord may deem appropriate, including closing entrances to the Property.

(12) No Tenant shall place or permit any radio or television antenna, loudspeaker, amplifier or other device in the Property or where the same can be seen or heard outside the Premises without the prior written consent of Landlord.

(13) No person shall use any part of the Property for any purpose other than those for which the Property is intended.

(14) No part in the Property shall be used for storing or maintaining any material, whether on a temporary basis or otherwise, and no action shall be taken outside the Premises which in the exclusive judgment of Landlord would constitute a nuisance or would disturb or endanger other tenants of the Property or unreasonably interfere with their use of their respective premises or of the Building or Property, nor do anything which would tend to injure the reputation of the Property;

(15) Landlord may waive any one or more of these rules and regulations for the benefit of any particular tenant or Tenant, but no such waiver by Landlord shall be construed as a waiver of such rules and regulations in favor of any other tenant or Tenant, nor prevent Landlord from thereafter enforcing any such rules and regulations against any or all of the tenants of the Property.

(16) No washing of, maintenance of, or other work upon vehicles, equipment or merchandise shall be permitted outside of the Premises. No assembling, disassembling, fabricating, or painting of any merchandise shall be permitted outside of the Premises.

(19) Tenant shall not bring or keep or permit to be brought or kept in the Premises, the Building, or the Property any animal, except duly trained service animals.

Landlord shall at all times have the right to change these rules and regulations or to promulgate other rules and regulations in such manner as may be deemed advisable for safety, care or cleanliness of the Property, for preservation or good order therein, or for other purposes, all of which rules and regulations, changes and amendments shall be carried out and observed by Tenant. Tenant shall further be responsible for the compliance with these rules and regulations by the employees, servants, agents, visitors and invitees of Tenant. In the event any provisions of these rules and regulations shall conflict with any specific provisions of the Lease to which this Exhibit is attached, the provisions of the Lease shall control.

EXHIBIT "C"

Information for Assignment/Sublease

ASSIGNMENT / SUBLEASE
STANDARD DOCUMENTATION REQUESTED

Tenant shall provide the following for Landlord's review prior to consenting or withholding consent to an assignment or sublease of all or any material portion of the Premises:

1. If applicable, executed Purchase and Sale (or draft form) of agreement between assignor and assignee with ALL terms specified. Tenant shall submit a Draft form of the agreement to Landlord for review and comment prior to the assignor/sublessor entering into a binding agreement.

2. Financial statements of assignee and last two years of Federal income tax returns signed in as-filed form.

3. Social security number and copy of valid driver's license of any individual Transferee.

4. Written authorization to perform financial/criminal background check on Transferee and any principal of Transferee.

5. Resume or written background of Transferee and its principal management personnel.

6. Business plan of Transferee, if different from the current operations of Tenant or statement that Transferee intends to operate in a manner consistent with the operations of the Tenant.

7. Depending on financial strength of Transferee, Landlord may require a personal guarantee by a financially sound third party.

8. Prior to final approval, proposed Transferee must provide proper evidence of insurance naming Landlord, lender (if any) and property manager as additional insured parties.

9. Current tenant must sign document confirming it remains liable under the Lease for balance of the term.

As applicable, Landlord may elect to impose or increase a security deposit under this Lease to any amount consistent with Landlord's practices and standards for new tenants.

Commonwealth
NATIONAL COMMERCIAL SERVICES

Commonwealth Land Title Insurance Company NCS
2390 E. Camelback Road, Suite 230
Phoenix, AZ 85016
Phone: (602) 287-3500
Fax: (602) 263-0433

ASSIGNMENT AND ASSUMPTION OF LEASES

THIS ASSIGNMENT AND ASSUMPTION LEASES (this **"Assignment"**) is made effective as of April 30 2024 (the **"Effective Date"**), by and between **Kingsland Properties, LLC, a Nevada limited liability company who acquired title as Kingsland Properties LLC, a California limited liability company** (**"Assignor"**), and **AM-GSR Exchange, LLC, a Nevada limited liability company**. (**"Assignee"**).

RECITALS

A. Contemporaneously with the execution of this Assignment, Assignor has conveyed unto Assignee a certain leasehold estate for property situated in Washoe County, State of Nevada, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference, including, without limitation, any and all improvements thereon (collectively, the "Property").

B. Assignor is the Lessor under certain leases as more particularly described on Exhibit B attached hereto and incorporated herein by this reference (the **"Lease"**).

C. Pursuant to that certain Purchase Agreement dated August 8, 2023 (the **"Purchase Agreement"**), Assignor agreed to assign all of its right, title, interest, obligations, liabilities and duties, and Assignee agreed to assume all of Assignor's obligations, liabilities and duties, subject to the terms and conditions of the Purchase Agreement, with respect to the Leases.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee, intending to be legally bound, agree as follows:

1. Assignment. Assignor hereby assigns, sets over, transfers, grants and conveys unto Assignee, its successors and assigns, forever, all of Assignor's right, title, estate and interest, as Lessor, in and to any and all leases, licenses and other agreements relating to the use and occupancy, present or future, of space at the Property, including without limitation the Leases, together with any guarantees of, and security for, the lessee's obligations and all refundable tenant security deposits not previously applied to delinquent rents or other charges, and prepaid rents, and operating expense charges, common area charges and transaction privilege taxes accruing after the date hereof under the Leases.

2. Assumption. Assignee hereby accepts the assignment and assumes and agrees to keep, perform, and fulfill, as a direct obligation to each of the lessees under the Leases, all

the terms, covenants, provisions, conditions and obligations of the Lessor under the Leases accruing and becoming due from and after the date hereof.

3. Payment. Assignor hereby directs and authorizes the lessees under the Leases to pay directly to Assignee, or such party as Assignee may designate, all future rents and other charges due pursuant to the Leases, and the delivery of a copy of this Assignment may be relied upon by said lessees.

4. Indemnity. Assignee agrees to indemnify, defend and hold Assignor harmless for, from and against any and all actions, suits, proceedings, liability, loss or damage (including without limitation, actual attorneys' fees and costs) that Assignor may incur by reason of any claims or obligations under any of the Leases attributable to or arising out of any alleged breach of any of the Leases occurring or alleged to have occurred on or subsequent to the date of this Assignment. Assignor agrees to indemnify, defend and hold Assignee harmless for, from and against any and all actions, suits, proceedings, liability, loss or damage (including without limitation, actual attorneys' fees and costs) that Assignee may incur by reason of any claims or obligations under any of the Leases attributable to or arising out of any alleged breach of any of the Leases accruing before the date of this Assignment.

5. Representations and Warranties. Assignor represents and warrants that Assignor has not previously made an assignment of Assignor's interest in the Leases to any other party which will be in effect after the date of this Assignment, and Assignor represents and warrants to Assignee that the Leases have not been modified or amended and are in full force and effect. Assignor further agrees that it will, without expense to assignee, at any time and from time to time after the date hereof, on written request by Assignee, execute and deliver such other and further documents as may be reasonably necessary to give effect to this Assignment.

6. Authority. Each of the parties signing this Assignment hereby warrants and represents that it has the full legal power, authority and right to execute, deliver and perform the obligations under this Assignment, that this Assignment has been duly authorized by all requisite actions on the part of such warranting party, and that no remaining action or third party action is required to make this Assignment binding upon such party.

7. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, heirs and legatees of the respective parties hereto.

8. Attorneys' Fees. In the event of any litigation by a party hereto against the other for reason of any breach of any of the provisions out of this Assignment, the prevailing party in such action or suit shall be entitled to have and recover from the other party all costs and expenses incurred therein, including reasonable attorneys' fees, court costs and experts' fees.

9. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument.

10. Governing Law. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Nevada, without regard to its conflict of law rules.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment as of the Effective Date.

ASSIGNOR:

Kingsland Properties LLC, a Nevada limited liability company

By: Robert Wieczorek
Its: Manager

By: Sonya Roth
Its: Manager

ASSIGNEE:

AM-GSR Exchange, LLC, a Nevada limited liability company

By: Alex Meruelo
Its: Manager

EXHIBIT "A"
Legal Description

For APN/Parcel ID(s): 012-220-37

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF RENO, COUNTY OF WASHOE, STATE OF NEVADA AND IS DESCRIBED AS FOLLOWS:

PARCEL I:

A PARCEL OF LAND SITUATE IN SECTION 18, TOWNSHIP 19 NORTH, RANGE 20 EAST, M.D.B.&M., RENO, WASHOE COUNTY, NEVADA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF APN 12-220-27, FROM WHICH THE NORTHEAST CORNER OF SECTION 18, TOWNSHIP 19 NORTH, RANGE 20 EAST, M.D.B.7M., BEARS NORTH 87°30'49" EAST, A DISTANCE OF 2,783.32 FEET;

THENCE SOUTH 63°46'57" EAST, A DISTANCE OF 150.00 FEET;
THENCE FROM A TANGENT WHICH BEARS NORTH 03°43'05" EAST, ALONG A CIRCULAR CURVE TO THE LEFT, WITH A RADIUS OF 86.58 FEET AND A CENTRAL ANGLE OF 81°31'28", AN ARC LENGTH OF 123.19 FEET;
THENCE NORTH 77°48'23" WEST, A DISTANCE OF 234.00 FEET;
THENCE SOUTH 26°13'03" WEST, A DISTANCE OF 280.15 FEET, TO THE NORTHERLY LINE OF MILL STREET;
THENCE SOUTH 63°44'52" EAST, ALONG THE NORTHERLY LINE OF MILL STREET, A DISTANCE OF 178.00 FEET;

THENCE NORTH 26°13'03" EAST, A DISTANCE OF 286.09 FEET TO THE POINT OF BEGINNING.

SAID LAND IS ALSO SHOWN AS PARCEL B ON THE RECORD OF SURVEY FOR FHR CORPORATION, C.I.P. REAL ESTATE, L.L.C., RECORD OF SURVEY MAP NO. 3804, ACCORDING TO THE MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF WASHOE COUNTY, STATE OF NEVADA, ON JUNE 23, 2000, AS FILE NO. 2458502, OFFICIAL RECORDS.

PARCEL 2:

AN EASEMENT FOR PEDESTRIAN AND VEHICULAR INGRESS AND EGRESS OVER A STRIP OF LAND SITUATE IN SECTION 18, TOWNSHIP 19 NORTH, RANGE 20 EAST, M.D.B.&M., RENO, WASHOE COUNTY, NEVADA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF APN 12-220-20, FROM WHICH THE NORTHEAST CORNER OF SECTIONS 18, TOWNSHIP 19 NORTH, RANGE 20 EAST, M.D.B&M., BEARS NORTH 80°54'16" EAST A DISTANCE OF 2,807.93 FEET;

THENCE NORTH 26°13'03" EAST, ALONG THE EASTERLY LINE OF SAID APN 12-220-20, A DISTANCE OF 286.32 FEET;
THENCE FROM A TANGENT WHICH BEARS NORTH 03°43'05" EAST, ALONG A CIRCULAR CURVE TO THE LEFT, WITH A RADIUS OF 86.58 FEET, AND A CENTRAL ANGLE OF 81°31'28", AN ARC LENGTH OF 123.19 FEET;
THENCE NORTH 77°48'23" WEST, A DISTANCE OF 234.00 FEET;

THENCE NORTH 12°11'37" EAST, A DISTANCE OF 45.00 FEET;
THENCE SOUTH 77°48'23" EAST, A DISTANCE OF 234.00 FEET;
THENCE ALONG A TANGENT CIRCULAR CURVE TO THE RIGHT, WITH A RADIUS OF 138.35 FEET, AND A CENTRAL ANGLE OF 104°01'26", AN ARC LENGTH OF 251.18 FEET;
THENCE SOUTH 26°13'03" WEST, A DISTANCE OF 226.67 FEET;
THENCE SOUTH 18°46'57" EAST, A DISTANCE OF 28.28 FEET, TO THE NORTHERLY LINE OF MILL STREET;
THENCE NORTH 63°44'52" WEST, ALONG THE NORTHERLY LINE OF MILL STREET, A DISTANCE OF 80.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

See attached Leases

COMMERCIAL LEASE AND DEPOSIT RECEIPT

AGENCY RELATIONSHIP CONFIRMATION. ***Note: This confirmation does NOT take the place of the AGENCY DISCLOSURE form which may be required by law.*** The following agency relationship is hereby confirmed for this transaction and supersedes any prior agency election (if no agency relationship, insert "NONE"):

LISTING AGENT: Brad Elgin (Print Firm Name) is the agent of (check one):

☒ **the Lessor exclusively; or** ☐ **both the Lessee and the Lessor.**

LEASING AGENT: Brad Lancaster (if not the same as the Listing Agent) is the agent of (check one):

(Print Firm Name)

☒ **the Lessee exclusively; or** ☐ **the Lessor exclusively; or** ☐ **both the Lessee and the Lessor.**

~~**DISCLOSURE REGARDING COMMERCIAL BUILDING ENERGY USE:** CA AB 1103 Commercial Building Energy Use Disclosure Program requires disclosures of energy benchmarking data as described in Sections 1680-1684 of the California Energy Commission. On or after July 1, 2013, a "building owner" of a nonresidential building with a total gross floor area measuring more than 50,000 square feet shall disclose the Disclosure Summary Sheet, Statement of Energy Performance, Data Checklist, and the Facility Summary for the building to a prospective lessee of the entire building, no later than 24 hours prior to execution of the lease.~~

~~*Note the definition of a "building owner" in Section 1681 includes "a person possessing title, or an agent authorized to act on behalf of a person possessing title".*~~

RECEIVED FROM Specialized Elevator Service Holdings LLC hereinafter referred to as LESSEE, the sum of $10,307.00 (Ten Thousand Three Hundred Seven and 0/100 dollars), evidenced by N/A as a deposit which will belong to **Kingsland Properties LLC** hereinafter referred to as LESSOR and will be applied as follows:

	TOTAL	RECEIVED	BALANCE DUE PRIOR TO OCCUPANCY
Rent for the period from October 1, 2023 to October 31, 2023	$ 5,153.50	$ 0.00	$ 5,153.50
Security deposit (not applicable toward last month's rent)	$ 5,153.50	$ 0.00	$ 5,153.50
Other _____	$ 0.00	$ 0.00	$ 0.00
TOTAL	$ 0.00	$ 0.00	$ 10,307.00

Lessee offers to lease from Lessor the premises described as 2505 Mill St. Unit B Reno NV 89502 ("the Premises") consisting of approximately 3,200 rentable square feet, which is approximately 33.33 % of the total rental square footage of the entire property, upon the following terms and conditions:

1. **TERM.** The term will commence on (date) October 1, 2023, and end on (date) October 31, 2026.

2. **RENT.** The base rent will be $ $4,480.00 per month payable on the 1st day of each month.
After the first 12 months the rent will be adjusted as follows:
SELECT OPTION:

☐ INDEXED LEASE: Effective upon the first day of the month immediately following the expiration of 12 months from date of commencement of the term, and upon the expiration of each 12 months thereafter, in accordance with changes in the U.S. Consumer Price Index for ☐ All Urban Consumers (1982-84 = 100), or ☐ (other index) _____ ("CPI"). The base rent will be increased to an amount equal to the monthly rent, multiplied by a fraction, the numerator of which is the CPI for the second calendar month immediately preceding the adjustment date, and the denominator of which is the CPI for the second calendar month preceding the commencement of the Lease term; provided however, that the monthly rent will not be less than that immediately preceding the adjustment.

OR SELECT OPTION:

☒ FLAT LEASE: Effective upon the first day of the month immediately following the expiration of 12 months from the date of commencement of the term, and upon the expiration of each 12 months thereafter, the rent will increase: **3% Annual Increases beginning October 1, 2024.**

All rents will be paid to Lessor or his or her authorized agent, at the following address: Kingsland Properties LLC, P.O. Box 6240 Gardnerville NV. 89460 or at such other places as may be designated by Lessor from time to time. In the event rent is not received by Lessor **within** 10 **days** after due date, Lessee agrees to pay **a late charge** of $ 150.00 plus interest at 10 % per annum on the delinquent amount. Lessee further agrees to pay $ 150.00 for each dishonored bank check. The late charge period is **not** a grace period, and Lessor is entitled to make written demand for any rent if not paid when due.

3. ☒ **NET LEASE PROVISIONS.**
Lessee agrees to pay, in addition to the base monthly rental set forth in Item 2, Lessee's proportionate share of the Lessor's operating expenses, including all utility and service costs, insurance, real property taxes, repairs, replacements and common area maintenance. Lessee's share is based on the ratio of the square footage of the Premises to the total square footage of the rental space of the entire property of which the Premises are a part. Lessee's monthly share of said expenses at the commencement of the term is 33.33%, currently estimated at $673.50, and subject to adjustment from time to time to account for actual operating expenses.

4. **USE.** The premises are to be used for the operation of a service hub for elevator services and temporary storage of elevator parts &

DS

Lessee [DM **] [ ] has read this page.**

CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including scanning or computerized formats.

other non-hazardous inventory related to their business functions, **including all administrative business functions,** and for no other purpose, without prior written consent of Lessor. Lessee will not commit any waste upon the premises, or any nuisance or act which may disturb the quiet enjoyment of any tenant in the building.

5. **USES PROHIBITED.** Lessee will not use any portion of the premises for purposes other than those specified. No use will be made or permitted to be made upon the premises, nor acts done, which will increase the existing rate of insurance upon the property, or cause cancellation of insurance policies covering the property. Lessee will not conduct or permit any sale by auction on the premises.
6. **ASSIGNMENT AND SUBLETTING.** Lessee will not assign this Lease or sublet any portion of the premises without prior written consent of the Lessor, which will not be unreasonably withheld. Any such assignment or subletting without consent will be void and, at the option of the Lessor, will terminate this Lease. Assignment and/or subletting shall be deemed to occur upon the sale or assignment of a majority of the capital and/or voting interests in Lesse, the merger, reorganization or other similar event in which the Lessee is not the surviving entity, and whether occurring in a single or integrated series of transactions.
7. **ORDINANCES AND STATUTES.** Lessee will comply with all statutes, ordinances, and requirements of all municipal, state and federal authorities now in force, or which may later be in force, regarding the use of the premises. The commencement or pendency of any state or federal court abatement proceeding affecting the use of the premises will, at the option of the Lessor, be deemed a breach of this Lease.
8. **MAINTENANCE, REPAIRS, ALTERATIONS.** Unless otherwise indicated, Lessee acknowledges that the premises are in good order and repair. Lessee will, at his or her own expense, repair and maintain the premises in a good and safe condition, including plate glass, electrical, wiring, plumbing and heating, exterior parking lot, exterior landscaping and any other system or equipment serving the premises. The premises will be surrendered, at termination of the Lease, in as good condition as received, normal wear and tear excepted. Lessee will be responsible for all repairs and maintenance during the term of the lease, except the following which will be maintained by Lessor: roof and structural foundation. Lessee responsibilities for repairs and maintenance include but are not limited to: utilities and building services (power, gas, water, sewer), HVAC, exterior walls, parking lot, alarms, trash, landscaping and any/all other services to the building including snow removal. The cost of alterations required by law as a result of Lessee's use of the premises shall be the Lessee's responsibility.

   No improvement or alteration of the premises will be made without the prior written consent of the Lessor. All work will require permits and be performed by a licensed contractor. Prior to the commencement of any substantial repair, improvement, or alteration, Lessee will give Lessor at least **three (3) days written notice** in order that Lessor may post appropriate notices to avoid any liability for liens. If the improvement or alteration results in an increase in real property taxes, the amount of the increase will be paid by Lessee as additional rent.
9. **ENTRY AND INSPECTION.** Lessee will permit Lessor or Lessor's agents to enter the premises at reasonable times and upon reasonable notice for the purpose of inspecting the premises, and will permit Lessor, at any time **within one hundred eighty (180) days** prior to the expiration of this Lease, to place upon the premises any usual "For Lease" signs, and permit persons desiring to lease the premises to inspect the premises at reasonable times. Lessor may offer the property for Sale, at any time.
10. **INDEMNIFICATION OF LESSOR.** Lessor will not be liable for any damage or injury to Lessee, or any other person, or to any property, occurring on the premises. Lessee agrees to hold Lessor harmless from any claims for damages arising out of Lessee's use of the premises, and to indemnify Lessor for any expense incurred by Lessor in defending any such claims.
11. **POSSESSION.** If Lessor is unable to deliver possession of the premises at the commencement date set forth above, Lessor will not be liable for any damage caused by the delay, nor will this Lease be void or voidable, but Lessee will not be liable for any rent until possession is delivered. Lessee may terminate this Lease if possession is not delivered within 30 days of the commencement term in Item 1.
12. **LESSEE'S INSURANCE.** Lessee, at his or her expense, will maintain plate glass, public liability, and property damage insurance insuring Lessee and Lessor with minimum coverage as follows: **$2,000,000 per occurrence & $3,000,000 aggregate**.

    Lessee will provide Lessor with a Certificate of Insurance showing Lessor as additional insured. The policy will require **ten (10) day's written notice to Lessor prior to cancellation or material change of coverage.**
13. **LESSOR'S INSURANCE.** Lessor will maintain hazard insurance covering one hundred percent (100%) actual value of the Property throughout the Lease term. Lessor's insurance will not insure Lessee's personal property, leasehold improvements, trade fixtures or loss of revenue and income.
14. **SUBROGATION.** To the maximum extent permitted by insurance policies which may be owned by the parties, Lessor and Lessee waive any and all rights of subrogation against each other which might otherwise exist.
15. **UTILITIES.** Lessee will be responsible for the payment of the following utilities and services:

    ☒ Sewer/water ☒ gas ☒ electricity ☒ heat ☒ refuse ☒ janitorial

    Lessee will be responsible for all services and utilities to the building. **NOTE ADDITIONAL TERMS SET FORTH IN ADDENDUM 1.**
16. **SIGNS.** Lessee will not place, maintain, nor permit any sign or awning on any exterior door, wall, or window of the premises without the express written consent of Lessor, which will not be unreasonably withheld, and of appropriate governmental authorities.
17. **ABANDONMENT OF PREMISES.** Lessee will not vacate or abandon the premises at any time during the term of this Lease. If Lessee does abandon or vacate the premises, or is dispossessed by process of law, or otherwise, any personal property belonging to Lessee left on the premises will be deemed to be abandoned, at the option of Lessor.
18. **CONDEMNATION.** If any part of the premises is condemned for public use, and a part remains which is susceptible of occupation by Lessee, this Lease will, as to the part taken, terminate as of the date the condemnor acquires possession. Lessee will be required to pay such proportion of the rent for the remaining term as the value of the premises remaining bears to the total value of the premises at the

DS

Lessee [DM] [_____] has read this page.

CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including scanning or computerized formats.

date of condemnation; provided, however, that either party may, at his or her option, terminate this Lease as of the date the condemnor acquires possession. In the event that the premises are condemned in whole, or the remainder is not susceptible for use by the Lessee, this Lease will terminate upon the date which the condemnor acquires possession. All sums which may be payable on account of any condemnation will belong solely to the Lessor; except that Lessee will be entitled to retain any amount awarded to him or her for his or her trade fixtures and moving expenses.

19. **TRADE FIXTURES.** Any and all improvements made to the premises during the term will belong to the Lessor, except trade fixtures of the Lessee. Lessee, upon termination and as required by Landlord, will remove all trade fixtures and improvements and pay for all costs necessary to repair any damage to the premises occasioned by the removal.

20. **DESTRUCTION OF PREMISES.** In the event of a partial destruction of the premises during the term, from any cause except acts or omission of Lessee, Lessor will promptly repair the premises, provided that such repairs can be reasonably made within one hundred twenty (120) days. Such partial destruction will not terminate this Lease, except that Lessee will be entitled to a proportionate reduction of rent while such repairs are being made, based upon the extent to which the making of such repairs interferes with the business of Lessee on the premises. If the repairs cannot be made **within one hundred twenty (120) days**, this Lease may be terminated at the option of either party by giving written notice to the other party **within the one hundred twenty (120) day period**.

21. **HAZARDOUS MATERIALS.** Lessee will not use, store, dispose of, or permit the release of any hazardous substances upon the premises, except the use and storage of such substances that are customarily used in Lessee's business, and are in compliance with all environmental laws. Hazardous substances means any hazardous waste, substance or toxic materials regulated under any environmental laws or regulations applicable to the property. Lessee will be responsible for the cost of removal of any toxic contamination caused by lessee's use of the premises.

22. **INSOLVENCY.** The appointment of a receiver, an assignment for the benefits of creditors, or the filing of a petition in bankruptcy by or against Lessee, will constitute a breach of this Lease by Lessee.

23. **DEFAULT.** In the event of any breach of this Lease by Lessee in the payment of rent beyond the period set forth above, or the performance of any other obligation of Lessee set forth herein remaining uncured after 15 days prior written notice from Lessor, Lessor may, at his or her option, in addition to all other rights of lessors and landlords under applicable law, terminate the Lease and recover from Lessee: (a) the worth at the time of award of the unpaid rent which had been earned at the time of termination; (b) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of the award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (c) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (d) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform his or her obligations under the Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, that portion of any leasing commission paid by Lessor and applicable to the unexpired term of the lease.

Lessor may, in the alternative, continue this Lease in effect, as long as Lessor does not terminate Lessee's right to possession, and Lessor may enforce all of Lessor's rights and remedies under the Lease, including the right to recover the rent as it becomes due under the Lease. If said breach of Lease continues, Lessor may, at any time thereafter, elect to terminate the Lease.

These provisions will not limit any other rights or remedies which Lessor may have.

24. **SECURITY.** The security deposit will secure the performance of the Lessee's obligations. Lessor may, but will not be obligated to, apply all or portions of the deposit on account of Lessee's obligations. Any balance remaining upon termination will be returned to Lessee. Lessee will not have the right to apply the security deposit in payment of the last month's rent.

25. **DEPOSIT REFUNDS.** The balance of all deposits will be refunded **within thirty (30) days** (or as otherwise required by law), from the date possession is delivered to Lessor or his or her authorized agent, together with a statement showing any charges made against the deposits by Lessor.

26. **ATTORNEY FEES.** In any action, arbitration, or other proceeding involving a dispute between Lessor and Lessee arising out of this Lease, the prevailing party will be entitled to reasonable attorney fee, expert witness fees, and costs.

27. **WAIVER.** No failure of Lessor to enforce any term of this Lease will be deemed to be a waiver.

28. **NOTICES.** Any notice which either party may or is required to give, will be given by mailing the notice, postage prepaid, to Lessee at the premises, or to Lessor at the address shown in Item 2, or at such other places as may be designated in writing by the parties from time to time. Notice will be effective **five (5) days after mailing**, or on personal delivery, or by electronic transmission, including email, or when receipt is acknowledged in writing.

29. **HOLDING OVER.** Any holding over after the expiration of this Lease, with the consent of Lessor, will be a month-to-month tenancy at a monthly rent equal to the rent for the month immediately preceding the expiration date, plus **150 % of the final month's rent**. The monthly rent shall be payable in advance and the occupancy subject to all of the other terms and conditions of this Lease, as applicable, until either party terminates the tenancy by giving the other party **thirty (30) days written notice.**

30. **TIME.** Time is of the essence of this Lease.

31. **HEIRS, ASSIGNS, SUCCESSORS.** This Lease is binding upon and inures to the benefit of the heirs, assigns, and successors of the parties.

DS

DM

Lessee [_____] [_____] **has read this page.**

CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including scanning or computerized formats.

FORM 107.3 (3-2013) COPYRIGHT BY PROFESSIONAL PUBLISHING LLC, NOVATO, CA

PROFESSIONAL PUBLISHING LLC

Form generated by: TrueForms™ www.TrueForms.com 800-499-9612

34. **LESSOR'S LIABILITY.** In the event of a transfer of Lessor's title or interest to the property during the term of this Lease, Lessee agrees that the grantee of such title or interest will be substituted as the Lessor under this Lease, and the original Lessor will be released of all further liability; provided, that all deposits will be transferred to the grantee.

35. **ESTOPPEL CERTIFICATE.**

(a) On **ten (10) days' prior written notice** from Lessor, Lessee will execute, acknowledge, and deliver to Lessor a statement in writing: [1] certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect), the amount of any security deposit, and the date to which the rent and other charges are paid in advance, if any; and [2] acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective buyer or encumbrancer of the premises.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time will be a material breach of this Lease or will be conclusive upon Lessee: [1] that this Lease is in full force and effect, without modification except as may be represented by Lessor; [2] that there are no uncured defaults in Lessor's performance; and [3] that not more than one month's rent has been paid in advance.

(c) If Lessor desires to finance, refinance, or sell the premises, or any part thereof, Lessee agrees to deliver to any lender or buyer designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or buyer. All financial statements will be received by the Lessor or the lender or buyer in confidence and will be used only for the purposes set forth.

36. **SUBORDINATION.** This Lease, at Lessor's option, will be subordinate to any mortgage, deed of trust, or other security now existing or later placed upon the property; provided, however, that Lessee's right to quiet possession will not be disturbed if Lessee is not in default on the payment of rent or other provision of this lease.

37. **PROPERTY CONDITION AT LEASE EXPIRATION.** At the discretion and direction of Lessor, Lessee will be responsible for removal of all or some of its improvements and returning the property to its original condition at lease expiration.

38. **AGENT(S) DISCLAIMER:** Lessee acknowledges that except as otherwise expressly stated herein, STARK ACCELERATORS and Brad Elgin (LESSOR'S AGENT) and Kidder Mathews and Brad Lancaster (LESSEE'S AGENT) have not made any warranty or representation with respect to any of the following: (a) the legality of the present or any possible future use of the Property under any federal, state or local law; including tenant's present intended use (b) pending or possible future action by any governmental entity or agency which may affect the Property; (c) the physical condition of the Property, including but not limited to soil conditions, the structural integrity of the improvements, and the presence or absence of fungi or wood destroying organisms; (d) the accuracy or completeness of income and expense information and projections, of square footage figures, and of the texts of leases, options, and other agreements affecting the Property which have been provided by Lessor; or (e) the possibility that leases, options, or other documents exist which affect or encumber the Property and which have not been provided or disclosed by Lessor. Lessee agrees that investigation and analysis of all matters related to the Property is Lessee's sole responsibility and Lessee shall not hold STARK ACCELERATORS and Brad Elgin (LESSOR'S AGENT) and Kidder Mathews and Brad Lancaster (LESSEE'S AGENT) responsible relating in any way to the foregoing matters.

39. **AGENCY REPRESENTATION:** The parties acknowledge and agree that Brad Elgin of Stark Accelerators (herein referred to as the "Lessor's Agent") represents and is the agent for Lessor and is not the agent for Lessee, and that Brad Lancaster of Kidder Mathews (herein referred to as the "Lessee's Agent") represents and is the agent for the Lessee and is not the Agent for Lessor, and each hereby consents to such representation and waives any claim related to and arising out of such representation.

40. **ENTIRE AGREEMENT.** The foregoing and following Exhibits constitute the entire agreement between the parties and may only be modified by a formal document/writing that is executed by all parties. The following Exhibits are a part of this Lease: **Exhibit A – Site Plan.**

41. **ADDITIONAL TERMS AND CONDITIONS.**
See Addendum 1 - Additional Terms and Conditions

{SIGNATURES ON FOLLOWING PAGE}

CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including scanning or computerized formats.

FORM 107.4 (3-2013) COPYRIGHT BY PROFESSIONAL PUBLISHING LLC, NOVATO, CA

PROFESSIONAL PUBLISHING LLC

Form generated by: **TrueForms™** **www.TrueForms.com** 800-499-9612

The undersigned Lessee acknowledges that he or she has thoroughly read and approved each of the provisions contained in this Offer, and agrees to the terms and conditions specified.

Specialized Elevator Service Holdings LLC

Lessee DocuSigned by: Donovan McKeever C92B8A5B11997455... Date 9/21/2023

Lessee _____ Date _____

Lessee's Address 14320 Iseli Rd. Santa Fe Springs, CA 90670

Telephone 5624071200 Fax _____

E-mail donovan@sfelev.com

ACCEPTANCE

The undersigned Lessor accepts the foregoing Offer and agrees to lease the premises on the terms and conditions set forth above.

Lessor DocuSigned by: Sonya Roth AC771EE8B41E421... Date 9/21/2023 | 16:39 PDT

Lessor DocuSigned by: Robert Wieczorek DF8DA0496300415... Date 9/21/2023 | 17:22 PDT

Kingsland Properties LLC

Telephone 209-814-9394

Lessor's Address **Kingsland Properties LLC, P.O. Box 6240 Gardnerville NV. 89460**

E-mail sonya@comcast.net

CAUTION: The copyright laws of the United States forbid the unauthorized reproduction of this form by any means including scanning or computerized formats.

ADDENDUM 1
Additional Terms and Conditions

1. **Commencement Date.** Both Lessee and Lessor acknowledge the property is currently leased. This new lease is contingent upon the ability of Lessor to complete a Lease Termination Agreement with the existing tenant and the existing Tenant's ability to vacate the premise. In the event Lessor is unable to deliver the property by October 1, 2023, Lessor and Lessee shall execute a commencement date certificate to establish the actual "Commencement Date." Any and all prepaid rent shall be applied as of the actual commencement date and prorated using a 30-day month with any additional monies being applied/treated as a rent credit to Lessee for the following month.

2. Property condition. Lessor is to remove the glass, windows & door covering that currently exist in front of the roll up door. Lessor is put the roll-up door back in service. All other tenant improvements are to be performed Lessee, subject to prior Landlord approval and performed by a licensed contractor.

3. Systems, Warranty, & HVAC. Lessor is to ensure the following building systems are in good working order upon delivery and warrant the condition for a period of ninety (90) days following lease commencement: Evaporative Cooler, Reznor Heater, plumbing, electrical, roll-up door, man doors, and easterly gates accessing the yard. Any repairs to the HVAC systems costing in excess of $1500 shall be the responsibility of Landlord. Any said repair request by Tenant is subject to Landlord's right to obtain a second opinion from a licensed HVAC contractor.

4. Water and Sewer are presently included in the NNN. All other utility expenses are the sole responsibility of Tenant.

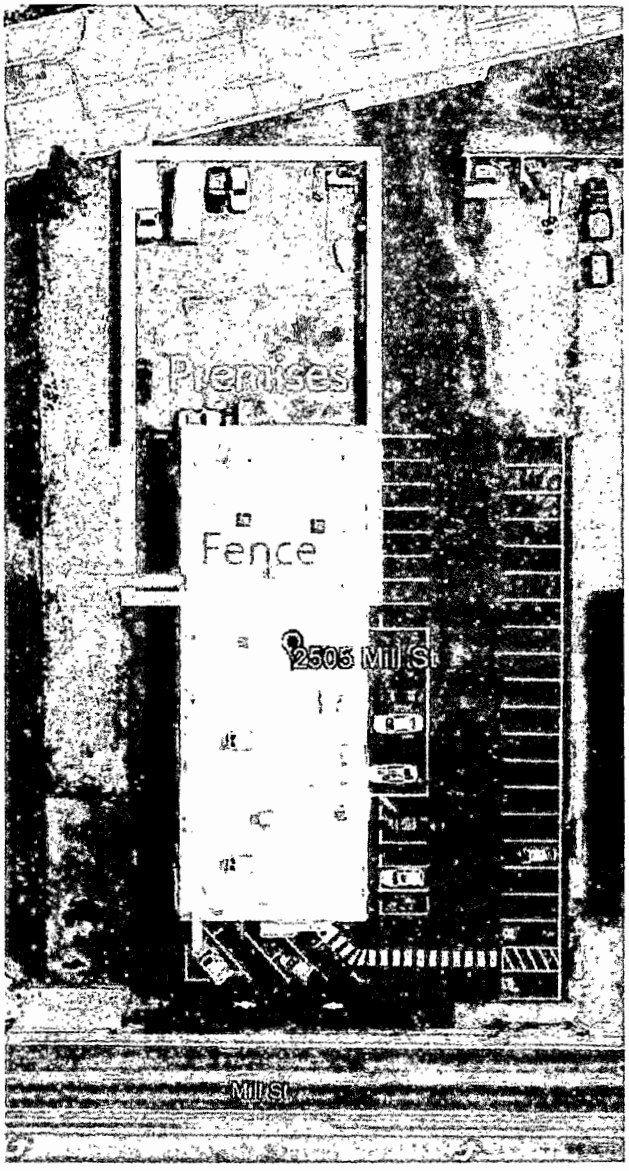
5. Parking. Lessee is entitled to 1/3 of the non-reserved parking spaces; this is approximately 13 spaces. Lessee acknowledges that Tenants typically park closet to their respective unit.

6. Gates. Lessee is to use the gate (and its two access points) along the north easterly side of the property to access the yard. Lessee acknowledges and agrees that the gate along the westerly side of the building is not to be utilized.

7. Brokerage Fees. Lessor is solely responsible for the payment of a leasing commission equal to 6% of the total base rent consideration to be split equally between Lessee and Lessor's Agents as described in Section 39.

Lessee { DS DM } has read this page

EXHIBIT A



2505 MILL STREET LEASE

Basic Lease Information

Lease Date: May 31, 2022

Tenant: West Marine Products, Inc., a Florida corporation

Tenant's Mailing Address: 1 East Broward Blvd., Suite 100, Fort Lauderdale, Florida 33301

Landlord: Kingsland Properties, LLC, a California limited liability company

Landlord's Mailing Address: P.O. Box 6240, Gardnerville, Nevada 89460

Premises: 2505 Mill Street, Unit A, Reno, Nevada 89502

Description of Premises: Approximately 6,400 sf of that certain multi-tenancy commercial single story building, as depicted in Exhibit A attached hereto.

Description of Building: An approximately 10,000 sf multi-tenancy retail/commercial single story building located on an approximately 1.382 acre parcel, APN 012-220-037, commonly known as 2505 Mill Street, Reno, Nevada

Permitted Use: Operation of a Marine Supply, Boating Gear and Boating Apparel store (or any other lawful retail purpose, subject to the prior consent of Landlord, which shall not be unreasonably withheld or delayed).

Term Commencement Date: November 1, 2021

Length of Term: Five (5) years

Base Rent: $6,300.00 per month

Fixed Operating Cost: $1,000 per month fixed Operating Cost in addition to Base Rent, notwithstanding any other provisions of this Lease or actual Operating Expenses (as defined below) for the Premises or the Property. plus Tenant's Proportionate Share of Taxes and Insurance (See Section 7)

Security Deposit: None.

Tenant's Proportionate Share:	64%
Tenant Improvement Rent Concession:	$10,000.00 paid or allocated from the forgiveness of initial payments of Base Rent until such amount is fully allocated to Tenant.
Option to Extend Term:	N/A

Broker(s): Landlord's Broker: Rockford Realty, LLC, Stephanie Wedge, Broker License #B1002511

Tenant's Broker: None.

The foregoing Basic Lease Information is incorporated into and made a part of this Lease. Each reference in this Lease to any of the Basic Lease Information shall mean the respective information above and shall be construed to incorporate all of the terms provided under the particular Lease paragraph pertaining to such information. In the event of any conflict between the Basic Lease Information and the Lease, the latter shall control.

TABLE OF CONTENTS

Page

Basic Lease Information 1

TABLE OF CONTENTS 3

1. PREMISES: 5
2. POSSESSION AND LEASE COMMENCEMENT: 5
3. TERM: 5
4. USE: 6
5. RULES AND REGULATIONS: 8
6. RENT: 8
7. BASIC OPERATING COST: 8
8. INSURANCE AND INDEMNIFICATION: 10
9. WAIVER OF SUBROGATION: 12
10. LANDLORD'S REPAIRS AND SERVICES: 12
11. TENANT'S REPAIRS: 13
12. ALTERATIONS AND TENANT IMPROVEMENTS: 13
13. SIGNS: 15
14. INSPECTION/POSTING NOTICES: 15
15. UTILITIES: 16
16. SUBORDINATION: 16
17. FINANCIAL STATEMENTS: 17
18. ESTOPPEL CERTIFICATE: 17
19. SECURITY DEPOSIT: 17
20. TENANT'S REMEDIES: 17
21. ASSIGNMENT AND SUBLETTING: 17
22. AUTHORITY OF PARTIES: 19
23. CONDEMNATION: 19
24. CASUALTY DAMAGE: 20
25. HOLDING OVER: 21

26. DEFAULT: 22
27. LIENS: 24
28. TENANT'S OPTION TO EXTEND TERM. 25
29. TRANSFERS BY LANDLORD: 25
30. RIGHT OF LANDLORD TO PERFORM TENANT'S COVENANTS: 25
31. WAIVER: 26
32. NOTICES: 26
33. ATTORNEYS' FEES: 27
34. SUCCESSORS AND ASSIGNS: 27
35. FORCE MAJEURE: 27
36. BROKERAGE COMMISSION: 27
37. MISCELLANEOUS: 27
Signatures 30

Exhibit "A" ..... Site Plan
Exhibit "B" ..... Rules and Regulations
Exhibit "C" ..... Information Required for Assignment/Sublease

LEASE

THIS LEASE ("Lease") is made as of this _____ day of April, 2022, by and between Kingsland Properties, LLC, a California limited liability company ("Landlord") and West Marine Products, Inc., a Florida corporation ("Tenant"). The terms of the Basic Lease Information above are hereby incorporated by reference.

1. PREMISES:

Landlord leases to Tenant and Tenant leases from Landlord, upon the terms and conditions set forth in this Lease, those premises (the "Premises") described in the Basic Lease Information and more fully depicted in Exhibit A. The Premises are comprised of an approximately 6,400 square foot portion of the multi-tenancy retail/commercial single-story building located at 2505 Mill Street, Reno, Nevada (the "Building"), and known as Unit A thereof, as more fully depicted in Exhibit A. The Building is situated on the real property located at 2505 Mill Street, Reno, Washoe County, Nevada, also commonly referred to as Assessor's Parcel Number 012-220-37 (the "Property").

2. POSSESSION AND LEASE COMMENCEMENT:

A. Existing Improvements. Tenant, by and through its predecessor in interest, has occupied the Premises for over thirty (30) years and accepts the Premises in its present condition, broom clean, "as is," as suitable for the purpose for which the Premises are leased. Tenant agrees that the Premises and other improvements are in good and satisfactory condition as of the date of this Lease. Tenant further acknowledges that no representations as to the condition or repair of the Premises nor promises to alter, remodel or improve the Premises have been made by Landlord except as expressly set forth in this Lease.

B. Termination of Prior Tenancy. This Lease supersedes, replaces, and terminates any and all prior agreements between any prior owner of the Property or other predecessor-in-interest to Landlord and Tenant, or any predecessor-in-interest to Tenant. Tenant has no rights with respect to the Premises, the Building, or the Property except those expressly set forth in this Lease.

3. TERM:

The Term of this Lease shall commence on the Term Commencement Date and continue in full force and effect for the number of months specified as the Length of Term in the Basic Lease Information or until this Lease is terminated as otherwise provided herein. If the Term Commencement Date is a date other than the first day of the calendar month, the Term shall be the number of months of the Length of Term in addition to the remainder of the calendar month following the Term Commencement Date.

4. USE:

A. General. Tenant shall use the Premises for the Permitted Use and for no other use or purpose. Tenant shall control Tenant's employees, agents, customers, visitors, invitees, licensees, contractors, assignees and subtenants (collectively, "Tenant's Parties") in such a manner that Tenant and Tenant's Parties do not, at any time, violate the Permitted Use or any terms of this Lease, including such commercially reasonable rules and regulations as Landlord may from time to time prescribe. Tenant and Tenant's Parties shall have the nonexclusive right to use, in common with other parties occupying the Building, the parking areas and driveways at the Property, subject to such commercially reasonable rules and regulations as Landlord may from time to time prescribe. Tenant may operate its business on the Premises, subject to the terms of this Lease, as Tenant deems best and there shall be no restrictions upon Tenant or upon the operation of its business, other than as expressly set forth in this Lease. Tenant may discontinue the operation of its business at the Premises at any time and from time to time during the Term, but shall remain in legal and physical possession and occupancy of the Premises and liable for the performance of the terms and conditions of this Lease.

B. Limitations. Tenant shall not permit any odors, smoke, dust, gas, substances, noise or vibrations to emanate from the Premises (or with respect to dust, to accumulate within the Premises in excessive amounts), nor take any action which would constitute a nuisance or would disturb, obstruct or endanger any other third parties or tenants of the Building or interfere with their use of their respective premises. Subject to the immediately following paragraph, storage outside the Premises of materials, vehicles or any other items is prohibited. Tenant shall not use or allow the Premises to be used for any unlawful purpose, nor shall Tenant cause or maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or suffer the commission of any waste in, on or about the Premises. Tenant shall not allow any sale by auction upon the Premises, or place any loads upon the floors, walls or ceilings which endanger the structure, or place any harmful liquids or substances otherwise prohibited by law or regulation in the drainage system of the Building or Property. No waste, materials or refuse shall be dumped upon or permitted to remain outside the Premises except in trash containers placed inside exterior enclosures designated for that purpose by Landlord. Landlord shall not be responsible to Tenant for the non-compliance by any other tenant or occupant of the Building with any of the above-referenced rules or any other terms or provisions of such tenant's or occupant's lease or other contract. The Premises shall not be used for any purpose that would invalidate the insurance or increase the premiums for insurance on the Premises, the Building, or the Property.

Tenant acknowledges and agrees that no outdoor storage of any kind shall be permitted on the Premises or the Property on which the Premises is located without Landlord's prior written consent, which consent Landlord may grant or withhold in its sole and absolute discretion. Subject to the applicable terms, conditions and requirements of this Lease, Tenant shall be entitled to maintain a display of inflatable boats and motors at no additional cost in the portions of the common areas of the Property without obstructing any parking or pedestrian path ("Outdoor Display Area"). Tenant's display of inflatable boats, motors, kayaks, and stand up paddle boards

will be conducted solely within the Outdoor Display Area and in a manner so as to comply with all applicable laws, ordinances, rules and regulations.

C. Compliance with Regulations. Tenant accepts the Premises in the condition existing as of the date of this Lease, subject to all existing or future applicable municipal, state and federal and other governmental statutes, regulations, laws and ordinances, including zoning ordinances and regulations governing and relating to the use, occupancy and possession of the Premises and the use, storage, generation and disposal of Hazardous Materials (hereinafter defined) in, on and under the Premises (collectively "Regulations"). Tenant shall, at Tenant's sole expense, strictly comply with all Regulations now in force or which may hereafter be in force relating to Tenant's use and occupancy of the Premises and/or the use, storage, generation of Hazardous Materials in, on and under the Premises. Tenant shall at its sole cost and expense obtain any and all licenses or permits necessary for Tenant's use of the Premises. Tenant shall promptly comply with the requirements of any board of fire underwriters or other similar body now or hereafter constituted. Tenant shall not do or permit anything to be done in, on, or about the Premises or bring or keep anything which will in any way increase the rate of any insurance upon the Premises, the Building, or the Property, or upon any contents therein or cause a cancellation of said insurance or otherwise affect said insurance in any manner. Tenant shall indemnify, defend, protect and hold Landlord harmless from and against any loss, cost, expense, damage, attorneys' fees or liability arising out of the failure of Tenant to comply with Regulations relating to Tenant's use and occupancy of the Premises and/or the use, storage, generation of Hazardous Materials in, on and under the Premises or comply with the requirements as set forth herein.

D. Hazardous Materials. Other than reasonable quantities of Hazardous Materials used by Tenant in the ordinary course of its business and in strict compliance with all Environmental Laws, Tenant shall not cause, or allow any of Tenant's Parties to cause, any Hazardous Materials to be used, generated, stored or disposed of on or about the Premises, the Building or the Property. As used in this Lease, "Hazardous Materials" shall include, but not be limited to, hazardous, toxic and radioactive materials and those substances defined as "hazardous substances," "hazardous materials," "hazardous wastes," "toxic substances," or other similar designations in any Regulation. Landlord shall have the right at all reasonable times to inspect the Premises and to conduct tests and investigations to determine whether Tenant is in compliance with the foregoing provisions, the costs of all such inspections, tests and investigations to be borne by Tenant. Tenant shall indemnify, defend, protect and hold Landlord harmless from and against all liabilities, losses, costs and expenses, demands, causes of action, claims or judgments directly or indirectly arising out of the use, generation, storage or disposal of Hazardous Materials by Tenant or any of Tenant's Parties, which indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation of any closure or other required plans, whether such action is required or necessary prior to or following the termination of this Lease. Neither the written consent by Landlord to the use, generation, storage, or disposal of Hazardous Materials, nor the strict compliance by Tenant with all Regulations pertaining to Hazardous Materials shall excuse Tenant from Tenant's obligation of indemnification pursuant to this paragraph. Tenant's obligations pursuant to the foregoing indemnity shall survive the termination of this Lease.

5. RULES AND REGULATIONS:

Tenant shall faithfully observe and comply with any commercially reasonable rules and regulations Landlord may from time to time prescribe in writing for the purpose of maintaining the proper care, cleanliness, safety, traffic flow and general order of the Premises, Building, and/or Property. Tenant shall cause Tenant's Parties to comply with such rules and regulations. Landlord shall not be responsible to Tenant for the non-compliance by any other tenant or occupant of the Building or Property with any of the rules and regulations. The Rules and Regulations, in the form adopted by Landlord as of the date of this Lease, if any, are attached as Exhibit B. In the event any provisions of the Rules and Regulations shall conflict with any other specific provisions of this Lease, the other provisions of this Lease shall control.

6. RENT:

A. Base Rent. Tenant shall pay to Landlord Base Rent as set forth in the Basic Lease Information without demand throughout the Term, payable monthly in advance on or before the first day of each calendar month, in lawful money of the United States, without deduction or offset whatsoever, by check or other means acceptable to Landlord in its sole discretion, to the mailing address specified in the Basic Lease Information or to such other place as Landlord may from time to time designate in writing. If the obligation for payment of Base Rent commences on other than the first day of a month, then Base Rent shall be prorated, and the prorated installment shall be paid together with the Base Rent applicable to the first full calendar month on or before the Term Commencement Date.

B. Additional Rent. All monies other than Base Rent required to be paid by Tenant hereunder, including, but not limited to, the interest and late charge described in Paragraph 26.D, any monies spent by Landlord pursuant to Paragraph 30, and Tenant's Fixed Operating Cost, as specified in Paragraph 7 of this Lease, shall be considered additional rent ("Additional Rent"). "Rent" shall mean Base Rent and Additional Rent.

7. FIXED OPERATING COST:

A. Operating Expenses. In addition to the Base Rent, Tenant shall pay as Additional Rent, a Fixed Operating Cost payment obligation equal to $1,000 per month capped at $1,000 for the entire Term of the Lease, irrespective of anything that could be construed to the contrary in this Lease (the "Operating Expenses"), plus Tenant's Proportionate Share of Taxes and Insurance as described below.

(1) Taxes. All real property taxes, possessory interest taxes, business or license taxes or fees, service payments in lieu of such taxes or fees, annual or periodic license or use fees, excises, transit charges, housing fund assessments, open space charges, assessments, levies, fees or charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of

any kind (including fees "in-lieu" of any such tax or assessment) which are assessed, levied, charged, confirmed, or imposed by any public authority upon the Building, the Property, its operations, or the Rent (or any portion or component thereof (all of the foregoing being hereinafter collectively referred to as "real property taxes"), or any tax imposed in substitution, partially or totally, of any tax previously included within the definition of real property taxes, or any additional tax the nature of which was previously included within the definition of real property taxes, except (a) inheritance or estate taxes imposed upon or assessed against the Property, or any part thereof or interest therein, and (b) taxes computed upon the basis of net income of Landlord or the owner of any interest therein. Basic Operating Cost shall also include any taxes, assessments, or any other fees imposed by any public authority upon or measured by the monthly rental or other charges payable hereunder, including, any excise tax levied by the local governmental authority in which the Property is located, the federal government, or any other governmental body with respect to receipt of such rental, or upon, with respect to or by reason of the development, possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion thereof, or upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises. In the event that it shall not be lawful for Tenant to reimburse Landlord for all or any part of such taxes, the monthly rental payable to Landlord under this Lease shall be revised to net to Landlord the same net rental after imposition of any such taxes by Landlord as would have been payable to Landlord prior to the payment of any such taxes.

(2) Insurance. All insurance premiums and costs, including but not limited to, any deductible amounts, premiums and cost of insurance incurred by Landlord, as more fully set forth in Paragraph 8.A. herein.

B. ***Reserved.***

C. ***Reserved.***

D. Net Lease. This shall be a net Lease and Base Rent shall be paid to Landlord absolutely net of all costs and expenses, except as specifically provided to the contrary in this Lease. The provisions for payment of Basic Operating Cost as set forth in Paragraph A above are intended to pass on to Tenant and reimburse Landlord for all costs and expenses of the nature described in Paragraph 7.A. incurred in connection with the ownership, maintenance and operation of the Building or Property and such additional facilities now and in subsequent years as may be determined by Landlord to be necessary to the Building or Property, subject to the exclusions to Basic Operating Cost as set forth in this Lease.

E. ***Reserved.***

8. INSURANCE AND INDEMNIFICATION:

A. Landlord's Insurance. Landlord shall maintain property insurance insuring the Building and the Property against fire, lightning, vandalism and malicious mischief (including, if Landlord elects, earthquake and/or flood insurance), in an amount not less than one hundred percent (100%) of the replacement cost thereof, with deductibles and the form and endorsements of such coverage as selected by Landlord. Such insurance may also include, at Landlord's option, insurance against loss of Base Rent and Additional Rent, in an amount equal to the amount of Base Rent and Additional Rent payable by Tenant for a period of at least twelve (12) months commencing on the date of loss. Such insurance shall be for the sole benefit of Landlord and under Landlord's sole control. Landlord shall not be obligated to insure any furniture, equipment, machinery, goods or supplies which Tenant may keep or maintain in the Premises or any leasehold improvements or alterations within the Premises installed or constructed by Tenant, whether or not so installed or constructed by Tenant before or after the Term Commencement Date. Landlord may also carry such other insurance as Landlord may deem prudent or advisable, including, without limitation, liability insurance in such amounts and on such terms as Landlord shall determine.

B. Tenant's Insurance

(1) Property Insurance. Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term, insurance on all personal property and fixtures of Tenant and all improvements, additions or alterations within the Premises constructed or installed by Tenant, insuring such property for the full replacement value of such property.

(2) Liability Insurance. At the commencement of the Lease Term and upon written request from Landlord, Tenant shall provide Landlord with an endorsement, issued by the insuring carrier, showing Landlord as the additional insured with respect to the commercial general liability policy and any other liability policy required hereunder to which additional insureds can be added. Tenant shall procure at Tenant's sole cost and expense and keep in effect from the date of this Lease and at all times until the end of the Term Commercial General Liability insurance applying to Tenant's use and occupancy of the Premises, the Building, and the Property, and any part of them, and any areas adjacent thereto, and the business operated by Tenant, including any other occupant of the Premises, which occupancy is subject to the terms of this Lease. Such insurance shall include Broad Form Contractual Liability insurance coverage naming this Lease as an "insured contract". Such coverage shall have a minimum combined single limit of liability of at least Two Million Dollars ($2,000,000.00), and a general aggregate limit of Three Million Dollars ($3,000,000.00). All such liability policies shall be written to apply to all bodily injury, property damage or loss, personal injury and other covered loss, however occasioned, occurring during the policy term, shall be endorsed to add Landlord, Landlord's management company, and any party holding an interest to which this Lease may be subordinated as an additional insured, and shall provide that such coverage shall be primary and that any insurance maintained by

Landlord shall be excess insurance only. Such coverage shall also contain endorsements: (i) deleting any Tenant employee exclusion on personal injury coverage; (ii) including Tenant's employees as additional insureds; (iii) deleting any liquor liability exclusion; and (iv) providing for coverage of employer's (i.e. Tenant's) automobile non-ownership liability. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insureds shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Said coverage shall be written on an "occurrence" basis, if available. If an "occurrence" basis form is not available, Tenant must purchase "tail" coverage for the greatest number of years available, and Tenant must also purchase "tail" coverage if the retroactive date of an "occurrence" basis form is changed so as to leave a gap in coverage for occurrences that might have occurred in prior years. If a "claims made" policy is ever used, the policy must be endorsed so that Landlord is given the right to purchase "tail" coverage should Tenant for any reason not do so or if the policy is to be canceled for nonpayment of premium.

(3) General Insurance Requirements. All coverages described in this Paragraph 8.B. shall be endorsed to provide Landlord with thirty (30) days' notice of cancellation or change in terms. All insurance policies required to be carried under this Lease shall be written by companies rated A or better with no less than a class VII in "Best's Insurance Guide" and authorized to do business in Nevada. Any deductible amounts under any insurance policies required to be obtained and maintained by Tenant hereunder shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld. For the purposes of applying the foregoing sentence, Landlord shall not be deemed to withhold consent unreasonably to any insurance deductible that is materially in excess of deductibles then generally available at commercially reasonable premium amounts and customarily carried and maintained by other commercial and retail tenants in the greater Reno area. Tenant shall deliver to Landlord on or before the Term Commencement Date, and thereafter at least twenty (20) days before the expiration dates of the expiring policies, a certificate (or certificates) evidencing Tenant's insurance coverages issued by the insurer thereunder, showing that all premiums have been paid for the full policy period; and, in the event Tenant shall fail to procure such insurance, or to deliver such policies or certificates, Landlord may, at Landlord's option and in addition to Landlord's other remedies in the event of a default by Tenant hereunder, procure the same for the account of Tenant, and the cost thereof shall be paid to Landlord as Additional Rent.

C. Indemnification. Landlord shall not be liable to Tenant for any loss or damage to person or property caused by theft, fire, acts of God, acts of a public enemy, riot, strike, insurrection, war, court order, requisition or order of governmental body or authority or for any damage or inconvenience which may arise through repair or alteration of any part of the Building or Property or failure to make any such repair, except as expressly otherwise provided in Paragraph 10. Tenant shall indemnify, defend by counsel selected by Landlord, protect and hold Landlord harmless from and against any

and all liabilities, losses, costs, damages, injuries or expenses, including reasonable attorneys' fees and court costs, claimed by third parties and arising out of: (1) claims of injury to or death of persons or damage to property occurring or resulting directly or indirectly from the use or occupancy of the Premises by Tenant or Tenant's Parties, or from the negligence of Tenant or Tenant's Parties in or about the Premises, Building, or Property; (2) claims for work or labor performed, or for materials or supplies furnished to or at the request of Tenant in connection with performance of any work done for the account of Tenant within the Premises, Building, or Property; and (3) claims arising from any breach or default on the part of Tenant in the performance of any covenant contained in this Lease. The foregoing indemnity shall not be applicable to claims arising from the active negligence or willful misconduct of Landlord. The provisions of this Paragraph shall survive the expiration or termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

9. WAIVER OF SUBROGATION:

To the extent permitted by law and without affecting the coverage provided by insurance to be maintained hereunder, Landlord and Tenant each waive any right to recover against the other for: (a) damages for injury to or death of persons or to property; (b) damages to the Premises or any part thereof; and (c) claims arising by reason of the foregoing, in each case (i) to the extent due to hazards covered by insurance actually carried or required to be carried by the waiving party and (ii) to the extent of the proceeds recovered therefrom (or, if the waiving party failed to carry any insurance required to be carried under this lease, to the extent of the proceeds that would have been recovered had the waiving party carried the required insurance). This provision is intended to waive fully, and for the benefit of each party, any rights and/or claims described in the immediately preceding sentence which might give rise to a right of subrogation in favor of any insurance carrier. The coverage obtained by each party pursuant to this Lease shall include, without limitation, a waiver of subrogation by the carrier which conforms to the provisions of this paragraph.

10. LANDLORD'S REPAIRS AND SERVICES:

A. Landlord's Expense. Landlord shall, at Landlord's expense maintain and repair (including replacements) the structural components, roof, foundations and exterior walls of the Building, in good repair, reasonable wear and tear excepted. The term "exterior walls" as used herein shall not include windows, glass or plate glass, doors, loading dock doors, exterior bumpers or dock levelers, special store fronts or office entries.

B. Tenants' Expense. Landlord shall also maintain and repair (including replacements), as an item of Basic Operating Cost (subject to the exclusions to Basic Operating Cost), the public and common areas of the Property (including but not limited to pest extermination, the landscaped areas, parking areas, driveways, and truck staging areas (excluding loading or roll up dock doors, levelers, or bumpers), and rail spur areas), gutters and downspouts, and the following systems, lines, and equipment serving the Building and Premises: fire sprinkler, sanitary and storm sewer, electrical, telephone, exterior lighting, heating and air conditioning, mechanical, plumbing (excluding interior

plumbing), and life safety. In connection with the foregoing, Landlord shall have the right to obtain and enter into maintenance contracts with third parties for the purpose of performing some or all of Landlord's obligations set forth above, the cost of which shall be included in Basic Operating Cost. Any damage caused by or repairs necessitated by any negligent act of Tenant or any of Tenant's Parties may be repaired by Landlord at Landlord's option and at Tenant's expense, subject to the waivers in Paragraph 9 above. Tenant shall promptly give Landlord written notice of any defect or need of repairs after which Landlord shall have a reasonable opportunity to repair same. Landlord's liability with respect to any defects, repairs, or maintenance for which Landlord is responsible under any of the provisions of this Lease shall be limited to the cost of such repairs or maintenance.

11. TENANT'S REPAIRS:

To the extent not required to be maintained by Landlord as set forth in Paragraph 10 above, Tenant shall at Tenant's expense maintain all interior, non-structural parts of the Premises in a good clean and secure condition consistent with similar properties and promptly make all necessary repairs and replacements, including but not limited to all windows, glass, doors, interior walls and wall finishes, floor covering, loading and roll-up doors, dock bumpers, dock plates and levelers, interior plumbing work and fixtures, interior electrical and lighting fixtures. Such repairs shall be made with like new materials, and shall be of similar appearance (and paint or finish color), as existed as of the Term Commencement Date (e.g., to the extent reasonably practicable, light bulbs shall be of the same color, wattage and brand, door panels shall be the same color and produced by the same manufacturer, and paint shall be of the same color, shade and grade). Tenant shall at Tenant's expense also perform regular removal of trash and debris. Tenant shall not damage any demising wall or disturb the integrity and support provided by any demising wall and shall, at its sole expense (subject to the waivers in Paragraph 9 above), immediately repair any damage to any demising wall caused by Tenant or Tenant's Parties.

12. ALTERATIONS AND TENANT IMPROVEMENTS:

A. Alterations. Tenant shall not make, or allow to be made, any alterations or physical additions in, about or to the Premises without obtaining the prior written consent of Landlord, which consent shall not be unreasonably withheld with respect to proposed alterations and additions which: (a) comply with all applicable laws, ordinances, rules and regulations; (b) are in Landlord's reasonable opinion compatible with the Property and its mechanical, plumbing, electrical, heating/ventilation/air conditioning systems; and (c) will not interfere with the use and occupancy of any other portion of the Building or Property by any other tenant or its invitees. Specifically, but without limiting the generality of the foregoing, Landlord shall have the right of written consent for all plans and specifications for the proposed alterations or additions, construction means and methods, all appropriate permits and licenses, any contractor or subcontractor to be employed on the work of alteration or additions, and the time for performance of such work. Tenant shall also supply to Landlord any documents and information reasonably requested by Landlord in connection with Landlord's consideration of a request for approval hereunder. Tenant shall reimburse Landlord for all reasonable out-of-pocket costs which Landlord may incur in connection with granting approval

to Tenant for any such alterations and additions, including any reasonable costs or expenses which Landlord may incur in electing to have outside architects and engineers review said plans and specifications. All such alterations, physical additions or improvements shall remain the property of Tenant until termination of this Lease, at which time they shall be and become the property of Landlord if Landlord so elects; provided, however, that Landlord may, at Landlord's option (which must be exercised, if at all, in writing to Tenant prior to installation of the applicable alterations, physical additions or improvements), require that Tenant, at Tenant's expense, remove any or all alterations, additions, improvements and partitions made by Tenant and restore the Premises by the termination of this Lease, whether by lapse of time, or otherwise, to their condition existing prior to the construction of any such alterations, additions, partitions or leasehold improvements, including without limitation repainting of walls, replacement of lighting fixtures and bulbs to the extent not in compliance with the terms of this Lease, repair and filling of intrusions through concrete, and removal of telephone, cable and other electronic installations. All such removals and restoration shall be accomplished in a good and workmanlike manner so as not to cause any damage to the Premises, Building, or Property whatsoever. If Tenant fails to so remove such alterations, additions, improvements and partitions or Tenant's trade fixtures or furniture, Landlord may keep and use them or remove any of them and cause them to be stored or sold in accordance with applicable law, at Tenant's sole expense. **Notwithstanding anything in this Lease to the contrary, upon the expiration or earlier termination of this Lease, Tenant shall not be required to remove or restore any alterations, additions, improvements and partitions existing as of the Term Commencement Date.** In addition to and wholly apart from Tenant's obligation to pay Tenant's Proportionate Share of Basic Operating Cost, Tenant shall be responsible for and shall pay prior to delinquency any taxes or governmental service fees, possessory interest taxes, fees or charges in lieu of any such taxes, capital levies, or other charges imposed upon, levied with respect to or assessed against its personal property, on the value of the alterations, additions or improvements within the Premises, and on Tenant's interest pursuant to this Lease. To the extent that any such taxes are not separately assessed or billed to Tenant, Tenant shall pay the amount thereof as invoiced to Tenant by Landlord.

B. Rent Concession for Tenant Improvements. Should Tenant elect, within the first six (6) months of the Term, to make alterations to the Premises in accordance with Paragraph 12.A above for the purposes of updating and upgrading the Premises, Landlord shall contribute up to $10,000.00 toward such improvements by way of concessions to Base Rent due (provided that Tenant is not in default under this Lease beyond applicable notice and cure periods). To the extent required in Paragraph 12.A, Tenant must obtain Landlord's prior written authorization to conduct any improvements using the rent concession allowed in this Paragraph. Prior to applying any rent concession, Tenant shall submit all necessary plans, bids, and contracts for Landlord's review and approval. In order to use any rent concessions, Tenant shall provide, on or before the date that such Base Rent is due, receipts and lien waivers establishing that work has been completed and all contractors have been paid, a complete accounting establishing the amount of rent concession Tenant is requesting for that month, and payment of the balance of Base Rent due for that month. Under no circumstances shall any rent concession apply against Additional Rent due.

13. SIGNS:

A. Tenant's Signage. Except to the extent now or later in violation of applicable local sign ordinances and regulations, Tenant shall be entitled to maintain any and all existing Building and other signage in place as of the Term Commencement Date, together with the upper portion (to the extent currently utilized by Tenant) of the monument sign located on the property ("Tenant's Existing Signs"). All other signs, notices and graphics of every kind or character, visible in or from public view or corridors, the common areas or the exterior of the Premises, shall be subject to Landlord's prior written approval. Other than any Tenant's Existing Signs, Tenant shall not place or maintain any banners whatsoever or any window decor in or on any exterior window or window fronting upon any common areas or service area or upon any truck doors or man doors without Landlord's prior written approval. Any installation of signs or graphics on or about the Premises and Property shall be subject to any applicable governmental laws, ordinances, regulations and to any other requirements imposed by Landlord. Tenant shall remove all such signs and graphics prior to the termination of this Lease. Such installations and removals shall be made in such manner as to avoid injury or defacement of the Premises, Building, or Property and any other improvements contained therein, and Tenant shall repair any injury or defacement, including without limitation, discoloration caused by such installation or removal.

B. Landlord to Remove Existing Black Sign. Within sixty (60) days of the Term Commencement Date, Landlord shall, at Landlord's sole expense, remove the black sign existing on the front of the Building and repair any damage to the Building caused by the sign or its removal.

14. INSPECTION/POSTING NOTICES:

After reasonable notice, except in emergencies where no such notice shall be required, Landlord, and Landlord's agents and representatives, shall have the right to enter the Premises to inspect the same, to clean, to perform such work as may be permitted or required hereunder, to make repairs or alterations to the Premises or Property or to other tenant spaces therein, to deal with emergencies, to post such notices as may be permitted or required by law to prevent the perfection of liens against Landlord's interest in the Property or to exhibit the Premises to prospective purchasers, encumbrancers or, during the last six (6) months of the Term, prospective tenants, or for any other purpose as Landlord may deem necessary or desirable in its commercially reasonable discretion; provided, however, that Landlord shall use reasonable efforts not to unreasonably interfere with Tenant's business operations. Tenant shall not be entitled to any abatement of Rent by reason of the exercise of any such right of entry. At any time within six (6) months prior to the end of the Term, Landlord shall have the right to erect on the Property a suitable sign indicating that the Premises are available for lease. Tenant shall give written notice to Landlord at least thirty (30) days prior to vacating the Premises and shall meet with Landlord for a joint inspection of the Premises at the time of vacating. In the event of Tenant's failure to give such notice or participate in such joint inspection, Landlord's inspection at or after Tenant's vacating the Premises shall conclusively be deemed correct for purposes of determining Tenant's responsibility for repairs and restoration.

15. UTILITIES:

Tenant shall pay directly for all water, gas, heat, air conditioning, light, power, telephone, sewer, sprinkler charges and other utilities and services used on or from the Premises, together with any taxes, penalties, surcharges or the like pertaining thereto, and maintenance charges for utilities and shall furnish all electric light bulbs, ballasts and tubes of the type, color and wattage as existed in the Premises as of the Term Commencement Date. If any such services are not separately metered to Tenant, Tenant shall pay a reasonable proportion, as determined by Landlord, of all charges jointly serving other premises as Additional Rent. Landlord shall not be liable for any damages directly or indirectly resulting from nor shall the Rent or any monies owed Landlord under this Lease herein reserved be abated by reason of: (a) the installation, use or interruption of use of any equipment used in connection with the furnishing of any such utilities or services; (b) the failure to furnish or delay in furnishing any such utilities or services when such failure or delay is caused by acts of God or the elements, labor disturbances of any character, or any other accidents or other conditions beyond the reasonable control of Landlord; or (c) the limitation, curtailment, rationing or restriction on use of water, electricity, gas or any other form of energy or any other service or utility whatsoever serving the Premises or Property. Landlord shall be entitled to cooperate voluntarily and in a reasonable manner with the efforts of national, state or local governmental agencies or utility suppliers in reducing energy or other resource consumption. The obligation to make services available hereunder shall be subject to the limitations of any such voluntary, reasonable program.

16. SUBORDINATION:

Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, the Lease shall be subject and subordinate at all times to: (a) all ground leases or underlying leases which may hereafter be executed affecting the Premises and/or the land upon which the Premises and Property are situated, or both; and (b) any mortgage or deed of trust which may be placed upon said Property, land, ground leases or underlying leases, or Landlord's interest or estate in any of said items which is specified as security (each, an "Encumbrance"). Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground leases or underlying leases or any such liens to this Lease. In the event that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant shall, notwithstanding any subordination, attorn to and become the Tenant of the successor in interest to Landlord at the option of such successor in interest. Within ten (10) business days after request by Landlord, Tenant shall execute and deliver any additional documents evidencing Tenant's attornment or the subordination of this Lease with respect to any such ground leases or underlying leases or any such mortgage or deed of trust, in the form requested by Landlord or by any ground landlord, mortgagee, or beneficiary under a deed of trust.

Notwithstanding the foregoing, (i) Landlord represents and warrants that, as of the Term Commencement Date, there are no Encumbrances other than the existing lease for the portions of the Building not constituting the Premises, and (ii) the subordination of this Lease to any future

Encumbrance shall be conditioned upon the applicable Encumbrance holder agreeing that Tenant's occupancy of the Premises and other rights under this Lease shall not be disturbed by reason of the foreclosure of such Encumbrance, so long as Tenant is not in default under this Lease beyond any and all applicable notice and cure periods. Without limiting the foregoing, any agreement or obligation of Tenant in the Lease to subordinate its interest to any future Encumbrance or to attorn to any future Encumbrance holder, is and shall be expressly conditioned and contingent upon Tenant's receipt from the applicable Encumbrance holder, for Tenant's benefit, of an executed subordination, non-disturbance, and attornment agreement in form and substance reasonably acceptable to Tenant ("SNDA").

17. INTENTIONALLY DELETED.

18. ESTOPPEL CERTIFICATE:

Tenant agrees from time to time, within ten (10) business days after request of Landlord, to deliver to Landlord, or Landlord's designee, an estoppel certificate stating, to the extent true, that this Lease is in full force and effect, the date to which Rent has been paid, the unexpired portion of this Lease, and such other matters pertaining to this Lease as may be reasonably requested by Landlord. Failure by Tenant to execute and deliver such certificate shall constitute an acceptance of the Premises and acknowledgment by Tenant that the statements included are true and correct without exception. Landlord and Tenant intend that any statement delivered pursuant to this Paragraph may be relied upon by any mortgagee, beneficiary, purchaser or prospective purchaser of the Property or any interest therein. The parties agree that Tenant's obligation to furnish such estoppel certificates in a timely fashion is a material inducement for Landlord's execution of the Lease, and shall be an event of default if Tenant fails to fully comply.

19. INTENTIONALLY DELETED.

20. TENANT'S REMEDIES:

The liability of Landlord to Tenant for any default by Landlord under the terms of this Lease are not personal obligations of the individual or other partners, directors, officers and shareholders of Landlord, and Tenant agrees to look solely to Landlord's interest in the Property for the recovery of any amount from Landlord, and shall not look to other assets of Landlord nor seek recourse against the assets of the individual or other partners, directors, officers and shareholders of Landlord. Any lien obtained to enforce any such judgment and any levy of execution thereon shall be subject and subordinate to any lien, mortgage or deed of trust on the Property.

21. ASSIGNMENT AND SUBLETTING:

A. General. Tenant shall not assign or sublet the Premises or any part thereof without Landlord's prior written approval, not to be unreasonably withheld, conditioned, or delayed. If Tenant desires to assign this Lease or sublet any or all of the Premises, Tenant shall give Landlord

written notice at least thirty (30) days prior to the anticipated effective date of the assignment or sublease. In connection with Landlord's review of any proposed assignment or sublease of all or substantially all of the Premises, Landlord shall have the right to request and consider the documents and information described on Exhibit C attached hereto. Landlord shall then have a period of fifteen (15) days following receipt of the later of such notice or the required documents (including, in the case of an assignment, and without limitation, financial statements and other financial information of such assignee) to notify Tenant in writing that Landlord elects either: (1) reject Tenant's request to assign this Lease or sublet such space; or (2) to permit Tenant to assign this Lease or sublet such space, subject, however, to Landlord's prior written approval, not to be unreasonably withheld, conditioned, or delayed, of any related documents or agreements associated with the assignment or sublease. If Landlord should fail to notify Tenant in writing of such election within said period, Landlord shall be deemed to have elected option (2) above. Without limiting the other instances in Landlord may withhold Landlord's consent to an assignment or subletting, Landlord and Tenant acknowledge that it shall be reasonable for Landlord to withhold Landlord's consent in the following instances: the use of the Premises by such proposed assignee or subtenant would not be a permitted use or would increase the parking density of the Property; the proposed assignee or subtenant is not of sound financial condition; the proposed assignee or subtenant is a governmental agency; the proposed assignee or subtenant does not have a good reputation as a tenant of property; the proposed assignee or subtenant is a person with whom Landlord is negotiating to lease space in the Building; or the assignment or subletting would entail any alterations which would lessen the value of the leasehold improvements in the Premises. If Landlord approves proposed assignment as outlined herein, Tenant agrees to pay Landlord all Landlord's actual out of pocket costs, including attorney fees to the extent not in excess of the lesser of one-half month's Base Rent or Three Thousand Dollars, as consideration for Landlord's time an effort in processing an assignment.

B. Bonus Rent. Any Rent or other consideration realized by Tenant under any such sublease or assignment in excess of the Rent payable hereunder, after amortization of a reasonable brokerage commission, shall be divided and paid, ten percent (10%) to Tenant, ninety percent (90%) to Landlord. In any subletting or assignment undertaken by Tenant, Tenant shall diligently seek to obtain the maximum rental amount available in the marketplace for such subletting or assignment. For the purpose of calculating the amount due Landlord under this subparagraph, amounts realized by Tenant in connection with concessions Tenant may receive, amounts paid for the assets or equity in Tenant in excess of the value Tenant would have received without the Lease, and any other amounts that reflect the value of the Lease in connection with any such transaction shall be deemed to be consideration realized by Tenant under any such sublease or assignment in excess of the Rent payable hereunder.

C. Corporation. Subject to Paragraph 12.E. below, if Tenant is a corporation, a transfer of corporate shares by sale, assignment, bequest, inheritance, operation of law or other disposition (including such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency or other proceedings), so as to result in a change in the present control of such corporation or any of its parent corporations by the person or persons owning a majority of said corporate shares, shall constitute an assignment for purposes of this Lease.

D. Partnership. Subject to Paragraph 12.E. below, if Tenant is a partnership, joint venture or other incorporated business form, including without limitation a limited liability company, a transfer of the interest of persons, firms or entities responsible for managerial control of Tenant by sale, assignment, bequest, inheritance, operation of law or other disposition, so as to result in a change in the present control of said entity and/or a change in the identity of the persons responsible for the general credit obligations of said entity shall constitute an assignment for all purposes of this Lease.

E. Permitted Transfers. Notwithstanding anything to the contrary contained in this Lease, Tenant may assign this Lease or sublet all or any portion of the Premises from time to time, without Landlord's consent but with prior written notice (unless prior notice is prohibited by law) to any of the following (each, a "Permitted Transferee"), (i) any entity controlling, controlled by, or under common control with Tenant, or (iii) any entity that acquires a controlling equity interest in Tenant by merger or acquisition of its parent entity; provided, however, that (a) no such assignment or sublease shall relieve Tenant from any liability under this Lease, whether accrued to the date of such assignment or sublease, or thereafter accruing, and (b) the assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease to obtain Landlord's consent to an assignment or sublease.

F. Liability. No assignment or subletting by Tenant shall relieve Tenant of any obligation under this Lease. Any assignment or subletting which conflicts with the provisions hereof shall be void.

22. AUTHORITY OF PARTIES:

Landlord represents and warrants that it has full right and authority to enter into this Lease and to perform all of Landlord's obligations hereunder. Tenant represents and warrants that it has full right and authority to enter into this Lease and to perform all of Tenant's obligations hereunder.

23. CONDEMNATION:

A. Condemnation Resulting in Termination. If the whole or any substantial part of the Property of which the Premises are a part should be taken or condemned for any public use under governmental law, ordinance or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and the taking would prevent or materially interfere with the Permitted Use of the Premises this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective when the physical taking of said Premises shall have occurred.

B. Condemnation Not Resulting in Termination. If a portion of the Property of which the Premises are a part should be taken or condemned for any public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and this Lease is not terminated as provided in Paragraph 23.A. above, this Lease shall not terminate, but the Rent payable hereunder during the unexpired portion of the Lease shall be reduced, beginning

on the date when the physical taking shall have occurred, to such amount as may be fair and reasonable under all of the circumstances.

C. Award. Landlord shall be entitled to any and all payment, income, rent, award, or any interest therein whatsoever which may be paid or made in connection with such taking or conveyance and Tenant shall have no claim against Landlord or otherwise for the value of any unexpired portion of this Lease. Notwithstanding the foregoing, any compensation specifically awarded Tenant for loss of business, Tenant's personal property, moving costs or loss of goodwill, shall be and remain the property of Tenant.

24. CASUALTY DAMAGE:

A. General. If the Premises, Building, or Property should be damaged or destroyed by fire, tornado or other casualty, Tenant shall give prompt written notice thereof to Landlord. Within thirty (30) days after Landlord's receipt of such notice, Landlord shall notify Tenant whether in Landlord's commercially reasonable opinion such repairs can reasonably be made either: (1) within ninety (90) days; (2) in more than ninety (90) days but in less than one hundred eighty (180) days; or (3) in more than one hundred eighty (180) days from the date of such notice. Landlord's determination shall be binding on Tenant.

B. Less Than 90 Days. If the Premises, Building, or Property should be damaged by fire, tornado or other casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed within ninety (90) days after the date of such damage, this Lease shall not terminate and, provided that insurance proceeds are available to fully repair the damage, Landlord shall proceed to rebuild and repair the Premises in the manner determined by Landlord, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other leasehold improvements which may have been placed in, on or about the Premises. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be abated proportionately, but only during the time and to the extent the Premises are unfit for occupancy.

C. Greater Than 90 Days. If the Premises, Building, or Property should be damaged by fire, tornado or other casualty but only to such extent that rebuilding or repairs can in Landlord's estimation be reasonably completed in more than ninety (90) days but in less than one hundred eighty (180) days, then Landlord or Tenant shall have the option of terminating the Lease effective upon the date of the occurrence of such damage, in which event the Rent shall be abated during the unexpired portion of the Lease. If neither Landlord nor Tenant terminates the Lease, Landlord shall be obligated to rebuild or repair the Premises to substantially the condition in which they existed prior to such damage, provided that insurance proceeds are available to fully repair the damage, except that Landlord shall not be required to rebuild, repair or replace any part of the partitions, fixtures, additions and other improvements which may have been placed in, on or about the Premises by Tenant. If the Premises are untenantable in whole or in part following such damage, the Rent payable hereunder during the period in which they are untenantable shall be abated proportionately,

but only during the time and to the extent the Premises are unfit for occupancy. In the event that Landlord should fail to complete such repairs and rebuilding within one hundred eighty days (180) days after the date of such damage, such period of time to be extended for delays caused by the fault or neglect of Tenant or because of acts of God, acts of public agencies, labor disputes, strikes, fires, freight embargoes, rainy or stormy weather, inability to obtain materials, supplies or fuels, or delays of the contractors or subcontractors or any other causes or contingencies beyond the reasonable control of Landlord, Tenant may at Tenant's option within ten (10) days after the expiration of such one hundred eighty (180) day period (as such may be extended), terminate this Lease by delivering written notice of termination to Landlord as Tenant's exclusive remedy, whereupon all rights hereunder shall cease and terminate thirty (30) days after Landlord's receipt of such termination notice.

D. Greater Than 180 Days. If the Premises, Building, or Property should be so damaged by fire, tornado or other casualty that rebuilding or repairs cannot in Landlord's estimation be completed within one hundred eighty (180) days after such damage, this Lease shall terminate and the Rent shall be abated during the unexpired portion of this Lease, effective upon the date of the occurrence of such damage.

E. Tenant's Fault. If the Premises or any other portion of the Building are damaged by fire or other casualty resulting from the fault, negligence or willful misconduct of Tenant or any of Tenant's Parties, Base Rent and Additional Rent shall not be diminished during the repair of such damage and Tenant shall be liable to Landlord for the cost and expense of the repair and restoration of the Building caused thereby to the extent such cost and expense is not covered by insurance proceeds. Furthermore, if the repair of such damage extends beyond the Term, Tenant shall be deemed to be holding over pursuant to Paragraph 25 below.

F. Uninsured Casualty. Notwithstanding anything herein to the contrary, in the event that the Premises or Building are damaged or destroyed and are not fully covered by the insurance proceeds received by Landlord or in the event that the holder of any indebtedness secured by a mortgage or deed of trust covering the Premises requires that the insurance proceeds be applied to such indebtedness, then in either case Landlord shall have the right to terminate this Lease by delivering written notice of termination to Tenant within thirty (30) days after the date of notice to Landlord that said damage or destruction is not fully covered by insurance or such requirement is made by any such holder, as the case may be, whereupon all rights and obligations hereunder shall cease and terminate.

25. HOLDING OVER:

If Tenant shall retain possession of the Premises or any portion thereof without Landlord's consent following the expiration of the Lease or sooner termination for any reason, then Tenant shall pay to Landlord for each day of such retention 150% of the amount of the daily rental as of the last month prior to the date of expiration or termination. Tenant shall also indemnify, defend, protect and hold Landlord harmless from any loss, liability or cost, including reasonable attorneys' fees, resulting

from delay by Tenant in surrendering the Premises, including, without limitation, any claims made by any succeeding tenant founded on such delay. Acceptance of Rent by Landlord following expiration or termination shall not constitute a renewal of this Lease, and nothing contained in this Paragraph 25 shall waive Landlord's right of reentry or any other right. Unless Landlord consents in writing to Tenant's holding over, Tenant shall be only a Tenant at sufferance, whether or not Landlord accepts any Rent from Tenant while Tenant is holding over without Landlord's written consent. Additionally, in the event that upon termination of the Lease, Tenant has not fulfilled its obligation with respect to repairs and cleanup of the Premises or any other Tenant obligations as set forth in this Lease, then Landlord shall have the right to perform any such obligations as it deems necessary at Tenant's sole cost and expense, and any time required by Landlord to complete such obligations shall be considered a period of holding over and the terms of this Paragraph 25 shall apply.

26. DEFAULT:

A. Events of Default. The occurrence of any of the following shall constitute an event of default on the part of Tenant:

(1) Abandonment. Abandonment of the Premises for a continuous period in excess of sixty (60) days.

(2) Nonpayment of Rent. Failure to pay any installment of Rent or any other amount due and payable hereunder upon the date when said payment is due or within ten (10) days thereafter..

(3) Other Obligations. Failure to perform any obligation, agreement, or covenant under this Lease other than those matters specified in subparagraphs (1) and (2) of this Paragraph 26.A., which failure continues for thirty (30) days after written notice to Tenant of such failure; except that if any such failure is not reasonably capable of being cured within such thirty (30) day period, Tenant shall be given a reasonable time to cure such failure, so long as Tenant commences the cure within the initial thirty (30) day period and thereafter diligently proceeds to cure such failure as soon as reasonably practicable.

(4) General Assignment. A general assignment by Tenant for the benefit of creditors.

(5) Bankruptcy. The filing of any voluntary petition in bankruptcy by Tenant, or the filing of an involuntary petition by Tenant's creditors, which involuntary petition remains undischarged for a period of thirty (30) days. In the event that under applicable law the trustee in bankruptcy or Tenant has the right to affirm this Lease and continue to perform the obligations of Tenant hereunder, such trustee or Tenant shall, in such time period as may be permitted by the bankruptcy court having jurisdiction, cure all defaults of Tenant hereunder outstanding as of the date of the affirmance of this Lease and provide to Landlord such

adequate assurances as may be necessary to ensure Landlord of the continued performance of Tenant's obligations under this Lease.

(6) Receivership. The employment of a receiver to take possession of substantially all of Tenant's assets or the Premises, if such appointment remains undismissed or undischarged for a period of ten (10) days after the order therefor.

(7) Attachment. The attachment, execution, or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other seizure remains undismissed or undischarged for a period of ten (10) days after the levy thereof.

(8) Insurance. Failure to comply with Paragraph 8 of the Lease and/or failure to provide Landlord with written confirmation of proper insurance coverage per Paragraph 8, which failure is not cured within five (5) days after written notice to Tenant.

(9) Foreign Qualification. Tenant fails at any time to be and remained qualified to do business as a foreign entity within the State of Nevada.

B. Remedies Upon Default.

(1) Termination. In the event of the occurrence of any event of default, Landlord shall have the right to give a written termination notice to Tenant, and on the date specified in such notice, Tenant's right to possession shall terminate, and this Lease shall terminate. At any time after such termination, Landlord may recover possession of the Premises or any part thereof and expel and remove therefrom Tenant and any other person occupying the same, by any lawful means, and again repossess and enjoy the Premises without prejudice to any of the remedies that Landlord may have under this Lease, or at law or equity by reason of Tenant's default or of such termination.

(2) Continuation After Default. Even though an event of default may have occurred, this Lease shall continue in effect for so long as Landlord does not terminate Tenant's right to possession under Paragraph 26.B.(1) hereof, and Landlord may enforce all of Landlord's rights and remedies under this Lease, including without limitation, the right to recover Rent as it becomes due, and Landlord, without terminating this Lease, may exercise all of the rights and remedies of a landlord. Acts of maintenance, preservation, or efforts to lease the Premises or the appointment of a receiver upon application of Landlord to protect Landlord's interest under this Lease shall not constitute an election to terminate Tenant's right to possession.

C. Damages After Default. Should Landlord terminate this Lease pursuant to the provisions of Paragraph 26.B.(1) hereof, Landlord shall have the rights and remedies of a Landlord. Upon such termination, in addition to any other rights and remedies to which Landlord may be entitled under applicable law, Landlord shall be entitled to recover from Tenant: (1) the worth at the time of award

of the unpaid Rent and other amounts which had been earned at the time of termination, (2) the worth at the time of award of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Tenant proves could have been reasonably avoided; (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 Rent loss that the Tenant proves could be reasonably avoided; and (4) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom. The "worth at the time of award" of the amounts referred to in (1) and (2), above shall be computed at the lesser of the "prime rate," as announced from time to time by Wells Fargo Bank, N.A. (San Francisco), plus five (5) percentage points, or the maximum interest rate allowed by law ("Applicable Interest Rate"). The "worth at the time of award" of the amount referred to in (3) above shall be computed by discounting such amount at the Federal Discount Rate of the Federal Reserve Bank of San Francisco at the time of the award. If this Lease provides for any periods during the Term during which Tenant is not required to pay Base Rent or if Tenant otherwise receives a Rent concession, then upon the occurrence of an event of default, Tenant shall owe to Landlord the full amount of such Base Rent or value of such Rent concession, plus interest at the Applicable Interest Rate, calculated from the date that such Base Rent or Rent concession would have been payable.

D. Late Charge. If any installment of Rent is not paid promptly when due, such amount shall bear interest at the Applicable Interest Rate from the date on which said payment was due until the date on which Landlord shall receive said payment. In addition, Tenant shall pay Landlord a late charge equal to five percent (5%) of the delinquency, to compensate Landlord for the loss of the use of the amount not paid and the administrative costs caused by the delinquency, the parties agreeing that Landlord's damage by virtue of such delinquencies would be difficult to compute and the amount stated herein represents a reasonable estimate thereof. This provision shall not relieve Tenant of Tenant's obligation to pay Rent at the time and in the manner herein specified. Notwithstanding the foregoing, with respect to the first (1st) late payment of Rent in any twelve (12) month period, Landlord shall provide Tenant with written notice and a five (5) business day opportunity to cure before assessing any such default interest or late charge.

E. Wiring Requirements. If Tenant is late in the payment of any installment of Rent more than two (2) times during any calendar year, Tenant shall be required to pay all amounts of Base Rent, Additional Rent and other amounts by wire transfer in accordance with the wire transfer instructions provided by Landlord during the balance of the Term.

F. Remedies Cumulative. All rights, privileges and elections or remedies of the parties are cumulative and not alternative, to the extent permitted by law and except as otherwise provided herein.

27. LIENS:

Tenant shall keep the Premises free from liens arising out of or related to work performed, materials or supplies furnished or obligations incurred by Tenant or in connection with work made, suffered or done by or on behalf of Tenant in or on the Premises or Property. In the event that Tenant shall not, within ten (10) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a proper bond, Landlord shall have, in addition to all other remedies provided herein and by law, the right, but not the obligation, to cause the same to be released by such means as Landlord shall deem proper, including payment of the claim giving rise to such lien. All sums paid by Landlord on behalf of Tenant and all expenses incurred by Landlord in connection therefor shall be payable to Landlord by Tenant on demand with interest at the Applicable Interest Rate. Landlord shall have the right at all times to post and keep posted on the Premises any notices permitted or required by law, or which Landlord shall deem proper, for the protection of Landlord, the Premises, the Property and any other party having an interest therein, from mechanics' and materialmen's liens, and Tenant shall give Landlord not less than ten (10) business days prior written notice of the commencement of any work in the Premises or Property which could lawfully give rise to a claim for mechanics' or materialmen's liens.

28. *Reserved.*

29. TRANSFERS BY LANDLORD:

In the event of a sale or conveyance by Landlord of the Building or Property, or a foreclosure by any creditor of Landlord, the same shall operate to release Landlord from any liability upon any of the covenants or conditions, express or implied, herein contained in favor of Tenant, to the extent required to be performed after the passing of title to Landlord's successor-in-interest. In such event, Tenant agrees to look solely to the responsibility of the successor-in-interest of Landlord under this Lease with respect to the performance of the covenants and duties of "Landlord" to be performed after the passing of title to Landlord's successor-in-interest. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the purchaser or assignee. Landlord's successor(s)-interest shall not have liability to Tenant with respect to the failure to perform all of the obligations of "Landlord", to the extent required to be performed prior to the date such successor(s)-interest became the owner of the Building or the Property.

30. RIGHT OF LANDLORD TO PERFORM TENANT'S COVENANTS:

All covenants and agreements to be performed by Tenant under any of the terms of this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any abatement of Rent. If Tenant shall fail to pay any sum of money, other than Base Rent and Basic Operating Cost, required to be paid by Tenant hereunder or shall fail to perform any other act on Tenant's part to be performed hereunder, and such failure shall continue for ten (10) days after notice thereof by Landlord, Landlord may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such act on Tenant's part to be made or performed. All sums so paid by Landlord and all necessary incidental costs together with interest thereon at the Applicable Interest Rate from the date of such payment by Landlord shall be payable

to Landlord on demand, and Tenant covenants to pay such sums, and Landlord shall have, in addition to any other right or remedy of Landlord, the same right and remedies in the event of the non-payment thereof by Tenant as in the case of default by Tenant in the payment of Base Rent and Basic Operating Cost.

31. WAIVER:

If either Landlord or Tenant waives the performance of any term, covenant or condition contained in this Lease, such waiver shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. The acceptance of Rent by Landlord shall not constitute a waiver of any preceding breach by Tenant of any term, covenant, or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time Landlord accepted such Rent. Failure by a party to enforce any of the terms, covenants, or conditions of this Lease for any length of time shall not be deemed to waive or to decrease the right of such party to insist thereafter upon strict performance by the other party. Waiver by either party of any term, covenant or condition contained in this Lease may only be made by a written document signed by such party.

32. NOTICES:

Each provision of this Lease or of any applicable governmental laws, ordinances, regulations, and other requirements with reference to sending, mailing or delivery of any notice or the making of any payment by Landlord or Tenant to the other shall be deemed to be complied with when and if the following steps are taken:

A. Rent. All Rent and other payments required to be made by Tenant to Landlord hereunder shall be payable to Landlord at the address set forth in the Basic Lease Information, or at such other address as Landlord may specify from time to time by written notice delivered in accordance herewith. Tenant's obligation to pay Rent and any other amounts to Landlord under the terms of this Lease shall not be deemed satisfied until such Rent and other amounts have been actually received by Landlord.

B. Other. All notices, demands, consents and approvals which may or are required to be given by either party to the other hereunder shall be in writing and either personally delivered, sent by commercial overnight courier, mailed, certified or registered, postage prepaid, or emailed or delivered by other customary electronic transmission except as otherwise required by law, in each such case addressed to the party to be notified at the address for such party as specified in the Basic Lease Information or to such other place as the party to be notified may from time to time designate by at least fifteen (15) days' notice to the notifying party. Notices shall be deemed served upon receipt or refusal to accept delivery. Tenant appoints as its agent to receive the service of any notice of commencement of unlawful detainer proceedings the person in charge of or apparently in charge of occupying the Premises at the time, and, if there is no such person, then such service may be made by attaching the same on the main entrance of the Premises.

33. ATTORNEYS' FEES:

In the event that Landlord places the enforcement of this Lease, or any part thereof, or the collection of any Rent due, or to become due hereunder, or recovery of possession of the Premises in the hands of an attorney, Tenant shall pay to Landlord, upon demand, Landlord's reasonable attorneys' fees and court costs. In any action which Landlord or Tenant brings to enforce its respective rights hereunder, the prevailing party shall be entitled to recover from the other party all reasonable attorneys' fees and cost incurred, to be fixed by the court, and said costs and attorneys' fees shall be a part of the judgment in said action.

34. SUCCESSORS AND ASSIGNS:

This Lease shall be binding upon and inure to the benefit of Landlord, its successors and assigns, and shall be binding upon and inure to the benefit of Tenant, its successors, and to the extent assignment is approved by Landlord or otherwise permitted hereunder, Tenant's assigns.

35. FORCE MAJEURE:

Whenever a period of time is herein prescribed for action to be taken by a party to this Lease (other than the payment of money), such party shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations or restrictions or any other causes of any kind whatsoever which are beyond the control of such party.

36. BROKERAGE COMMISSION:

Landlord shall pay a brokerage commission to Landlord's Broker in accordance with a separate agreement between Landlord and Broker. Tenant represents and warrants to Landlord that no broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Tenant with respect to Landlord or the Premises. Landlord represents and warrants to Tenant that Landlord's sole contact with Tenant in connection with this transaction has been through Landlord's Broker, and that no other broker or finder can properly claim a right to a commission or a finder's fee based upon contacts between the claimant and Landlord with respect to Tenant or the Premises. Each party shall indemnify, defend by counsel acceptable to the other party, protect and hold the other party harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and costs, resulting from any breach of the indemnifying party's representation and warranty above.

37. MISCELLANEOUS:

A. General. The term "Tenant" or any pronoun used in place thereof shall indicate and include the masculine or feminine, the singular or plural number, individuals, firms or corporations, and their

respective successors, executors, administrators and permitted assigns, according to the context hereof.

B. Time of the Essence. Time is of the essence regarding this Lease and all of its provisions.

C. Choice of Law; Venue. This Lease shall in all respects be governed by the laws of the State of Nevada. The exclusive venue for any action to enforce this Lease shall be the appropriate state or federal court situated in Washoe County, Nevada

D. Entire Agreement. This Lease, together with its Exhibits, contains all the agreements of the parties hereto and supersedes any previous negotiations, leases, or agreements. There have been no representations made by the Landlord or understandings made between the parties other than those set forth in this Lease and its exhibits.

E. Modification. This Lease may not be modified except by a written instrument by the parties hereto.

F. Severability. If, for any reason whatsoever, any of the provisions hereof shall be unenforceable or ineffective, all of the other provisions shall be and remain in full force and effect.

G. Recordation. Tenant shall not record this Lease or a short form memorandum hereof.

H. Examination of Lease. Submission of this Lease to Tenant does not constitute an option or offer to lease and this Lease is not effective otherwise until execution and delivery by both Landlord and Tenant.

I. Accord and Satisfaction. No payment by Tenant of a lesser amount than the Rent nor any endorsement on any check or letter accompanying any check or payment of Rent shall be deemed an accord and satisfaction of full payment of Rent, and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such Rent or to pursue other remedies.

J. Drafting and Determination Presumption. The parties acknowledge that this Lease has been agreed to by both the parties, that both Landlord and Tenant have consulted with attorneys with respect to the terms of this Lease and that no presumption shall be created against Landlord because Landlord drafted this Lease. Except as otherwise specifically set forth in this Lease, with respect to any consent, determination or estimation of Landlord required in this Lease or requested of Landlord, Landlord's consent, determination or estimation shall be made in Landlord's good faith opinion, whether objectively reasonable or unreasonable.

K. Exhibits. Exhibits A through C, to the extent applicable to these Premises and attached hereto, are hereby incorporated herein by this reference.

L. No Third-Party Benefit. This Lease is a contract between Landlord and Tenant and nothing herein is intended to create any third party benefit.

[Signature page follows]

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

KINGSLAND PROPERTIES, LLC
A California limited liability company
"Landlord"

DocuSigned by:
Sonya Roth
AC771EE6B41E421..
By:
Its:

Address: P.O. Box 6240 Gardnerville, NV 89460

sonyaroth@comcast.net
Email:
Fax:

With copy to: Stephanie Wedge

Address: 5967 Corte Arboles Pleasanton, CA 94566

stephanie@rockfordrealtyinc.com
Email:
Fax: 925-913-4690

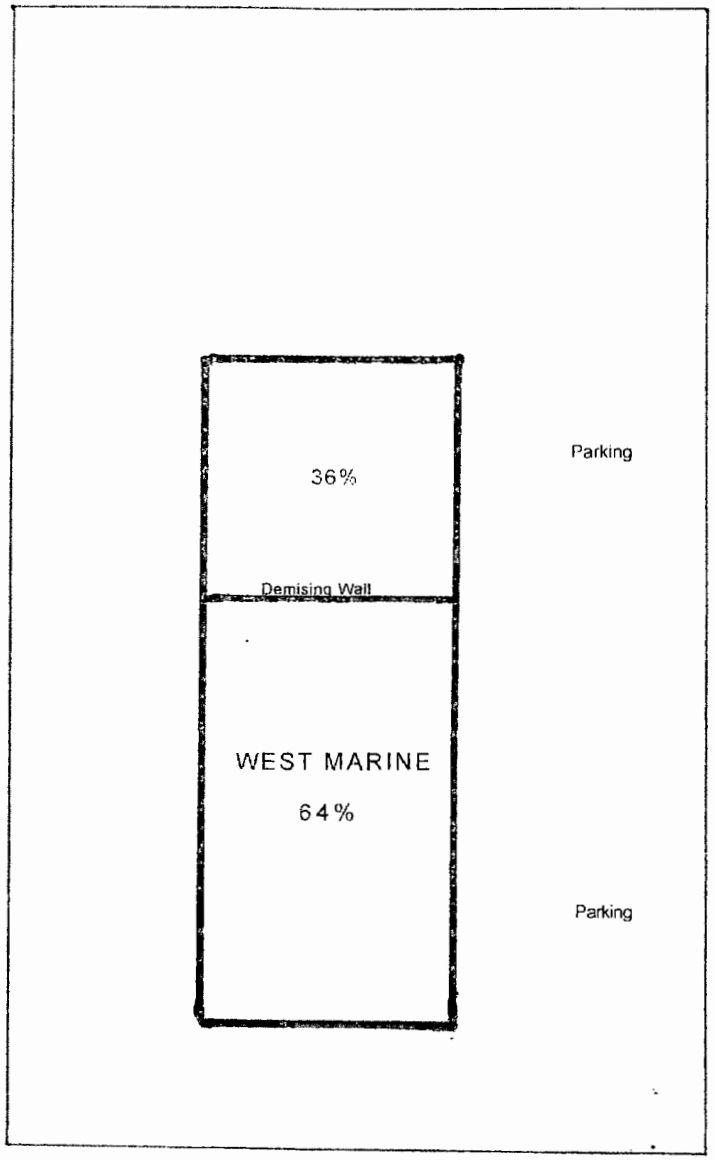
WEST MARINE PRODUCTS, INC.
A Florida corporation
"Tenant"

DocuSigned by:
C Miller
05FFC8B182AC47C..
By: Cheryl Miller
Its: CFO
Address: 1 East Broward Blvd.
Suite 200
Ft. Lauderdale, FL 33301
Email: leaseadmin@westmarine.com
Fax: N/A

EXHIBIT "A"

