ART STUDIO LEASE AGREEMENT

1. Basic Provisions

This Commercial Lease Agreement ("Lease") is made and effective on date ______, by and between <u>Orr Herz, manager of 5911 S. BROADWAY LLC</u> ("Lessor") and ______("Lessee").

Lessor is the owner of land, property, property rights and improvements, commonly known and numbered as **5911 south Broadway, Los Angeles, 90003** and **5911**¹/₂ **south Broadway, Los Angeles, 90003** and legally described as the "Building".

2. Unit and Term

- A. Lessor hereby leases the portion of the building ______ ("Unit") to Lessee, and Lessee hereby leases the same from Lessor, for an "Initial Term" beginning on the commencement date of: ______ and ending at the termination date of: ______.
- B. Lessor shall use its best efforts to give Lessee possession of the unit at the beginning of the Lease term. If Lessor is unable to timely provide the Unit, rent shall abate for the period of delay. Tenant shall make no other claim against Landlord for any such delay, nor shall such failure affect the validity of this leaser change the end date. Lessee shall not however be obligated to pay rent or preform its other obligations until lessor delivers possessions of the Unit. If possession is not delivered within 30 days after, Lessee may at its option by notice in writing, and within 10 day, terminate the Lease.

3. <u>Rental</u>

- A. Lessee shall pay Lessor, to the order of: 5911 S. Broadway LLC, a payable installment of \$_____ per month for a period of 12 months. Each installment payment shall be due in advance on the first day of each calendar month during the lease term to Lessor at either the Building itself or via electronic transaction.
- B. The rental payment amount for any partial calendar months included in the lease term shall be prorated on a daily basis.
- C. Security deposit of \$______. Lessee shall deposit with Lessor, before entry to the unit, hereof the Security deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security deposit for the payment of any amount already due to Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. Within 30 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT.

4. <u>Use</u>

- A. The premise will serve as an art studio only.
- B. Lessee shall not use or permit the use of the Unit and common areas, in a matter that is unlawful, creates damage, environmental damage, waste or nuisance. Lessee shall not use or permit the use of the Unit and common areas in a matter that disturbs or creates damage to other occupants in the building, or to neighboring premises or properties.
- C. Lessor shall inform in writing Lessee, and Lessee Shall inform in writing Lessor, of any knowledge of hazardous findings in the Building,
- D. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles.
- E. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the Building or the mechanical or electrical systems therein, and/or is not significantly

more burdensome to the Project. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the agreed use.

- F. Notwithstanding the forgoing, Tenant shall not use the Leased Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.
- G. Lessor and representatives shall have right to enter into Unit at any time in the case of emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting and testing the condition of the Building and/or verifying compliance by Lessee with this Lease.

5. Sublease and Assignment

- A. Lessee shall not sublease all or any part of the Unit, or assign this lease, or merge this lease, in whole or in part, to any subsidiary tenant, without Lessor's written consent and under Lessors conditions.
- B. No assignment or subletting shall release Lessee of any obligations hereunder or alter the primer liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by lessee.

6. Repairs & Maintenance

- A. Lessee, in keeping the premise in good order, condition and repair, shall exercise and perform good maintenance practice. Lessee's obligation shall include restorations, replacements or renewals when necessary to keep the premise and all improvements therefor a part thereof in good order, condition and state of repair.
- B. During the Lease term, Lessee shall make, at Lessee's expense, all necessary repairs to the Unit. Repairs shall include such items as routine repairs of lighting, windows, floors, walls, doors, ceilings, and other parts of the Unit damaged or worn through normal occupancy. Lessee shall inform Lessor of any damages within 30 days.
- C. Damages that are not related to tenants occupancy, will be landlords responsibility.
- D. Lessor shall give Lessee a reasonable notice regarding any improvements, alterations and repairs to the Building and/or Unit.
- E. Wear and tear damage in the common areas, such as but not limited to bathroom, kitchenette, and outdoor work area, will be lessors responsibility, unless damage was done by Lessee, in which case it will be treated as Lessee's Unit.
- F. At termination of Lease or earlier, Lessee shall return property in good condition and broom clean, with all of the improvements removed, unless a written approval was given by Lessor to keep in premise and are in good condition.

7. Alterations and Improvements

- A. Lessee, at Lessee's expense, shall have the right, following Lessors written consent, to remodel, redecorate, and make additions, improvements and replacements of and to all or any part of the Unit from time to time as Lessee may deem desirable, provided the same are made in a workmanlike manner and utilizing good quality materials. Lessee shall have the right to place and install personal property, trade fixtures, equipment and other temporary installations in and upon the Unit.
- B. All personal property, equipment, machinery and temporary installations, whether acquired by Lessee at the commencement of the Lease term, or placed or installed on the Unit by Lessee thereafter, shall remain Lessee's property free and clear of any claim by Lessor. Lessee shall have the right to remove personal property at any time during the term of this Lease provided that all damage to the Unit caused by such removal shall be repaired by Lessee at Lessee's own expense.
- C. However, Lessor may require the removal at any time that any of all or any part of any Lessee owned alterations. Damage to the Unit caused by such removal shall be repaired by Lessee at Lessee's own expense.

