

Assigned for all purposes to: Stanley Mosk Courthouse, Judicial Officer: Lia Martin

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6 Attorneys for Plaintiff
BRIGHTON WAY, LTD.

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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **COUNTY OF LOS ANGELES – CENTRAL DISTRICT**

11 BRIGHTON WAY LTD,) CASE NO.: 22STCV32044
12)
13 Plaintiffs,) **COMPLAINT FOR:**
14)
15 v.) 1. Breach of Written Contract
16) 2. Account Stated
17) 3. Open Book Account
18) 4. Money had and Received
19 MICHAEL MAHON; EXCLUSIVE)
LIFESTYLES SOCAL, LLC. Dba)
20 CORCORAN GLOBAL LIVING; and DOES)
1 to 10, inclusive)
21)
22 Defendants.)

23 **GENERAL ALLEGATIONS**

24 1. Plaintiff Brighton Way, LTD is a California limited partnership organized and
25 authorized to do business in the State of California, with a principal place of business in Los Angeles
26 County.

27 2. Plaintiff is, and at all times material hereto was the owner of the property located at
28 9647 Brighton Way, Beverly Hills, California (“the premises”).

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1 3. Plaintiff is informed and believes and based upon such information and belief alleges
2 that Defendant Exclusive Lifestyles SOCAL, LLC. dba Corcoran Global Living (“Exclusive
3 Lifestyles”) is an individual, over the age of 18 and resident of Los Angeles County.

4 4. Plaintiff is informed and believes and based upon such information and belief alleges
5 that Defendant Michael Mahon (“Guarantor”) is an individual, over the age of 18 and a resident of
6 Delaware County, Ohio.

7 5. The true names and capacities, whether individual, corporate, associate or otherwise,
8 of Defendants named herein as DOES 1 to 10, inclusive, are unknown to Plaintiff, who therefore sues
9 said Defendants by such fictitious names. Plaintiff will amend this complaint to show their true names
10 and capacities when the same have been ascertained.

11 6. At the times mentioned herein, Defendants, and each of them, were the agents of each
12 of the remaining Defendants, and each and every act alleged herein was performed by one of them or
13 all of them as the agent of each remaining said Defendant and each of said Defendants acted and
14 performed within the scope of said agency relationship.

15 7. The above-entitled Court is the proper Court for the commencement of this action, as
16 the written lease agreement which is the subject of the within action was to be performed in the
17 County of Los Angeles, with optional filing in the Stanley Mosk Courthouse. This action is not
18 subject to the provisions of §1812.10 or §2984.4 of the California Civil Code.

19 8. On or about February 1, 2021 Defendant Exclusive Lifestyles and Guarantor entered
20 into ten-year, written lease for possession of the premises (“the Lease”). The Lease commenced on or
21 about July 1, 2021 and was set to expire ten (10) years and eight (8) months thereafter. A true and
22 correct copy of the Lease is attached hereto as “Exhibit A”.

23 9. As partial consideration for entering into the Lease, the Exclusive Lifestyles’s
24 obligations under the Lease were personally guaranteed by Guarantor. A true and correct copy of the
25 Guaranty is attached hereto as “Exhibit B”.

26 10. On or about, September 1, 2022, Exclusive Lifestyles and Guarantor began paying less
27 than the amount of the monthly sums due pursuant to the Lease.

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1 and continues to increase. The exact sum shall be proved at trial.

2 18. No payments have been made, although demand therefore has been made to
3 defendants, and there is now due, owing and unpaid the approximate sum of \$107,364.17, although
4 that sum has increased and continues to increase. The exact sum shall be proved at trial.

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6 **THIRD CAUSE OF ACTION - OPEN BOOK ACCOUNT**

7 (Against all Defendants)

8 19. Plaintiff re-alleges paragraphs 1 through 18 as if more fully set forth herein.

9 20. Within the last two months in Los Angeles, California, Defendants, and each of them,
10 became indebted to Plaintiff on an open book account for money due in the approximate sum of
11 \$107,364.17, although that sum has increased and continues to increase. The exact sum shall be
12 proved at trial.

13 21. No payments have been made although demand therefore has been made to defendants,
14 and there is now due, owing and unpaid the approximate sum of \$107,364.17, although that sum has
15 increased and continues to increase. The exact sum shall be proved at trial.

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17 **FOURTH CAUSE OF ACTION - MONEY HAD AND RECEIVED**

18 (Against all Defendants)

19 22. Plaintiff re-alleges paragraphs 1 through 21 as if more fully set forth herein.

20 23. Within the last two years in Los Angeles, California, Defendants, and each of them,
21 became indebted to Plaintiff for money paid, laid out, and expended to or for defendants at
22 defendants' special instance and request in the approximate sum of \$107,364.17, although that sum
23 has increased and continues to increase. The exact sum shall be proved at trial.

24 24. No payments have been made although demand therefore has been made to defendants,
25 and there is now due, owing and unpaid the approximate sum of \$107,364.17, although that sum has
26 increased and continues to increase. The exact sum shall be proved at trial.

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1 Wherefore, Plaintiff prays for the following:

- 2 1. Judgment against the Defendants of general damages, the exact amount to be proved at trial;
- 3 2. For interest at the highest lawful rate;
- 4 3. For reasonable attorney's fees, according to proof;
- 5 4. For costs of suit incurred herein;
- 6 5. For such other further and additional relief as the Court deems just and proper.

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Date: September 30, 2022

Respectfully submitted,
STIMPERT & FORD, LLP



By: _____

Daniel P. Stimpert, Esq.
Ian J. Ford, Esq.,
Attorneys for Plaintiff
Rodeo Collection, LTD.

EXHIBIT “A”

COMMERCIAL LEASE

1. **PARTIES.** This Lease, dated for reference purposes as of February 1, 2021, is made by and between BRIGHTON WAY LTD., a California limited partnership (herein called "Landlord") and EXCLUSIVE LIFESTYLES SOCAL, LLC, dba CORCORAN GLOBAL LIVING, a California limited liability company (herein called "Tenant").

2. **PREMISES.** Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that certain premises containing approximately 4,800 square feet of space, known as 9647 Brighton Way, Beverly Hills, CA 90210 (the "Premises") located within the building consisting of approximately 20,906 square feet of space, known as 9629 Brighton Way, Beverly Hills, CA 90210; Los Angeles County Parcel No. 4343-022-020 (the "Building"). In addition to the Premises, Landlord grants to Tenant the right to use, on a non-exclusive basis and in common with other tenants, the common areas of the Building designated by Landlord from time to time for the use by all tenants of the Building, which include, without limitation, the parking areas, driveways, sidewalks, common lobbies, hallways, and elevators (collectively, the "Common Areas").

This Lease is subject to the terms, covenants and conditions herein set forth, each of which is a material part of the consideration for this Lease. The breach of any term, covenant or condition of this Lease shall be considered a material default, if not cured within the applicable notice and cure period.

3. **USE & PARKING.** Tenant shall use the Premises for residential brokerage retail and office use, and administrative uses associated therewith. Tenant shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord. Tenant has made its own determination that the Premises are usable for Tenant's purpose in regard to zoning codes, building codes and the requirements of all applicable authorities having jurisdiction over Tenant's intended use of the Premises, none of which matters are represented or warranted by Landlord. Tenant shall have the right to contract with Landlord's parking management company for the use of available parking spaces in the parking garage serving the Building at such market rates as determined by Landlord or its parking management company.

4. **TERM.** The term of this Lease shall be ten (10) years and eight (8) months, commencing on February 1, 2021 (the "Lease Commencement Date") and terminating on September 30, 2031, unless sooner terminated pursuant hereto or otherwise under law (the "Lease Term" or "Term"). Possession of the Premises shall be delivered to Tenant by February 1, 2021.

Landlord's Initials	<i>[Handwritten Signature]</i>
Landlord's Initials	<i>[Handwritten Signature]</i>
Tenant's Initials	<i>[Handwritten Signature]</i>
Tenant's Initials	<i>[Handwritten Signature]</i>

5. **SURRENDER POSSESSION OF PREMISES BY TENANT.** It is understood and agreed that Tenant is obligated to deliver possession of the Premises and surrender keys to Landlord on the expiration or of the Term. Tenant's failure to do so, will place Tenant in default of the Lease. For any holding over after the expiration of the Term, Tenant will be charged 150% of the monthly Minimum Rent then in effect, prorated for each day Tenant holds over after the expiration of the Term. Therefore, keys and possession should be delivered to Landlord upon the expiration of the Term without any delay.

6. **SECURITY DEPOSIT.** Tenant shall pay to Landlord upon signing, as Security Deposit, the sum of FIFTY SEVEN THOUSAND SIX HUNDRED (\$57,600) to secure Tenant's obligations under this Lease. Such amount shall at all times equal two (2) month's Minimum Rent. Should Tenant faithfully perform all of the terms, covenants, and conditions of this Lease, Landlord shall within fifteen (15) business days following the expiration of this Lease Term repay to Tenant the amount of the Security Deposit. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of rent, for the defaults that remain uncured, Landlord may (but shall not be required to) use, apply or retain all or any part of this Security Deposit for the payment of any rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall within five (5) days after written demand therefor, deposit with Landlord cash in an amount sufficient to restore the Security Deposit to its required amount and Tenant's failure to do so shall constitute a default under this Lease. Landlord shall not be required to keep this Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. In the event Landlord transfers his interest in the Premises to a subsequent landlord, Landlord shall transfer said deposit to the subsequent landlord and Tenant shall look solely to the subsequent landlord for repayment of his Security Deposit.

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7. **RENT.**

A. **MINIMUM RENT.** Commencing on July 1, 2021, Tenant agrees to pay to Landlord as "Minimum Rent", without notice or demand, deduction or offset, the sum of TWENTY EIGHT THOUSAND EIGHT HUNDRED (\$28,800) each month, subject to increase as described in Paragraph 7.B. below (the "Minimum Rent"), in advance, on or before the first day of each and every successive calendar month during the entire term hereof. The first installment of Minimum Rent (applicable to the Minimum Rent payment for July, 2021) shall be delivered to Landlord upon the execution hereof.

Rent for any period which is less than one (1) full month shall be a pro rata portion of the monthly sum based upon a thirty (30) day month. Rent shall be paid to Landlord in lawful money of the United States of America at such place as Landlord may from time-to-time designate in writing.

In consideration of Tenant's making improvements to the Premises as provided in plans and specifications to be prepared by Tenant and approved by Landlord, and not defaulting under the terms of this Lease, Landlord agrees to waive the Minimum Rent for a total of eight (8) months as follows (collectively referred to as the "Free Rent Period").

- (a) February 1, 2021 through June 30, 2021 (5 months)
- (b) February 1, 2022 through April 30, 2022 (3 months)

Tenant's first month rent paid upon execution hereof shall be applied to Minimum Rent due on July 1, 2021 (the "Rent Commencement Date"). Triple net charges and operating costs (as defined in Paragraph 8) and the utility charges will not be abated during the Free Rent Period.

B. RENT ADJUSTMENT. Commencing on and effective the first day of July 2022 and continuing thereafter on the first day of July in each full or partial calendar year during the Term, the Minimum Rent otherwise payable, together with the Security Deposit, shall be increased by three percent (3%). Provided that Tenant has not exercised the termination option set forth on Exhibit C, commencing on July 1, 2027, Minimum Rent shall increase to \$40,800 per month and shall increase by three percent (3%) on the first day of July thereafter in each full or partial calendar year during the remainder of the Term.

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8. OPERATING COSTS & TAXES.

A. OPERATING COSTS. As used herein, the term "Operating Costs" shall mean all reasonable, normal and customary costs, fees, disbursements and expenses paid or incurred by or on behalf of Landlord in the operation, maintenance, insurance, management and repair of the Building including: (a) all insurance premiums for fire, extended coverage and all risks, and any other insurance that Landlord reasonably deems necessary on the Premises or the Building; (b) utility charges (as defined in Article 18) attributable to the Common Areas of the Building (as opposed to utility charges applicable to the Premises for which Tenant shall make full payment thereof); (b) maintenance, repairs, and replacements (including, without limitation, provision for reserves and/or contributions to sinking funds); (c) repair, reconstruction or restoration of any portion of the Building in the event of casualty damage or condemnation or for

any other reason (less insurance or condemnation proceeds received by Landlord); (d) planting and landscaping; (e) traffic control; (f) janitorial and cleaning services; (g) security, supervision, and Building attendants; (h) trash removal and disposal; (i) supplies and equipment; (j) amenities and services supplied to all tenants of Building; (k) salaries, compensation and benefits of employees, agents, independent contractors, professionals and other personnel performing services with respect to the Building; and (l) capital expenditures made for the purpose of repairing or maintaining the Building, with any such capital expenditures being amortized on a straight line basis over the useful life of the asset. Notwithstanding anything contained in this Lease to the contrary, Operating Costs shall not include:

- (1) any cost relating to the marketing, solicitation, negotiation and execution of leases of space in the Building, including without limitation, promotional and advertising expenses (including tenant parties and gifts), real estate licenses and other industry certifications, tickets to special events, commissions, finders fees, and referral fees, all expenses relating to the negotiation and preparation of any lease, license, sublease or other such document, costs of design, plans, permits, licenses, inspection, utilities, construction and cleanup of tenant improvements to the premises of other tenants or other occupants, the amount of any allowances or credits paid to or granted to tenants or other occupants of the Building;
- (2) mortgage payments, debt costs or other financing charges, costs of defending any lawsuits, costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interests in the Building, bad debt loss or rent loss;
- (3) any cost of any service or items sold or provided to tenants or other occupants for which Landlord has been or is entitled to be reimbursed by such tenants or other occupants for such service, or costs for the repair or replacement of any item covered by a warranty for which repair or replacement is covered by such warranty;
- (4) expenses in connection with services or other benefits which are provided solely to another tenant or occupant of the Building;
- (5) Landlord's gross receipts taxes for the Building, personal and corporate income taxes, inheritance and estate taxes, franchise, gift and transfer taxes, and all other taxes relating to a period payable or assessed solely outside the term of the Lease;
- (6) any fines, costs, late charges, liquidated damages, penalties, tax penalties or related interest charges, imposed on Landlord or Landlord's

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managing agent which result from Landlord's negligence;

(7) any compensation or benefits paid to or provided to clerks, attendants or other persons in commercial concessions operated by or on behalf of the Landlord; or

(8) the cost of repairs necessitated by Landlord's negligence or willful misconduct.

B. PAYMENT OF OPERATING COSTS. For the purposes of this Lease, the term "Tenant's Share" shall mean 22.96%, calculated as the area of the Premises (4,800 s.f.) divided by the area of the Building (20,906 s.f.). Beginning on the Lease Commencement Date and continuing each month thereafter during the Term, Tenant shall pay as additional rent, Tenant's Share of the Operating Costs incurred by Landlord during each calendar year of the Term. Tenant's Share of Operating Costs shall be payable within twenty (20) days following receipt of an invoice for applicable Operating Costs which shall be accompanied by reasonable documentation of such expenses charged to Tenant. In the event the Commencement Date is any day other than the first (1st) day of a calendar month, then Tenant's Share of Operating Costs shall be prorated based on the number of days remaining in such month.

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C. TAXES. For the purposes of this Lease term "Taxes" shall include, but not be limited to, any real estate tax, ad valorem tax or assessment, any tax levied on rents, any business license tax, any form of bond, charge, surcharge, fee, assessment, levy, penalty or any tax (other than Landlord's federal and state income, inheritance and estate taxes), imposed by any public or private authority, agency, government or other entity having the direct or indirect power to tax, whether or not now customary or within the contemplation of Landlord or Tenant. Tenant shall pay to Landlord Tenant's Share of Taxes applicable to the Building in two (2) installment payments per calendar year within twenty (20) days following receipt of an invoice therefore from Landlord. The first installment payment of Tenant's Share of Taxes attributable to the second-half of fiscal year 2020/2021) shall be paid by Tenant on the Lease Commencement Date.

D. GROSS-UP. Notwithstanding anything to the contrary contained herein, Operating Costs that vary with occupancy of the Building and that are attributable to any part of the Term in which less than 100% of the rentable area of the Building is occupied by tenants, will be adjusted by Landlord in its sole and reasonable discretion in order that all (100%) of such Operating Costs shall be equitably apportioned to and paid for by the tenants occupying the Building at the time such obligations were incurred.

E. AUDIT RIGHTS. Tenant shall have the right to review and audit (the "Audit") Landlord's books and records relating to Landlord's calculation of Operating Costs, Taxes and utility costs upon delivery of written notice thereof from Tenant to

Landlord ("Audit Notice"). If Tenant delivers an Audit Notice, Landlord shall promptly make all relevant records available for inspection by Tenant during normal business hours at the address designated by Landlord. Such Audit shall be conducted by Tenant or by a qualified independent certified public accountant who is not being compensated for his or her services on a contingency fee basis. Tenant shall keep such information confidential, except in connection with any proceeding regarding same between Landlord and Tenant. In the event that the Audit reveals that Tenant has paid more than Landlord is entitled to charge Tenant for such Operating Costs, Taxes or utility charges, then Tenant shall receive a credit in such amount toward the next payment of Rent (or such amounts shall be refunded to Tenant if the Term has expired within twenty (20) days following completion of the Audit). In the event such Audit reveals that Tenant has paid less than the amount Tenant is obligated to pay for Operating Costs, Taxes, or utility charges, Tenant shall pay such amount to Landlord within twenty (20) days following completion of the Audit. In the event Landlord's charges for Operating Costs, Taxes or utility charges exceed the amount that Landlord is entitled to charge Tenant by more than five percent (5.00%), Landlord shall reimburse Tenant ofr the actual and reasonable third-party out of pocket cost of such Audit.

F. MANAGEMENT FEE. In addition to Operating Costs, Tenant shall pay, as additional rent, Landlord a monthly Management Fee calculated at the rate of two percent (2%) of the then current monthly installment of Minimum Rent as is in effect from time to time. Said fee shall be payable along with Tenant's monthly installments of Minimum Rent. This is the only management fee that will be charged to Tenant, and there will be no double charge.

9. USES PROHIBITED. Tenant shall not do or permit anything to be done in or about the Premises, nor bring or keep anything therein which will in any way increase the existing rate of, or affect any fire or other insurance upon the Building or any of its contents, or cause a cancellation of any insurance policy covering said Building or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the rights of other tenants or occupants of the Building or injure or annoy them or use or allow the Premises to be used for any improper, immoral, or unlawful purpose; nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. Tenant shall not commit or allow to be committed any waste in or upon the Premises.

10. COMPLIANCE WITH LAW. Tenant shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated ("Applicable Laws"). Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances including but not limited to any building code or fire code, governmental rules, rules, regulations or

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requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating or affecting the condition, use or occupancy of the Premises. The judgment of any court of competent jurisdiction or the admission of Tenant in any action against Tenant, whether Landlord be a party thereto or not, that Tenant has violated any law, statute, ordinance or governmental rule, regulation or requirement, shall be conclusive of that fact as between Landlord and Tenant.

11. CONDITION OF PREMISES, ALTERATIONS AND ADDITIONS.

A. CONDITION; TENANT'S WORK. Subject to Section 12.C., Tenant has inspected the Premises and agrees (a) to accept possession of the Premises in the condition existing on the Lease Commencement Date "as is", and (b) except as provided herein to the contrary, Landlord has no obligation to perform any work, supply any materials, incur any expense or make any alterations or improvements to prepare the Premises for Tenant's occupancy. Landlord acknowledges and agrees that Tenant shall be permitted to perform, at Tenant's expense, the alterations and improvements to the Premises as set forth on Exhibit D, attached hereto ("Tenant's Work"). Tenant's Work shall be performed in accordance with all Applicable Laws.

Notwithstanding the foregoing, Tenant hereby understands and acknowledges that the Tenant shall not demolish or change or modify or remove any and all existing wooden, electrical and light fixtures attached to the wall, ceiling and floors without Landlord's prior written consent.

B. ALTERATIONS. Subsequent to the completion of Tenant's Work, Tenant shall not make or allow to be made any alterations, additions or improvements to or of the Premises or any part thereof (the "Alterations") without first obtaining the written consent of Landlord. In order to obtain Landlord's consent, Landlord may require that Tenant shall first submit to Landlord complete plans and specifications prepared by a licensed architect and mechanical, structural and electrical engineers describing all of the work to be performed. Such plans and specifications must be submitted to Landlord at least 30 days prior to the date upon which any work is to be performed. All work must be performed by a contractor or contractors licensed by the State of California, and only after issuance of a valid building and/or demolition permit by the City of Beverly Hills. Any alterations, additions or improvements to or of said Premises, including but not limited to wall coverings, floor coverings, mechanical and electrical, paneling and built-in cabinet work, but excepting movable furniture and trade fixtures, shall be surrendered with the Premises upon expiration of the Lease Term or earlier termination of the Lease. In the event Landlord consents to the making of any alterations, additions or improvements to the Premises by Tenant, the same shall be made by Tenant at Tenant's sole cost and expense.

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Landlord may withhold its approval for any Alterations which do not comply with any Applicable Laws (including without limitation, the Americans with Disabilities Act of 1990 and all regulations issued thereunder, herein referred to as "ADA", or requires other alterations, additions or improvements of the Premises or the Building in order to comply with Applicable Laws. Landlord's approval of Alterations, or Landlord's approval of the plans and specifications for such Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency or compliance with all laws, rules and regulations of governmental and quasi-governmental agencies, including without limitation the ADA. If, as a result of Alterations requested by Tenant any additional alterations, additions or improvements shall be required to be made by Landlord to any part of the Premises or the Building to comply with the ADA, Landlord, at its sole discretion, may either (a) withhold its approval of any such Alterations or (b) require that Tenant shall reimburse Landlord on demand for all costs incurred by Landlord to effect such compliance.

Upon the expiration or sooner termination of the Term hereof, Tenant shall, upon written demand by Landlord given at least thirty (30) days prior to the end of the Term, at Tenant's sole cost and expense, forthwith and with all due diligence, remove any alterations, additions or improvements made by Tenant and designated by Landlord to be removed, and Tenant shall forthwith and with all due diligence, at its sole cost and expense, repair any damage to the Premises caused by such removal.

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12. MAINTENANCE.

A. TENANT'S MAINTENANCE OBLIGATIONS. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair including without limitation the maintenance, replacement and repair of any storefront, doors, window casements, glazing, windows, skylights, and any other openings within exterior walls, plumbing, pipes, electrical wiring and conduits, heating and air conditioning equipment located within and exclusively serving the Premises. Tenant shall, upon the expiration or sooner termination of this Lease, surrender the Premises to Landlord in good condition, broom clean, ordinary wear-and-tear excepted. Any damage to the adjacent premises caused by Tenant's use of the Premises shall be repaired at the sole cost and expense of Tenant.

B. LANDLORD MAINTENANCE OBLIGATIONS. Landlord shall maintain the existing exterior and interior structural walls, foundation and roof (including the roof structure and water-proofing) of the Building, and any utility lines to the point of connection at the Premises, except as to any work or improvement installed by Tenant or any damage caused as a result of work done by Tenant. Tenant shall immediately notify Landlord in writing of the need of any repairs or maintenance of said exterior walls or roof and Landlord shall use its best efforts to perform the necessary corrections or repairs

within sixty (60) days of receipt of the foregoing notice from Tenant. Landlord shall perform such repair unless such maintenance or repairs are caused in part or in whole by the act, neglect, fault or omission of any duty of Tenant, its agents, servants, employees, invitees, or any damage caused by breaking and entering. In any event, there shall be no abatement of rent and no liability of Landlord by reason of any act, injury to or interference with Tenant's business by reason of such maintenance or repair.

C. WARRANTY PERIOD. Notwithstanding anything to the contrary set forth herein, Landlord warrants that, as of the Lease Commencement Date and for a period of twelve (12) months immediately following the Lease Commencement Date (the "Warranty Period"), the Premises, including, without limitation, the light fixtures and ballasts, doors, plumbing, electrical, sewer, heating, ventilation and air conditioning (the "HVAC") system(s), and all other mechanical systems will be in a good state of repair and in proper working order. Landlord, at Landlord's sole expense, following receipt of notice of any defective condition, promptly will repair any condition or replace any item that constitutes a breach of the aforesaid warranty and requires repair or replacement during the Warranty Period.

13. LIENS. Tenant shall keep the Premises and the property in which the Premises are situated free from any liens arising out of any work performed, materials furnished or obligations incurred by or on behalf of Tenant. Landlord may require, at Landlord's sole option, that Tenant shall provide to Landlord, at Tenant's sole cost and expense, a labor and materials bond and/or a payment bond, each in an amount equal to one-and-one-half (1-1/2) times the estimated cost of any improvements, additions, or alterations in the Premises which the Tenant desires to make, to insure Landlord against any liability for mechanics' and materialmen's liens and to insure completion of the work.

14. ASSIGNMENT, SUBLETTING, ETC. Tenant shall not either voluntarily or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein and shall not sublet the said Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the said Premises or any portion thereof. Any such assignment, subletting or occupancy shall be void and shall at the option of Landlord constitute a default under the terms of this Lease. Notwithstanding the foregoing Tenant may assign this Lease or sublease with the prior written consent of Landlord which consent shall not be unreasonably withheld, and the prior written consent of Landlord's lender. Landlord may reasonably withhold its consent, including but not limited to those circumstances where in Landlord's opinion: (i) the net worth and earnings history of the proposed assignee is insufficient to conduct the proposed business of the assignee or sublessee in the Premises in a high-quality manner and to undertake the financial obligations of the Lease; (ii) the proposed business of the assignee is not in keeping with the character and quality of the Building; (iii) the

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proposed assignee does not have sufficient experience in the operation of the assignee's proposed business; and, (iv) the proposed use of the Premises by the assignee would violate an exclusive right previously granted by Landlord to another Tenant.

If Tenant desires at any time to assign this Lease, it must first notify Landlord of its desire to do so and shall submit to Landlord in writing: (i) the name of the proposed assignee; (ii) the personal and business history of the proposed assignee; (iii) a current financial statement of the proposed assignee; and, (iv) three years' last past earnings history, together with a check in the amount of \$3,000.00 to cover Landlord's fee for reviewing documents and checking credit. These items shall be submitted to Landlord together with a request for Landlord's consent to assign no later than ninety (90) days prior to the date of the proposed assignment or subletting. No assignment or subletting, even with the consent of Landlord, shall relieve Tenant of its obligation to pay the rent and to perform all of the other obligations to be performed by Tenant hereunder. The acceptance of Landlord of any payment due hereunder by any person other than Tenant shall not be deemed to be a waiver of any provision of this Lease or to be a consent to any further assignment or subletting of this Lease. The foregoing instructions shall be binding upon any assignee to which Landlord has consented. Any sale, assignment, mortgage or transfer of this Lease or subletting which does not comply with the provisions of this Article shall be void.

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Tenant may sublease its space to a third party under the following terms and conditions:

- A) Landlord has to review and approve all financial statements of the sublessee.
- B) If tenant wishes to sublease its space to a third party, the sublease has to be approved by Landlord and the rent has to be the prevailing market rent of comparable spaces on the same block and on the same street.
- C) Landlord has to approve the market rate before giving its consent of the sublease.

Without limiting the foregoing, it shall be a condition of any such consent that any increased rent or other consideration paid or to be paid directly or indirectly, as consideration for, or otherwise by reason of, any Transfer (including, without limitation, any "key," security or other deposit or payment, or increased rent or other consideration, paid or payable in connection with such Transfer or during the term) shall be split 50%-50% between Landlord and Tenant.

Notwithstanding the foregoing provisions of this Article 14, Landlord's consent shall not be required for, and the foregoing provisions of Article 14 shall not apply to, a "Permitted Transfer", which shall include any sublease, assignment or other transfer to any of the following entities: (i) any entity controlling, controlled by or under common control with Tenant or an owner of Tenant; (ii) any entity resulting from the

merger, consolidation or reorganization of Tenant or an owner of Tenant into or with any other entity; or (iii) any entity acquiring all or substantially all of the ownership interests of Tenant or all or substantially all of Tenant's assets. Tenant shall notify Landlord of any Permitted Transfer at least thirty (30) days before the transfer occurs, provided the net worth and earnings history of the proposed sublessee or assignee, whether an entity related to Tenant or not, is equal or more than that of the original Tenant.

15. **HOLD HARMLESS.** Tenant shall indemnify and hold Landlord harmless against and from any and all claims arising from Tenant's use of the Premises or from the conduct of its business or from any activity, work or other things done, permitted or suffered by the Tenant in or about the Premises and shall further indemnify and hold Landlord harmless against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest or invitee of Tenant, and from all costs, attorneys' fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon and in case any action or proceeding be brought against Landlord by reason of such claim, Tenant upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause other than Landlord's negligence; and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in the Premises.

Landlord or its agents shall not be liable for any loss or damage to persons or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances or plumbing works therein or from the roof, street or subsurface or from any other place resulting from dampness or any other cause whatsoever, unless caused by or due to the gross negligence of Landlord, its agents, servants or employees. Landlord or its agents shall not be liable for interference with the light, air or for any latent defect in the Premises.

16. **SUBROGATION.** As long as their respective insurers so permit, Landlord and Tenant hereby mutually waive their respective rights of recovery against each other for any loss insured by fire, extended coverage and other property insurance policies existing for the benefit of the respective parties. Each party shall apply to their insurers to obtain said waivers. Each party shall obtain any special endorsements, if required by their insurer, to evidence compliance with the aforementioned waiver.

17. **INSURANCE.** Tenant shall, at Tenant's expense, obtain and keep in force during the Term of this Lease the following insurance policies/coverage:

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A. LIABILITY INSURANCE. Tenant shall secure and maintain in force, at its own expense, during the Term of this Lease Commercial General Liability Insurance in the minimum amount of Three Million Dollars (\$3,000,000) Combined Single Limit for bodily injury and/or property damage liability in form and from insurance companies satisfactory to Landlord including (i) an endorsement naming Landlord as an additional insured, (ii) an endorsement affording ten (10) days written notice to Landlord in event of cancellation or material reduction in coverage, (iii) an endorsement providing evidence that the insurance company acknowledges acceptance of Tenant's waiver of Tenant's rights of subrogation against Landlord, (iv) an endorsement providing that such insurance as is afforded under Tenant's policy is primary insurance as respects Landlord and that any other insurance maintained by Landlord is excess and noncontributing with the insurance required hereunder. Such insurance shall also include, without limitation, worker's compensation and employer's liability insurance covering all of Tenant's employees and all contractors or subcontractors hired by Tenant from time to time, products and completed operations liability insurance applicable to all Tenant's Work and operations hereunder, fire legal liability insurance, contractual liability insurance applicable to all of Tenant's indemnity obligations under this Lease, automobile liability insurance, liquor liability insurance, business interruption insurance (covering loss of rent in case of a casualty), and such other coverage as Landlord may reasonably require from time to time. If at any time during the Term the amount of insurance which Tenant is required to carry under this Section 17 is, in Landlord's reasonable judgment, materially less than the amount of insurance coverage typically carried by owners or lessees of properties located in Los Angeles, California, which are similar to and operated for similar purposes as the Premises, Landlord shall have the right to require Tenant to increase the amount of insurance coverage required under this Section 17. Tenant shall have the right to provide such insurance coverage pursuant to blanket policies expressly affording coverage to the Premises and to Tenant as required by this Lease. Tenant agrees to increase the coverage or otherwise comply with changes in connection with its liability, property damage and workers' compensation insurance as Landlord or Landlord's lender may reasonably from time-to-time require.

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Tenant agrees to increase the coverage or otherwise comply with changes in connection with its liability, property damage and workers' compensation insurance as Landlord or Landlord's lender may reasonably from time-to-time require;

B. Property insurance covering loss or damage to the Premises, all Initial Tenant Improvements, fixtures, equipment, merchandise, inventory and personal property, and all other contents of the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for damage or other loss caused by fire or other peril including,

but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year. Such insurance shall include, without limitation, boiler/machinery insurance, if applicable, and plate glass and store front insurance;

C. Rent loss insurance or business income insurance sufficient to cover, for a period not less than one (1) year, all rent, expense and other payment obligations of Tenant under this Lease, including, without limitation, Minimum Rent and Tenant's Share of Operating Costs and Taxes, paid by Tenant during the twelve (12) month period immediately preceding the month in which an event occurs causing rental loss;

D. Such other insurance, covering such risks and hazards, as may be or become available and as Landlord may from time to time reasonably require during the Term, including without limitation contractual liability insurance.

E. Tenant may, at its option, satisfy its insurance obligations hereunder by policies of so-called blanket or umbrella insurance carried by Tenant provided that the same shall, in all respects, comply with the provisions hereof. In such event, Tenant shall not be deemed to have complied with its obligations hereunder until Tenant shall have obtained and delivered to Landlord a copy of each such policy together with an appropriate rider or certificate applicable to and evidencing full compliance with the specific requirements of this Lease (irrespective of any claim which may be made with respect to any other property or liability covered under such policy), and until the same shall have been approved by Landlord in writing.

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F. (a) All insurance hereunder shall be obtained from insurance companies qualified to do business and operating in the State of California and rated A: XII or better in Best's insurance ratings at the time of securing such coverage. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate, Landlord may, at its option, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

(b) Any deductible amounts under any insurance policies required hereunder shall be subject to Landlord's prior written approval, and in any event, Tenant shall be liable for payment of same in the event of any casualty.

(c) All insurance policies shall name Landlord as an additional insured party or shall contain loss payable clauses satisfactory to Landlord, including, without limitation, clauses providing for payment of insurance proceeds, at the direction of Landlord, to Landlord or to holders of mortgages, deeds of trust or other security interests, and any claim for loss thereunder shall be payable notwithstanding any act,

omission, negligence, representation, misrepresentation or other conduct or misconduct of Tenant which might otherwise cause cancellation, forfeiture or reduction of such insurance.

(d) All insurance policies shall contain mutual waivers of subrogation against Landlord and Tenant and their agents, employees and representatives, as to risks then covered in whole or in part by such insurance maintained, or required to be maintained, pursuant to this Lease, and shall be without prejudice to any waiver or indemnity provisions applicable to Tenant and any limitation of liability provisions applicable to Landlord hereunder, and Tenant shall notify all insurance carriers of the existence of such provisions. In connection with the foregoing, Landlord and Tenant intend that their respective property loss risks shall be borne by reasonable insurance carriers to the extent above provided, and Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies are now, or shall be, endorsed such that the waiver of subrogation shall not affect the right of the insured to recover thereunder, so long as no material additional premium is charged therefor.

(e) All liability insurance policies shall contain so-called cross-liability provisions.

(f) All insurance required hereunder shall be written as primary insurance not contributing with, and not in excess of, any coverage carried by Landlord.

(g) All insurance hereunder shall be in form and content acceptable to Landlord and shall not be cancelable, forfeitable or subject to reduction of coverage without at least thirty (30) days' prior written notice to Landlord.

(h) If, in the reasonable opinion of Landlord or any lender or other person affected hereby, at any time during the Term, the insurance company selected or the coverage maintained hereunder is not adequate, including, without limitation, by reason of insurance company ratings, policy form provisions, increases in liability, exposure or costs, or otherwise, Landlord may require Tenant to change or increase Tenant's insurance coverage by written notice to Tenant to such effect. Tenant shall furnish Landlord with endorsements, certificates or other valid evidence of compliance with any such required increases within thirty (30) days following such notice.

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(i) Nothing herein shall in any manner limit the liability of Tenant for non-performance of its obligations or for loss or damage for which Tenant is responsible.

G. Tenant shall deliver to Landlord, prior to commencement of the Term hereof, and thereafter whenever required or requested by Landlord, copies of all insurance policies, endorsements or certificates (including without limitation ACCORD Form no. 27) evidencing the existence and amounts of such insurance, and within thirty (30) days prior to expiration thereof shall deliver to Landlord renewals or binders thereof, in each case accompanied by evidence of payment of the required premiums therefor.

H. Landlord shall, obtain and maintain throughout the Term property insurance that shall include the Premises and the Building (excluding improvements constructed by Tenant and personal property from time-to-time located on the Premises) insuring against risk of direct physical loss or damage for the full replacement value thereof against any peril separately included in the classification "Special form - Causes of Loss" policy of insurance written by companies licensed to do business in the state of California (or such other state in which Landlord's principal business office is located), together with such other insurance, and in such amounts, covering such other risks as Landlord may from time-to-time determine in its reasonable judgment, including, without limitation (if Landlord so elects), Commercial General Liability insurance and insurance against earthquake, flood and rental loss. Any insurance procured by Landlord under this Section may be included in a policy or policies of blanket insurance covering additional items or locations or insureds, provided that the requirements of this Section are otherwise satisfied.

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18. UTILITIES.

A. Commencing with the Lease Commencement Date, Tenant shall pay for all water, gas, heat, light, power, sewer charges, telephone service and all other services and utilities supplied to the Premises, together with any taxes thereon. In the event that any utilities are furnished to the Premises by Landlord, whether submetered or otherwise, then Tenant shall pay to Landlord 22.96% of said charges jointly metered with other premises of the Building, provided, however, in the event of a disproportionate use of utilities by a particular tenant, Landlord shall equitably apportion utility charges among tenants of the Building to reflect the actual usage thereof by each tenant.

B. As used in this Lease, the term "utility charges" shall include, without limitation: (a) all fees, charges, deposits and other sums charged or payable from time to time for or in connection with the supply, use, repair or maintenance of water, sewage, drainage, electricity, gas, lighting, heating, air conditioning, power, telephone, trash removal and disposal, and other utilities, services, facilities, and amenities (including,

without limitation, all amounts payable for or by reason of requirements of energy or other conservation programs); and (b) penalties, interest and taxes levied on the foregoing, and costs, fees and expenses incurred in contesting the same.

C. Tenant agrees that, unless caused by the gross negligence or wilfull misconduct of Landlord, Landlord shall not be liable for damages, by abatement of rent or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by breakage, repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building after reasonable effort to do so, by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Lease, unless caused by the gross negligence or wilfull misconduct of Landlord.

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

20. **RULES AND REGULATIONS.** Tenant shall faithfully observe and comply with the reasonable rules and regulations that Landlord shall from time-to-time promulgate and/or modify. The rules and regulations shall be binding from the Tenant upon delivery of a copy of them to Tenant.

21. **HOLDING OVER.** If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term hereof, such holding over shall constitute no more than a month-to-month tenancy at a rent equal to one hundred fifty percent (150%) of the last monthly Minimum Rent plus all other charges payable hereunder and in

accordance with all other terms hereof, except that either party may terminate the month-to-month tenancy on thirty (30) days prior written notice to the other.

22. **ENTRY BY LANDLORD.** Tenant shall permit Landlord and his agents to enter into and upon said Premises at all reasonable times for the purpose of inspecting the same, and for the purpose of maintaining the Building and for the purpose of making repairs, alterations or additions to any portion of said Building (including the erection and maintenance of such scaffolding, canopies, fences and props as may be required), and for the purpose of posting Notices of Non-Responsibility for alterations, additions or repairs, and for the purpose of placing upon/within the property within which said Premises are located any usual or ordinary "For Sale" signs, and for the purpose of showing said Premises to prospective purchasers; and Landlord may do any or all of said acts without any rebate of Rent and without any liability to Tenant for any loss of occupancy or quiet enjoyment of said Premises. Tenant shall permit Landlord and his agents at any time within one hundred eighty (180) days prior to the expiration of this Lease, to show said Premises to prospective tenants and to place upon/within said Premises any usual or ordinary "For Lease" and/or "For Rent" signs.

23. **TENANT'S DEFAULTS.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant.

A. The abandonment or vacation of the Premises by Tenant.

B. Any failure by Tenant to make any payment of Minimum Rent, Operating Costs, Taxes, utility charges, or any other payment required to be made by Tenant hereunder within five (5) days of the date due. Tenant shall not be in default of this Section 23.B. unless Tenant fails to provide payment within five (5) days following written notice from Landlord that such payment is overdue, provided however, Landlord shall not be required to send such notice of a monetary default more than one (1) time during any calendar year, and following the delivery of such notice in a calendar year, Landlord shall not be required to send a subsequent notice prior to holding Tenant in default of this Lease due to a monetary default.

C. Any failure of Tenant to observe and perform fully any Rules and Regulations relating to the Building, within forty-eight (48) hours following notice thereof to Tenant from Landlord, or such longer period as reasonably required provided that Tenant commences to cure such default of Landlord's Rules and Regulations within forty-eight (48) hours following notice thereof to Tenant from Landlord.

D. Any failure of Tenant to perform emergency repairs or take other emergency action required under this Lease to prevent imminent damage to the Building or the personal safety of its occupants, within twenty-four (24) hours following notice

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thereof to Tenant from Landlord, or such longer period as reasonably required provided that Tenant commences to commence such emergency repairs within twenty-four (24) hours following notice thereof to Tenant from Landlord.

E. The failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Tenant, other than described in Article 23.B above, where such failure shall continue for a period of thirty (30) days after written notice thereof by Landlord to Tenant (which notice shall be in lieu of and not in addition to any notice under California Code of Civil Procedure Section 1161 et. seq.); provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

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

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24. REMEDIES IN DEFAULT. All sums of money or charges of any kind or nature payable by Tenant to Landlord pursuant to this Lease, other than the Minimum Rent, are deemed to be "additional rent". In the event of any default or breach by Tenant as set forth in Section 23 of this Lease, Landlord may at any time thereafter, in its sole discretion, with or without notice or demand and without limiting Landlord in the exercise of a right or remedy which Landlord may have by reason of such default or breach:

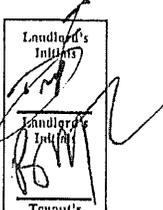
A. Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event, Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorneys' fees; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid Minimum Rent, additional rent and other charges and Adjustments called for herein for the balance of the Term after the time of such award

exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided; and any leasing commission paid by Landlord in connection with the Premises. Unpaid installments of Minimum Rent, additional rent and all other sums shall bear interest from the date due at a non-compounding annual rate of twelve (12) percent; or

B. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the Minimum Rent, additional rent and any other charges and Adjustments as may become due hereunder; or

C. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State in which the Premises are located.

25. **DEFAULT BY LANDLORD.** Landlord shall not be in default unless Landlord fails to perform obligations required by Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction.

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26. **RECONSTRUCTION OF PREMISES.** If the Premises or the Building are substantially damaged by any cause insured against by Landlord, then Landlord shall within a reasonable time from the date of such damage commence to repair the Premises and complete the work of repair within a reasonable time thereafter, except that if the work of repair would reasonably cost more than fifty percent (50%) of the value of the structure prior to the damage, or the work of repair would require more than one hundred eighty (180) days from the date of the damage to complete the work of repair, or the damage occurs within the last twelve (12) months of the Term of this Lease, either Landlord or Tenant may, upon written notice to the other given within thirty (30) days after the date of damage, terminate this Lease. In the event of termination by Landlord or Tenant as herein provided, the date of termination shall be the date upon which the damage occurred or the Premises became untenable. If the Premises or the Building shall be damaged or destroyed by any cause other than a cause insured against, then Landlord shall have the right, by written notice to Tenant within thirty (30) days after such damage or destruction, to terminate this Lease effective as of the date of such damage or destruction.

merchandise and with sufficient sales personnel to care for the patronage and to conduct said business in accordance with sound business practice.

32. **BROKER.** Landlord and Tenant warrant that neither has had any dealings with any real estate brokers or agents in connection with the negotiation of this Lease, and it knows of no other real estate broker or agent who is entitled to a commission in connection with this Lease with the exception of Corcoran Global Living, representing Tenant and JLL representing Landlord. Subject to Section 1 of the Addendum attached hereto as Exhibit C, Landlord shall pay all leasing commissions owed to pursuant to a separate agreement. Tenant shall indemnify, defend and hold Landlord harmless against and from any and all claims arising from Tenant's leasing of the Premises from Landlord that shall be made by any and all brokers not identified herein.

33. **GENERAL PROVISIONS.**

A. **PLATS AND RIDERS.** Causes, plats, riders and addenda, if any, affixed to this Lease are a part hereof.

B. **WAIVER.** The waiver by Landlord of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding default by Tenant of any term, covenant or condition of this Lease, other than the failure of the Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding default at the time of the acceptance of such Rent.

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

D. **MARGINAL HEADINGS.** The marginal headings and article titles to the articles of this Lease are not a part of the Lease and shall have no effect upon the construction or interpretation of any part hereof.

E. **TIME.** Time is of the essence of this Lease and each and all of its provisions in which performance is a factor.

F. **SUCCESSORS AND ASSIGNS.** The covenants and conditions herein contained, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of the parties hereto.

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G. RECORDATION. Neither Landlord nor Tenant shall record this Lease, but a short form memorandum hereof may be recorded at the request of Landlord.

H. QUIET POSSESSION. Upon Tenant paying the Rent reserved hereunder and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises for the entire Term hereof, subject to all the provisions of the Lease. Notwithstanding the foregoing; however, Landlord shall at all times have and retain a key with which to unlock all of the doors in, upon and about the Premises, excluding Tenant's vaults, safes and special security areas (designated in advance). Landlord shall have the right to use any and all means that Landlord may deem necessary or proper to open those doors in an emergency, in order to obtain entry to any portion of the Premises.

I. LATE CHARGES. Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent or other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges may be imposed upon Landlord by terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of Minimum Rent or any sum due from Tenant shall not be received by Landlord or Landlord's assignee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to ten percent (10%) of such overdue amount plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Minimum Rent and/or other charges when due hereunder. The Parties hereby agree that such late charges represent a fair and reasonable estimate of the cost that Landlord will incur by reason of the late payment by Tenant. Acceptance of such late charges by the Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

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J. PRIOR AGREEMENTS. This Lease contains all of the agreements of the Parties hereto with respect to any matter covered or mentioned in this Lease, and no prior agreements or understanding pertain to any such matters shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing signed by the Parties hereto or their respective successors in interest. This Lease shall not be effective or binding on any party until fully executed by both Parties hereto.

K. INABILITY TO PERFORM. In the event Landlord or Tenant shall be delayed or hindered or prevented in the performance of any obligations required under this Lease by reason of strike, lockout, inability to procure labor or materials, failure of power, fire, or acts of God, terrorism, restrictive governmental laws or regulations, riots, insurrection, war or any other reason not within the reasonable control of Landlord or

Tenant, the performance of such obligations shall be postponed for a period of such delay and the period for the performance of any such act shall be extended for a period equivalent to the period of any such delay. If any of these cases arise, Landlord and Tenant will come to agreement by drafting a Lease Amendment to indicate the terms of that particular event.

L. PARTIAL INVALIDITY. Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provision shall remain in full force and effect.

M. CUMULATIVE REMEDIES. No remedy or election hereunder shall be deemed exclusive but shall, whenever possible, be cumulative with all other remedies at law or in equity.

N. CHOICE OF LAW. This Lease shall be governed by the laws of the State in which the Premises are located. Any actions or proceedings brought under this Lease, or with respect to any matter arising under or out of this Lease, shall be brought and tried only in courts located in the County of Los Angeles, California (excepting appellate courts).

O. WAIVER OF JURY TRIAL. Both parties agree to waive their respective rights to a jury trial in the event of any action or claim arising from this Lease.

P. ATTORNEYS' FEES. In the event of any action or proceeding brought by either Party against the other under this Lease, the prevailing Party shall be entitled to recover for the fees of its attorneys in such action or proceeding, including without limitation, expert witness fees, charges of private investigators, costs of all exhibits prepared in connection with trial, transcript costs and costs of appeal, if any, in such amount as the court may adjudge reasonable as attorneys' fees. In addition, should it be necessary for Landlord to employ legal counsel to enforce any of the provisions herein contained, Tenant agrees to pay all attorneys' fees and court costs reasonably incurred.

Q. SALE OF PREMISES BY LANDLORD. In the event of any sale of the Premises by Landlord, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this Lease arising after the consummation of such sale; and the purchaser, at such sale or any subsequent sale of the Premises, shall be deemed, without any further agreement between the Parties or their successors in interest or between the Parties and any such purchaser, to have assumed and agreed to carry out any and all of the covenants and obligations of the Landlord under this Lease.

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R. SUBORDINATION, ATTORNMENT. This Lease is subject and subordinate to the lien of any mortgage or deed of trust, now or hereafter in force against the Premises and to all advances made or obligations created upon the security thereof. Tenant shall, upon the request of Landlord, execute any specific subordination agreement in favor of any lender or holder of any obligation secured, or to be secured, by a mortgage or deed of trust to be placed upon the property, provided that any such subordination shall require such lender or holder to recognize and observe Tenant's right in and to this Lease.

S. NOTICES. All notices and demands which may or are to be required or permitted to be given by either Party on the other hereunder shall be in writing and shall be deemed given the earlier of (i) actual receipt if delivered either by personal delivery or facsimile transmission, or (ii) seventy-two (72) hours after deposited in United States Mail via registered or certified mail properly stamped and addressed. All notices and demands by Landlord to the Tenant shall be sent, at Landlord's discretion, by hand delivery, email transmission, nationally recognized courier, or United States Mail, postage prepaid, addressed to the Tenant at the Premises and to the address or fax no. set forth herein below, or to such other place as Tenant may from time-to-time designate in a written notice to Landlord. All notices and demands by Tenant to Landlord shall be sent by hand delivery, email transmission, nationally recognized courier, or United States Mail, postage prepaid, addressed to Landlord at the address or fax no. set forth herein below, and to such other person or place as Landlord may from time-to-time designate in a written notice to Tenant.

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To Landlord at:

9629 Brighton Way, Second Floor,
Beverly Hills, CA 90210
Email: Behrouz@DManage.com

To Tenant at:

9647 Brighton Way
Beverly Hills, CA 90210
Email: peter@peterlorimer.com

T. TENANT'S STATEMENT. Tenant shall at any time and from time-to-time, upon not less than ten (10) days prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing: (i) 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) and the date to which the Minimum Rent and other charges are paid in advance, if any; (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any are claimed; and, (iii) setting forth the date of commencement of Minimum Rent and expiration of the Term hereof and any other information reasonably requested by Landlord. Any such statement may be relied upon by the prospective purchaser or encumbrancer of all or any portion of the real property of which the Premises are a part. In addition, Tenant shall, within

fifteen (15) days of Landlord's written request (but no more than one time in any given twelve month period), furnish Landlord with unaudited financial statements, certified as accurate by Tenant, dated no earlier than one (1) year before such request, reflecting Tenant's then current financial condition, in such form and detail as Landlord may reasonably request. Tenant shall also furnish Landlord, in such fifteen (15) day period, with unaudited financial statements reflecting the then current financial condition of any guarantor of this Lease.

U. AUTHORITY OF PARTIES. Each individual executing this Lease on behalf of Landlord and Tenant, respectively, represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said party, in accordance with the bylaws or operating agreement of said company and that this Lease is binding upon said company.

V. LIGHT, AIR AND VIEW. Tenant covenants and agrees that no diminution of light, air or view, or any impairment of the visibility of the Premises from inside or outside the Building, by any structure or other object that may hereafter be erected (whether or not by Landlord) shall entitle Tenant to any reduction of rent under this Lease, constitute an actual or constructive eviction of Tenant, result in any liability of Landlord to Tenant, or in any other way affect this Lease or Tenant's obligations hereunder.

W. TENANT'S ABILITY TO PERFORM. Tenant represents and warrants that all financial and other statements and information supplied to Landlord with respect to Tenant and its business are materially true and correct, that Tenant has and will maintain financial resources sufficient to fully perform and pay for each obligation of Tenant under this Lease and that Tenant, its agents and employees have and will maintain the requisite experience and expertise to perform such obligations in a first-class manner.

X. SURVIVAL. All of the parties' accrued and or outstanding covenants and obligations contained in this Lease shall survive the expiration or earlier termination of this Lease. No provision of this Lease providing for termination in certain events shall be construed as a limitation or restriction of the parties' rights and remedies at law or in equity available upon a breach of this Lease.

Y. NO PENDING LITIGATION. Tenant represents that, as of the date of execution and delivery by Tenant of this Lease, neither Tenant nor any of its principal officers, directors, agents or employees is subject to any existing, threatened or pending litigation, judgment or administrative hearing that may have a materially adverse impact on the resources, business or reputation of Tenant.

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Z. COST OF PERFORMANCE. Each of the covenants and obligations of the parties set forth herein shall be performed at the sole cost and expense of the party required to perform or cause performance of such covenant or obligation, unless specifically otherwise provided in this Lease.

AA. Intentionally Omitted.

BB. NO OPTION. Submission of this Lease shall not be deemed to be a reservation of the Premises, an option to lease or impose any other obligation on the Landlord. Landlord shall not be bound hereby until its delivery to Tenant of an executed copy hereof signed by Landlord already having been signed by Tenant with all security deposits and advance rents paid, and until such delivery and payment Landlord reserves the right to exhibit and lease the Premises to other prospective tenants.

CC. HAZARDOUS SUBSTANCES. Without limiting the generality of Tenant's obligations of indemnity pursuant to Article 14 of the Lease, Tenant agrees to the following:

(a) Tenant will not use any Hazardous Substances, as defined herein below, in or about the Premises.

(b) Tenant shall, at its expense, comply with all Applicable Laws, regulations, codes and ordinances relating to any Hazardous Substances or to any Environment Activities, as defined herein below, including, without limitation, obtaining and filing all applicable notices, permits, licenses and similar authorizations.

(c) Landlord shall have the right, in its reasonable discretion and provided Landlord has reasonable grounds to believe Hazardous Substances exist on the Premises, other than those Hazardous Substances used in the ordinary course of Tenant's business, or Landlord has reasonable grounds to believe Tenant has violated provisions of any applicable law with respect to Hazardous Substances, to conduct its own investigation of the Premises for Hazardous Substances. Tenant hereby grants to Landlord, its agents, employees, consultants and contractors the right to enter the Premises and to perform such tests as are reasonably necessary to conduct such an investigation.

(d) Upon the discovery by Tenant of any event or situation which would be deemed a non-compliance of this Article 33.CC. in any respect Tenant shall immediately notify Landlord of such event or situation and, promptly submit to Landlord a preliminary written environmental plan setting forth a general description of such event or situation and the action, if any, that Tenant proposes to take with respect thereto. If Landlord deems such event or situation to be an emergency, Tenant shall

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proceed in the manner and under the time limits set by Landlord; failure by Tenant to do so shall constitute a material default under the Lease. Within three (3) business days after such discovery which is not deemed by Landlord to be an emergency, Tenant shall submit to Landlord a final written environmental report, setting forth a detailed description of such event or situation and the action that Tenant proposes to take with respect thereto, including, without limitation, any proposed corrective work, the estimated cost and time of completion, the name of the contractor and a copy of the contract, if any, and such additional data, instruments, documents, agreements or other materials or information as Landlord may reasonably request. The plan shall be subject to Landlord's written approval, which approval may be granted or withheld in Landlord's reasonable discretion. Landlord shall notify Tenant in writing of its approval or disapproval of the final plan within five (5) days after receipt thereof by Landlord. If Landlord disapproves the plan, Landlord's notice to Tenant of such disapproval shall include a brief explanation of the reasons therefor. Within ten (10) days after receipt of such notice of disapproval, Tenant shall submit to Landlord a revised final written environmental plan that remedies the defects identified by Landlord as reasons for Landlord's disapproval of the initial final plan. If Tenant fails to submit a revised plan to Landlord within such ten (10) day period, or if such revised plan is submitted to Landlord and Landlord reasonably disapproves such plan, such failure or disapproval shall, at Landlord's option and upon notice to Tenant, constitute a material default under the Lease in which event Landlord shall have all of the rights and remedies available to it under the Lease. If Landlord does not notify Tenant of its approval or disapproval of the final plan or any revisions thereof within five (5) days after receipt thereof, the plan or revision shall be deemed approved. Once any such plan is approved in writing or deemed approved by Landlord, Tenant shall promptly commence all action necessary to implement such plan and to comply with any requirements and conditions imposed by Landlord, and shall diligently and continuously pursue such action to completion in strict accordance with the terms thereof.

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(e) To the fullest extent permitted by law, Tenant agrees to protect, indemnify, defend, save and hold harmless Landlord, its directors, officers, agents and employees from and against any and all loss, liability, expense or damage of any kind or nature and from any suits, claims or demands, including reasonable attorneys' fees and costs, whether in suit or not, arising directly or indirectly, in whole or in part, out of: (i) the existence or alleged existence of any Hazardous Substances in, on or about the Premises resulting from the conduct of Tenant's business operations; (ii) the removal of or failure to remove any Hazardous Substances from the Premises; or, (iii) any activity carried on or undertaken on or about the Premises, during the term of the Lease, by Tenant or any employees, agents, contractors or subcontractors of Tenant, or any third persons occupying or present on or about the Premises resulting from the conduct of Tenant's business operations, in connection with any Environmental Activities, unless such suit, claim or demand is caused solely by the gross negligence or willful misconduct

of Landlord, its directors, officers, agents and employees. The foregoing indemnity shall apply to any residual contamination on or about the Premises and to any contamination of any property or natural resources arising in connection with any Environmental Activities, irrespective of whether any of such activities were or will be undertaken in accordance with applicable laws, regulations, codes and ordinances. Upon receiving knowledge of any suit, claim or demand asserted by a third party that Landlord believes is covered by this indemnity, Landlord shall give Tenant notice of the matter and an opportunity to defend it, at Tenant's sole cost and expense, with legal counsel satisfactory to Landlord. Landlord may also require Tenant to so defend the matter. This obligation on the part of Tenant shall survive the term of the Lease.

(f) "Hazardous Substances" shall be defined as, (i) any substance that is then defined or listed in or otherwise classified pursuant to, any applicable laws or regulations as a "hazardous substance", "hazardous material", "hazardous waste", "infectious waste", "toxic substance", "toxic pollutant" or any other formulation intended to define, list, or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity, or "EP toxicity" and (ii) any petroleum and drilling fluids, produced waters, and other wastes associated with the exploration, development or production of crude oil, natural gas, or geothermal resources.

(g) "Environmental Activities" shall be defined as the use, generation, transportation, treatment, storage or disposal of any Hazardous Substance at any time located on or present on or about the Premises.

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DD. Intentionally Omitted.

EE. LEASE INTERPRETATION. Landlord and Tenant understand, agree and acknowledge that:

(a) The Lease has been freely negotiated by both parties; and,

(b) That, in the event of any controversy, dispute or contest over the meaning, interpretation, validity or enforceability of the Lease or any of its terms, conditions or covenants, there shall be no inference, presumption or conclusion drawn whatsoever against either party by virtue of that party having drafted the Lease or any portion thereof.

FF. This Lease may be executed in one or more counterparts, each of which maybe a so-called "pen" original, telecopy or electronic file portable data format (.PDF) and all of same shall be deemed an original, and all of which together shall constitute one and the same instrument.

GG. Tenant acknowledges and agrees that any and all information provided by Landlord regarding the square footage or area of the Premises was provided on a "gross rentable" basis for informational purposes only and without regard for Tenant's specific needs, purposes or uses of the Premises. Tenant understands and agrees that it is the sole responsibility of Tenant to determine the actual area of the Premises, whether it is based on a "gross", "net", "useable", "rentable" or other measuring method(s). Tenant also acknowledges that the rent for the Premises is not based on size of the Premises.

HH. CONFIDENTIALITY. Tenant acknowledges that the terms and conditions of this Lease are to remain confidential for Landlords benefit, and may not be disclosed by Tenant to anyone, by any manner or means, directly or indirectly, without Landlords prior written consent; however, Tenant may disclose the terms and conditions of this Lease if required by Law or court order, and to its attorneys, financial consultants, design or space planning consultants, accountants, employees and existing or prospective financial partners provided same are advised by Tenant of the confidential nature of such terms and conditions and agree to maintain the confidentiality thereof (in each case, prior to disclosure). The consent by Landlord to any disclosures shall not be deemed to be a waiver on the part of Landlord of any prohibition against any future disclosure.

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II. INTENTIONALLY DELETED.

JJ. EXHIBIT. The following Exhibits are attached hereto and are hereby made a part hereof this reference:

- Exhibit A Guarantee of Lease
- Exhibit B Option to Extend Lease Term
- Exhibit C Addendum to the Lease
- Exhibit D Tenant's Work

[Executed on the following page.]

CONSULT WITH YOUR ATTORNEY PRIOR TO SIGNING

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first above written.

Landlord:

Tenant:

BRIGHTON WAY LTD.
a California limited partnership

Exclusive Lifestyles SoCal, LLC,
dba Corcoran Global Living
a California limited liability
company

By: Brighton Way Corp.
a California corporation
its general partner

By: *Behrouz Mahboubi-Fardi*
Behrouz Mahboubi-Fardi
Vice President

DocuSigned by:
Michael Mahon
Michael K. Mahon, Manager

By: *Daryoush Mahboubi-Fardi*
Daryoush Mahboubi-Fardi
President

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THIS DOCUMENT IS A DUPLICATE ORIGINAL

EXHIBIT “B”

Guarantee of Lease

WHEREAS, a certain Lease, dated for reference purposes the 1st day of February, 2021, (the "Lease") is being concurrently executed by and between BRIGHTON WAY, LTD, a California limited partnership (therein and herein referred to as "Landlord") and EXCLUSIVE LIFESTYLES SOCIAL, LLC., dba CORCORAN GLOBAL LIVING, a California limited liability company, (therein referred to as "Tenant") covering certain premises in the City of Beverly Hills, County of Los Angeles, State of California containing approximately 4,800 square feet of space, known as 9647 Brighton Way, Beverly Hills, CA 90210; and

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

WHEREAS, the undersigned is desirous that Landlord enter into the Lease with Tenant:

NOW, THEREFORE, in consideration of the execution of the Lease by Landlord and as an inducement to Landlord to enter into the Lease with Tenant,

1. Guarantor hereby absolutely, unconditionally and irrevocably guaranties the full and timely performance of each and all of the Lease Obligations (as defined below) to be kept and performed by Tenant throughout the term of the Lease, as may be extended. This Guaranty constitutes a guaranty of payment and performance and not of collection only. The term "Lease Obligations" means, collectively, each and every covenant and obligation of Tenant to Landlord created in or arising under or in connection with the Lease, including, but not limited to, the payment of all rent, property taxes, insurance premiums, amounts owing under any indemnities, and any and all other charges or sums, or any portion thereof, to accrue or become due from Tenant to Landlord pursuant to the terms of the Lease.

2. Guarantor hereby further agrees that this Guaranty shall continue in favor of Landlord, notwithstanding any modification or alteration of the Lease entered into by and between the parties thereto, or their successors or assigns, and notwithstanding any assignment of the Lease (with or without the consent of Landlord), and no modification, alteration or assignment of the Lease shall in any manner release or discharge Guarantor or otherwise limit Guarantor's liability hereunder. Guarantor hereby consents in advance to any such modification, alteration or assignment of the Lease. Furthermore, this Guaranty shall be of full force and effect (a) for the entire term of the Lease, as the same may be extended from time to time with or without the consent of Guarantor, and (b) following the termination or expiration of the Lease, so long as Tenant shall have any obligation thereunder which survive the termination or expiration of the Lease.

3. No action which Landlord may take or omit to take in connection with the Lease, and no course of dealing with Tenant or any other person, shall relieve Guarantor's obligations hereunder, affect this Guaranty in any way, or afford Guarantor any recourse against Landlord. By way of example, but not in limitation of the foregoing, Guarantor hereby expressly agrees that Landlord may, from time to time without notice to Guarantor, do any of the following:

(a) amend, change or modify in whole or in part the Lease, or any document executed now or hereafter in connection therewith;

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(b) waive any terms, conditions or obligations of the Lease, or any document executed now or hereafter in connection therewith, or grant any extension of time or forbearance of same;

(c) compromise or settle any amount due or owing, or claimed to be due or owing, under the Lease, or any document executed now or hereafter in connection therewith; and

(d) release, substitute or add to Guarantor.

4. Guarantor expressly waives notice of acceptance of this Guaranty, presentment for payment or performance of the Lease, nonpayment or nonperformance of the Lease, any right of set-off against amounts due under this Guaranty, protest and notice of protest, demand, notice of dishonor, notice of any and all proceedings to collect amounts due under such agreements and to enforce any security given therefor, and diligence in collecting sums due under such agreements or any liability under this Guaranty. Guarantor hereby waives any and all suretyship defenses or defenses in the nature thereof that may be available to Guaranty under applicable law. Guarantor agrees that its waiver of suretyship defenses and rights includes, without limitation, all suretyship defenses and rights of every nature otherwise available under California law and the laws of any other state, including, without limitation, all defenses and rights arising under Sections 2787 through 2855 of the California Civil Code (the "Suretyship Provisions") and any successor provisions to those Sections. Without limiting the generality of the foregoing, Guarantor hereby acknowledges its understanding that the Suretyship Provisions provide various partial or complete defenses to the recovery by Landlord from Guarantor and/or grant Guarantor rights the enforcement of which could reduce or eliminate entirely Guarantor's liability hereunder to Landlord. Among the defenses and rights contained in the Suretyship Provisions are the following: (i) Section 2809 of the Civil Code, which provides, in part, that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (ii) Section 2810 of the Civil Code, which provides, in part, that a surety is not liable if for any reason other than the mere personal disability of the principal there is no liability upon the part of the principal at the time of execution of the contract, or the liability of the principal thereafter ceases; (iii) Section 2819 of the Civil Code, which provides, in part,, that a surety is exonerated if the creditor alters the original obligation of the principal without the consent of the surety; (iv) Section 2845 of the Civil Code, which provides, in part, that a surety is exonerated to the extent that the creditor fails to proceed against the principal, or to pursue any other remedy in the creditor's power which the surety cannot pursue and which would lighten the surety's burden; (v) Section 2846 of the Civil Code, which provides that a surety may compel his principal to perform the obligation when due; (vi) Section 2847 of the Civil Code, which provides, in part, that if a surety satisfies the principal obligation, or any part thereof, the principal is obligated to reimburse the surety for the amounts paid by the surety; (vii) Section 2848 of the Civil Code which provides, in part, that a surety, upon satisfying the obligation of the principal, is entitled to enforce remedies which the creditor then has against the principal; (viii) Section 2849 of the Civil Code, which provides, in part, that a surety is entitled to the benefit of security held by the creditor for the performance of the principal obligation held by the creditor; and (ix) Section 2850 of the Civil Code, which provides, in part, that whenever the property of a surety is hypothecated with property of the principal, the surety is entitled to have the property of the principal first applied to the discharge of the obligation. Notwithstanding the benefits to Guarantor of the foregoing rights and defenses, Guarantor hereby specifically waives such rights and defenses. Guarantor further waives the following: (a) any defense by reason of any disability of Tenant; (b) any defense arising out of the absence, impairment or loss of any right of reimbursement, contribution, subrogation or any other rights or remedies of Guarantor against Tenant, whether resulting from Landlord's election to exercise certain rights or remedies it may have against Tenant, or otherwise; (c) any defense to the

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obligations of Guarantor under this Guaranty arising from any bankruptcy proceedings against Tenant, including, but not limited to, those arising from Landlord's exercise of its right to file a claim in such proceedings, or the exercise of any trustee's powers under Federal Bankruptcy Code Sections 364 and 365; and (d) the right to enforce any remedies that Landlord now has, or later may have, against Tenant. Until all of Tenant's obligations to Landlord have been discharged in full, Guarantor shall have no right of subrogation against Tenant. Guarantor agrees that Landlord shall have no duty to disclose to Guarantor any information it receives regarding the financial status of Tenant, whether or not such information indicates that the risk that Guarantor may be required to perform hereunder has been or may be increased. Guarantor assumes full responsibility for being and keeping informed of all such matters.

5. Upon the occurrence of any default or breach on the part of Tenant under the Lease (each a "Default" or "Breach"), Landlord shall have the right (a) to enforce its rights under this Guaranty, and/or (b) to enforce its right against Tenant including, without limitation, its rights under any and all such instruments, in any order. All remedies available to Landlord shall be nonexclusive. The obligations of Guarantor hereunder are independent of the obligations of Tenant, and Landlord may enforce its right under this Guaranty without first proceeding against or joining Tenant or any other person, and without applying or enforcing any security for the Lease. Guarantor hereby waives any rights that Guarantor may have to compel Landlord to proceed against Tenant or against any security from Tenant or to participate in any such security. Guarantor hereby authorizes Landlord, its successors and assigns, in their sole discretion, without notice to Guarantor, to exercise any right or remedy which Landlord may have, even though any rights which Guarantor may have against the Tenant or others may be diminished or destroyed by the exercise or election to exercise any such remedy.

6. Guarantor hereby authorizes Landlord, without notice to Guarantor, to apply all payments and credits received from Tenant or from Guarantor or realized from the security from Tenant for the Lease, in such manner and in such priority as Landlord, in its sole judgment, shall see fit.

7. Guarantor agrees to indemnify Landlord for, and hold Landlord harmless against, all losses, costs and expenses, including without limitation, all court costs and attorneys' fees (including appellate fees, if any), incurred or paid by Landlord as a result of any failure by Guarantor to perform its obligations under this Guaranty and/or in enforcing or compromising any rights of Guarantor under this Guaranty or enforcing or compromising the performance of the Lease. Without limiting the foregoing, if, at any time or times hereafter a Default or Breach occurs under the Lease or if Guarantor fails to timely and fully perform any of its obligations hereunder, and Landlord employs counsel (i) to advise or provide other representation with respect to this Guaranty or any other agreement, document, or instrument heretofore, now, or hereafter executed by Guarantor and delivered to Landlord with respect to the Tenant or the Lease Obligations, or (ii) to commence, defend, or intervene, file a petition, complaint, answer, motion, or any other pleading or to take any other action in or with respect to any suit or proceeding relating to this Guaranty or any other agreement, instrument, or document heretofore, now, or hereafter executed by Guarantor and delivered to Landlord with respect to the Tenant or the Lease Obligations, or (iii) to represent Landlord in any litigation with respect to the affairs of Guarantor or to enforce any rights of Landlord or obligations of Guarantor or any other person, firm, or corporation that may be obligated to Landlord by virtue of this Guaranty, or any other agreement, document, or instrument heretofore or hereafter delivered to Landlord by or for the benefit of Guarantor with respect to the Tenant or the Lease Obligations, then in any such events, all of the attorneys' fees actually incurred arising from such services, including fees in any appellate or bankruptcy

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proceedings, and any other expenses, costs, and charges relating to this Guaranty, the Tenant or the Lease Obligations shall constitute additional obligations of Guarantor payable on demand.

8. Guarantor's obligations hereunder shall not be assigned or delegated.

9. This Guaranty may not be changed orally, and no obligations of Guarantor can be released or waived by Landlord, except in writing by Landlord.

10. If any term or provisions of this Guaranty shall be determined to be illegal or unenforceable, all other terms and provisions hereof shall nevertheless remain effective and shall be enforceable to the fullest extent permitted by law.

11. If Guarantor shall become bankrupt or insolvent, or any application shall be made to have Guarantor declared bankrupt or insolvent, or Guarantor shall make an assignment for the benefit of creditors, notice of such occurrence or event shall be promptly furnished to Landlord by Guarantor or Guarantor's fiduciary. This Guaranty shall extend to and be binding upon Guarantor's successors and assigns, including, but not limited to, trustees in bankruptcy.

12. If more than one person or entity executes this Guaranty as Guarantor, each such person and entity shall be jointly and severally liable as guarantors hereunder.

13. This Guaranty shall be construed and enforced in accordance with the laws of the State of California. Guarantor hereby irrevocably consents to the jurisdiction of the State of California, and agrees that any court of competent jurisdiction sitting in Los Angeles, California, shall be an appropriate and convenient place of venue, and shall be the sole place of venue, to resolve any dispute with respect to this Guaranty. Guarantor hereby appoints Tenant as its agent for service of process in any action or proceeding to enforce the provisions hereof. In any event, Guarantor hereby waives the service of process requirements of the HAGUE Convention for Service Abroad of Judicial or Extrajudicial Documents and consents to service upon its designated agent, the Tenant.

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14. Guarantor represents and warrants to Landlord as follows:

(a) The execution and delivery of this Guaranty by Guarantor and the consummation by Guarantor of the transactions contemplated hereby will not: (i) violate any law, government regulation, decree or judgment applicable or relating to Guarantor, or (ii) violate or constitute a breach under any document, agreement or instrument to which Guarantor is bound.

(b) This Guaranty does not contain any untrue, incorrect or misleading statement of material fact. All representations and warranties made herein or any certificate or other document delivered to Landlord by or on behalf of Guarantor pursuant to or in connection with this Guaranty shall be deemed to have been relied upon by Landlord notwithstanding any investigation heretofore or hereafter made by Landlord or on its behalf, and shall survive the making of the Lease.

(c) The execution and delivery of this Guaranty by Guarantor and the consummation by Guarantor of the transactions contemplated hereby will not: (i) require the consent of other party and the consent, license, approval or authorization of any governmental authority or agency, or (ii) require any filing with, or permit, consent or approval of, or the giving of any notice to, any governmental or regulatory body, agency

or authority, except where the failure to make such filing, or obtain such permit, consent or approval, or give such notice would not have a material adverse effect (a) on the business, properties, assets, liabilities, operations, results of operations or condition (financial or otherwise) of Guarantor, taken as a whole, or (b) on the ability of Guarantor to perform its obligations under or to consummate the transactions contemplated by this Guaranty.

(d) This Guaranty constitutes the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

15. GUARANTOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY ON ANY CLAIM, COUNTERCLAIM, SETOFF, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING OUT OF OR IN ANY WAY RELATED TO THIS GUARANTY OR THE LEASE, OR (B) IN ANY WAY CONNECTED WITH OR PERTAINING OR RELATED TO OR INCIDENTAL TO ANY DEALINGS OF LANDLORD WITH THE TENANT OR GUARANTOR WITH RESPECT TO THE LEASE OR IN CONNECTION WITH THIS GUARANTY OR THE EXERCISE OF ANY PARTY'S RIGHTS AND REMEDIES UNDER THIS GUARANTY OR OTHERWISE, OR THE CONDUCT OR THE RELATIONSHIP OF THE PARTIES HERETO, IN ALL OF THE FOREGOING CASES WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. GUARANTOR AGREES THAT LANDLORD MAY FILE A COPY OF THIS GUARANTY WITH ANY COURT AS WRITTEN EVIDENCE OF THE KNOWING, VOLUNTARY, AND BARGAINED AGREEMENT OF GUARANTOR TO IRREVOCABLY WAIVE ITS RIGHTS TO TRIAL BY JURY AS AN INDUCEMENT OF LANDLORD TO ENTER INTO THE LEASE, AND THAT, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY DISPUTE OR CONTROVERSY WHATSOEVER (WHETHER OR NOT MODIFIED HEREIN) BETWEEN GUARANTOR AND LANDLORD SHALL INSTEAD BE TRIED IN A COURT OF COMPETENT JURISDICTION BY A JUDGE SITTING WITHOUT A JURY.

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16. Guarantor expressly subordinates and defers his rights to subrogation, reimbursement, contribution or indemnity with respect to performance of the Lease Obligations, until such time as Landlord receives payment and/or performance in full of the Lease Obligations. Furthermore, upon the occurrence of any Default or Breach, Guarantor agrees not to accept any payment or satisfaction of any kind of indebtedness of the Tenant to Guarantor or any security for such indebtedness. If Guarantor should receive any such payment, satisfaction or security for any indebtedness of the Tenant to Guarantor, Guarantor agrees to deliver the same promptly to Landlord in the form received, endorsed, or assigned as may be appropriate for application on account of, or as security for, the Lease Obligations and until so delivered, agree to hold the same in trust for Landlord.

17. Guarantor shall promptly notify Landlord of any event causing a material adverse change in the financial condition of Guarantor.

18. So long as any of the obligations guaranteed hereunder shall be owing to Landlord, Guarantor shall not, without the prior written consent of Landlord, commence or join with any other party in commencing any bankruptcy, reorganization or insolvency proceedings of or against Tenant. Guarantor understands and acknowledges that by virtue of this Guaranty, it has specifically assumed any and all risks of a bankruptcy or reorganization case or proceeding with respect to Tenant. As an example and not by way of limitation, a subsequent modification of the

Lease Obligations in any reorganization case concerning Tenant shall not affect the obligation of Guarantor to pay and perform the Lease Obligations in accordance with their original terms. In any bankruptcy or other proceeding in which the filing of claims is required by law, Guarantor shall file all claims which Guarantor may have against Tenant relating to any indebtedness of Tenant to Guarantor and shall assign to Landlord all rights of Guarantor thereunder. If Guarantor does not file any such claim, Landlord, as attorney in fact for Guarantor, is hereby authorized to do so in the name of Guarantor or, in Landlord's discretion, to assign the claim to a nominee and to cause proof of claim to be filed in the name of Landlord's nominee. The foregoing power of attorney is coupled with an interest and cannot be revoked. Landlord or its nominee shall have the right, in its reasonable discretion, to accept or reject any plan proposed in such proceeding and to take any other action which a party filing a claim is entitled to do. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to Landlord the amount payable on such claim and, to the full extent necessary for that purpose, Guarantor hereby assigns to Landlord all of Guarantor's rights to any such payments or distributions; provided, however, Guarantor's obligations hereunder shall not be satisfied except to the extent that Landlord receives cash by reason of any such payment or distribution. If Landlord receives anything hereunder other than cash, the same shall be held as collateral for amounts due under this Guaranty. Notwithstanding anything to the contrary herein, the liability of Guarantor hereunder shall be reinstated and revived, and the rights of Landlord shall continue, with respect to any amount at any time paid by or on behalf of Tenant on account of the Lease Obligations which Landlord shall restore or return by reason of the bankruptcy, insolvency or reorganization of Tenant or for any other reasons, all as though such amount had not been paid.

19. Notwithstanding anything to the contrary set forth herein, upon seventh anniversary of the Rent Commencement Date of the Lease, and provided Tenant does not terminate the Lease and is not in default of the Lease, Landlord agrees to replace the personal guarantee of Guarantor herein with an irrevocable letter of credit drawn on a local bank in favor of Landlord, with such value, terms and conditions of letter of credit to be mutually acceptable to Landlord and Tenant.

Date: February 5, 2021

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the day and year first written above.

GUARANTOR:

Michael Mahon

Michael Mahon 
(SIGNATURE)

Social Security #: 269-78-0033

ACKNOWLEDGEMENT

STATE OF OHIO)

COUNTY OF FRANKLIN)

On February 8, 2021, before me, a Notary Public in and for said County and State, personally appeared Michael R. Mahon, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument. This is an acknowledgment only. No oath or affirmation was administered.

WITNESS my hand and official seal.



Hannah B. Kittle State of Ohio Electronic Notary Public Commission No. 2017-RE-670399 Commission Expires September 15, 2022

SIGNATURE OF NOTARY

Online Notary Public. This notarial act involved the use of online audio/video communication technology.