Site Plan

2505 MILL STREET



MILL STREET

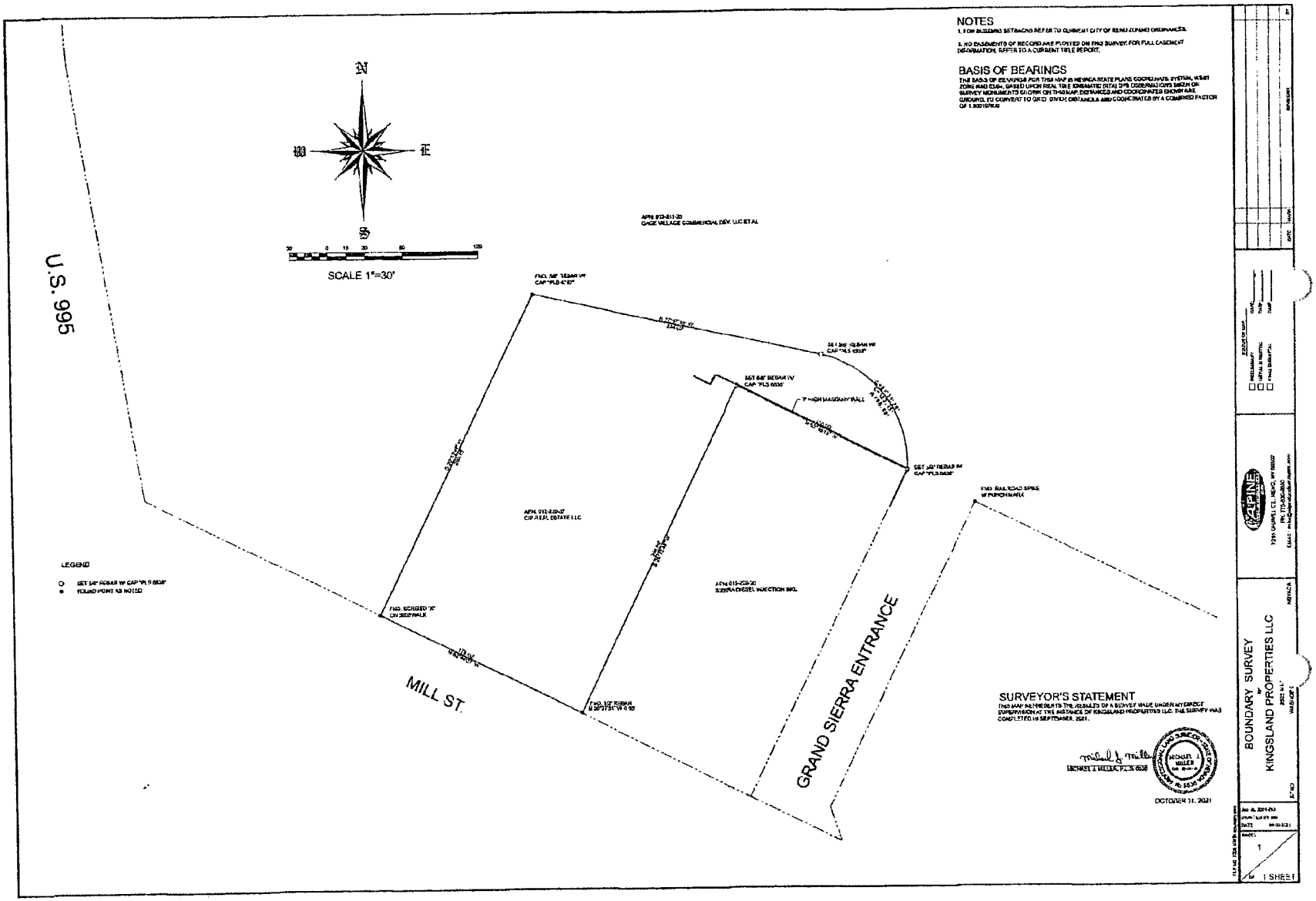

NOTES
1. FOR BUILDING SETBACKS REFER TO CURRENT CITY OF RENO ZONING ORDINANCES.
2. NO EASEMENTS OF RECORD ARE PLOTTED ON THIS SURVEY. FOR FULL EASEMENT INFORMATION, REFER TO A CURRENT TITLE REPORT.
BASIS OF BEARINGS
THE BASIS OF BEARINGS FOR THIS MAP IS NEVADA STATE PLANE COORDINATE SYSTEM, WEST ZONE AND ELEV. BASED UPON REAL TIME KINEMATIC (RTK) GPS OBSERVATIONS SHOW ON SURVEY MONUMENTS SHOWN ON THIS MAP. DISTANCES AND COORDINATES SHOWN ARE GROUND. TO CONVERT TO GRID DIVIDE DISTANCES AND COORDINATES BY A COMBINED FACTOR OF 1.0001676.19
N
E
S
SCALE 1"=30'
APN 572-011-23
CAGE VILLAGE COMMERCIAL DEV. LLC ET AL
FND. 5/8" REBAR W/ CAP "PLS 4730"
S 77°56'16" W
133.00'
SET 5/8" REBAR W/ CAP "PLS 6538"
7' HIGH MASONRY WALL
S 12°03'44" E
100.00'
SET 5/8" REBAR W/ CAP "PLS 6538"
FND. RAILROAD SPIKE W/ PUNCH MARK
APN 012-430-07
CIP REAL ESTATE LLC
APN 012-430-06
SIERRA DIESEL INJECTION INC.
FND. SCRIBED "X" ON SIDEWALK
S 77°56'16" W
119.04'
FND. 1/2" REBAR
U.S. 395
MILL ST.
GRAND SIERRA ENTRANCE
LEGEND
SET 5/8" REBAR W/ CAP "PLS 6538"
FOUND POINT AS NOTED
SURVEYOR'S STATEMENT
THIS MAP REPRESENTS THE RESULTS OF A SURVEY MADE UNDER MY DIRECT SUPERVISION AT THE ASSTANCE OF KINGSLAND PROPERTIES LLC. THE SURVEY WAS COMPLETED IN SEPTEMBER, 2021.
MICHAEL T. MILLER, P.L.S. 6538
OCTOBER 11, 2021
NEVADA
BOUNDARY SURVEY
KINGSLAND PROPERTIES LLC
1 SHEET

EXHIBIT "B"

Rules and Regulations

The use of the Premises, the Building, and the Property by Tenant and Tenant's Parties (including agents, employees, servants, visitors, and invitees) shall be subject to the following rules and regulations:

(1) Landlord shall have the right and authority to designate specific areas within the Property or in reasonable proximity thereto in which automobiles and other vehicles owned by Tenant, Tenant's employees, servants, agents, licensees, and concessionaires shall be parked or shall not be parked. Tenant shall furnish to Landlord upon request a complete list of all license numbers and a description of all automobiles and other transportation vehicles operated by Tenant, Tenant's employees, servants, agents, licensees, or concessionaires.

(2) All loading and unloading of goods shall be done consistent with local governmental regulations. Tenant shall make good faith efforts to only allow Tenant's delivery trucks to park in front of or adjacent to its Premises for such reasonable time as is necessary for loading and unloading purposes only and not to block the loading doors associated with the premises of other tenants at the Building.

(3) The delivery or shipping of merchandise, supplies, and fixtures to and from the Premises shall be subject to such rules and regulations as determined by the Landlord in its sole discretion for the proper operation of the Property.

(4) No person shall use any utility area, truck or loading facility or other area reserved for use in connection with the conduct of business except for the specific purpose for which such area is designed.

(5) Unless strictly within Tenant's Permitted Use under the Lease, or with Landlord's prior written consent, no person shall, within the Building or the Property;

(a) Vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever;
(b) Distribute any circular, booklet, handbill, placard or other materials;
(c) Solicit membership in any organization, group or association or contribution for any purpose;
(d) Parade, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of the Building or the Property by any other rightful occupant, create a disturbance, attract attention or harass, annoy, disparage, or be detrimental to the interests of any business establishments within the Property;

(e) Throw, discard or deposit any paper, glass or extraneous matter of any kind, except in designated receptacles, or create litter or hazards of any kind; or

(f) Deface, damage or demolish any sign, light, standard or fixture, landscaping material or other improvements situated within the Property.

(6) The outside areas immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by Tenant to the complete satisfaction of Landlord.

(7) The Building or Property plumbing facilities shall not be used for any purpose other than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant, who shall, or whose employees, agents or invitees, shall have caused it.

(8) All floor area, including vestibules, entrances and exits, doors, fixtures, windows, loading docks and plate glass shall be maintained in a safe, neat and clean condition.

(9) No portion of the Premises, Building, or Property shall be used for any lodging or illegal purposes.

(10) The sidewalks, halls, passages, exits, entrances, loading docks, and stairways of the Building or the Property shall not be obstructed or used by Tenant for any purpose other than for ingress to and egress from the Premises. The halls, passages, exits, entrances, loading docks, and stairways are not for the use of the general public and Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord shall be prejudicial to the safety, character, reputation and interest of the Property and its tenants, provided that nothing herein contained shall be construed to prevent such access to persons with whom any Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Except as specifically permitted by the Lease, the Tenant the Tenant's Parties shall not go upon the roof of the Building.

(11) In the case of any invasion, mob, riot, public excitement or other circumstances rendering such action advisable in Landlord's sole discretion, Landlord reserves the right to prevent access to the Property during the continuance of the same by such action as Landlord may deem appropriate, including closing entrances to the Property.

(12) No Tenant shall place or permit any radio or television antenna, loudspeaker, amplifier or other device in the Property or where the same can be seen or heard outside the Premises without the prior written consent of Landlord.

(13) No person shall use any part of the Property for any purpose other than those for which the Property is intended.

(14) No part in the Property shall be used for storing or maintaining any material, whether on a temporary basis or otherwise, and no action shall be taken outside the Premises which in the exclusive judgment of Landlord would constitute a nuisance or would disturb or endanger other tenants of the Property or unreasonably interfere with their use of their respective premises or of the Building or Property, nor do anything which would tend to injure the reputation of the Property;

(15) Landlord may waive any one or more of these rules and regulations for the benefit of any particular tenant or Tenant, but no such waiver by Landlord shall be construed as a waiver of such rules and regulations in favor of any other tenant or Tenant, nor prevent Landlord from thereafter enforcing any such rules and regulations against any or all of the tenants of the Property.

(16) No washing of, maintenance of, or other work upon vehicles, equipment or merchandise shall be permitted outside of the Premises. No assembling, disassembling, fabricating, or painting of any merchandise shall be permitted outside of the Premises.

(19) Tenant shall not bring or keep or permit to be brought or kept in the Premises, the Building, or the Property any animal, except duly trained service animals.

Landlord shall at all times have the right to change these rules and regulations or to promulgate other rules and regulations in such manner as may be deemed advisable for safety, care or cleanliness of the Property, for preservation or good order therein, or for other purposes, all of which rules and regulations, changes and amendments shall be carried out and observed by Tenant. Tenant shall further be responsible for the compliance with these rules and regulations by the employees, servants, agents, visitors and invitees of Tenant. In the event any provisions of these rules and regulations shall conflict with any specific provisions of the Lease to which this Exhibit is attached, the provisions of the Lease shall control.

EXHIBIT "C"

Information for Assignment/Sublease

ASSIGNMENT / SUBLEASE
STANDARD DOCUMENTATION REQUESTED

Tenant shall provide the following for Landlord's review prior to consenting or withholding consent to an assignment or sublease of all or any material portion of the Premises:

1. If applicable, executed Purchase and Sale (or draft form) of agreement between assignor and assignee with ALL terms specified. Tenant shall submit a Draft form of the agreement to Landlord for review and comment prior to the assignor/sublessor entering into a binding agreement.

2. Financial statements of assignee and last two years of Federal income tax returns signed in as-filed form.

3. Social security number and copy of valid driver's license of any individual Transferee.

4. Written authorization to perform financial/criminal background check on Transferee and any principal of Transferee.

5. Resume or written background of Transferee and its principal management personnel.

6. Business plan of Transferee, if different from the current operations of Tenant or statement that Transferee intends to operate in a manner consistent with the operations of the Tenant.

7. Depending on financial strength of Transferee, Landlord may require a personal guarantee by a financially sound third party.

8. Prior to final approval, proposed Transferee must provide proper evidence of insurance naming Landlord, lender (if any) and property manager as additional insured parties.

9. Current tenant must sign document confirming it remains liable under the Lease for balance of the term.

As applicable, Landlord may elect to impose or increase a security deposit under this Lease to any amount consistent with Landlord's practices and standards for new tenants.

ALL CONNECT PLUMBING

ALL CONNECT PLUMBING

Grand Sierra Resort /
Cantamar Properties
2500 E 2nd St
Reno, NV 89595

(775) 240-6631 Customer
eli.bucio@grandsierraresort.com

INVOICE	#1836
SERVICE DATE	Jan 10, 2026
INVOICE DATE	Jan 23, 2026
PAYMENT TERMS	Upon receipt
DUE DATE	Upon Receipt
AMOUNT DUE	**$2,880.00**

SERVICE ADDRESS

2505 Mill St
Reno, NV 89502
West Marine

CONTACT US

5125 Emery Dr
Reno, NV 89506

(775) 399-0319
casey@allconnectplumbing.com

Service completed by: Rory Harms-Carter

Job Details **Emergeny call:**

Friday evening 1/10/26 shut off toilet water to stop running water flood leak.
Removed toilet to snake. Line was very clogged with sanitary napkins
Obstruction is over 70 ft from nearest access location
Returned on Saturday 1/11/26 with larger equipment to clear obstruction
When snaking the sewer line, feminine products were being pulled back. Being part of the cause of back up. After snaking the line; a water jetting was done to clear the line.
Ran camera to view the line, line is older cast iron and concrete.
Located clean out under concrete. Reset toilets. And later replaced the toilets. Toilets had some damage and parts in water tank not working. Victor Rios approved replacements

Services	qty
Drains - Unblocking Main Line (3" or larger)	1.0
Finish - Toilet (Standard)	1.0

Labor to Install Toilet . Standard Fixture

Survey work area and confirm toilet type, rough-in dimension, and flange condition Verify water supply location and shutoff valve function
Take before pictures Unpack toilet, seat, and components; inspect for damage Remove packing material and verify all parts
Review manufacturer instructions and installation sequence
Shut off water supply and drain existing fixture (if applicable)
Remove existing toilet and inspect flange and subfloor
Clean and prep flange area for new install
Install or replace closet bolts and wax ring
Set toilet bowl onto flange and confirm alignment

Apply downward pressure to seat wax ring
Secure bowl to floor using nuts and washers
Shim bowl if needed and confirm level Install tank to bowl (if two-piece) and secure per specs
Connect water supply line to fill valve
Turn water supply back on
Test fill valve and flush function
Check for leaks at supply line, tank bolts, and base Install toilet seat and confirm alignment
Apply caulking around base (if required)
Clean fixture surfaces and remove protective film
Take after pictures
Final walk-through and verification of flush and fill
Clean up work area and remove debris
Confirm readiness for use or inspection

Note.
Additional labor may apply for flange repair, shutoff replacement, or non-standard toilet types
Does not include new angle stop or supply line.
Pulling toilet may expose damaged flange or sub flooring, in the event of a damaged flange additional cost will occur.

Drains - Labor Camera Sewer Line	1.0
Emergency leak (Weekend) Plumbing emergency that cant wait. Burst pipe, backed up sewer or other immediate problems.	1.0

Materials	qty
Materials - Disposables This includes items that help get the job done that are used on various jobs examples include but are not limited to -under 1 tube of caulk -solder -flux -sand cloth -rags -shims -screws -backing -sponges -gaskets	1.0
Materials to complete job includes materials to complete specific job	1.0

Subtotal	$2,880.00
Job Total	**$2,880.00**
Amount Due	**$2,880.00**

Nv Lic# 0090995
Bid limit $250000

RESIDENTIAL CONSTRUCTION RECOVERY FUND

Payment may be available from the Residential Recovery Fund, if you are damaged financially by a project performed on your residence pursuant to a contract, including construction, remodeling, repair or other improvements, and the damage resulted from certain specified violations of Nevada law by a contractor licensed in this state. To obtain information relating to the Residential Recovery Fund and filing a claim for recovery from the Fund, you may contact the Nevada State Contractors Board.

Payment in full is to be made by due date stated on invoice. If payment is not made by due date, client shall have 15 days from payment due date to pay or a late fee of 50$ or 4% of total over due amount, whichever is greater shall be charged initially and every 30 days there after and added to the amount due.

See our Terms & Conditions

American Team Finish
1475 Greg St.
Sparks, NV 89431 US
+17753606398
Teamfinish@msn.com

ADDRESS
Armando Delgado
Cantamar Properties
9550 firestone Blvd
Downy, CA 90241

ESTIMATE # 1224
DATE 09/21/2026

NV LIC #0085278
0085278

BID LIMIT $3,000,000
3,000,000

EQUIPMENT Disposal vin rental	4	850.00	3,400.00T
Labor Removal of all existing wood cabinets, work stations , disconnect of all power feeders to stations and shelving stations. General clean up of the whole interior of property.	60	150.00	9,000.00

SUBTOTAL	12,400.00
TAX	281.01
TOTAL	**$12,681.01**

Accepted By

Accepted Date