8. <u>Taxes</u>

- A. Lessor shall pay, prior to delinquency, all general Real Estate taxes and installments of special assessments coming due during the Lease term on the Unit, and all personal property taxes with respect to Lessor's personal property, if any, on the Building.
- B. Lessee shall be responsible for paying all personal taxes with respect to Lessee's personal property and business at the Unit.

9. Insurance

- A. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee, and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Unit and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.
- B. Lessor shall maintain liability insurance as described in Paragraph 9.A, in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.
- C. Property and Improvements: Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Building, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$5,000 per occurrence.
- D. Since Lessor is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and unless the item in question has become the property of Lessor under the terms of this Lease.
- E. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations. Such insurance shall be full replacement cost coverage with a deductable of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations.
- F. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's Unit, business operaons or obligations under this Lease.
- G. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may increase his liability insurance coverage and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.
- H. Waiver of Subrogation: Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their enre right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductables applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

- I. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penales, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises and/or Project by Lessee and/or by Lessee's employees, contractors or invitees. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.
- J. Exemption of Lessor and its Agents from Liability: Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, wires, appliances, plumbing, or lighting fixtures, or from any other sources or places; (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project; or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of section 9 in this Lease.
- K. Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Rent or \$100, whichever is greater. The parties agree that such increase in Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

10. <u>Utilities</u>

- A. Lessor shall pay all charges for water, sewer, gas, telephone and other services and utilities used by Lessee on the Unit during the term of this Lease unless otherwise agreed.
- B. Electric power on the second floor will be divided by the tenants of the second floor.
- C. There shall be no abatement of Rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation of governmental request or directions.

11. Building Rules

Lessee will comply with the rules of the Building adopted and altered by Lessor from time to time and will cause all of its employees, invitees and visitors to do abide; all changes to such rules will be sent by Landlord to Tenant in writing.

12. Damage and Destruction

A. Definitions:

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

(b) "Premises Total Destruction" shall mean damage or destruction to the improvements on the Building, other than Lessee owned alterations, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or

destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Building, other than Lessee Owned Alterations, which was caused by an event required to be covered by the insurance described in Paragraph 9, irrespective of any deductible amounts or coverage limits involved.

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

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

- B. Partial Damage Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Owned Alterations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election and if the damage is at Lessee's Unit, make the repair of any damage or destruction the total cost to repair of which is \$10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available. Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Building unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received. Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Paral Damage due to flood or earthquake shall be subject to Paragraph 9(C) notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.
- C. Paral Damage Uninsured Loss. If a Premises Paral Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days aer receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible aer the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.
- D. Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 9(H).
- E. Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease, then Lessee may preserve this Lease by (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such opon expires. If Lessee duly exercises such opon during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such opon and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

- F. Abatement of Rent. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition to the Unit, for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.
- G. Lessee's Remedies. If Lessor is obligated to repair or restore the Unit and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Unit, whichever first occurs.

13. Default or Breach

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

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 9 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, when due, to provide reasonable evidence of insurance, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

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

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

14. Quiet Possession

Lessor covenants and warrants that upon performance by Lessee of its obligations hereunder, Lessor will keep and maintain Lessee's in exclusive, quiet, peaceable and undisturbed and uninterrupted possession of the Leased Unit during the term of this Lease.

15. Condemnation

If any legally, constituted authority condemns the Building, or such part thereof which shall make the Leased Unit unsuitable for leasing, this Lease shall cease when the public authority takes possession. Lessor and Lessee shall account for rental as of that date. Such termination shall be without prejudice to the rights of either party to recover compensation from the condemning authority for any loss or damage caused by the condemnation. Neither party shall have any rights in or to any award made to the other by the condemning authority.

16. Subordination, Attornment, NonDisturbance.

- A. Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Building, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Opon granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.
- B. Attornment. In the event that Lessor transfers title to the Building, or the Building is acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 16(C), attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.
- C. NonDisturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "NonDisturbance Agreement") from the Lender which NonDisturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Building. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a NonDisturbance Agreement from the holder of any preexisting Security Device which is secured by the Building. In the event that Lessor is unable to provide the NonDisturbance Agreement within said 60 days, then Lessee may, at Lessee's opon, directly contact Lender and attempt to negotiate for the execution and delivery of a NonDisturbance Agreement.

18. Brokers

Lessee was not shown the Unit by any real estate broker or agent and that Lessee has not otherwise engaged in, any activity which could form the basis for a claim for real estate commission, brokerage fee, finder's fee or other similar charge, in connection with this Lease.

19. Successors

The provisions of this Lease shall extend to and be binding upon Lessor and Lessee and their respective legal representatives, successors and assigns.

20. Consent

Lessor shall not unreasonably withhold or delay its consent with respect to any matter for which Lessor's consent is required or desirable under this Lease.

21. Compliance with Law

A. Lessee shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Lessee's use of the Leased Premises. Lessor shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises. B. This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of California. IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

29. Final Agreement

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES. This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties

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

Lessor Name Printed: Orr Herz, Manager of 5911 S. Broadway LLC Phone: 310-913-6295 Email: <u>orrherz@gmail.com</u> Address: 123 Magnolia Ave, Glendale, CA. 91204 Signature:_____

Lessee Name Printed:
Phone:
Email:
Address:
Signature: