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County of Sacramento
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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership,

Plaintiff,

vs.

F21 OPCO, LLC, a Delaware limited
liability company, and dba Forever 21, and
DOES 1 through 20, inclusive,

Defendants.

Case No. **24CV008255**

**COMPLAINT FOR BREACH OF
CONTRACT**

UNLIMITED CIVIL ACTION

Plaintiff Arden Fair Associates, L.P., a California limited partnership, complains of
Defendants, and each of them, and alleges:

GENERAL ALLEGATIONS

1. Plaintiff Arden Fair Associates L.P. ("Plaintiff") is a California limited partnership. Plaintiff owns the shopping center known as Arden Fair in the city of Sacramento, Sacramento County, California, located at 1689 Arden Way.
2. Defendant F21 OpCo, LLC is a Delaware limited liability company doing business in California as Forever 21 ("Defendant" and/or "Tenant"). Defendant leases space in the Arden Fair shopping center, which premises are more particularly described below, and operates a retail store for the display and retail sale of ready-to-wear clothing, cosmetics, and accessories and the

1 performance of ear and body piercing and hair and cosmetic demonstrations on such leased
2 premises.

3 3. Plaintiff is ignorant of the true names of Defendants herein sued as DOES 1
4 through 20, inclusive. Plaintiff will amend this complaint to state their true names when the same
5 have been ascertained.

6 4. Plaintiff is informed and believes and on that ground alleges that at all times
7 mentioned, each of the Defendants was the agent of all other Defendants, and was, in doing the
8 things here complained of, acting within the scope and authority of this agency, and was
9 responsible in some manner for the occurrences herein alleged and liable to the complaint for the
10 relief prayed for herein.

11 5. This action seeks damages for rents from real property located in Sacramento
12 County, California, and arising from leases that are performed in Sacramento County.

13 6. On or about March 5, 2013, Defendant's predecessor-in-interest, Forever 21
14 Retail, Inc., a California corporation, dba Forever 21 ("Original Tenant"), entered into a written
15 lease with Plaintiff ("Arden Fair Lease"), a true and correct copy of the Arden Fair Lease is
16 attached hereto as **Exhibit 1**.

17 7. By the terms of the Arden Fair Lease, Original Tenant agreed to lease from
18 Plaintiff Store No. 1000, consisting of approximately 16,157 square feet, at the Arden Fair
19 shopping center, 1689 Arden Way, Sacramento, California ("Premises") for the purpose of
20 operating a retail store known as Forever 21.

21 8. The Arden Fair Lease, in Article 4 (Rental), states Tenant agrees to pay as rent the
22 following sums of money:

23 (a) Minimum Annual Rental as set forth in paragraph 4(a), which requires
24 Tenant to pay Landlord without deduction or set-off, and without prior demand, all rental for the
25 leased premises in advance, upon the first day of each month;

26 (b) Percentage Rental as set forth in paragraph 4(b);

27 (c) A late payment fee as additional rental as set forth in paragraph 4(e) if the
28 rent is not paid within ten (10) calendar days after it is due; and

(d) Additional rental as set forth in paragraph 4(f), which states: "In addition to Minimum Annual Rental, Tenant shall pay as additional rental, all sums of money required to be paid pursuant to the terms of ARTICLES 4(b) (Percentage Rental), 7 (Taxes), 16 (Utility Services and Environmental Charge), 17 (Joint Use Areas), 37 (Promotional Fund Charge), and all other sums of money or charges required to be paid by Tenant under this lease... ." Paragraph (f) further states: "All amounts of Minimum Annual Rental and additional rental payable in a given month (also collectively referred to in this lease as 'rent' or 'rental') shall be deemed to comprise a single rental obligation of Tenant to Landlord."

9. Article 4, paragraph (a), of the Arden Fair Lease states that all past due rentals, additional rentals, and/or other sums due to Landlord under the terms of the lease shall bear interest from the due date until paid by Tenant at a rate of two percent (2%) above the Prime Rate, not to exceed the maximum rate of interest allowed by law. The Prime Rate is defined in the lease as the "reference rate" announced by the First National Bank of Chicago, or alternative entities as set forth in that paragraph.

10. Article 4, paragraph (e), states if Minimum Annual Rental, additional rental, or any installment thereof, is not paid within ten (10) calendar days after it is due, then Tenant shall also pay, as additional rental, a late payment fee equal to Two Hundred Dollars (\$200.00) for each and every month that such rental remains unpaid.

11. Article 23, paragraph (a)(i) of the Arden Fair Lease provides that Defendant's failure to pay rental, or any other payment required to be made by Defendant when due, which continues for ten (10) days after written notice that the same are due, constitutes a default and breach by Defendant under the Arden Fair Lease.

12. Article 28 of the Arden Fair Lease provides that, in the event either party institutes an action or proceeding against the other party relating to the provisions of the Arden Fair Lease, or any default thereunder, then the unsuccessful party agrees to reimburse the successful party for the reasonable expense of attorneys' fees and disbursements incurred therein by the successful party. The paragraph further states that any obligation for attorneys' fees or disbursements incurred under said Article shall be due and payable as additional rental. The paragraph furthers

1 states that said Article shall survive the expiration and/or termination of the lease.

2 13. In or about September 2019, Plaintiff is informed and believes the Original Tenant
3 filed a petition under Chapter 11 of the United States Bankruptcy Code.

4 14. Plaintiff is informed and believes the Bankruptcy Court enter an order on February
5 13, 2020 as part of Original Tenant's bankruptcy plan of reorganization authorizing, in relevant
6 part, the sale of substantially all of Original Tenant's assets and assignment of Original Tenant's
7 leases to Defendant, which sale closed on February 19, 2020.

8 15. On or about July 22, 2020, Defendant and Plaintiff entered into an amendment to
9 the Arden Fair Lease, wherein certain terms of the initial lease were amended as to operating and
10 conducting Tenant's permitted use. A true and correct copy of the amendment to the Arden Fair
11 Lease is attached hereto as **Exhibit 2**.

12 16. On or about July 24, 2020, Defendant and Plaintiff entered into an instrument
13 entitled "Assumption and Assignment Agreement," wherein Plaintiff agreed to the assignment of
14 the Arden Fair Lease and any amendments thereto to Defendant, and Defendant agreed to
15 perform and assume all applicable terms, conditions, and obligations applicable to Original
16 Tenant under the lease. A true and correct copy of the Assumption and Assignment Agreement is
17 attached hereto as **Exhibit 3**.

18 17. On or about July 24, 2020, Defendant and Plaintiff entered into an instrument
19 entitled "Omnibus Amendment to Leases" ("Omnibus Amendment"). The Omnibus Amendment
20 included many third-party landlords for other leased premises entered into by Original Tenant.
21 The Omnibus Amendment amended the Arden Fair Lease in various ways, including, among
22 other things, the prohibited and restricted use provisions, deferred rent, and rent reduction. A true
23 and correct copy of the portion of the Omnibus Amendment that is relevant to Plaintiff is attached
24 hereto as **Exhibit 4**.

25 18. On or about June 13, 2023, Defendant and Plaintiff entered into an Amendment of
26 Lease Agreement, which, among other things, extended the term of the Lease to January 31, 2027
27 and eliminated selected joint use area costs. A true and correct copy of the Amendment of Lease
28 Agreement is attached hereto as **Exhibit 5**.

FIRST CAUSE OF ACTION

(Breach of Written Contract)

25. Plaintiff incorporates by reference each and every allegation contained in the General Allegations as though those allegations were set forth in full at this point.

26. The Lease is valid and enforceable, and Plaintiff has fully performed its obligations under the Lease.

27. Defendants materially breached the Lease by, without limitation, failing to pay Rent in full when due starting on November 15, 2023 and continuing to the present.

28. Defendants further materially breached the Lease by, without limitation, failing to cure the Rent payment default within ten (10) days as demanded by the notice to pay or quit.

29. As a direct and proximate result of Defendants' breach of the Lease, Plaintiff has been damaged in the estimated amount of at least Eighty-Eight Thousand Fifty-Nine Dollars and 36/100 (\$88,059.36) through April 1, 2024. The amount owed to Plaintiff will increase each

1 month, commencing May 1, 2024, in accordance with the Lease, if Defendant continues to breach
2 the Lease by refusing to pay Rent in full when due.

3 30. Plaintiff is entitled to late fees in accordance with the Lease for each month that
4 the Rent was not timely paid.

5 31. Plaintiff is entitled to interest as provided in the Lease from the due date until Rent
6 is paid by Tenant, at a rate of two percent (2%) above the Prime Rate, not to exceed the maximum
7 rate of interest allowed by law, according to proof, commencing on the date each installment of
8 Rent was due.

9 32. Plaintiff is entitled to recover its reasonable attorneys' fees and costs incurred as a
10 result of Defendants' breach of the Lease in accordance with Article 28 of the Lease.

11 Wherefore, Plaintiff prays for judgment as set forth below.

12 **PRAYER**

13 1. For damages in the estimated sum of Eighty-Eight Thousand Fifty-Nine Dollars
14 and 36/100 (\$88,059.36) for unpaid Rent through April 1, 2024;

15 2. For additional damages beginning May 1, 2024, in accordance with the Lease, in
16 the event that Defendant continues to breach the Lease by refusing to pay Rent in full when due;

17 3. For late fees incurred as provided in the Lease, according to proof

18 4. For an award of prejudgment and post-judgment interest on any sums due;

19 5. For its reasonable attorneys' fees and costs; and

20 6. For such other and further relief as the Court deems just and proper.

21 Dated: April 25, 2024

NOLAND, HAMERLY, ETIENNE & HOSS
A Professional Corporation

22 By Anne Secker

23 Anne K. Secker
24 Attorneys for Plaintiff Arden Fair
25
26
27
28

EXHIBIT 1

ARDEN FAIR

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ARDEN FAIR LEASE

THIS LEASE is made and entered on March 5, 2013 by and between ARDEN FAIR ASSOCIATES, L.P., a California limited partnership (hereinafter called "Landlord"), and FOREVER 21 RETAIL, INC., a California corporation, d.b.a. Forever 21 (hereinafter called "Tenant").

WITNESSETH:

ARTICLE 1 - Leased Premises, Term and Use

(a) Landlord, for and in consideration of the covenants and agreements hereinafter set forth to be kept and performed by both parties hereto, does hereby demise and lease to Tenant and Tenant does hereby lease from Landlord (for the term hereinafter stipulated) the premises (hereinafter called the "leased premises") being that portion of a building measured to the center of common walls and the outside faces of exterior walls, on the plat attached hereto and made a part hereof as "EXHIBIT A" (including corridors, alleys and passageways for the exclusive use of the leased premises, and pipes, conduits, electrical wires and drainage lines that directly serve the leased premises; no deduction shall be made for columns, stairs, elevators or any interior construction or equipment), to be located in the shopping center currently known as the ARDEN FAIR (hereinafter called the "Shopping Center") in the City of Sacramento, County of Sacramento, and State of California, said leased premises being more particularly described as follows:

Approximately 16,157 square feet of store space and being further known and numbered as Store No. 1000.

It is understood and agreed that EXHIBIT A is for informational purposes only, and shall not be deemed to be a warranty, representation or agreement on the part of Landlord that said Shopping Center or retail store buildings and/or any additional retail store buildings will be exactly as indicated on said exhibit, or that the other tenants which may be shown on said exhibit will be occupants in the Shopping Center. Nothing herein contained shall be construed to grant to or create in Tenant any easements of light, air or access (other than access to and from the leased premises), Tenant's rights being limited to the use and occupancy of the leased premises and the non-revocable license to use the joint use areas as they may exist from time to time, all subject to the terms, covenants, conditions and provisions of this lease. At any time prior to, or within thirty (30) days after, substantial completion of Tenant's Work, Tenant, at Tenant's sole cost and expense, may have Tenant's architect, or Landlord, at Landlord's sole cost and expense, may have Landlord's architect, remeasure the square footage of the leased premises according to the definition set forth in this ARTICLE 1(a), and if such remeasurement shows a deviation of more than twenty (20) square feet from the square footage set forth herein, then for purposes of calculating Minimum Annual Rental and additional rental, the square footage set forth in this ARTICLE 1(a) shall be amended so as to reflect the recalculated square footage, and the Minimum Annual Rental, the Percentage Rental "breakpoint" set forth in subsections (i) and (ii) of ARTICLE 4(b), and additional rental which is based on the square footage of the leased premises shall be proportionately adjusted, provided, that in no event shall the leased premises be deemed to be greater than 16,319 square feet for purposes of calculating Minimum Annual Rental and additional rental hereunder. The Percentage Rental "breakpoint" shall be adjusted to the sum determined by dividing the Minimum Annual Rental (as adjusted hereunder) by the percentage factor set forth in ARTICLE 4(b).

(b) The term of this lease shall commence upon the date hereof and shall end on January 31, 2024.

(c) The leased premises shall be used only for the display and retail sale of women's and young women's fashion apparel, ("Primary Use"), and, ancillary thereto, the display and retail sale of a mix of fashion apparel, accessories, footwear, perfumes, cosmetics, bath and body products, confections and such other items and services as may be sold from time to time in a majority of other stores of Tenant operated under the same trade name as then in use at the leased premises directly related to the Primary Use; provided the display of such ancillary merchandise shall not exceed a total of percent (15%) of the sales Floor Area, devoted to the display of merchandise; and provided further, the display of women's footwear shall not exceed ten percent (10%) of the sales floor area of the leased premises devoted to the display of merchandise, up to a maximum of 500 square feet. In addition to the foregoing, as an incidental use, the leased premises may be used for the display and retail sale of unisex or young men's apparel, fashion apparel accessories and foot wear, as sold in other stores of a comparable square footage as the leased premises operated by Tenant under the Trade Name, provided however, such unisex or young men's footwear shall not exceed ten percent (10%) of the sales floor area of the leased premises devoted to the display of merchandise and shall not exceed ten percent (10%) of storefront display of the leased premises. It is expressly understood that in no event shall the concept of Tenant's business in the leased premises be that of a discount clothing operation. The leased premises shall be used for no other use or purpose.

(d) Landlord shall use commercially reasonable efforts to deliver possession of the leased premises to Tenant as and when contemplated by this Lease. Tenant acknowledges, however, that as of the date of this Lease several other tenants, of the Shopping Center occupy the leased premises under existing leases with the Landlord. If Landlord is unable to deliver possession of the leased premises to Tenant as a result of Landlord's inability to recover possession of the leased premises from such existing tenants, or for any other reason beyond Landlord's reasonable control, then such failure of delivery shall not affect the validity of the lease or the obligations of Tenant hereunder, or extend the term of the lease, provided, however, if Landlord is unable to deliver possession of the leased premises to Tenant within one (1) year after the date of this Lease for any reason (including without limitation Landlord's inability to terminate the existing occupancies of the leased premises) then either Landlord or Tenant shall have the option at any time thereafter until possession of the leased premises is tendered to Tenant, to notify the other party of its intent to terminate the Lease in which event the Lease shall terminate and both Landlord and Tenant shall be released from any liability or obligation under the Lease.

ARTICLE 2 - Original Construction

(a) The leased premises are to be a part of the above mentioned Shopping Center (and all buildings and improvements at any time situated thereon, plus such additions and extensions as Landlord may from time to time designate as included within the Shopping Center pursuant hereto, less any deletions by Landlord pursuant hereto).

(b) Landlord may make changes, reductions and additions without restriction in all areas and parts of the Shopping Center (including all joint use areas and all buildings and other improvements therein), if such changes are deemed desirable by Landlord in its sole discretion; provided, however, Landlord shall use commercially reasonable efforts to minimize interruption of Tenant's business operation in the leased premises. Notwithstanding anything to the contrary contained in this Lease, except during any temporary periods of remodeling, renovation and reconstruction, any exercise by Landlord of its rights and obligations under this Lease (specifically excluding Landlord's rights with respect to kiosks under ARTICLE 17) made within twenty feet (20') of the leased premises shall not materially and adversely interfere with the visibility of and/or access to the leased premises. If any renovations materially and adversely interfere with Tenant's use and occupancy of the leased premises such that Tenant cannot reasonably conduct business upon the leased premises and Tenant actually closes for business as a result thereof, Minimum Annual Rental shall be abated proportionately with the degree in which Tenant's use of the leased premises is impaired and such abatement shall continue during the period in which Tenant is unable to operate its business in the leased premises as a result of such work. Landlord shall use commercially reasonable efforts to exercise such rights so as not to unreasonably disturb Tenant's business, except in the event Landlord must exercise its rights hereunder as a result of Tenant's failure to fulfill any of its obligations under this Lease.

(c) Except as expressly set forth herein as Landlord's Work, Landlord shall have no obligation to perform or pay for (except for payment of the Tenant Improvement Allowance as set forth herein) any work or improvements whatsoever in the leased premises, and Tenant shall accept possession of the leased premises upon the date that Landlord initially tenders possession thereof to Tenant in the then existing "AS IS" condition of the leased premises. Landlord's Work shall include, and be limited to, delivering the leased premises to Tenant in broom-clean condition, structurally sound, utilities stubbed to the leased premises. Landlord shall perform any connections to Landlord's smoke evacuation system required for the Premises. Tenant shall undertake Tenant's Work in accordance with the design and construction criteria for the Shopping Center included in the Tenant Package (referred to as Exhibit C) and the design and installation

requirements for construction barricades set forth in the Barricade Criteria Manual (referred to as Exhibit B). Tenant hereby acknowledges that it has received a copy of the current version of the Tenant Package (effective as of the date of this lease) and a copy of the current version of the Barricade Criteria Manual (effective as of the date of this lease), and Tenant agrees to comply with the terms and conditions set forth in the Tenant Package and the Barricade Criteria Manual. By its execution of this lease, Tenant acknowledges receipt of the Tenant Package and the Barricade Criteria Manual. All work on the leased premises other than that to be so performed by Landlord is to be done by Tenant, at Tenant's expense (hereinafter called "Tenant's Work"). Tenant shall construct Tenant's latest "Forever 21" prototype store, and Tenant's Work shall include, but not be limited to, all demolition (including demolition of demising walls of the existing occupants of the leased premises, and removing and relocating as necessary all utilities and other improvements), the installation of all storefronts, customer entrance doors, floor covering, plastering, interior decorating, wall and ceiling treatment, completion of air conditioning system and fire sprinkler system, extension of electrical service within the leased premises, connection of all plumbing lines to Landlord's system, storefront signs and electric lights, including all electrical work and fixtures for same.

(d) Landlord has delivered to Tenant, or made available to Tenant on Landlord's web site, illustrative outline drawings of the leased premises and the Tenant Package which together contain the basic design architectural, electrical and mechanical information necessary for the preparation of Tenant's design, plans and specifications for Tenant's Work. By its execution of this lease, Tenant acknowledges receipt of the Tenant Package, and by this reference, the same is incorporated herein. The date of this lease (or the date of actual delivery, whichever shall be later) shall be deemed to be the date of delivery (hereinafter called the "delivery date") of the Tenant Package for the purpose of establishing construction schedules. Tenant agrees to comply with the following schedule:

- (i) On or before December 1, 2012, Tenant agrees to notify Landlord of the identity and mailing address of the licensed architect engaged by Tenant for the preparation of plans for Tenant's Work; at the same time Tenant, at Tenant's expense, shall cause Tenant's architect to prepare and deliver to Landlord for Landlord's approval, three (3) sets of preliminary plans for Tenant's Work, using the Tenant Print Package for same. Landlord agrees to accept such licensed architect as Tenant's authorized agent (unless Landlord receives written notice to the contrary). Said preliminary plans shall include at least a floor plan, storefront and interior elevations, reflected ceiling plan, and a color and sample board; and
- (ii) On or before January 1, 2013, Tenant, at Tenant's expense, shall cause Tenant's architect to prepare and deliver to Landlord for Landlord's approval four (4) sets of final plans and specifications for Tenant's Work plus one (1) set of sepia transparency prints, using the Tenant Print Package and EXHIBIT C-1 as the basis for same, two (2) of which sets shall have been signed on behalf of Tenant thereby evidencing Tenant's approval thereof.

Landlord shall review said plans and specifications and shall notify Tenant, within twenty (20) days of receipt of said plans and specifications in Landlord's office, of the matters, if any, in which said plans fail to conform to Landlord's construction requirements or otherwise fail to meet with Landlord's approval. Tenant shall, within thirty (30) days from receipt of any such notice from Landlord, cause said plans to be revised in such manner as is requisite to obtain Landlord's approval and shall submit revised plans for Landlord's approval within said thirty (30) days. Landlord shall not unreasonably withhold, delay or condition Landlord's approval of Tenant's plans and specifications for Tenant's Work. Tenant shall reimburse Landlord for the construction chargebacks/reimbursables set forth in EXHIBIT G. When Landlord has approved Tenant's plans or revised plans, as the case may be, Landlord shall initial and return one (1) set of approved plans to Tenant, which set shall also show the date of Landlord's approval, and the same shall be made a part hereof by express reference thereto as "EXHIBIT P." Approval of plans and specifications by Landlord shall not constitute the assumption of any responsibility by Landlord for their accuracy or sufficiency, and Tenant shall be solely responsible for such plans and specifications. Tenant agrees not to commence work upon any of the aforesaid Tenant's Work until Landlord has approved EXHIBIT P. Should Tenant be prevented from beginning construction in the leased premises due to failure of Landlord to substantially complete Landlord's Work within the leased premises, the dates in paragraph (e) below shall be extended by one (1) working day for each working day that Tenant is so prevented. Failure by Tenant to comply with the foregoing schedule shall constitute a default of this lease. Notwithstanding the foregoing or of any other provision of this Lease or any exhibit to it or any Landlord criteria, Tenant, once plans and specifications for its work have been approved by Landlord, will perform its construction work and provide and install its materials in accordance with those plans and specifications only; and, in the event of any conflict between any provision of the Lease or any exhibit to it or any criteria of Landlord, on the one hand, and Tenant's plans and specifications for Tenant's Work which have theretofore been approved by Landlord, on the other hand, the latter shall control.

(e) Landlord anticipates tendering possession of the leased premises to Tenant on or about, but not prior to, July 1, 2013. Tenant agrees to commence work as soon as reasonably possible and to proceed with it diligently, and complete it in strict accordance with EXHIBIT P hereof (including the installation of all store

and trade fixtures, equipment, stock and inventory).

(f) The design and installation of mechanical and electrical systems shall comply with Tenant's and Landlord's requirements hereinafter referred to in the Tenant Package.

(g) All exterior signs, including electrical work for same, are to be installed by Tenant at Tenant's expense, and shall be of such character, design and size and at such locations as Landlord may approve and require, all in accordance with Landlord's requirements for the installation, design and size of signs as shown in the Tenant Package provided to Tenant under separate cover and by this reference made a part hereof and Tenant agrees not to install any exterior signs until the same have been approved by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed.

(h) In addition to the insurance coverage required under ARTICLE 19 hereof, Tenant agrees that Tenant or its general contractor, at Tenant's or such contractor's expense, to obtain and maintain "All Risk" Builders Risk Insurance, including water, for the full replacement cost of Tenant's Work during the period of performance of Tenant's Work. Tenant further agrees to obtain Certificates of Insurance evidencing current Comprehensive General Liability Insurance, Workers' Compensation Insurance and Employer's Liability Insurance for any contractor or subcontractor engaged to perform construction of Tenant's Work. Such Liability Insurance must be for minimum limits of \$2,000,000 Combined Single Limit for Bodily Injury including Death and Property Damage Liability.

(i) In the construction of the leased premises, Landlord and Tenant shall conform to, and comply with, all federal, state, county and local laws, ordinances, permits, rules and regulations applicable thereto. In the performance of Landlord's Work or Tenant's Work in the leased premises, as the case may be, or any alterations, additions or modifications thereto, Tenant and Landlord shall not use or install, nor shall permit its contractors to use or install, any building materials containing asbestos or other hazardous substances.

(j) [Intentionally Omitted]

(k) [Intentionally Omitted]

(l) Tenant agrees to conduct its labor relations and its relations with its employees, agents and contractors in such a manner as to avoid all strikes, picketing and boycotts of, on, or about the leased premises and the Shopping Center. Tenant further agrees that if, during the period of initial construction of the leased premises, any of its employees, agents or contractors strike, or if picket lines or boycotts or other visible activities objectionable to Landlord are established or conducted or carried out against Tenant or its employees, agents or contractors, or any of them, on or about the leased premises or the Shopping Center, Tenant shall remove all employees, agents or contractors therefrom until the dispute giving rise to such strike, picket line, boycott, or objectionable activity has been settled to Landlord's satisfaction.

(m) Upon completion of construction of the leased premises, Tenant shall submit Contractor's Original Notarized Affidavit, all Subcontractors' Original Notarized Affidavits and Original Notarized Final Waivers of Lien, as well as such original notarized lien waivers as Landlord may require from all contractors, subcontractors, laborers, materialmen and material suppliers. Notwithstanding the foregoing, Tenant shall only be required to provide to Landlord a general contractor's affidavit and lien waiver and lien waivers of subcontractors, laborers and materialmen whose contracts exceed \$5,000.00.

(n) Within sixty (60) days after the opening for business by Tenant in the leased premises, Tenant shall provide Landlord with one (1) set of "as-built" drawings and specifications indicating all changes made from the original drawings and specifications during construction ("as-built" drawings shall accurately locate all underground utilities and/or equipment installed), and one (1) set of reproducible "as-built" sepia. "As - built" and sepia shall be delivered to Landlord prior to final inspection.

(o) Provided that Tenant is not in default under the lease beyond any applicable cure period, and so long as Landlord does not terminate the lease as a result of such default, Landlord shall pay to Tenant a Tenant Improvement Allowance, as a contribution for the purchase of, and payment for, certain "Qualified Items," in an amount not to exceed Four Hundred Three Thousand Nine Hundred Twenty Five Dollars (\$403,925.00) (the "Tenant Improvement Allowance"). Qualified Items for purposes of this paragraph shall mean (i) the contract price for contractors and subcontractors who undertake Tenant's Work pursuant to paragraph (c) above, and (ii) the materials purchased and installed or constructed as Tenant's Work (excluding, however, trade fixtures, equipment, furniture, merchandise, signage and other personal property).

Upon written request, Landlord shall pay Tenant the Tenant Improvement Allowance by means of progress payments, in the following manner: (i) An amount equal to forty percent (40%) of the Tenant Improvement Allowance within thirty (30) days after written request from Tenant, which request may not be made until after Tenant has commenced construction of Tenant's Work in the leased premises; (ii) An amount equal to

forty percent (40%) of the Tenant Improvement Allowance shall be paid to Tenant within thirty (30) days after written request from Tenant, which request may not be made until after Tenant's Work has been completed and Tenant has opened for business in the leased premises; (ii) The remainder of the Tenant Improvement Allowance shall be paid to Tenant within thirty (30) days after the later to occur of (a) the date Tenant opens for business to the public from the leased premises, and (b) the date Landlord receives the "Close-Out Package" (except the Notice of Completion) (as defined hereinbelow)

Tenant shall perform and provide Landlord with each of the following within the time frame specified therefor all at Tenant's sole cost and expense (collectively, "Close-Out Package").

(i) *Notice of Completion.* Tenant shall obtain, record and post on the leased premises a Notice of Completion, if required or permitted by law, within ten (10) days following substantial completion of Tenant's Work and forward to Landlord a conformed copy of the recorded Notice of Completion within thirty (30) days thereafter.

(ii) *Certificate of Occupancy.* Tenant shall obtain a Certificate of Occupancy (or other appropriate documentation permitting the leased premises to be occupied) within thirty (30) days following substantial completion of Tenant's Work.

(iii) *Lien Waivers.* Tenant shall obtain executed, unconditional lien waivers for all work performed, and materials furnished, by Tenant's contractor, all subcontractors and all materials and service suppliers (to the extent any of the foregoing provide services, materials or supplies in excess of five thousand dollars (\$5,000.00), as well as an affidavit from Tenant's contractor that no liens exist as a result of Tenant's Work, and shall provide Landlord with originals of each within thirty (30) days after substantial completion of Tenant's Work.

(iv) *Certification.* Tenant shall provide a certification that the Premises were constructed in accordance with the Plans and deliver the same to Landlord upon substantial completion of Tenant's Work.

(v) *As-Built Documents.* Tenant shall submit the As-Built Documents to Landlord within forty-five (45) days following substantial completion of Tenant's Work.

Landlord shall pay the Tenant Improvement Allowance to Tenant as provided herein; provided, however, that the Tenant Improvement Allowance shall not, in any event, be in excess of the cost to Tenant of the construction of Tenant's Work (as limited to the Qualified Items). All leasehold improvements which are paid for by the Tenant Improvement Allowance shall become the property of Landlord upon the expiration or earlier termination of this Lease. Notwithstanding anything to the contrary herein, the Tenant Improvement Allowance shall not be payable if Tenant is in default beyond any applicable cure period and the lease is terminated as a result thereof. Landlord shall be entitled to offset the amount of any outstanding, past due rent amounts and to pay the net amount in accordance with this paragraph. Notwithstanding anything to the contrary in this lease, upon an early termination of this lease for Tenant's default, Tenant shall reimburse to Landlord, no later than the termination date, the unamortized balance of the Tenant Improvement Allowance assuming amortization of the Tenant Improvement Allowance on a straight line basis over the term of this lease.

In the event that Landlord fails to pay all or any portion of the Tenant Improvement Allowance (the "Offset Amount") to Tenant within ten (10) days after receipt of written reminder notice in all capital letters from Tenant to Landlord that the same was not paid and due (via facsimile or otherwise), then Tenant shall have the right to deduct the unpaid amount of the Offset Amount, together with any accrued interest thereon pursuant to Article 4(a) from Rent thereafter due under the Lease until such time as the unpaid amount of the Offset Amount, together with any accrued interest thereon pursuant to Article 4(a), has been credited in full to Tenant.

ARTICLE 3 - Date on Which Rent Begins

The rental payments under this lease shall begin to accrue on the earlier of the following dates (the "Rent Commencement Date"):

(i) the date which is one hundred thirty five (135) days following the later of (i) the date the leased premises are delivered to Tenant with any Landlord Work completed and in the condition required by this lease (the estimated delivery date hereinabove stipulated in paragraph (e) of ARTICLE 2 hereof); and (ii) the Permit Date. The "Permit Date" means the date Tenant has been issued a building permit from the applicable governmental agency for the commencement of the construction of Tenant's Work. Landlord and Tenant acknowledge and agree that the running of the

foregoing one hundred thirty five (135) day period is specifically contingent upon Tenant (1) submitting to the Tenant Coordinator Tenant's Preliminary Documents for Tenant's Work on or before January 2, 2013 (2) submitting to the Tenant Coordinator Tenant's Construction Documents for Tenant's Work in accordance with the required time frames and (3) applying for a building permit for the construction of Tenant's Work from the applicable government agency within three (3) business days following approval of the Construction Documents by Landlord and thereafter diligently and continuously pursuing the issuance of the aforesaid building permit. The Permit Date shall be pushed-back by one (1) day for each day that Tenant delays or fails to perform its obligations in a timely manner as herein provided. For example, if the Permit Date is April 15, 2013 and if the total number of days Tenant has delayed in complying with this paragraph is ten (10) days, the Permit Date shall be pushed back to April 5, 2013;

OR

(ii) the date on which Tenant shall open the leased premises for business to the public.

ARTICLE 4 - Rental

Tenant agrees to pay as rental for the use and occupancy of the leased premises, at the times and in the manner hereinafter provided, the following sums of money:

(a) **MINIMUM ANNUAL RENTAL:** Tenant, in consideration of said demise, does hereby covenant and agree with Landlord to pay to Landlord without deduction or set-off of any kind (except as provided herein), and without prior demand, the following stated sums per annum as rental for said leased premises, said Minimum Annual Rental to be payable in twelve (12) equal monthly installments, in advance, upon the first day of each and every month during the following stated periods of time:

\$565,495.00,

commencing upon the Rent Commencement Date, and subject to increase as set forth in ARTICLE 4(g).

In the event such rental shall be determined, under the provisions of ARTICLE 3 hereof, to commence on a day other than the first day of a month, then the monthly installment of the Minimum Annual Rental for the period from such commencement date until the first day of the month next following shall be prorated accordingly. In the event that the last day of the term is a day other than the last day of a month, then the monthly installment of the Minimum Annual Rental for the period from the first day of the last month through the termination date shall be prorated accordingly. All past due rentals, additional rentals, and/or other sums due to Landlord under the terms of this lease shall bear interest from the due date until paid by Tenant, at the rate of two percent (2%) above the Prime Rate (as hereinafter defined), not to exceed the maximum rate of interest allowed by law in the State of California, and such interest shall be deemed to be additional rental. Notwithstanding the foregoing or anything to the contrary contained herein, interest shall not accrue to Landlord unless Tenant has failed to pay any sum due Landlord under the Lease within 10 days after Landlord has given Tenant written notice of Tenant's failure to pay said sum when due. All rentals provided for in this lease (those hereinafter stipulated as well as said Minimum Annual Rental) shall be paid or mailed to:

ARDEN FAIR ASSOCIATES
c/o Macorich Mgmt Co As Agent For Arden Fair Associates, L.P.,
Dept. 2596-7000, Los Angeles, CA 90084-2596

or to such other payee or address as Landlord may designate in writing to Tenant.

"Prime Rate" wherever it appears in the lease shall mean the "reference rate" announced by The First National Bank of Chicago (whether or not such rate has actually been charged by The First National Bank of Chicago). If The First National Bank of Chicago discontinues the practice of announcing a "reference rate" then the term "Prime Rate" shall mean the prime rate (or base rate) reported in the Money Rates column or section of The Wall Street Journal as being the base rate on corporate loans at large U.S. money center commercial banks (whether or not such rate has actually been charged by any such bank). If The Wall Street Journal ceases publication of the prime rate, the "Prime Rate" shall mean the highest rate charged by The First National Bank of Chicago on short term, unsecured loans to its most creditworthy large corporate borrowers. If The Wall Street Journal (i) publishes more than one prime rate or base rate, the higher or highest of such rates shall apply, or (ii) publishes a retraction or correction of any such rate, the rate reported in such retraction or correction shall apply.

(b) **PERCENTAGE RENTAL:** In addition to the Minimum Annual Rental, Tenant agrees to pay to Landlord, in the manner and upon the conditions and at the times hereinafter set forth, during and for each

calendar year of the term hereof, and as "Percentage Rental" hereunder, the following sums of money.

commencing on the Rent Commencement Date, Tenant agrees to pay to Landlord Percentage Rental in an amount equal to Five percent (5%) of all Net Sales (as defined in ARTICLE 5 hereof) in excess of ELEVEN MILLION THREE HUNDRED NINE THOUSAND NINE HUNDRED DOLLARS (\$11,309,900.00) (the "Breakpoint") made by Tenant in the leased premises during any calendar year (or partial year, as the case may be) contained within said period of time. On each Rent Adjustment Date (as that term is defined in ARTICLE 4(g) below), or pursuant to an adjustment to Minimum Annual Rental as a result thereof, the Breakpoint shall be adjusted to the sum determined by dividing the Minimum Annual Rental (as adjusted pursuant to ARTICLE 4(g) on such Rent Adjustment Date) by the Percentage Rent Rate.

Said Percentage Rental for each such calendar year shall first be paid for the month in which the aggregate Net Sales for such calendar year shall first have exceeded the respective Breakpoint established hereunder for each such calendar year and thereafter shall be paid monthly on all additional Net Sales made during the remainder of such calendar year, such payments to be made no later than the fifteenth (15th) day of the next following month. As soon as practical after the end of each calendar year, the Percentage Rental paid or payable shall be adjusted between Landlord and Tenant based upon the signed annual Net Sales as more fully described in ARTICLE 5. Notwithstanding anything to the contrary, for the purpose of calculating Percentage Rental for a partial calendar year occurring at the beginning or end of the term of this Lease, the Percentage Rental payable for any such partial calendar year shall be calculated using the Net Sales during the first twelve full calendar months following the Rent Commencement Date (in the case of a partial year at the beginning of the term) and the last twelve full calendar months immediately preceding the expiration date or date of earlier termination (in the case of a partial year at the end of the term). The Percentage Rental payable for any such partial calendar year shall be calculated by multiplying the Percentage Rental due for such twelve-month period by a fraction, the numerator of which shall be the number of days in the partial calendar year and the denominator of which shall be 365.

For the purpose of computing Percentage Rental, Net Sales during any calendar month in which Tenant does not continuously and without interruption conduct its business as required herein for more than four (4) full days shall be deemed to be the greater of: (i) the Net Sales during such calendar month or (ii) the Net Sales of the same calendar month of the previous year. This paragraph shall not apply to any calendar month when Tenant shall have closed the leased premises with the prior written consent of Landlord for purposes permitted hereunder or is otherwise permitted to close for business hereunder, or due to strikes, governmental restrictions, natural disasters, or any other cause beyond the reasonable control of Tenant, except financial difficulty.

(c) [Intentionally Omitted].

(d) [Intentionally Omitted].

(e) If Minimum Annual Rental, additional rental or any installment thereof, is not paid within ten (10) calendar days after it is due, then Tenant shall also pay to Landlord, as additional rental, a late payment fee equal to TWO HUNDRED AND NO/100 DOLLARS (\$200.00) for each and every month, or part thereof, thereafter that such rental remains unpaid; provided, however, that for the first time in any calendar year that Tenant has failed to pay any installment of Minimum Annual Rental or additional rental when due, the foregoing late payment fee shall not apply unless Tenant has failed to make such payment within ten (10) days of receipt of Landlord's written notice of such delinquency. Landlord shall not be required to give Tenant such notice more than one (1) time in any calendar year prior to assessing the late payment fee. Such payment shall be deemed liquidated damages and not a penalty, but shall not excuse the timely payment of rental. If, during the lease term, Landlord receives two (2) or more checks from Tenant which are returned by Tenant's bank for insufficient funds, Tenant agrees that all checks for the next twelve (12) months thereafter shall be either bank certified, cashiers' or treasurers' checks. All bank service charges resulting from any bad checks shall be borne by Tenant.

(f) In addition to Minimum Annual Rental, Tenant shall pay, as additional rental, all sums of money required to be paid pursuant to the terms of ARTICLES 4(b) (Percentage Rental), 7 (Taxes), 16 (Utility Services and Environmental Charge), 17 (Joint Use Areas), 37 (Promotional Fund Charge), and all other sums of money or charges required to be paid by Tenant under this lease (collectively referred to in this lease as "additional rental"). If such amounts or charges are not paid at the time provided in this lease, they shall nevertheless be collectible as additional rental within thirty (30) days, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder or to limit any other remedy of Landlord. All amounts of Minimum Annual Rental and additional rental payable in a given month (also collectively referred to in this lease as "rent" or "rental") shall be deemed to comprise a single rental obligation of Tenant to Landlord.

(g) Commencing January 1, 2015, and on each January 1" thereafter (each such date is sometimes referred to as the "Rent Adjustment Date"), the Minimum Annual Rental then in effect (or which would then have been in effect absent any abatement or reductions in Minimum Annual Rental) shall be increased (but not decreased) by a percentage equal to two and one-half (2½) times the percentage increase in the Index (as that term is defined hereinbelow) published for the month which is three (3) months prior to the Rent Adjustment Date compared to the Index published for the month which is fifteen (15) months prior to such Rent Adjustment Date; however, in no event shall Minimum Annual Rental be increased on any Rent Adjustment Date by more than three percent (3%), calculated on a Cumulative Basis. "Cumulative Basis" for purposes of this paragraph means (a) if two and one-half (2½) times the percentage increase in the Index as of an Rent Adjustment Date exceeds the stated cap for such Rent Adjustment Date, then such excess in percentage points may be used by Landlord to add to future percentage increases in the Index to the extent that any such increases in the Index are, as of any future Rent Adjustment Date, less than the stated cap for such future Rent Adjustment Date; and (b) if, as of any Rent Adjustment Date, the percentage increase in the Index is less than any applicable stated cap for such Rent Adjustment Date, then such deficiency in percentage points may be used by Landlord to add to the stated cap applicable to any future Rent Adjustment Date if, as of each such Rent Adjustment Date, the percentage increase in the Index would exceed the stated cap. The term "Index" for purposes of this paragraph means the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers, U.S. City Average, Subgroup "All Items" (1982-84=100). If the foregoing Index is not available, then the successor or substitute index published by the Bureau of Labor Statistics shall be used by Landlord as the Index. If the Bureau of Labor Statistics does not publish such successor or substitute index, a reliable governmental or other non-partisan publication evaluating substantially the same consumer information shall be used by Landlord for the Index. If Landlord uses any substitute or successor index or other publication, the same shall be converted to a basis of 100 if the basis used for such other index or publication is less than 100.

ARTICLE 5 - Definition of Net Sales

The term "Net Sales" as used in this lease shall mean and include (as of the date of the transaction) the entire amount of the actual sale price of all goods and merchandise sold (including gift and merchandise certificates), leased, rented or licensed and the charges for all services and all other receipts in, upon or from any part of the leased premises, whether (wholly or partially) for cash or credit, and shall include gross sales from vending machines (including but not limited to mechanical and electronic machines) (except telephone and postage stamp); mail or telephone orders received or filled at the leased premises; equipment leased; reimbursements; subject to any applicable legal requirements, all deposits not refunded to purchasers; orders taken at the leased premises, although such orders may be filled elsewhere (including but not limited to orders which are accepted or transmitted by means of electronic, telephonic, video, computer or other electronic or other technology based system, whether existing as of the date hereof or developed during the term of the lease, regardless of whether such orders are accepted or filled at the leased premises or accepted or filled by Tenant or its parent, subsidiary or affiliate at any other location); all monies or other things of value which Tenant is entitled to receive from its operations; but deducting or excluding, as the case may be, the following: (a) refunds to customers; (b) the amount of all sales, use, excise, retailer's occupation or similar taxes imposed in a specific amount, or percentage upon, or determined by, the amount of retail sales made upon the leased premises; (c) interest, service, finance or sales carrying charges paid by customers for extension of credit on sales and where not included in the merchandise sale price; (d) returns to shippers and manufacturers; (e) the amount of sales not in the ordinary course of Tenant's business, of fixtures, machinery or equipment which Tenant has the right to remove from the leased premises after use thereof in the conduct of Tenant's business in the leased premises; (f) the value of any exchange or transfer of merchandise between stores of Tenant where such exchange or transfer is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at, or from the leased premises; (g) sales to Tenant's employees at the leased premises at a discount in accordance with Tenant's standard employee discount policy provided such sales do not exceed in the aggregate two percent (2%) of Tenant's Net Sales in any single calendar year; (h) amounts charged off by Tenant as uncollectible bad debt to the extent previously included in Net Sales where such amounts are reported by Tenant as uncollectible on Tenant's federal income tax return, provided that to the extent subsequently collected, such amounts will be included in Net Sales in the calendar year in which collected and further provided that such uncollectible sums so deducted do not exceed in the aggregate one percent (1%) of Tenant's Net Sales in any single calendar year; and (i) sales of gift certificates, until the same are redeemed or abandoned. Except as otherwise expressly set forth herein, no deduction shall be allowed for uncollected or uncollectible credit accounts and bank checks, or charges for bank credit cards.

ARTICLE 6 - Records and Audits

Tenant agrees to use a cash register, or other device as may be approved by Landlord, or such other similar

device as Tenant uses in all of its other similarly operated stores and as otherwise customarily used in the retail industry to accurately record all sales; such cash register or other approved device shall provide sales documents and/or a register tape of all transactions showing, at a minimum, the date of sequentially numbered transactions and readout totals. Tenant further agrees to accurately record all sales in accordance with generally accepted accounting practices (showing all of its sales separately from any of its other stores), account for all cash register tapes and to maintain sufficient original records which accurately summarize all transactions relating to the leased premises (including the sales of any subtenant, licensee or concessionaire). Such original records shall include but not be limited to: sales documents and/or tapes of cash register or other approved devices, sales returns and allowance detail, cash receipts, payroll journals, accounts receivable, disbursement journals, bank statements (to the extent the same are separately maintained for the Premises), deposit slips, inventory records, purchase orders, receiving records, sales journals or daily sales reports, orders accepted by means of electronic, telephonic, video, computer or other electronic or other technology based system, state sales and use tax returns, and a complete general ledger. Documentation of specific sales exclusions must also be maintained. Said records shall be preserved (properly totaled) by Tenant either, at Tenant's option, (a) at the leased premises or (b) at the home or regional offices of Tenant and made available to Landlord at the leased premises or such offices within ten (10) business days of demand for a period of at least two (2) years after expiration of the calendar year to which such records relate after the termination of the lease (however, if any audit shall be commenced by Landlord or if there shall arise a dispute concerning Tenant's Net Sales, Tenant's records shall be preserved and retained by Tenant until a final resolution of such dispute). The receipt by Landlord of any statement of Net Sales or Percentage Rental for any period shall not constitute an admission of the correctness thereof. Tenant agrees to deliver to Landlord a statement of each month's sales on or before the fifteenth (15th) day of the following month and, by February 28th of each year of the term of this lease, an annual statement, signed by an authorized employee, officer, owner or partner of Tenant, of the Net Sales as defined in ARTICLE 5 and separately stating the gross taxable sales for California state sales tax reporting purposes made during the preceding year. If the term of this lease expires or is terminated on a date other than December 31, then a like signed statement for the partial calendar year in which expiration or termination occurs shall be delivered within thirty (30) days after expiration or termination. Landlord shall be entitled at Landlord's expense, to have at any time, upon ten (10) business days' notice, subject to the limitations set forth herein, an audit of the Net Sales made during any period covered by such annual statement and to recalculate the rentals payable for any such period; provided that such right to audit shall be limited to no more than one (1) time in any twelve (12) month period, and during reasonable business hours, unless a bona fide dispute results from such an audit and a subsequent audit(s) is reasonably necessary to resolve such dispute, then, in such case, Landlord shall be entitled to such subsequent audit(s), and further provided that such audit shall not occur during the months of November, December or April, unless reasonably necessary to comply with any legal requirements, including, but not limited to, any statute of limitation, and further provided that if the two (2) year period within which Tenant must preserve its records of Net Sales as provided under this ARTICLE 6 expires within any of the foregoing months, then such two (2) year period shall be deemed to extend to May 31 of the applicable year. If it shall be determined as a result of such audit that there has been a deficiency in the payment of Percentage or additional rentals, then such deficiency shall become immediately due and payable with interest at the rate of two percent (2%) above the Prime Rate (as hereinbefore defined), not to exceed the maximum rate of interest allowed by law in the State of California, and such interest shall be deemed to be additional rental, from the date when said payments should have been made. The results of any such audit shall be confidential and Landlord shall not supply any information obtained as a result of such review to any third party except on a confidential basis to Landlord's legal counsel and Landlord's accountants, or as ordered by a court of competent jurisdiction. If Net Sales have been understated by more than four percent (4%) or Tenant fails to record, maintain or make available sales supporting documentation as specified above, then Tenant shall pay the cost of such audit and all other costs and expenses therewith and related thereto. In the event Tenant shall be delinquent in furnishing to Landlord any monthly sales statement or statements required hereunder after twenty (20) days' notice of such delinquency, then Landlord shall have the right, upon ten (10) days prior notice, to conduct such audits as provided by this ARTICLE 6, and any and all reasonable charges occasioned by reason thereof shall be the sole obligation of Tenant, and such obligation shall be deemed an item of additional rental. If Tenant does not furnish the sales documentation referred to above or otherwise impedes Landlord's audit of Tenant's annual Net Sales, Landlord shall be entitled, in addition to Landlord's other rights and remedies, to estimate Tenant's annual Net Sales as one hundred ten percent (110%) of Tenant's Net Sales for the preceding year, and bill Tenant for any Percentage Rental which may be due based upon the estimated Net Sales.

ARTICLE 7 - Taxes

In addition to the Minimum Annual Rental provided for in ARTICLE 4(a) hereof, Tenant agrees to pay to Landlord additional rental as follows:

- (a) Tenant shall pay its proportionate share of all real property taxes and assessments without deduction or set-off of any kind (except as otherwise provided herein), including the cost of any contest of an assessment by Landlord pursuant to paragraph (c) hereof, which may be levied or assessed against the

Shopping Center during the term of this lease by any lawful authority for each calendar year commencing on the date on which rental shall be determined to commence under ARTICLE 3 hereof, excluding taxes or assessments levied or assessed against land and/or buildings owned or leased by department stores which may be located in the Shopping Center. Tenant's proportionate share shall be equal to the product obtained by multiplying such taxes and assessments by a fraction, the numerator of which shall be the number of square feet of floor area in the leased premises and the denominator of which shall be the total number of square feet of constructed gross leasable floor area in the Shopping Center as averaged at the end of each lease year (excluding the floor area contained in the department store buildings) which are occupied or producing rent, including the leased premises. However, in no event will Tenant's share of real property taxes and assessments be calculated on the basis of less than ninety percent (90%) of the gross leasable floor area. Any excise, transaction, sales or privilege tax (except income, transfer, estate, gift, capital and inheritance taxes) now or hereafter imposed by any government or governmental agency upon Landlord on account of, attributed to, or measured by rental or other charges payable by Tenant shall be paid by Tenant to Landlord in addition to and along with the rental and other charges otherwise payable hereunder. Notwithstanding anything to the contrary contained herein, the term taxes shall include any form of tax or assessment, license fee, license tax, tax or excise on rent, or any other levy, charge, or similar imposition (hereinafter individually and collectively referred to as "impositions") imposed by any federal, state, county or city authority having jurisdiction, or any political subdivision thereof, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, on any interest of Landlord and/or Tenant in the leased premises or in the remainder of the Shopping Center and/or the underlying realty, including but not limited to: (a) any impositions in substitution, partially or totally, of any impositions now or previously included within the definition of real property taxes it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June, 1978 election and that impositions may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, it being the intention of Tenant and Landlord that all such new and increased impositions be included within the definition of "taxes" for the purposes of this lease; (b) any impositions allocable to or measured by the area of the leased premises or any rental payable hereunder, levied by federal, state, county or city government, or any political subdivision thereof, with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the leased premises, or any portion thereof; and (c) any impositions upon this lease or any document to which Tenant is a party creating or transferring an interest or an estate in the leased premises. Taxes and impositions shall in no event include Landlord's general income taxes, inheritance, estate, franchise, capital or gift taxes, or any penalties, late fees or interest resulting from Landlord's failure to timely pay any Taxes.

(b) Tenant's proportionate share of all real property taxes and assessments during the term hereof shall be paid in monthly installments on or before the first day of each calendar month, in advance, in an amount reasonably estimated by Landlord (along with a 10% administrative fee on such amount), provided that in the event the Landlord is required under a mortgage covering the Shopping Center to escrow real estate taxes, Landlord may, but shall not be obligated to, use the amount required to be escrowed as a basis for its estimate of the monthly installments due from Tenant hereunder. Upon confirmation of all tax bills and assessment bills attributed to any calendar year during the term hereof, Landlord shall furnish Tenant with a written statement of the actual amount of Tenant's proportionate share of the taxes and assessments for such year, and, promptly after written notice from Tenant, which notice may not be given more than one (1) time in any twelve (12) month period, Landlord shall provide to Tenant a copy of the tax bill from which Tenant's proportionate share of Taxes have been calculated. If the total amount paid by Tenant under this ARTICLE 7 for any calendar year during the term of this lease shall be less than the actual amount due from Tenant for such year, as shown on such statement, Tenant shall pay to Landlord the deficiency within thirty (30) days after demand therefor by Landlord; and if the total amount paid by Tenant hereunder for any such calendar year shall exceed such amount due from Tenant for such calendar year, Tenant shall be entitled to offset the excess against payments next thereafter becoming due under this lease. For the calendar years in which this lease commences and terminates, the provisions of this ARTICLE 7 shall apply, and Tenant's liability for its proportionate share of any taxes and assessments for any such year shall be subject to a pro-rata adjustment based on the number of days of any such year during which the term of this lease is in effect. Prior to or at the commencement of the term of this lease, and from time to time thereafter throughout the term hereof, Landlord shall notify Tenant in writing of Landlord's estimate of Tenant's monthly installments due hereunder. Landlord's and Tenant's obligations under this ARTICLE 7 shall survive the expiration of the term of this lease. No taxes, assessments, fees or charges referred to in this paragraph shall be considered as taxes under the provisions of ARTICLE 13 hereof. An official tax bill or copy thereof shall be submitted by Landlord to Tenant, upon request of same by Tenant, and shall be conclusive evidence of the amount of a tax assessed or levied, the items taxed and installments thereof. Landlord estimates that Tenant's proportionate share of Taxes for the 2012 calendar year are \$4.60 per square foot of the leased premises; however, the foregoing is an estimate only and not a representation or warranty as to the actual sum that shall constitute Tenant's proportionate share of Taxes for such calendar year (or any subsequent calendar year).

(c) If Landlord endeavors at any time to contest or negotiate any tax or assessment against the Shopping

Center, to limit the increase of any tax assessment or to obtain a reduction or correction in the assessed valuation upon the Shopping Center for the purpose of reducing any such tax assessment, Tenant agrees to pay its proportionate share of Landlord's reasonable, third-party expenses in so contesting, or negotiating, said proportionate share to be determined and paid in the same manner as set forth in this ARTICLE 7 for taxes and assessments and to include, but not be limited to, reasonable, third-party legal, tax consultant and appraisal fees. Under no circumstances shall Tenant have the right to withhold any payments to Landlord pursuant to this ARTICLE 7 or any other Article of this lease, nor shall Landlord have any obligation to withhold the payment of any real property taxes or assessments levied or assessed by any lawful authority against the Shopping Center. If Tenant shall have paid an amount in excess of its proportionate share of taxes and assessments for any year as the result of a subsequent reduction in total taxes and assessments for such year, such excess shall be refunded by Landlord to Tenant when all refunds to which Landlord shall be entitled from the taxing authority with respect to such year shall have been received by Landlord, and the foregoing shall survive the expiration of this lease to the extent any such refund relates to Taxes actually paid by Tenant pursuant to this ARTICLE 7. Notwithstanding anything to the contrary contained herein, but subject to the provisions of paragraph (a) hereof, Tenant shall pay any tax, whether a sales tax or otherwise, which is or shall be imposed on Tenant's payment or rental hereunder, and any other tax imposed upon owners of real estate as such (and including any water and sewer tax assessment) rather than upon persons generally, any tax which may become a lien upon the land, buildings, or other improvements in the Shopping Center, as well as charges for any easement maintained for the benefit of the Shopping Center.

ARTICLE 8 - Subordination and Attornment

(a) Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this lease shall be subject and subordinate at all times to: (a) all ground or underlying leases which may now exist or hereafter be executed affecting the leased premises and (b) the lien of any mortgage or deed of trust which may now exist or hereafter be executed in any amount for which the leased premises, such ground or underlying leases, or Landlord's interest or estate in any of them, is specified as security. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated any such ground or underlying leases or any such liens to this lease. If any ground or underlying lease terminates for any reason, Tenant shall, notwithstanding any subordination, attorn to and become tenant of the successor-in-interest to Landlord at the option of such successor-in-interest. Tenant shall execute and deliver, upon demand by Landlord from time-to-time within thirty (30) days after written request to do so and in the form requested by Landlord, any customary and commercially reasonable documents evidencing the priority or subordination of this lease with respect to any such ground or underlying leases or the lien of any such mortgage, or deed of trust and confirming that Tenant's quiet possession of the leased premises shall not be disturbed so long as Tenant is not in default hereunder beyond any applicable notice and cure period. Notwithstanding the foregoing, the subordination of this Lease to future ground or underlying leases and future mortgages or trust deeds shall be conditioned upon delivery to Tenant of a commercially reasonable subordination, non-disturbance and attornment agreement providing that, as long as Tenant is not in default hereunder beyond any applicable notice and cure period, Tenant's occupancy shall not be disturbed (the "SNDA Tenant shall not be required to execute any documents hereunder which materially affect Tenant's obligations or decrease Tenant's rights under this Lease).

(b) If any proceeding is brought for default under any ground or underlying lease to which this lease is subject, or in the event of foreclosure or the exercise of the power of sale under any mortgage or deed of trust made by Landlord covering the leased premises, Tenant shall attorn to the successor upon any such foreclosure or sale and shall recognize that successor as Landlord under this lease, provided such successor expressly agrees in writing to be bound to all future obligations of Landlord by the terms of this lease, except that such successor shall not be (a) liable for any previous act or omission of Landlord under this lease except for repair and maintenance obligations of a continuing nature imposed on Landlord under this lease, or (b) bound by any previous prepayment of rent or security deposit (other than rent for the current month and rents paid on an estimated basis) which have not been expressly delivered by Landlord to such successor.

(c) To the extent that there exists or will exist agreements with Landlord and the department stores in the Shopping Center pertaining to the Shopping Center, including but not limited to a reciprocal easement agreement, this lease shall be subject and subordinate to those agreements, and any amendments or modifications thereto, provided the same do not materially affect Tenant's obligations or decrease Tenant's rights under this Lease. To Landlord's knowledge, no such agreements prevent the use of the leased premises as contemplated under this lease.

ARTICLE 9 - Additional Construction

(a) Landlord hereby reserves the right, subject to Article 2(b) hereof, at any time to make alterations or additions to, subdivide, change the building dimensions, build additional stories on the building in which the leased premises are contained or on any other building or buildings in the Shopping Center, and to build adjoining the same. Landlord also reserves the right, subject to the limitations set forth in ARTICLE 2(b) of this lease, from time to time to construct other buildings, structures, or improvements, including but not limited to, surface, elevated or double-deck parking facilities in the Shopping Center and temporary scaffolds and other aids to construction. Notwithstanding anything to the contrary contained in the Lease: no installations, alterations or replacements in the Premises by Landlord shall be made except in areas above the finished ceiling, below the finished floor, within existing walls and column areas or in immaterial storage areas, all in locations which will have no material interference with Tenant's business conducted upon or its use of the Premises; furthermore, Landlord shall indemnify, defend, protect and hold Tenant harmless from all claims, damages, liabilities, actions, costs and expenses as a result of said installations, alterations or replacements; no additional columns or other structural elements shall be installed by Landlord upon the Premises; no changes shall be made by Landlord to the size or dimensions of the Premises; and Landlord shall, at its sole cost and expense, promptly restore the Premises to its former condition following any work or activity of Landlord thereon or thereabout.

ARTICLE 10 - Condition of Premises

Tenant's taking possession of the leased premises shall be prima facie evidence of Tenant's acceptance thereof in good order and satisfactory condition and that Tenant is accepting the leased premises "as-is", subject to any patent and latent defects and punch list items of Landlord's Work, which Landlord shall repair within thirty (30) days after receipt of a punch list from Tenant setting forth any deficient items in Landlord's Work (provided that Tenant delivers such punch list to Landlord no later than thirty (30) days after Landlord initially tenders possession of the leased premises to Tenant), and subject to Landlord's obligations with respect to pre-existing Hazardous Materials set forth in ARTICLE 15(f). Tenant agrees that no representations respecting the condition of the leased premises and no promises to decorate, alter, repair or improve the leased premises either before or after the execution hereof have been made by Landlord or its agents to Tenant unless the same are contained herein or made a part hereof. Tenant further agrees that no representations have been made to Tenant that Tenant has any exclusive right to sell merchandise, goods or services of any type and character.

ARTICLE 11 - Repairs and Maintenance

Landlord shall be responsible for all repairs to the foundations and for all structural repairs to the masonry walls, roof, roof membrane, floor slab and utility lines and sprinklers to the extent not exclusively serving the leased premises. Tenant shall be liable for all repairs, replacements and maintenance, ordinary and extraordinary, other than those for which Landlord is responsible under this ARTICLE 11, and shall keep the leased premises in good order and repair, clean, sanitary and safe. Such repairs, replacements and maintenance shall include but not be limited to its equipment; fixtures; improvements; floor covering; the exterior and interior portions of all doors, door locks, security gates, and windows; plumbing and sewage facilities not Landlord's obligation; walls; ceilings; and all plate glass. Tenant shall be solely responsible for the maintenance and repair costs that are Tenant's responsibility hereunder related to the leased premises. Nothing herein shall imply any duty on Landlord to do any work which Landlord is not specifically and expressly required to perform under this lease or which, under any provisions of this lease, Tenant may be required to perform; and, the performing thereof by Landlord shall not constitute a waiver of Tenant's default in failing to perform the same. Tenant acknowledges that Tenant has inspected the leased premises and, subject to Landlord's Work and Article 15(f) hereof, accepts the same in "as-is" condition. Tenant acknowledges that the foregoing provisions of the ARTICLE 11 shall apply and become effective from and after the date Tenant or its agents enter the leased premises to undertake activities permitted hereunder. Tenant waives the provisions of California Civil Code Sections 1941 and 1942 or any successor or similar legislation with respect to Landlord's obligations for tenantability of the leased premises and Tenant's right to make repairs and deduct the expenses of such repairs from rent or to vacate the leased premises.

ARTICLE 12 - Alterations

Tenant shall not make any structural or mechanical alterations in any portion of the leased premises, nor any alterations to the storefront or the exterior of the leased premises, nor any major interior alterations without, in each instance, first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. Tenant's Work and installations shall not unreasonably impede or interfere with any work in the Shopping Center, and shall not cause the closing, interruption or impairment of Tenant's normal conduct of business. All alterations, additions, improvements, and Tenant's Work (other than furniture, trade fixtures, equipment, trade dress and other personal property) provided for herein, shall become, upon completion, the property of Landlord, subject to the terms of this lease, without any payment by Landlord to Tenant. Any and all structural alterations, additions, improvements and changes made to the leased premises which are consented to by Landlord shall be made in accordance with plans and specifications approved in writing by Landlord before the commencement of the work, and in accordance with all necessary governmental approvals and permits, which approvals and permits Tenant shall obtain at its sole expense. All work with respect to any alterations, additions, improvements and changes must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the leased premises shall at all times be a complete unit except during the period of the work. Any work done by Tenant without Landlord's consent (to the extent such consent is required hereunder) shall be returned to its original condition at Tenant's expense upon request by Landlord. Upon completion of construction of any alterations, Tenant shall promptly deliver to Landlord a full and complete set of "as-built" drawings for such alterations. Notwithstanding the foregoing to the contrary, Tenant shall be permitted to make certain alterations to the leased premises without Landlord's approval, provided such alterations (i) are not structural or mechanical in nature, (ii) do not affect the exterior or storefront of the leased premises, (iii) do not cost in excess of Seventy Five Thousand Dollars (\$75,000.00) in the aggregate during any one (1) year period, and (iv) do not diminish the value of the leased premises. Tenant shall provide Landlord with at least fifteen (15) days' notice prior to commencing any alterations, and shall, within sixty (60) days after completion of any alterations, and if reasonably available, provide Landlord with as-built drawings of such alterations (including a computer-aided design diskette ("CAD") for all construction documents which were prepared using a CAD program).

ARTICLE 13 - Fixtures and Personal Property

Any trade fixtures, signs and other personal property of Tenant not permanently affixed to the leased premises shall remain the property of Tenant, and Landlord agrees that Tenant shall have the right, provided Tenant is not in monetary default under the terms of this lease beyond any applicable notice and cure period, at any time, and from time to time, to remove any and all of its trade fixtures, signs, decorative, non-inset lighting and other personal property which it may have stored or installed in the leased premises, including but not limited to counters shelving, showcases, mirrors and other movable personal property. Nothing contained in this ARTICLE 13 shall be deemed or construed to permit or allow Tenant to remove such personal property, as to render the leased premises unsuitable for conducting the type of business specified in ARTICLE 1(c) hereof without the immediate replacement thereof with similar personal property of comparable or better quality. Tenant at its expense shall immediately repair any damage occasioned to the leased premises by reason of the removal of any such trade fixtures, signs, and other personal property, and upon expiration or earlier termination of this lease, Tenant shall leave the leased premises in a neat and clean condition, free of debris. All trade fixtures, signs, and other personal property installed in or attached to the leased premises by Tenant must be new when so installed or attached. Tenant shall pay before delinquency all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation in the leased premises as well as upon its trade fixtures, leasehold improvements (including but not limited to those Tenant is required to make in accordance with the provisions of ARTICLE 2 hereof), merchandise and other personal property in, on or upon the leased premises. If any such items of property are assessed with property of Landlord, then such assessment shall be equitably divided between Landlord and Tenant so that Tenant shall pay only its equitable portion of such assessment. Landlord shall reasonably determine the basis of prorating any such assessments. No taxes, assessments, fees or charges referred to in this paragraph shall be considered as taxes under the provisions of ARTICLE 7 hereof. Tenant's obligation to observe and perform any of the provisions of this ARTICLE 13 shall survive the expiration of the term hereof or the earlier termination of this lease.

ARTICLE 14 - Liens

Tenant agrees to pay promptly for any work contracted for by Tenant or done for Tenant's account (or material furnished therefor) in, on or about the leased premises, and Tenant shall not permit or suffer any lien to attach to the leased premises and shall promptly cause any such lien, or any claim therefor, to be released; provided, however, that in the event Tenant contests any such claim, Tenant shall indemnify Landlord and, if requested, deposit with Landlord cash or surety bond in form and with a company satisfactory to Landlord in an amount equal to 150% of the amount of such contested claim. If Tenant shall fail to cause such lien forthwith to be so discharged or bonded within twenty (20) days after being notified of the filing thereof, then,

in addition to any other right or remedy of Landlord, Landlord may discharge the same by paying the amount claimed to be due, and the amount so paid by Landlord together with interest thereon at the rate set forth in ARTICLE 4(a) and all costs and expenses, including reasonable attorneys' fees incurred by Landlord in procuring the discharge of such lien, shall be due and payable by Tenant to Landlord as additional rental on the first day of the next following month, or may, at Landlord's election, be subtracted from any sums owing to Tenant. Tenant's obligation to observe and perform any of the provisions of this ARTICLE 14 shall survive the expiration of the term hereof or the earlier termination of this lease. Tenant shall immediately give Landlord written notice of the recording of any lien against the leased premises and/or the Shopping Center in connection with any work done by or at the direction of Tenant.

ARTICLE 15 - Laws and Ordinances

(a) Tenant agrees to comply with all laws, ordinances, orders and regulations affecting the use and occupancy of the leased premises and the cleanliness, safety, or operation thereof. Tenant agrees to comply with the regulations, requirements and recommendations of any inspection bureau or similar agency with respect to that portion of the leased premises installed by Tenant. Tenant shall not be required to make any structural repairs or structural alterations to the leased premises which may be required by changes in law arising after the date of this lease, except to the extent required as a result of, or in connection with, Tenant's specific use of the leased premises, or Tenant's Work or any alterations made by Tenant in the leased premises. Tenant shall give Landlord, upon Landlord's request, any information within its knowledge or possession regarding the environmental condition of the leased premises for Landlord to determine if Landlord must comply with any rule, regulation, order, act, law or statute pertaining to the environmental condition of the leased premises or the Shopping Center, and for Landlord to accurately complete any form or otherwise provide any information required under any such rule, regulation, order, act, law or statute. Tenant also agrees to permit Landlord to comply with such recommendations and requirements with respect to that portion of the leased premises constructed by Landlord. In addition, Tenant agrees to comply, to the extent that the same may be applicable to the leased premises, with the standards and requirements of the Williams-Steiger Act (PL91-596), known as the "Occupational Safety and Health Act of 1970," notwithstanding the fact that Tenant may otherwise be exempted from the provisions of said Act.

(b) Tenant agrees not to: (i) permit any immoral (as defined by law) practice to be carried on or committed on the leased premises; (ii) make use of or allow the leased premises to be used or occupied for any purposes (other than as permitted under ARTICLE 1(c) hereof) or in any manner that might invalidate or increase the rate of or make inoperative any policy of insurance of any kind whatsoever at any time carried on any property, buildings, improvements in the Shopping Center, or any part thereof, including the leased premises; (iii) keep or use or permit to be kept or used on the leased premises any inflammable fluids or explosives without the prior written permission of Landlord or engage in hazardous activities; (iv) use the leased premises for any purpose whatsoever which creates a nuisance; (v) deface or injure the building of the leased premises; (vi) overload the floors; (vii) commit or suffer any waste; or (viii) install any electrical equipment that overloads lines. Tenant shall, upon demand, reimburse Landlord for all extra premiums caused by Tenant's use or occupancy of the leased premises, whether or not Landlord has consented to such use and occupancy. In determining whether increased premiums are the result of Tenant's use or occupancy of the leased premises, a schedule issued by the organization making the insurance rates on the leased premises for Landlord, showing the various components of such rates, shall be prima facie evidence of the several items and charges which make up the hazard and other insurance rates on the leased premises. Notwithstanding the foregoing or anything to the contrary contained herein, Tenant's Permitted Use will not be deemed, per se, to constitute a use which will increase the premium rates of, or make inoperative, any policy of insurance covering the leased premises or the Shopping Center.

(c) Tenant shall not cause or permit any Hazardous Material (as hereinafter defined) to be brought upon, transported through, stored, kept, used, discharged or disposed in or about the leased premises or the Shopping Center (collectively, "Property") by Tenant, its agents, employees or contractors. Any such Hazardous Material brought upon, transported, used, kept or stored in or about the Property which is necessary for Tenant to operate its business for the use permitted under Article 1(c) of this lease will be brought upon, transported, used, kept and stored only in such quantities as are necessary for the usual and customary operation of Tenant's business and in a manner that complies with (i) all laws, rules, regulations, ordinances, codes or any other governmental restriction or requirement of all federal, state and local government authorities having jurisdiction thereof regulating such Hazardous Material; (ii) permits issued for any such Hazardous Material, if required pursuant to applicable laws (which permits Tenant shall obtain prior to bringing any Hazardous Material in, on or about the Property); and (iii) all producers' and manufacturers' instructions and recommendations, to the extent they are stricter than laws, rules, regulations, ordinances, codes or permits. If Tenant, its agents, employees or contractors, in any way breaches the obligations stated in the preceding sentence, or if the presence of Hazardous Material on the Property caused or permitted by Tenant results in release of such Hazardous Material on, from or under the Property, or if the presence on, from or under the Property of Hazardous Material otherwise arises out of the operation of Tenant's business,

then without limitation of any other rights or remedies available to Landlord hereunder or at law or in equity, Tenant shall indemnify, defend, protect and hold harmless Landlord (and Landlord's parents, subsidiaries, affiliates, employees, partners, agents, mortgagees or successors to Landlord's interest in the leased premises) (collectively, herein "Indemnity") from any and all claims, sums paid in settlement of claims, judgments, damages, clean-up costs, penalties, fines, costs, liabilities, losses or expenses (including without limitation attorneys', consultants' and experts' fees and any fees incurred by Landlord to enforce the Indemnity) which arise during or after the term of this lease as a result of Tenant's breach of such obligations or such release or such contamination of the Property, including, without limitation, diminution in value of the Property, damages for the loss of, or the restriction on the use of, rentable or usable space or any amenity of the Property, damages arising from any adverse impact on the sale or lease of the Property, and damage and diminution in value to the Property or other properties, whether owned by Landlord or by third parties. This Indemnity of Landlord by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision because of Hazardous Material present in the soil or groundwater on, under or originating from the Property attributable to Tenant or those actions under Tenant. Without limiting the foregoing, if the presence of any Hazardous Material on the Property caused or permitted by Tenant results in any contamination, release or threatened release of Hazardous Material on, from or under the Property or other properties, Tenant shall promptly take all actions at its sole cost and expense as are necessary to return the Property and other properties to the condition existing prior to the introduction of such Hazardous Material; provided that Landlord's written approval of such actions shall first be obtained (which approval shall not be unreasonably withheld) and so long as such actions do not have or would not potentially have any material adverse long-term or short-term effect on Landlord or on the Property or other properties. This Indemnity shall survive the expiration or earlier termination of this lease and shall survive any transfer of Landlord's interest in the Property. As used herein, the term "Hazardous Material" means any hazardous, radioactive or toxic substance, material or waste, including, but not limited to, those substances, materials and wastes (whether or not mixed, commingled or otherwise combined with other substances, materials or wastes) listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes which are or become regulated under any applicable local, state or federal law including, without limitation, any material, waste or substance which is (i) a petroleum product, crude oil or any fraction thereof, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1251, *et seq.* (33 U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317), (v) defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et seq.* (42 U.S.C. Section 6903) or (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601, *et seq.* (42 U.S.C. Section 9601).

(d) In connection with the installation of any electrical fire protection system or equipment, Tenant shall, at Tenant's own expense, make from time to time whatever changes are necessary to comply with the requirements of governmental authorities, and submit to Landlord plans of any and all changes.

(e) Tenant shall have no claim against Landlord, and Landlord shall have no liability for any damages, demands, expenses, fees, fines, penalties, suits, proceedings, claims, actions and causes of action of any and every kind and nature arising or growing out of or in any way connected with Tenant's use or occupancy of the leased premises for the purpose set forth in ARTICLE 1(c), should such use or occupancy be prohibited or substantially impaired by any law, ordinance or regulation of federal, state, county or municipal governments or by any act of legal or governmental or other public authority.

(f) Landlord shall remove any Hazardous Material pre-existing in the leased premises and repair any damage caused thereby prior to delivery of possession of the leased premises to Tenant ("pre-existing" means existing prior to Tenant, or its respective agent, contractor, employee or licensee taking possession of the leased premises). In the event any such work or any pre-existing Hazardous Material renders a portion or all of the leased premises untenable prior to the date that Tenant initially opens for business in the leased premises, then the date that Tenant is required to open for business in the leased premises set forth in ARTICLE 2(e), and the date that rental commences under ARTICLE 3, shall be delayed on a day-for-day basis until such time as Landlord has removed the pre-existing Hazardous Material as required hereunder, and if such untenability occurs after the date that Tenant initially opens for business in the leased premises, then Minimum Annual Rental shall be abated proportionately with the degree to which Tenant's use of the leased premises is impaired and such abatement shall continue until such work is substantially completed. Tenant shall continue the operation of its business in the leased premises during such period to the extent reasonably practical from the standpoint of prudent business judgment, and if so, Tenant's obligation to pay Percentage Rental and any charges paid to Landlord for utility services (if any) shall remain in effect.

ARTICLE 16 - Utility Services

(a) Landlord agrees to cause the necessary mains, conduits and other facilities to be provided to make available water, sewer and electricity to the leased premises and other occupied space in the Shopping Center. Landlord shall make available to Tenant water and electricity through the plumbing and electrical systems to be provided within the leased premises by Tenant.

(b) [Intentionally Omitted]

(c) Tenant agrees, at its own expense, to pay for all of said utilities used by Tenant on the leased premises from and after delivery of possession of the leased premises by Landlord. If a separate meter is provided for Tenant for any such utilities, it shall be at Tenant's expense. Tenant agrees to complete the air conditioning system within the leased premises and to accept and use such water, electricity, sewer, and air conditioning.

(d) Landlord may (at its election) supply some or all of the Utilities (as defined herein) to the leased premises, and, so long as Landlord continues to provide such Utilities to the leased premises, Tenant agrees to purchase such Utilities from Landlord and pay for such Utilities. If meters or submeters are installed, Tenant's share of such Utilities shall be based on the metered usage for such utilities. If meters or submeters are not installed, Tenant's share thereof shall be based on Landlord's engineer's reasonable calculations of such share or such other reasonable measuring methodologies as Landlord may utilize from time-to-time; provided the rate shall be no more than the rate that would be charged to Tenant, from time-to-time, by the local utility company which otherwise would furnish such Utilities to the leased premises if it provided such Utilities and metered the same directly to the leased premises. Tenant shall promptly provide Landlord, upon Landlord's written request therefor, such details as Landlord or its engineer may reasonably require to calculate amounts which are payable by Tenant pursuant to this Article 16. Landlord shall have the right to designate alternate third party provider(s) to provide any of the foregoing Utilities to the leased premises, provided the rate charged therefore shall be no more than the rate that would be charged to Tenant, from time-to-time, by the local utility company which otherwise would furnish such Utilities to the leased premises if it provided such Utilities and metered the same directly to the leased premises. Landlord shall notify Tenant from time-to-time of the monthly installments payable by Tenant pursuant to this Article 16 and Tenant shall pay such monthly installments of the first day of each month (except for the first installment which shall be due on the Rent Commencement Date). "Utilities" means all water, gas, sewer, heat, electricity, steam, chilled water, conditioned water, hot water, lighting, power, HVAC, telephone service and other telecommunications services, sewer service, refuse removal service and all other utilities and related services. If any Utilities supplied to the leased premises is under the direct control of Landlord, Tenant may with respect to such utility, but subject to any applicable legal requirements and any rules or regulations of any applicable utility companies, and at Tenant's sole cost and expense, install in the leased premises a meter for the purpose of verifying consumption of such utilities within the leased premises. The type of meter shall be capable of measuring consumption and demand and shall be subject to Landlord's reasonable approval. Tenant shall provide Landlord with at least thirty (30) days' prior written notice of Tenant's intention to install the meter, and any such meter shall be installed by a licensed contractor hired by Tenant and subject to Landlord's reasonable approval. Tenant shall be solely responsible for any damage to the leased premises or any utilities serving the leased premises or the Shopping Center as a result of the installation of such a meter. In the event utilities are provided by Landlord or its designee, after written request from Tenant, Landlord shall provide reasonable substantiation of the amounts billed to Tenant by Landlord hereunder. If the Shopping Center contains a central plant for cooling or providing other environmental services to the Shopping Center, then from and after the Rent Commencement Date, Tenant shall pay in equal monthly installments, in advance on the first day of each month (except for the first installment, which shall be paid on the Rent Commencement Date), the Environmental Charge. The "Environmental Charge" shall consist of Tenant's share (as estimated from time-to-time by Landlord's engineer initially from Tenant's plans and specifications, subject to monthly adjustments based on Landlord's experience and reasonably anticipated costs) of all costs arising from the operation, maintenance and replacement of the facilities constituting the central plant and distribution system for the environmental services, including without limitation, costs of electricity, and fuel. There shall be no administrative fee included in such Environmental Charge. Tenant shall promptly provide Landlord upon Landlord's written request with such details as Landlord or its engineer shall require to calculate the Environmental Charge, however, such Environmental Charge shall not exceed the charge which Tenant would pay if it obtained such service directly from the local utility company providing such service for similar service and equipment, including the cost of infrastructure provided by Landlord in a fair and equitable amount, with amortization of any long term capital items. Landlord estimates that the Environmental Charge for the 2013 calendar year shall be \$1.85 per square foot of the leased premises; however, the foregoing is an estimate only and not a representation or warranty as to the actual sum that shall constitute the Environmental Charge for such calendar year (or any subsequent calendar year).

(e) Landlord shall not be liable to Tenant in damages or otherwise, if said Utilities are interrupted or terminated because of necessary repairs, installations or improvements, or any cause beyond Landlord's reasonable control, nor shall any such interruption or termination relieve Tenant of the performance of any of its obligations hereunder. If the utilities are interrupted for a period of more than 24 consecutive hours, and such interruption is due to Landlord fault or the failure of equipment under Landlord's control, and if the leased premises are thereby rendered untenable for the use intended then Tenant shall have the right to close for the period of such interruption and shall not be liable for any payment of Minimum Annual Rent during the period that the utilities are interrupted. Tenant shall operate the leased premises in such manner as to not waste electricity, water and air conditioning. In the event Landlord elects to discontinue furnishing any such utilities or air conditioning service, as the case may be, to the leased premises for any reason Landlord shall give reasonable advance notice to Tenant, and Tenant shall obtain its own utilities or air conditioning service, as the case may be, to the leased premises, and Landlord shall make any connections to any existing conduits and facilities situated in the leased premises. Landlord or such designee shall not discontinue services to Tenant unless it discontinues services to all similarly situated tenants.

(f) In the event Landlord does not provide any or all of such Utilities, Tenant agrees, at its own expense, to pay to the appropriate utility company the cost for all such utilities used upon the leased premises from and after delivery of possession thereof by Landlord. If any such charges are not paid when due, Landlord may, but shall not be required to, pay the same, and any amount so paid by Landlord shall immediately thereafter become due to Landlord from Tenant as additional rental.

(g) If Tenant shall require natural gas for the normal operation of Tenant's business, said natural gas utility service will be available from the local gas company through the mains located in designated areas. All gas work beyond this point will be arranged for by Tenant with the gas company and such work shall be done by Tenant at Tenant's expense. Tenant and Landlord understand that local gas supplies may be limited, and availability of sufficient gas to service the leased premises shall be Tenant's sole responsibility.

ARTICLE 17 - Joint Use Areas

(a) The "joint use areas" herein referred to shall consist of all parking areas, streets, sidewalks, malls, driveways, loading platforms, canopies, elevators, escalators, ramps, storm drainage facilities, sprinkler mains, landscaped areas, comfort stations, light facilities, computer facilities, cable facilities, washrooms, lounges and shelters, public utility lines, roof, and other facilities available for joint use or benefit designated by Landlord, as they may from time to time exist and be available to all the tenants in the Shopping Center, their employees, officers, agents, customers, licensees and invitees.

(b) Landlord shall, subject to events beyond its reasonable control, maintain, or cause to be maintained, the joint use areas in good order and repair. Such joint use areas and other facilities in or about the Shopping Center shall at all times be subject to the control and management of Landlord or such other parties as Landlord may designate. Landlord shall have and hereby reserves at any time during the term of this lease, and subject to the limitations set forth in ARTICLE 2(b):

(i) the right to redesignate, modify, alter, expand, reduce and to change the joint use areas, exits; and

(ii) the right to close or restrict all or any portion of the joint use areas including, but not limited to, the parking areas, parking facilities, approaches, exits, entrances, roadways and all other common and public facilities to such extent as may, in the sole opinion of Landlord, be desirable for repair or modification, necessary to comply with such rules and regulations as may be imposed by any governmental body, agency or authority, or legally necessary to prevent a dedication thereof or the accrual of any rights of any person.

(c) [Intentionally Omitted]

(d) As used in this lease, the term "joint use area costs" means the total of all items of cost and expense or amounts reserved as provided in this ARTICLE related to operating, managing, equipping, policing, protecting, lighting, repairing, cleaning, replacing and maintaining the utility of the joint use areas in a like condition as when originally installed, including any rental and lease payments paid for machinery and equipment used in the maintenance of the joint use area and the personnel costs to implement such services. Such costs and expenses shall include but not be limited to: pest extermination; inspection of equipment; a supervised fire sprinkler alarm service; license, permit and inspection fees; the costs of rental of space outside the boundaries of the Shopping Center, if needed, for use as storage and/or maintenance of equipment, supplies and other items used in connection with the operation, repair and maintenance of the joint use areas; the costs of rental of motor vehicles for use in the operation, repair and maintenance of the Shopping Center;

fees and expenses for consultants retained, from time to time, by Landlord for the purposes of energy conservation, insurance and for the allocation of various costs and expenses among tenants of the Shopping Center; the costs of compliance with air, water and noise quality and/or control statutes, laws, codes, rules and regulations; assessments and/or charges for maintaining parking spaces for employees, customers and other parties using Shopping Center facilities, mass transit taxes, fees and charges, and business and/or rent taxes, fees and charges; music; maintenance of roof; removal of snow, ice, rubbish, dirt and debris; planting, replanting and replacing flowers and landscaping and supplies therefor; all costs and expenses of Utilities used in connection therewith, including but not limited to, all costs and expenses of maintaining lighting facilities and storm drainage or retention and detention systems (whether on or off the Shopping Center); sewage treatment plant, and domestic water wells, pumps, etc.; heating and cooling the enclosed malls if constructed; all premiums for liability, property damage, fire, rental interruption insurance if carried by Landlord relating to all tenants in the Shopping Center with a coverage amount not less than an amount equal to twelve (12) months rental under all leases of such tenants, and Workers' Compensation Insurance; wages; unemployment taxes, social security taxes and personal property taxes; fees for required licenses and permits; and administrative costs equal to fifteen percent (15%) of the total (excluding taxes and insurance premiums) of all such items of expense.

There shall be excluded from joint use area costs the following: (i) principal, interest, and depreciation of the cost of constructing, erecting and installing the joint use areas at the time of the original construction of the Shopping Center; (ii) costs attributable to seeking and obtaining new tenants as well as retaining existing tenants, such as advertising, brokerage commissions, attorneys' fees, and improvements to individual tenant premises; (iii) costs attributable to enforcing leases against other tenants in the Shopping Center, such as attorneys' fees, court costs, adverse judgments and similar expenses; (iv) principal, interest or amortization payments on any mortgage or rental under any ground or underlying leases; (v) expenses to the extent Landlord receives reimbursement from insurance, warranty or condemnation proceeds; (vi) costs of correcting any code violations or construction defects in the original construction of the Shopping Center; (vii) fines or penalties incurred by Landlord as a result of late payment by Landlord of any bill payable in connection with joint use area costs; (viii) any costs in connection with the removal, abatement or other handling of (a) asbestos in the joint use areas, (b) the removal, abatement or other handling of the same from the portion of the leased premises initially constructed by Landlord and designated as Landlord's Work in this lease, or improvements to the leased premises made prior to Tenant taking possession thereof, and (c) the removal, abatement or other handling of Hazardous Material from the soil beneath the Shopping Center, (ix) any costs that are duplicative by reason of Tenant's obligation to pay Landlord the Promotional Fund Charge, (x) all capital costs in connection with any future enlargement or extension of existing buildings or construction of additional buildings in the joint use areas, or the conversion of floor area which is part of the department stores as of the date of this lease, into leasable area or joint use area; (xi) any reserves for future expenses; (xii) all costs incurred with respect to improvements or changes that are mandated by, and necessary to comply with, laws existing as of the date of this lease; (xiii) insurance deductibles and self-insurance costs; (xiv) all costs associated with the financing or refinancing of the Shopping Center or any portion of the Shopping Center; (xv) all costs associated with repairs due to the negligence or intentional acts or omissions of Landlord; and (xvi) all costs associated with an audit or inspection of the books and records of individual tenants. Any services provided to the Shopping Center by affiliates of Landlord and which are included as joint use area costs shall be at commercially reasonable and competitive rates. There shall be no duplication of joint use area costs with other costs under this lease such that Tenant is required to pay for any particular cost more than once.

(e) Effective upon the date on which rental shall be determined to commence under the provisions of ARTICLE 3 hereof, and as additional rental hereunder, Tenant shall pay to Landlord, upon demand, but not more often than once a month, Tenant's share of the joint use area costs (based upon Landlord's reasonable estimates, subject to adjustment as hereinafter provided in paragraph (f) of this ARTICLE 17), which share shall be computed as follows: during the first partial and each calendar year thereafter, Tenant's share of joint use area costs shall be the product which results by multiplying such joint use area costs (less any contributions to said costs made by or due from the department store or stores) by the percentage that the gross square foot area of the leased premises is of the gross square foot area of all stores or store spaces in said Shopping Center (exclusive of the building areas occupied by said department store or stores) which are occupied or producing rent including the leased premises. However, in no event will Tenant's share of the joint use area costs be calculated on the basis of less than ninety percent (90%) of the gross leasable area. No deduction shall be made for columns, stairs, elevators, or any interior construction or equipment. In calculating Tenant's proportionate share of the joint use area costs, the contributions, if any, due from or paid by department stores, and variety and specialty stores to Landlord towards joint use area costs shall be subtracted from the joint use area costs before determination of Tenant's proportionate share thereof.

Tenant's share of joint use area costs (not including real estate taxes, which shall not be subject to any cap or limitation except as otherwise expressly set forth in ARTICLE 7) during calendar year 2013 shall not exceed the annualized rate of \$22.88 per square foot of floor area in the leased premises (i.e., said amount will be prorated based on the portion of calendar year 2013 occurring after the Rent Commencement Date), and thereafter Tenant's share of joint use area costs shall not increase in any calendar year by more than

four percent (4%), on a cumulative basis, over Tenant's share of joint use area costs for each immediately preceding calendar year (the "CAM Cap"), provided, however, increases in taxes, insurance premiums and utilities (including trash) otherwise included in joint use area costs shall not be subject to, or otherwise limited by, the CAM Cap. "Cumulative basis" for purposes of this paragraph means (a) if the percentage increase in the joint use area costs as of an increase date exceeds the stated CAM Cap for such increase date, then such excess in percentage points may be used by Landlord to add to future percentage increases in joint use area costs to the extent that any such increases in joint use area costs are, as of any future increase date, less than the stated CAM Cap for such future increase date; and (b) if, as of any increase date, the percentage increase in joint use area costs is less than any applicable stated CAM Cap for such increase date, then such deficiency in percentage points may be used by Landlord to add to the stated CAM Cap applicable to any future increase date if, as of each such increase date, the percentage increase in joint use area costs would exceed the stated CAM Cap.

Tenant may, at Tenant's sole cost and expense, upon no less than thirty (30) days' written notice to Landlord ("Review Notice") given no later than two (2) years after submission to Tenant of the statement provided in subsection (f) below, review Landlord's books and records with respect to such joint use area costs for the purpose of verifying the matters set forth in such statement. Such review shall be conducted by an individual, who shall not be retained on a contingency or other profit-sharing basis, during business hours at offices and at times designated by Landlord. Tenant shall not be permitted to perform more than one (1) audit during any single twelve (12) month period unless a bona fide dispute results from such an audit and a subsequent audit(s) is reasonably necessary to resolve such dispute, then, in such case, Tenant shall be entitled to subsequent audit(s). If it shall be determined as a result of such audit that there has been an overpayment in the payment of joint use area costs, then such deficiency shall become immediately due and payable to Tenant, and, if the overpaid amount resulted from an overbilling by Landlord of joint use area costs in excess of five percent (5%) of the amount properly billable hereunder by Landlord, the refund of such deficiency shall include interest at the rate of two percent (2%) above the Prime Rate (as hereinbefore defined), not to exceed the maximum rate of interest allowed by law in the State of California. Tenant may not conduct such a review (a) more than once in any calendar year, (b) while Tenant is delinquent in the payment of Minimum Annual Rental or additional rental, or (c) while Tenant is in default beyond any applicable cure period under this lease. The results of any such review shall be confidential and Tenant shall not supply any information obtained as a result of such review to any third party except on a confidential basis to Tenant's legal counsel and Tenant's accountants, or as ordered by a court of competent jurisdiction.

(f) Within one hundred twenty (120) days following the end of the first (1st) full calendar year of Shopping Center operation and each calendar year thereafter, Landlord shall furnish to Tenant a statement showing the total joint use area costs for the calendar year just expired, an itemization of the joint use area costs, the amount of Tenant's share of such joint use area costs and payments made by Tenant during such calendar year under paragraph (e) of this ARTICLE 17. If Tenant's share of such joint use area costs for such calendar year shall exceed Tenant's payment so made, Tenant shall pay to Landlord the deficiency within thirty (30) days after receipt of said statement. If Tenant's payments shall exceed Tenant's share of such joint use area costs as shown on such statement, Tenant shall be entitled to offset the excess against payments next thereafter becoming due under the lease or, if no further payments are due from tenant, any excess or credit shall be refunded to Tenant within thirty (30) days after determination thereof. Landlord shall use its best efforts to minimize such costs of operation and maintenance in a manner consistent with good shopping center practices.

(g) Notwithstanding any provision of this lease, without abatement or suspension of Tenant's obligations hereunder, if any law, statute, ordinance, regulation, executive order or proclamation, or other governmental requirement, or any governmental recommendation approved by Landlord, requires that Landlord not perform any obligation contained herein in connection with any energy conservation or ecology or other program, Landlord may comply therewith without being deemed in violation of this lease.

(h) Tenant acknowledges that notwithstanding the availability of the joint use areas as they may from time to time exist and be available for the joint use or benefit of all the tenants in the Shopping Center, Landlord shall have the right to permit entertainment events, the placement of kiosks, carts, advertising and other displays in the joint use areas, and to convert the joint use areas into retail areas; such activities and uses may be of a temporary and/or permanent nature. Notwithstanding the foregoing to the contrary, Landlord shall not permit any retail kiosk, cart or other display or obstruction to be installed or constructed within twenty feet (20') directly in front of the storefront doors of the leased premises as limited by an imaginary twenty foot (20') extension of Tenant's storefront doors (not including any kiosk, cart or other display or obstruction existing as of the date of this lease), and except as otherwise approved by Tenant, which approval shall not be unreasonably withheld.

ARTICLE 18 - Damage to Premises

In the event the leased premises are hereafter damaged or destroyed or rendered partially untenantable for their accustomed uses by fire or other casualty insured under the coverage which Landlord is obligated to carry pursuant to ARTICLE 19(a) hereof, then Landlord shall promptly restore the leased premises in accordance with Landlord's Work (as defined herein) respecting the initial construction of the leased premises by Landlord (excluding Tenant's Work, leasehold improvements, and wall covering, carpeting, and draperies), and Tenant shall be solely responsible, at its sole cost and expense, for repair, replacement and restoration of all items constituting Tenant's Work, all leasehold improvements, and all of Tenant's stock-in-trade, trade fixtures, furniture, furnishings and equipment, as provided hereinbelow. From the date of such fire or casualty until the 120 days following the date that the leased premises are so repaired and restored, or such earlier date as Tenant shall be required to complete its restoration obligation hereunder, (unless the same is the sole fault of Tenant, its agents, employees or contractors), Minimum Annual Rental payments and all other charges and items of additional rental payable hereunder, shall abate in such proportion as the part of the leased premises thus destroyed or rendered untenantable bears to the total leased premises. Landlord shall have no obligation to repair and restore the leased premises and the Shopping Center in the event of an uninsured casualty. In the event thirty percent (30%) or more of the leased premises or the building of which they are a part be hereafter destroyed or rendered untenantable by fire or other casualty during the last two (2) years of the term of this lease (based upon the cost to replace the premises damaged or destroyed as compared with the market value of the improvements on said premises immediately prior to such fire or other casualty as shown by certificate of Landlord's architect), then either party hereto shall have the right to terminate this lease effective as of the date of such casualty by giving to the other party hereto, within thirty (30) days after the happening of such casualty, written notice of such termination. If said notice be given within said thirty (30) day period, this lease shall terminate and Minimum Annual Rental and all other charges and items of additional rent shall abate as aforesaid from the happening of such casualty, and Landlord shall promptly repay to Tenant any rental theretofore paid in advance which has not been earned at the date of such casualty. If said notice shall not be given and Landlord is required or elects to restore Landlord's Work as herein provided, then Tenant shall, at its sole cost and expense, repair, restore and replace Tenant's Work, leasehold improvements, and all of its merchandise, signs, goods, trade fixtures, furnishings, equipment, furniture and other installations of personalty of Tenant, in a manner and to at least a condition equal to that prior to its damage or destruction, and if Tenant has closed, Tenant shall promptly reopen for business. Tenant shall commence such repair and restoration and the installation of fixtures, equipment and merchandise promptly upon Landlord's delivery of possession of the leased premises to Tenant, or such later time that Tenant is reasonably able to commence such work, and shall diligently prosecute such work and installation to completion as soon as reasonably possible, but in any event within the same number of days after Landlord's delivery of the leased premises to Tenant as originally specified (if any) for Tenant to open for business in the leased premises set forth in ARTICLE 2(d). The proceeds of all insurance carried by Tenant on its property and improvements shall be used for the purpose of said repair and replacement. Except as herein expressly provided to the contrary, this lease shall not terminate nor shall there be any abatement of rent or other charges or items of additional rent as the result of a fire or other casualty. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4), or any successor similar legislation, with respect to any damage or destruction of the leased premises. Landlord will not terminate this lease pursuant to this ARTICLE 18 unless Landlord terminates the leases of all shop tenants of substantially similar floor area as the leased premises (provided Landlord has the right under the leases with such other tenants to so terminate) located in the portion of the Shopping Center in which the leased premises is located and whose premises are damaged to substantially the same extent as the leased premises. In the event that Landlord is required under this ARTICLE 18 to repair and restore the leased premises, and fails to substantially complete such repair and restoration within twelve (12) months after the date of the casualty, then Tenant shall thereafter have the right to terminate this Lease upon thirty (30) days' written notice to Landlord, provided, however, that if Landlord substantially completes such repair and restoration prior to the effective date of such termination, then Tenant's termination right hereunder shall be deemed null and void and of no further force or effect.

Notwithstanding anything to the contrary contained in this Lease, in the event of any damage or destruction, Tenant shall not be required to be open for business on any days nor during any hours that (i) tenants (exclusive of the department stores) occupying at least eighty percent (80%) of the gross leasable area of the Shopping Center are not open for business, and/or (ii) a majority of the department stores are not open for business, and/or (iii) at least 80% of the parking areas or facilities are not open to the public, and/or (iv) any casualty affecting the leased premises and/or the building of which the Premises is a part and/or the Common Areas, has a material adverse effect on Tenant's business being conducted upon the Premises. In the event of any such closure, Minimum Annual Rental and all additional rent shall equitably abate during the period of such closure.

ARTICLE 19 - Insurance

(a) Landlord agrees to carry, or cause to be carried, during the term hereof, Workers' Compensation Insurance, Employer's Liability Insurance and Comprehensive General Liability Insurance on the joint use areas, providing coverage of not less than \$2,000,000 Combined Single Limit for Bodily Injury, including Death, and Property Damage Liability arising out of any one occurrence. Landlord further agrees to carry, or cause to be carried, during the term hereof, "All Risk" Insurance (as understood in the insurance industry) insuring the improvements located on Landlord's property in the Shopping Center, including the leased premises and all appurtenances thereto (excluding Tenant's Work, leasehold improvements, and Tenant's merchandise, trade fixtures, furnishings, equipment and personal property) for at least 80% replacement value thereof. Landlord shall have the right to carry or cause to be carried such additional types of insurance related to the Shopping Center in such limits as Landlord deems advisable (but excluding any kidnap, ransom, or extortion policies). Commencing upon the Rent Commencement Date and ending upon the termination date of this lease, Tenant agrees to reimburse Landlord for its proportionate share of said cost under ARTICLE 17 hereof. Nothing in this lease shall be construed to mean that Landlord is required to or will carry earthquake insurance on all or any part of the Shopping Center.

(b) Tenant agrees to carry during the term hereof Workers' Compensation Insurance, Employer's Liability Insurance and Comprehensive General Liability Insurance on the leased premises. Tenant agrees to name Landlord, parent, subsidiaries, affiliates of Landlord and Landlord's property manager, as Additional Insured(s) on Tenant's Comprehensive General Liability Insurance, which insurance shall be with companies licensed to do business in the State of California for limits of not less than \$2,000,000 Combined Single Limit for Personal Injury including Bodily Injury and Death or Property Damage Liability and containing a Contractual Liability endorsement. Tenant further agrees to carry "All Risk" Insurance (as understood in the insurance industry) including sprinkler leakage coverage for at least 90% of the full replacement value covering all items constituting Tenant's Work, leasehold improvements, and Tenant's goods and merchandise, trade fixtures, furniture, signs, decorations, furnishings, wall covering, floor covering, draperies, equipment, and all other items and personal property of Tenant located on or within the leased premises. Replacement value is understood to mean the cost to replace without deduction for depreciation. A deductible of not more than \$100,000 will be permitted for such "All Risk" Insurance. Whenever, in Landlord's reasonable judgment, good business practice or change in conditions indicate a need for additional or different types of insurance, Tenant shall upon request obtain such insurance at its own expense. Tenant shall provide Landlord with copies of certificates evidencing that such insurance is in full force and effect and stating the terms thereof. The insurance required to be maintained by Tenant under this ARTICLE 19(b) may be provided under blanket policies of insurance covering both the leased premises and other properties and locations of Tenant, provided such policies comply with all of the requirements of this ARTICLE 19 and the coverages afforded to Landlord and the Additional Insureds is in no way impaired, diminished or reduced by reason of the use of such blanket policies and further provided that such blanket policies contain, permit or otherwise unconditionally authorize the waiver of subrogation set forth in ARTICLE 19(d).

Tenant further agrees to obtain certificates of insurance evidencing Comprehensive General Liability Insurance, including Completed Operations, and Workers' Compensation Insurance and Employer's Liability Insurance from any Contractor or Subcontractor engaged for repairs or maintenance during the term hereof. Such Liability Insurance must be for minimum limits of \$2,000,000 Combined Single Limit for Bodily Injury including Death and Property Damage Liability.

(c) Tenant shall be responsible for the maintenance of the plate glass in or on the leased premises and shall carry at its expense during the term hereof Plate Glass Insurance. Tenant may self-insure its Plate Glass.

(d) Tenant, on behalf of its insurance companies insuring the leased premises, its contents, Tenant's other property, waives any right of subrogation which such insurer or insurers may have against Landlord, Landlord's partners, beneficiaries, directors, officers, agents and employees. Landlord, on behalf of its insurance companies described herein, waives any right of subrogation which such insured may have against Tenant. Tenant and Landlord shall each secure an appropriate clause in, or an endorsement to such insurance policies, pursuant to which the respective insurance companies waive subrogation or permit the insured, prior to any loss, to agree with a third party to waive any claim it might have against said third party. Landlord and Tenant each hereby waive any and all rights of recovery against the other, respectively, on account of loss or damage of such waiving party or its property, or the property of others under its control, to the extent that such loss or damage is insured against under any property insurance policy which either may have, or are required hereunder to have, in force at the time of such loss or damage.

(e) All tenant policies provided for herein shall be issued by insurance companies qualified to do business in the state where the Shopping Center is located and holding a Best's Insurance Rating of A:VII or better. Evidence of insurance must be on file with Landlord before Tenant takes control of the leased

premises. Evidence of all insurance must be kept current at all times. All Tenant policies shall contain a provision that the policy and the coverage evidenced thereby shall be primary and non-contributing with respect to any policy carried by Landlord and that any policy carried by Landlord shall be excess insurance.

(f) Tenant may satisfy its "All Risk" insurance requirement only, in whole or in part, through a plan of self-insurance maintained by Tenant from time to time, provided Tenant (i) shall have and maintain a net worth of at least Twenty Million Dollars (\$20,000,000.00) and net current assets of at least Twenty Million Dollars (\$20,000,000.00), (ii) upon Landlord's request, shall furnish to Landlord evidence of such net worth and net current assets, (iii) shall agree to assume all duties, obligations and responsibilities of an insurance company with respect to any claim made under such self-insurance program, (iv) shall indemnify, defend and hold harmless Landlord and any other person that Tenant may be required hereunder to name as an additional insured against and from any and all losses or liabilities as to which this ARTICLE 19 otherwise requires Tenant to carry "All Risk" insurance; and (v) Tenant, in addition to the waivers stated in this ARTICLE 19, hereby waives any rights it may have against Landlord and Landlord's employees, agents and contractors on account of any loss or damage occasioned to Tenant or its property or the leased premises or the contents thereof arising from any damage to person or property as to which Tenant self-insures. The terms "net worth" and "net current assets" as used herein, shall be defined in accordance with generally accepted accounting principles. If Tenant is qualified and elects to self-insure its "All Risk" insurance requirement pursuant to the provisions herein and thereafter elects to terminate such self-insurance program, Tenant shall give at least thirty (30) days' prior written notice thereof to Landlord along with copies of replacement certificates of insurance in accordance with the requirements set forth in this ARTICLE 19.

All such policies shall contain cross-liability endorsements and shall name Landlord, Landlord's mortgagees or beneficiaries and such additional individuals and entities as Landlord shall from time to time designate, other than other tenants or occupants of space in the Shopping Center, as "Additional Insureds." All policies of insurance delivered to Landlord must contain a provision that the Company writing said policy will give to Landlord twenty (20) days written notice in advance of any cancellation, or lapse respecting such insurance.

ARTICLE 20 - Indemnification

(a) Excluding negligence or willful misconduct on the part of indemnitee, Tenant shall and will indemnify, defend and save harmless Landlord, Landlord's partners, beneficiaries, directors, officers, agents and employees from and against any and all liability, claims, demands, expenses, fees, fines, penalties, suits, proceedings, actions, and causes of action of any and every kind and nature arising or growing out of or in any way connected with Tenant's use, occupancy, management or control of the leased premises and/or Tenant's operations or activities in the Shopping Center, whether or not occurring or resulting in damage or injury within the leased premises or the joint use areas. This obligation to indemnify shall include reasonable legal and investigation costs and all other reasonable costs, expense and liabilities from the first notice that any claim or demand is to be made or may be made. Tenant acknowledges that the foregoing provisions of this ARTICLE 20 shall apply and become effective from and after the date of delivery of possession of the leased premises to Tenant. Tenant's obligation to observe and perform any of the provisions of this ARTICLE 20 shall survive the expiration of the term hereof or the earlier termination of this lease.

(b) Landlord hereby indemnifies, and holds Tenant harmless from and against, and shall defend Tenant against all claims, losses, damages and penalties arising, claimed, charged or incurred against Tenant from any matter or thing arising from damage to property, or injury to or death of persons, which occurs in, on or about the joint use areas to the extent due to the negligence or willful misconduct of Landlord; provided, however, in no event shall Landlord be liable for, or be required to indemnify Tenant against, any claims, demands, liabilities or damages resulting in any way, in whole or in part, from the negligence or willful misconduct of Tenant, or any of Tenant's employees, agents or contractors.

ARTICLE 21 - Assignment, Subletting and Ownership

(a) Tenant acknowledges that Tenant's agreement to operate in the leased premises for the use permitted in ARTICLE 1(c) herein for the term hereof was a primary inducement and precondition to Landlord's agreement to lease the leased premises to Tenant. Accordingly, Tenant shall not transfer, assign, sublet, enter into license or concession agreements, change ownership or hypothecate this lease or the Tenant's interest in and to the leased premises in whole or in part, or otherwise permit occupancy of all or any part thereof by anyone with, through, or under it, without first procuring the written consent of Landlord which consent shall not be unreasonably withheld, delayed or conditioned. Any such attempt at transfer, assignment, subletting, license or concession agreement, change of ownership or hypothecation without Landlord's written consent shall be null and void and confer no rights upon any third person. The prohibitions of this ARTICLE 21 shall

be construed to refer to any acts or events referred to when they occur by operation of law, legal process, receivership, bankruptcy or otherwise. Notwithstanding any permitted subletting or granting of concession or license, the leased premises shall be used and operated as a single store.

Tenant shall submit the request for an assignment or subletting in writing with sufficient time and information for Landlord to make an informed decision as to the qualifications of the proposed assignee or sublessee.

(b) The consent by Landlord to any transfer, assignment, subletting, license or concession agreement, change of ownership or hypothecation shall not constitute a waiver of the necessity for such consent to any subsequent attempted transfer, assignment, subletting, license or concession agreement, change of ownership or hypothecation. Receipt by Landlord of rental due hereunder from any party other than Tenant shall not be deemed to be a consent to any such assignment or subletting, nor relieve Tenant of its obligation to pay rental or other charges for the full term of this lease.

(c) Each transfer, assignment, subletting, license or concession agreement and hypothecation to which there has been consent where consent is required shall be by instrument in writing, in form reasonably satisfactory to Landlord, and shall be executed by the transferor, assignor, sublessor, licensor, concessionaire, hypothecator or mortgagor, and the transferee, assignee, sublessee, licensee, concessionaire, or mortgagee shall agree in writing for the benefit of the Landlord to assume, be bound by, and perform the terms, covenants and conditions of this lease to be done, kept and performed by Tenant and to retain all accounting records which Tenant is obligated to retain hereunder. One executed copy of such written instrument shall be delivered to Landlord. Each transfer, assignment, subletting, license or concession agreement between Tenant and the transferee, assignee, sublessee, licensee or concessionaire, shall specifically obligate such third party to observe and perform all of the obligations of this lease and indicate that Landlord has the right to audit such other parties in accordance with the terms of this lease. In no event shall Tenant be released from liability or relieved of its obligations hereunder, unless Landlord agrees otherwise and the written instrument expressly so provides. Failure to first obtain in writing Landlord's consent or failure to comply with the provisions of this ARTICLE 21 shall operate to prevent any such transfer, assignment, subletting, license, concession agreement or hypothecation from becoming effective.

(d) If Tenant (or any guarantor of this lease) is a corporation and if the control thereof changes at any time during the term hereof, Tenant shall so notify Landlord. In the event of such change of control (whether or not Tenant has notified Landlord thereof), Landlord may, at its option, declare such a change a default of this lease, subject to the remedies provided for breach in ARTICLE 23 hereof, effective sixty (60) days from the date of such notice from Tenant, or the date on which Landlord first has knowledge of such change, whichever shall first occur. The provisions of the preceding sentence, however, shall not be applicable if control of the corporation changes as the result of a public offering of Tenant or its parent corporation or public trading of Tenant or any parent corporation of Tenant which occurs on a major security exchange. If Tenant is a partnership or entity other than a corporation (including, but not limited to, a sole proprietorship) and if the control thereof changes at any time during the term hereof (if Tenant is a partnership, such change shall include, but not be limited to, the withdrawal of a partner or partners from said partnership and the dissolution of said partnership), Tenant shall so notify Landlord. In event of such change of control (whether or not Tenant has notified Landlord thereof), Landlord may, at its option, declare such a change a default of this lease, subject to the remedies provided for breach in ARTICLE 23 hereof, effective sixty (60) days from the date of such notice from Tenant, or the date on which Landlord first has knowledge of such change, whichever shall first occur. The mere receipt by Landlord of rent from a party other than Tenant shall not be deemed actual notice of any change in control or ownership of Tenant. For purposes hereof, "change of control" shall be deemed to be the transfer of 52% or more of the outstanding voting stock or other ownership interest of Tenant.

(e) Tenant agrees to pay to Landlord an amount equal to \$1,000.00 to reimburse Landlord for attorney's fees and administrative expense involved with the review, processing and/or preparation of any documentation in connection with an assignment, subletting, license or concession agreement, change of ownership or control, hypothecation or other transfer of this lease or Tenant's interest in the leased premises, where Landlord's consent thereto is required, whether or not Landlord's consent to such transfer is required or obtained.

(f) If Landlord shall not be permitted to terminate this lease because of the provisions of Title 11 of the United States Code relating to Bankruptcy, as amended ("Bankruptcy Code"), Tenant, as a debtor in possession or any trustee for Tenant, agrees promptly, within no more than fifteen (15) days upon request by Landlord to the Bankruptcy Court, to assume or reject this lease, and Tenant on behalf of itself and any trustee agrees not to seek or request any extension or adjournment of any application to assume or reject this lease by Landlord with such Court. In no event after the assumption of this lease shall any then existing default remain uncured for a period in excess of the earlier of thirty (30) days or the time period set forth herein. In the event of a filing of a petition under the Bankruptcy Code, Landlord shall have no obligation to provide Tenant with any services or utilities as herein required unless Tenant shall have paid and is current in all payments of operating charges for environmental services, joint use area costs and other charges for services.

(g) In the event of an assignment or subletting requiring the consent of Landlord hereunder, if the Minimum Annual Rental, Percentage Rental, or any additional rental and/or charges required to be paid arising from any assignment, subletting, licensing or concession agreement exceeds the rental and/or charges reserved hereunder, then Tenant shall pay to Landlord, on demand, the entire amount of such excess, which shall be deemed additional rental. In no event shall the reasonable value of the sale of Tenant's tangible assets and goodwill be deemed payable to Landlord hereunder. Tenant shall deliver to Landlord a statement within thirty (30) days after the end of each calendar year, and within thirty (30) days after the expiration or earlier termination of the term of this lease, specifying with respect to the elapsed portion of the calendar year in which the expiration or termination occurs each sublease, assignment, licensing and concession agreement in effect during the period covered by the statement and (a) the date of its execution and delivery, the number of square feet of the rentable area demised, and the term; and (b) a computation in reasonable detail showing: (1) the amounts, if any, paid and payable by Tenant to Landlord pursuant to this subsection with respect to the sublease, assignment, licensing or concession agreement for the period covered by the statement and (2) the amounts, if any, paid and payable by Tenant to Landlord pursuant to this paragraph with respect to any payments received from a sublessee, assignee, licensee or concessionaire during that period but which relate to an earlier period. The foregoing provision shall not be applicable to any assignment or subletting that includes the assignment or subletting of at least twenty (20) other leases of Tenant.

(h) [Intentionally Omitted].

(i) Notwithstanding anything to the contrary contained in this ARTICLE 21, so long as Tenant is not in default under this lease beyond any applicable cure period, Tenant shall have the right, without the prior written consent of Landlord, to assign this lease to a corporation or other entity which: [a] is Tenant's parent organization; or [b] is a wholly-owned subsidiary of Tenant or Tenant's parent organization; or [c] is a corporation of which Tenant or Tenant's parent owns in excess of fifty percent (50%) of the outstanding capital stock or is a corporation of which Do W. Chang, an individual, owns in excess of forty percent (40%) of the outstanding capital stock, provided that Tenant is the Tenant-entity specifically named in the first paragraph of this lease or an affiliate of such entity; or [d] as a result of a consolidation or merger with Tenant and/or Tenant's parent corporation shall own all the capital stock of Tenant or Tenant's parent corporation; or [e] is an entity or individual which owns or purchases all or substantially all of Tenant's assets or stock; or [f] is an entity or individual which owns or purchases all or substantially all of Tenant's similarly sized stores operating under the same trade name used at the leased premises; or [g] operates a concession or department in the leased premises allowed by the permitted use hereunder which, together with all other concessions and departments in the leased premises, do not exceed five percent (5%) of the combined sales and display area of the leased premises. Any assignment pursuant to [a], [b], [c], [d], [e] or [f] above shall be subject to the following conditions: (1) Tenant shall remain fully liable during the unexpired term of the lease; (2) any such assignment shall be subject to all of the terms, covenants and conditions of this lease and, except in the case of a stock transfer, any such transferee shall expressly assume for the benefit of Landlord the obligations of Tenant under this lease by a document prepared by Landlord; (3) the resulting entity or individual pursuant to [d], [e] or [f] above shall have a net worth and net assets of at least Twenty Five Million Dollars (\$25,000,000.00); (4) Tenant shall give Landlord notice of such proposed assignment at least thirty (30) days prior to its effective date (which notice shall include all documentation necessary to verify the conditions contained in this paragraph). A public offering of Tenant's stock on a recognized national or regional securities exchange shall not be deemed to be a transfer or a change of control hereunder.

The transfer of shares of stock of Tenant to or among the immediate members of the family of a shareholder, to a living trust for estate planning purposes or by will or intestacy, or to existing shareholders of Tenant or to Tenant, shall not be deemed an assignment of this Lease or the subletting of the Premises or a change of control of Tenant provided and on condition that or a change of control of Tenant does not occur.

An hypothecation of shares of stock of Tenant shall not be deemed an assignment of this Lease or a subletting of the leased premises or a change of control of Tenant unless and until either the person to whom said shares have been so hypothecated obtains the right to vote said shares for directors of Tenant prior to any foreclosure of any security interest in said shares or acquires all right, title and interest of the hypothecator in said shares.

Notwithstanding anything to the contrary contained in this ARTICLE 21, so long as Tenant is not in default under this lease, Tenant shall be permitted to license the leased premises to a Bona Fide Licensee (as defined herein) subject to the following conditions: (a) Tenant shall give Landlord written notice at least forty five (45) days prior to the effective date of such license, together with all documentation necessary to verify the conditions required by this paragraph; (b) Tenant shall remain fully liable during the remainder of the term of the lease and shall not be relieved of its obligations under this lease; (c) any licensee shall be subject to all the terms, covenants and conditions of this lease and any such licensee shall expressly assume the obligations of Tenant under this lease by a document prepared by Landlord; (d) the use of the lease

premises shall be restricted to the permitted use under ARTICLE 2; (c) Tenant has delivered the review fee under ARTICLE 21(e); and (f) the Bona Fide Licensee must have a tangible net worth, computed in accordance with generally accepted accounting principles of at least Two Million Dollars (\$2,000,000.00). The term "Bona Fide Licensee" shall be defined as a licensee of Forever 21 Retail, Inc. in accordance with a bona fide and legally valid licensing program established by Forever 21 Retail, Inc. providing adequate and ongoing training, supervision and control over its licensees. Furthermore, any sublease to a Bona Fide Licensee shall be subject to the following additional conditions: (i) Tenant shall retain a reversionary interest in the lease; (ii) the sublease shall be subordinate to the lease; and (iii) the sublessee shall have a net worth and business experience necessary to operate a successful business in the manner and quality permitted under this lease.

All of the other terms, covenants and conditions of this lease shall continue in full force and effect and unamended.

ARTICLE 22 - Access to Premises

Tenant agrees that Landlord, its agents, employees or servants, or any person authorized by Landlord, may enter the leased premises upon reasonable notice to Tenant (except in the event of an emergency, in which case no such notice shall be required) for the purpose of: (a) inspecting the condition of same; (b) making such repairs or improvements thereto, or to the building of which the same is a part, as Landlord may elect or be required to make or permitted to make under this Lease; (c) exhibiting the same to prospective purchasers of the building in which the leased premises are contained; and (d) posting notices of non-responsibility. In exercising the foregoing rights, Landlord shall use commercially reasonable efforts to minimize interruption of Tenant's business operation in the leased premises. In the event that Landlord's exercise of the foregoing rights materially, adversely interferes with Tenant's use and occupancy of the leased premises such that Tenant cannot reasonably conduct business upon the leased premises or if Tenant is able to remain open for business, Tenant's Net Sales decline by more than 5% when compared to Tenant's Net Sales for the same period in the prior calendar year, notwithstanding Tenant's commercially reasonable efforts to mitigate such interruption, and such material, adverse interruption continues for a continuous period of at least twenty-four (24) hours, then in such case there shall be an equitable abatement of Minimum Annual Rental and additional rental based upon the length of time after expiration of the foregoing twenty-four (24) hour period during which such interruption continues, and the portion of the leased premises which becomes unusable as a result of such interruption. Tenant agrees that neither Tenant nor any person within Tenant's control shall interfere with such notices. Except as otherwise provided in this lease and in cases of emergency, Landlord shall not unreasonably disturb Tenant's conduct of business.

ARTICLE 23 - Defaults by Tenant

- (a) The occurrence of any of the following shall constitute a default and breach of this lease by Tenant:
- (i) Tenant shall fail to pay when due any installment of rental, or any other payment required to be made by Tenant hereunder in whole or in part, and such failure shall continue for ten (10) days after written notice after the date when due; and/or
 - (ii) The abandonment or vacation of the leased premises or any part thereof, by Tenant; and/or
 - (iii) A failure by Tenant to observe and perform any other provision of this lease to be observed or performed by Tenant, if such failure is not cured as soon as reasonably practicable and in any event within thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if such failure is such that it cannot reasonably be cured within such thirty (30) day period, then Tenant shall not be in default if Tenant commences such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion; and/or
 - (iv) The making by Tenant of any general assignment for the benefit of creditors; the filing by or against Tenant of a petition to have Tenant adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the leased 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 leased premises or of Tenant's interest in this lease, where such seizure is not discharged within thirty (30) days.
- (b) In the event of any such default by Tenant, then in addition to any other remedies available to

Landlord at law or in equity, Landlord shall have the immediate option to terminate this lease and all rights of Tenant hereunder by giving written notice of such intention to terminate. In the event that Landlord shall elect to so terminate this lease, then Landlord may recover from Tenant:

- (i) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus
- (ii) The worth at the time of award of the amount by which the unpaid rental which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus
- (iii) The worth at the time of award of the amount by which the unpaid rental for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus
- (iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this lease (including the costs and disbursements of recovering the leased premises and reasonable attorneys' fees) or which in the ordinary course of events would be likely to result therefrom; plus
- (v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

(c) The term "rental" as used herein shall be deemed to be and to mean the Minimum Annual Rental and all other sums required to be paid by Tenant pursuant to the terms of this lease. All such sums, other than the Minimum Annual Rental, shall be computed on the basis of the average monthly amount thereof accruing during the immediately preceding twenty-four (24) month period prior to default, except that if it becomes necessary to compute such rental before such twenty-four (24) month period has occurred, then such rental shall be computed on the basis of the average monthly amount accruing during such shorter period. As used in subparagraphs (i) and (ii) above, the "worth at the time of award" is computed by allowing interest at the rate of two percent (2%) above the Prime Rate (as hereinbefore defined), not to exceed the maximum rate of interest allowed by law in the State of California, and such interest shall be deemed to be additional rental. As used in subparagraph (iii) above, the worth at the time of award is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco, at the time of award plus one percent (1%). For the purposes of determining the amounts payable under this ARTICLE 23, Percentage Rental shall be included as additional rental on the basis of the average Net Sales for the thirty six (36) months (or such less number of months since the date upon which rental commenced) preceding the termination of Tenant's right to possession of the leased premises.

(d) In the event of any such default by Tenant, Landlord shall also have the right to reenter the leased premises and remove all persons and property from said premises. Such property may be removed at the cost of and for the account of Tenant. Landlord shall have no liability to Tenant for any loss or damage whatsoever resulting from such entry by Landlord, and Tenant hereby agrees to pay as additional rental upon demand any expenses or fees incurred or paid by Landlord as a result thereof. If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this lease as Tenant or guarantee this lease as Guarantors, the liability of each such individual, corporation, partnership or other business association to pay rental and perform all other obligations hereunder shall be deemed to be joint and several. In like manner, in the event that Tenant named in this lease shall be a partnership or other business association, the members of which are by virtue of statute or general law subject to personal liability, then, and in that event, the liability of each such member shall be deemed to be joint and several. Notwithstanding any other provision hereof, or of any rule or provision of law, the failure or refusal by Landlord to proceed, in the event of a breach or default by Tenant, against all the individuals, corporations, partnerships or other business associations comprising the Tenant (or any combination of two or more thereof) or against Tenant or against one or more of the Guarantors, if any, hereof, shall not be deemed to be a release or waiver of any rights which Landlord may possess against such other individuals, corporations, partnerships, or associations not so proceeded against nor shall the granting by Landlord of a release of, or execution of a covenant not to sue any one or more of the individuals, corporations, partnerships, or other business associations comprising the Tenant (or any combination of two or more thereof) or the Guarantors, if any, constitute a release or waiver, in whole or in part, of any rights which Landlord may possess against such other individuals, corporations, partnerships, or associations not so released or granted a covenant not to sue. If either party institutes legal suit or action for enforcement of any obligation contained herein, it is agreed that the venue of such suit or action shall be in Sacramento, California. Notwithstanding anything to the contrary contained in this ARTICLE 23, any written notice, other than as specifically set forth in this ARTICLE 23, required by any statute or law now or hereafter enacted is hereby waived by Tenant to the fullest extent permitted under such law. Furthermore, any notice other than as specifically set forth in this ARTICLE 23, shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar successor statute. In the event

Landlord terminates the lease as a result of Tenant's default hereunder. Landlord shall use commercially reasonable efforts to mitigate its damages.

(e) In the event of the vacation or abandonment of the leased premises or any part thereof by Tenant or in the event that Landlord shall elect to reenter as provided in paragraph (d) above or shall take possession of the leased premises pursuant to legal proceedings or pursuant to any notice provided by law, and if Landlord does not elect to terminate this lease as provided in paragraph (b) above, then Landlord may from time to time, without terminating this lease, either recover all rental as it becomes due or relet the leased premises or any part thereof for such term or terms and at such rental or rentals and upon such other terms and conditions and for such period of time as Landlord in its reasonable discretion may deem advisable, with the right to make alterations and repairs to the leased premises. For purposes of this ARTICLE 23, the terms "vacation" and "abandonment" shall apply although Tenant may have left all or any part of its trade fixtures, furniture, furnishings, signs, stock or other personal property within the leased premises.

(f) In the event that Landlord shall elect to so relet, then rentals received by Landlord from such reletting shall be applied: first, to the payment of any indebtedness other than rental due and unpaid hereunder; second, to the payment of any cost of such reletting; third, to the payment of the cost of any repairs to the leased premises; fourth, to the payment of rental due and unpaid hereunder from Tenant to Landlord; and the residue, if any, shall be held by Landlord and applied in payment of future rental as the same may become due and payable hereunder. Should that portion of such rentals received from such reletting during any month, which is applied to the payment of rental, be less than the rental payable during that month by Tenant hereunder, then Tenant shall pay such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. Tenant shall also pay to Landlord, as soon as ascertained, any costs and expenses incurred by Landlord in such reletting or in making such repairs not covered by the rentals received from such reletting of the leased premises.

(g) No reentry or taking possession of the leased premises by Landlord pursuant to paragraphs (d) or (e) of this ARTICLE 23 shall be construed as an election to terminate this lease nor shall it cause a forfeiture of rentals or other charges remaining to be paid during the balance of the term hereof, unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any reletting without termination by Landlord because of any default by Tenant, Landlord may at any time after such reletting elect to terminate this lease for any such default.

(h) Tenant expressly waives any right or defense which it may have to claim a merger, and neither the commencement of any action or proceeding nor the settlement thereof, or entering of judgment therein shall bar Landlord from bringing subsequent actions or proceedings from time to time.

(i) To the extent not contrary to applicable law, the parties hereby waive trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other on any matters whatsoever arising out of or in any way connected with eviction or non-payment of rent.

(j) If the leased premises or any part thereof or premises of which the leased premises are a part are at any time subject to a mortgage or a deed of trust and this lease or the rental is assigned to the mortgagee, trustee or beneficiary under such mortgage or deed of trust, and if Tenant is given written notice thereof, including the street post office address of such assignee, then Tenant shall not act on any default on the part of Landlord under this lease without first giving written notice to such assignee, specifying the default in reasonable detail, and affording such assignee a reasonable opportunity to make performance for and on behalf of Landlord, provided that such time period shall not exceed the time period provided to Landlord hereunder to cure a default.

ARTICLE 24 - Surrender of Premises

(a) Tenant shall, upon expiration of the term hereof, or any earlier termination of this lease for any cause, surrender to Landlord the leased premises, including, without limitation, all building apparatus, equipment then upon the leased premises, and all alterations, improvements and other additions thereto that may have been made or installed by either party to, in, upon or about the leased premises. Notwithstanding the foregoing, Tenant may remove its trade fixtures, decorative lighting, moveable equipment, signs, furniture and other personal property, but not including in set light fixtures, air conditioning equipment, floor and wall coverings, and partitions, which items shall remain in the leased premises and become the property of Landlord without any payment therefor.

(b) [Intentionally Omitted]

(c) The leased premises and all said property (other than the trade fixtures, decorative lighting, moveable equipment, signs, furniture, and other personal property which Tenant has the right to remove pursuant to

paragraph (a) herein) shall be surrendered to Landlord by Tenant without any damage, injury, or disturbance thereto, or payment therefor. Tenant, at its expense, shall immediately repair any damage to the leased premises caused by Tenant vacating the same or by Tenant's removal of such trade fixtures, decorative lighting, moveable equipment, signs, furniture, and other personal property, and shall leave the leased premises in a neat and clean condition, free of debris, reasonable wear and tear and damage by unavoidable casualty excepted. Tenant shall comply with all laws and governmental regulations bearing upon any removal and repair pursuant to this ARTICLE 24, and such removal and repair shall be conducted in such a manner so as not to create a disturbance or health problem for any customers, agents, invitees or other parties in the Shopping Center. Any property not so removed shall be deemed to have been abandoned by Tenant and may be retained or disposed of by Landlord, as Landlord shall desire, without any obligation to account therefor to Tenant.

(d) If Tenant fails to remove said trade fixtures, signs and other personal property, which Tenant has a right to remove pursuant to paragraph (a) herein, at or prior to the termination of the term hereof, or earlier termination of the lease, Landlord may, at its election, (i) consider the same abandoned and retain the same as Landlord's property, or (ii) remove and dispose of the same for the account of Tenant and at Tenant's cost and expense.

(e) Tenant's obligation to observe and perform any of the provisions of this ARTICLE 24 shall survive the expiration of the term hereof or earlier termination of this lease.

ARTICLE 25 - Tenant's Conduct of Business

(a) Tenant covenants and agrees that, continuously and uninterruptedly from and after its initial opening for business, it will operate and conduct within the entire leased premises the business it is permitted to operate and conduct under the provisions of this lease, except any portion of the leased premises while such portion may be untenable by reason of fire or other casualty. Tenant agrees to conduct its business at all times in a first-class manner consistent with reputable business standards and practices, and that it will at all times keep and maintain within and upon the leased premises an adequate stock of merchandise and trade fixtures to service and supply the usual and ordinary demands and requirements of its customers and that it will keep the leased premises in a neat, safe, clean and orderly condition. Tenant also agrees to conduct Tenant's business under the trade name "Forever 21", which Tenant represents that it has a right to use, or such other trade name (including any trade name using the word "Forever" or the numbers "21" or "XXI") as is used by Tenant at a majority of its other stores then operating in the State of California under the trade name then in use at the leased premises pursuant to the terms of this lease, and provided that Tenant shall notify Landlord in writing at least thirty (30) days prior to affecting any change in its trade name, and any modification to Tenant's storefront signs in connection with a change in the trade name shall be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld. Tenant further agrees to keep open the leased premises and operate the business conducted thereon at such hours and on such days and evenings of the week as may be determined from time to time by Landlord in Landlord's sole and absolute discretion. A vacation or abandonment of other premises by any other tenant or department store in the Shopping Center shall not in any way release Tenant from its obligations under this lease, notwithstanding anything to the contrary contained herein. Notwithstanding the foregoing or anything to the contrary contained herein, Tenant shall not be required to be open for business in the leased premises unless at least seventy percent (70%) of the gross leasable area of the enclosed mall of the Shopping Center is occupied by mall tenants that are also open for business in the Shopping Center. Tenant may close the leased premises on Christmas Day, Easter Day, Thanksgiving Day and New Year's Eve. Notwithstanding the foregoing or anything to the contrary contained herein, Tenant shall be permitted to close its business being operated upon the leased premises for up to four (4) days during each calendar year for inventory.

(b) The parties covenant and agree that because of the difficulty or impossibility of determining Landlord's damages, should Tenant, after Tenant's initial opening, fail to keep open the leased premises and operate the business conducted thereon at such hours and on such days and evenings of the week as may be determined from time to time by Landlord then, in addition to and not in lieu of Landlord's other rights and remedies as herein provided, Tenant shall pay Landlord as additional rental ONE HUNDRED DOLLARS (\$100.00) per day, as the case may be, that Tenant fails to keep open and operate the leased premises and operate the business conducted thereon as required herein as liquidated damages provided, however, that for the first two (2) times in any calendar year that Tenant has failed to keep open the leased premises as provided herein, the foregoing charge shall not apply unless Tenant has failed to cure such violation within twenty-four (24) hours of receipt of Landlord's written notice of such violation, which notice may be given to Tenant as provided in ARTICLE 30 below. Landlord shall not be required to give such notice more than two (2) times in any calendar year prior to assessing the foregoing charge. Landlord and Tenant agree that such amount represents a reasonable estimate of the damages that Landlord would suffer as a result of such default by Tenant.

(c) In the event that at any time during the term of the lease, the following conditions have occurred: (i) for a period of more than one hundred eighty (180) continuous days (not including periods of time of non-operation due to casualty, or remodeling, or the taking by eminent domain), there are not at least three (3) department stores and at least eighty percent (80%) of the gross leasable area of the Shopping Center is occupied by mall tenants that are open for business in the Shopping Center ("Closure Period"); and (ii) Tenant's Net Sales have decreased by ten percent (10%) or more during the Closure Period when compared to Net Sales for the identical calendar period immediately preceding the Closure Period ("Comparison Period") (e.g., if the Closure Period is July 1, 2015 to December 31, 2015, the Comparison Period shall be July 1, 2014 to December 31, 2014) (the occurrence of both of the events in the foregoing (i) and (ii) being called a "Co-Tenancy Condition"), then by written notice to Landlord, Tenant may elect to pay to Landlord (in lieu of Minimum Annual Rental) for the period following such notice until there is no longer a Co-Tenancy Condition, a sum equal to five percent (5%) of Net Sales (the "Co-Tenancy Condition Rent"). provided, however, that in addition to Co-Tenancy Condition Rent, Tenant shall continue to pay all additional rental under this lease. Tenant shall cease the payment of Co-Tenancy Condition Rent and commence the payment of full Minimum Annual Rental as set forth herein as soon as there is no longer a Co-Tenancy Condition. Notwithstanding the foregoing, in the event that Tenant elects to pay Co-Tenancy Condition Rent as provided hereinabove, either Landlord or Tenant may, at any time commencing twelve (12) months after Tenant begins paying Co-Tenancy Condition Rent, and until there is no longer a Co-Tenancy Condition, terminate this lease upon written notice of termination to the other ("Notice to Terminate"), which termination shall be effective ninety (90) days after the date of the Notice to Terminate, provided, however, no later than thirty (30) days after receipt of a Notice to Terminate from Landlord. Tenant may deliver written notice to Landlord of Tenant's intent to resume paying full Minimum Annual Rental, and immediately upon the date of such notice from Tenant, Landlord's and Tenant's right to terminate the Lease provided herein shall be null and void and Tenant shall immediately resume paying full Minimum Annual Rental. Tenant's right to pay Co-Tenancy Condition Rent, or terminate the lease, as described herein shall be Tenant's sole remedy in the event of a situation described in this ARTICLE 25(c) and Landlord shall not be liable for any damages arising from any such situation. Except as expressly provided herein, in no event shall this ARTICLE 25(c) be deemed to reduce, waive or otherwise modify any of Tenant's other obligations under this lease.

ARTICLE 26 - Rules and Regulations

Tenant covenants and agrees that Tenant will comply with (and require all of Tenant's employees, agents, and contractors to comply with) all reasonable, non-discriminatory rules and regulations set by Landlord from time to time for the operation of the Shopping Center or the leased premises, including but not limited to the following:

- (a) Tenant shall not affix or maintain upon the glass panes and supports of the show windows (and within twelve (12) inches of any window), doors and the exterior walls of the leased premises any signs, advertising placards, names, insignias, trademarks, descriptive material or any other such, like item or items. Neither shall Tenant place or attach any vents, structures, improvements, or obstructions of any type or kind on or to the exterior of the leased premises without first obtaining Landlord's written consent. Landlord shall have the right, after giving prior notice to Tenant and without any liability for damage to the leased premises or property kept or stored by Tenant, reasonably caused thereby, to restore the leased premises and remove any of the same from the leased premises except such as shall have first received written approval of Landlord as to size, type, color, location, copy, nature and display qualities, and the cost of such restoration and removal shall be paid for by Tenant as additional rental promptly upon receipt of a bill therefor. Anything to the contrary in this lease notwithstanding, Tenant shall not affix any sign to the roof of the leased premises;
- (b) No awning or other projections shall be attached to the outside walls of the leased premises or the building of which they form a part without, in each instance, the prior written consent of Landlord;
- (c) All loading and unloading of goods shall be done only at such times, in the areas and through the entrances reasonably designated for such purpose by Landlord;
- (d) All garbage and refuse shall be kept in the kind of container approved by Landlord's fire and casualty consultants. It shall be removed from the premises daily and deposited in mass disposal containers in the manner prescribed from time to time by Landlord. Landlord shall provide or designate a service for collection of this refuse and garbage from the designated mass disposal containers. Said service shall be included as part of the joint use area costs as defined in ARTICLE 17 hereof;
- (e) No radio or television aerial shall be erected on the roof or exterior walls of the leased premises without the prior written consent of Landlord. Any aerial so installed shall be subject to removal without notice at any time, and any damage to the walls or roof caused by such removal shall be the responsibility of Tenant;

- (f) No loudspeakers, televisions, phonographs, radios, flashing lights, machinery, or other devices shall be used in a manner so as to be unreasonably heard or seen outside of the leased premises without the prior written consent of Landlord.
- (g) No auction, fire, bankruptcy or selling-out sales, except those which are lawful and bona fide, shall be conducted on or about the leased premises without the prior written consent of Landlord;
- (h) Tenant shall keep Tenant's display windows illuminated and the signs lighted each and every day of the term hereof during the regular business hours of the Shopping Center, provided Tenant shall not be obligated to keep its display windows in the Premises lighted during periods longer than 1 hour after Tenant's closing on any day;
- (i) Tenant shall not place nor permit any obstructions, garbage, refuse, improvements, merchandise or displays in the areas outside the leased premises;
- (j) Nothing is to be attached to or placed on the roof or exterior walls of the leased premises, except as follows:
 - (i) Tenant shall obtain Landlord's written approval before placing any equipment on roof; details of the method of mounting of such equipment shall be submitted to Landlord for Landlord's approval; and
 - (ii) Access to roof is by Landlord's contractor only. All work performed will be by Landlord's contractor at Tenant's expense, provided such contractor's rates are reasonable and competitive for the market area and further provided such contractor is reasonably able to meet Tenant's construction schedules

Tenant and Tenant's employees shall not park their motor vehicles in those portions of the parking area designated for customer parking by Landlord. Tenant shall furnish Landlord the state automobile license numbers assigned to Tenant's motor vehicle or vehicles and the vehicles of Tenant's employees within five (5) business days after request by Landlord, and Tenant shall thereafter notify Landlord of any changes of the same within five (5) business days after such changes occur. If Tenant or Tenant's employees shall park in portions of the parking area designated for customer parking, and such vehicle or vehicles shall continue to be parked in said customer parking area after notice of such violation is given to Tenant by Landlord, Landlord may at any time thereafter, in addition to any other remedies Landlord may have, charge Tenant TWENTY FIVE AND NO/100 DOLLARS (\$25.00) per day for each day or partial day per vehicle parked in any areas other than those designated, attach violation stickers or notices to such vehicles, and have any such vehicle removed at Tenant's expense. Landlord shall not be entitled to tow any vehicle of Tenant or any employee of Tenant that is improperly parked within the Shopping Center unless it first gives Tenant's on-site store manager at least one hour's prior notice of Landlord's intention to do so;

- (l) Tenant shall use such pest extermination contractor as Landlord may direct and at such intervals as Landlord may require, said expense to be included as part of the joint use area costs as defined in ARTICLE 17 hereof; and Tenant shall not keep or permit any live animals of any kind in, upon or about the leased premises, unless expressly allowed by ARTICLE 1(c), or unless as used by handicapped persons;
- (m) Tenant, its employees and/or its agents, shall not solicit business in the parking or other joint use areas, nor shall Tenant, its employees and/or its agents, distribute any handbills or other advertising matter in or on automobiles parked in the parking or other joint use areas;
- (n) In the event Landlord installs a supervised fire sprinkler alarm system for the protection of Tenant and of the Shopping Center, Tenant agrees its prorata share of the monthly alarm service charge is to be included as part of the joint use area costs as defined in ARTICLE 17 hereof;
- (o) [Intentionally Omitted]
- (p) Tenant shall not carry on any trade or occupation or operate any instrument or apparatus or equipment which emits an odor or causes a noise discernible outside of the leased premises or which may be deemed offensive in nature;
- (q) Tenant shall not place or maintain any temporary sign(s) or fixture(s) (including portable trade fixtures, displays or folding tables) for the display of merchandise within three (3) feet to either side of any entrance within the leased premises without prior written consent of Landlord, and in no event shall a merchandise display extend beyond the frontage line of the leased premises. This shall not preclude the use of permanent fixed merchandise displays within the confines of the leased premises provided such permanent displays do not in any manner block the entrance to the leased premises;

(r) Tenant shall store or stock in the leased premises such and only such goods, wares, merchandise or other property as shall be reasonably required for the conduct of Tenant's business in the leased premises, and in accordance with any advertising or other representation of Tenant;

(s) [Intentionally Omitted];

(t) Tenant shall not use, permit or suffer the use of the leased premises, or any part thereof, as living, sleeping or lodging quarters, or other residential purposes;

(u) Tenant shall not use the plumbing facilities for any purpose other than that which they are constructed, and no grease or foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage (whether on or off the leased premises) resulting therefrom shall be borne by Tenant;

(v) In connection with any use of the joint use areas, no person shall, without the written consent of Landlord:

(i) vend, peddle or solicit orders for sale or distribution of any merchandise, device, service, periodical, book, pamphlet or other matter whatsoever;

(ii) exhibit any sign, placard, banner, notice or other written material;

(iii) distribute any circular, booklet, handbill, placard or other material;

(iv) solicit membership in any organization, group or association or contribution for any purpose;

(v) parade, patrol, picket, demonstrate or engage in any conduct that might tend to interfere with or impede the use of any of the joint use areas by any customer, business invitee or employee, create a disturbance, attract attention or harass, annoy, disparage or be detrimental to the interest of any of the retail establishments within the Shopping Center;

(vi) use any joint use areas for any purpose when none of the retail establishments within the Shopping Center is open for business or employment; and

(vii) panhandle, beg or solicit funds.

Landlord shall, for the enforcement of the covenants, conditions and agreements now or hereafter made a part of this ARTICLE 26 (referred to as "Rules and Regulations"), have all remedies in this lease provided for breach of the provisions hereof. Tenant agrees to pay Landlord as additional rental, in addition to and not in lieu of Landlord's other remedies, upon demand, SEVENTY AND NO/100 DOLLARS (\$70.00) per violation of any of the Rules and Regulations; provided, however, that for the first two (2) times in any calendar year that Tenant has violated any of the Rules and Regulations set forth in this ARTICLE 26, the foregoing charge shall not apply unless Tenant has failed to cure such violation within two (2) business days of receipt of Landlord's written notice of such violation to Tenant as provided in ARTICLE 30 below. Landlord shall not be required to give such notice more than two (2) times in any calendar year prior to assessing the foregoing charge. Nothing in this lease shall be construed to require Landlord to enforce the Rules and Regulations when violated by other tenants. Landlord shall have the right to grant variances of the Rules and Regulations.

ARTICLE 27 - Eminent Domain

(a) In the event the entire leased premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this lease shall terminate and expire as of the date of such taking, and both Landlord and Tenant shall thereupon be released from any liability thereafter accruing hereunder. In the event more than twenty-five percent (25%) of the square footage of floor area (including mezzanine, if any) of the leased premises is taken under the power of eminent domain by any public or quasi-public authority, or if by reason of any appropriation or taking, regardless of the amount so taken, the remainder of the leased premises is not usable for the purposes for which the leased premises were leased, then either Landlord or Tenant shall have the right to terminate this lease as of the date Tenant is required to vacate a portion of the leased premises so taken upon giving notice to the other in writing of such election within sixty (60) days after the date of such taking. In the event of such termination, both Landlord and Tenant shall thereupon be released from any liability thereafter accruing hereunder.

(h) Whether or not this lease is terminated, Landlord shall be entitled to the entire award or compensation in such proceedings, but nothing herein shall be deemed to affect Tenant's right to receive compensation or damages for its moving expenses, fixtures and tangible personal property. If this lease is terminated as hereinabove provided, all items of rental, additional rental and other charges for the last month of Tenant's occupancy shall be prorated, and Landlord agrees to refund to Tenant any rental, additional rental or other charges paid in advance.

(c) If both Landlord and Tenant elect not to so terminate this lease, Tenant shall remain in that portion of the leased premises which shall not have been appropriated or taken as herein provided, and Landlord agrees, at Landlord's cost and expense, to, as soon as reasonably possible, restore the remaining portion of the leased premises to a complete unit of like quality and character as existed prior to such appropriation or taking; and thereafter the Minimum Annual Rental provided for in ARTICLE 4 hereof shall be adjusted on an equitable basis, taking into account the relative value of the portion taken as compared to the portion remaining. For the purpose of this ARTICLE 27, a voluntary sale or conveyance in lieu of condemnation, but under threat of condemnation, shall be deemed an appropriation or taking under the power of eminent domain.

(d) Each party waives the provisions of California Code of Civil Procedure Section 1265.130 or any successor or similar legislation allowing the Superior Court, upon petition of either party, to terminate this lease in the event of a partial taking of the leased premises.

ARTICLE 28 - Attorneys' Fees

In the event that at any time during the term of this lease or thereafter, either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this lease or any default hereunder, then, in that event, the unsuccessful party in such action or proceeding agrees to reimburse the successful party for the reasonable expense of attorneys' fees and disbursements incurred therein by the successful party. Any obligation for attorneys' fees or disbursements incurred under this ARTICLE 28 shall be due and payable as additional rental under the provisions of this lease. This ARTICLE 28 shall survive the expiration and/or termination of this lease.

ARTICLE 29 - Sale of Premises by Landlord

In the event of any sale or exchange of the leased premises by Landlord and assignment by Landlord of this lease, Landlord shall be relieved of all liability under any and all of its covenants and obligations contained in or derived from this lease arising out of any act, occurrence or omission relating to the leased premises or this lease occurring after the consummation of such sale or exchange and assignment, provided such purchaser shall assume Landlord's obligations under the Lease thereafter accruing.

ARTICLE 30 - Notices

Notices and demands required or permitted to be given hereunder shall be given by personal delivery, overnight delivery by reputable delivery courier or be sent by certified mail addressed, if to Landlord, to Arden Fair Associates, L.P., 1689 Arden Way, Suite 1167 Sacramento, CA 95815, with a copy to Arden Fair Associates, L.P., c/o The Macerich Company, P.O. Box 2172, 401 Wilshire Boulevard, Suite 700, Santa Monica, California 90407, Attention: Legal Department, and if to Tenant, addressed to Tenant at Forever 21 Retail, Inc., Attention: Real Estate, 3880 N. Mission Road, Dock D-24, Room 2001, Los Angeles, CA 90031 or such other street address as was last specified respectively by notice by Landlord or Tenant. Any such notice or demand so sent shall be deemed to have been given, made, or communicated, as the case may be, on the date the same was refused or received in the United States mail as certified matter, return receipt requested, with postage thereon fully prepaid, or via prepaid overnight courier service. Reports of Net Sales shall be sent to Landlord via e-mail to: ardenfair_salesreporting@macerich.com.

ARTICLE 31 - Remedies

All rights and remedies of Landlord herein created or otherwise extending at law are cumulative, and the exercise of one or more rights or remedies shall not be taken to exclude or waive the right to the exercise of any other. All such rights and remedies may be exercised and enforced concurrently and whenever and as often as deemed desirable.

ARTICLE 32 - Successors and Assigns

All covenants, promises, conditions, representations and agreements herein contained shall be binding upon, apply and inure to the parties hereto and their respective heirs, executors, administrators, successors and assigns; it being understood and agreed, however, that the provisions of ARTICLE 21 hereof are in no way impaired by this ARTICLE 32.

ARTICLE 33 - Representations

It is understood and agreed by Tenant that Landlord and Landlord's employees and agents have made no representations or promises with respect to the leased premises or the making or entry into this lease, except as in this lease expressly set forth, and that no claim or liability, or cause for termination, shall be asserted by Tenant against Landlord for, and Landlord shall not be liable by reason of, the breach of any representations or promises not expressly stated in this lease.

ARTICLE 34 - Waiver

The failure of Landlord to insist upon strict performance by Tenant of any of the covenants, conditions, provisions, Rules and Regulations, and agreements in this lease, or to exercise any option, shall not be deemed a waiver of any of Landlord's rights or remedies and shall not be deemed a waiver of any subsequent breach or default by Tenant. No surrender of the leased premises shall be effected by Landlord's acceptance of rental or by any other means whatsoever unless the same be evidenced by Landlord's written acceptance of such as a surrender. No payment by Tenant or receipt by Landlord of a lesser amount than the monthly rental shall be deemed to be other than on account of the earliest rent then unpaid, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Tenant's payment of any amount shall be without prejudice to Tenant's right to protest or audit any expenses hereunder or to pursue any other remedy in this Lease and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rental or pursue any other remedy in this lease; and no waiver by Landlord in respect to one tenant shall constitute a waiver in favor of any other tenant in the Shopping Center.

ARTICLE 35 - Holding Over

If Tenant remains in possession of the leased premises after the expiration of the term of this lease without a new lease reduced to writing and duly executed and delivered (even if Tenant shall have paid, and Landlord shall have accepted, rent in respect to such holding over), Tenant shall be deemed to be occupying the leased premises only as a tenant from month to month, subject to all covenants, conditions and agreements of this lease, except as contemplated to the contrary in this ARTICLE 35. Such monthly rental shall be computed on the basis of one hundred twenty five percent (125%) of the total rental payable by Tenant to Landlord during the last twelve (12) month period of the term of this lease. If Tenant fails to surrender the leased premises upon the termination of this lease, then Tenant shall, in addition to any other liabilities to Landlord accruing therefrom, indemnify and hold Landlord harmless from loss or liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant for such failure. Notwithstanding the foregoing to the contrary, in the event Landlord and Tenant are engaged in active, good-faith negotiations to enter into a new lease for the leased premises after the expiration of the term, and the Minimum Annual Rental which will be payable under the new lease has been agreed upon by Landlord and Tenant, Tenant shall be permitted to retain possession of the leased premises after the expiration of the term, and Tenant shall pay to Landlord, in lieu of liquidated damages set forth above, such negotiated and agreed-upon Minimum Annual Rental plus all Percentage Rental and additional rental payable in accordance with the terms of this lease. At such time as a new lease is executed the terms of said new lease shall be applied retroactively to commence concurrently with the expiration of the term. In the event a new lease is not fully executed within sixty (60) days following the expiration of the term, the provisions of the foregoing sentence shall be of no further force and effect and Tenant shall thereafter pay liquidated damages as set forth in this ARTICLE 35 as well as any rentals outstanding pursuant to the provisions of the foregoing sentence and, further, Landlord will be entitled to exercise any and all available remedies with respect to Tenant's failure to surrender possession of the leased premises to Landlord.

ARTICLE 36 - Interpretation

The parties hereto agree that it is their intention hereby to create only the relationship of Landlord and Tenant, and that no provision hereof, or act of either party hereunder, shall ever be construed as creating the relationship of principal and agent, or a partnership, or a joint venture or enterprise between the parties hereto.

ARTICLE 37 - Promotional Fund Charge

If Landlord maintains or establishes a promotional or other fund ("Promotional Fund") to furnish and maintain professional advertising and sales promotions for the benefit of the Shopping Center (such service may be provided in whole or in part by a third party provider or by Landlord or by an affiliate, subsidiary or other related company of Landlord), Tenant agrees to pay for said promotion fund, without deduction or set-off of any kind (except as expressly provided in this lease), an amount equal to Sixteen Thousand One Hundred Fifty Seven Dollars (\$16,157.00) per year ("Promotional Fund Charge") commencing on the Rent Commencement Date, payable in equal monthly installments, prorated for any partial month, on the same day rental is due under ARTICLE 4 hereof.

ARTICLE 38 - Covenant of Title

Landlord covenants that it has full right, power and authority to make this lease, and that Tenant or any permitted assignee or sublessee of Tenant, upon the payment of the rentals and performance of the covenants upon Tenant's part to be performed hereunder, shall and may peaceably and quietly have, hold and enjoy the leased premises and improvements thereon during the term of this lease. This covenant shall be construed as a covenant running with the land and shall not be construed as a personal covenant or obligation of Landlord.

ARTICLE 39 - Waiver of Redemption

Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event of Tenant being evicted or dispossessed for any cause, or in the event of Landlord obtaining possession of the leased premises by reason of the violation by Tenant of any of the covenants and conditions of this lease or otherwise. The rights given to Landlord herein are in addition to any rights that may be given to Landlord by any statute or otherwise.

ARTICLE 40 - Fees

Tenant warrants and represents that it has not had negotiations with or dealt with any realtor, broker or agent in connection with the negotiation and execution of this lease, and Tenant agrees to pay and to hold Landlord harmless from any cost, expense or liability (including cost of suit and reasonable attorney's fees) for any compensation, commissions or charges claiming to have worked on behalf of Tenant by any realtor, broker or agent with respect to this lease and the negotiation thereof.

Landlord warrants and represents that it has not had negotiations with or dealt with any realtor, broker or agent in connection with the negotiation and execution of this lease, and Landlord agrees to pay and to hold Tenant harmless from any cost, expense or liability (including cost of suit and reasonable attorney's fees) for any compensation, commissions or charges claiming to have worked on behalf of Landlord by any realtor, broker or agent with respect to this lease and the negotiation thereof.

ARTICLE 41 - Tenant's Property

Landlord, its agents and employees shall not be liable and Tenant waives all claims for any damage to persons or property or to Tenant's business sustained by Tenant or any person claiming through Tenant located on the leased premises, nor for the loss of or damage to any property of Tenant or of others by theft or otherwise, whether caused by other tenants or persons in the Shopping Center or in the leased premises, occupants of

adjacent property, or the public, or caused by operations in construction of any private, public or quasi-public work, without being limited by any other provisions of this lease. All property kept or stored by Tenant on the leased premises shall be so kept or stored at the risk of Tenant only and Tenant shall hold Landlord harmless from any claims arising out of damage to the same or damage to Tenant's business, including subrogation claims by Tenant's insurance carrier. Notwithstanding the foregoing, in the event of damage to Tenant's personal property in the leased premises caused by the active negligence or willful misconduct of Landlord or Landlord's agents, employees or contractors, and in that event only to the extent not covered, and would not have been covered, by insurance (including self-insurance) which Tenant is required to carry pursuant to this Lease, Landlord shall be responsible for such personal property damage.

ARTICLE 42 - Lease Status

At any time and from time to time, upon request of Landlord, Tenant shall without charge, execute, acknowledge and deliver to Landlord within thirty (30) days after request, an instrument prepared by Landlord stating the commencement and termination dates of this lease, the date on which rental commences, and if the same be true, that this lease is a true and exact copy of the lease between the parties hereto, that there are no amendments hereto (or stating what amendments there may be), that the same is then in full force and effect and that, to the best of Tenant's knowledge, there are then no offsets, defenses or counterclaims with respect to the payment of rent reserved hereunder (or stating any claimed) or in the performance of the other terms, covenants and conditions hereof on the part of Tenant to be performed, and that as of such date no default has been declared hereunder by either party hereto (or stating any claimed). Notwithstanding the foregoing, the failure of Tenant to execute, acknowledge and deliver the aforementioned instrument after a second twenty (20) day written notice shall be deemed to be a default by Tenant under this lease.

ARTICLE 43 - Recording

Tenant shall not record this lease or any memorandum or so-called "short form" of this lease or other reference to this lease, without the written consent of Landlord.

ARTICLE 44 - Force Majeure

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this lease, then performance of such act shall be excused for the period of delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this ARTICLE 44 shall not operate to excuse Tenant from the prompt payment of rental, Percentage Rental, additional rental or any other payments required by the terms of this lease, and shall not excuse or delay Landlord's obligation to pay the Tenant Improvement Allowance. The provisions of this Section shall, however, operate to extend the Commencement Date (and thus, the obligation to commence the payment of Rent) should an event of force majeure intervene during the period during which Tenant is to perform Tenant's Work.

ARTICLE 45 - Construction of Lease

Tenant declares that Tenant has read and understands all parts of this lease, including all printed parts hereof. It is agreed that in the construction and interpretation of the terms of this lease the rule of construction that a document is to be construed most strictly against the party who prepared the same shall not be applied, it being agreed that both parties hereto have participated in the preparation of the final form of this lease.

ARTICLE 46 - Intentionally Omitted

ARTICLE 47 - Captions

Captions throughout this instrument are for convenience and reference only, and the words contained therein

shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this lease. The use of the terms "hereof", "hereunder" and "herein" shall refer to this lease as a whole, inclusive of the exhibits, except when noted otherwise. The use of the masculine or neuter genders herein shall include the masculine, feminine and neuter genders. The singular form shall include the plural when the context so requires. As used herein the terms "Landlord" and "Tenant" shall mean and include "Landlord" and "Tenant" and "its/their agents and employees," unless the context otherwise requires.

ARTICLE 48 - Severability

If any provision of this lease or any term, paragraph, sentence, clause, phrase or work appearing herein be judicially or administratively held invalid or unenforceable for any reason, such holding shall not be deemed to affect, alter, modify or impair in any manner any other provision, term, paragraph, sentence, clause, phrase or word appearing herein. Landlord and Tenant acknowledge that certain charges, fees and other payments are deemed "additional rental" herein for the purpose of enforcing Landlord's remedies, and shall not be construed as "rent" in the event of imposition of rent controls.

ARTICLE 49 - Objection to Statements

Tenant's failure to object to any statement, invoice or billing rendered by Landlord within a period of two (2) years after receipt thereof shall constitute Tenant's acquiescence with respect thereto and shall render such statement, invoice or billing an account stated between Landlord and Tenant.

ARTICLE 50 - Liability of Landlord

Tenant acknowledges and agrees that all liability of Landlord under this lease or arising out of the relationship of the parties created thereby shall be limited to its interest in the Shopping Center and any judgments rendered against Landlord shall be satisfied solely out of the net profits, net income and proceeds of sale of its interest in the Shopping Center which have been received by Landlord. No personal judgment shall lie against Landlord upon extinguishment of its rights in the Shopping Center and any judgment so rendered shall not give rise to any right of execution or levy against Landlord's assets. The provisions hereof shall inure to Landlord's successors and assigns. The foregoing provisions are not designed to relieve Landlord from the performance of any of Landlord's obligations under this lease, but only to limit the personal liability of Landlord in case of recovery of a judgment against Landlord, nor shall the foregoing be deemed to limit Tenant's rights to obtain injunctive relief or specific performance or to avail itself of any other right or remedy which may be awarded Tenant by law or under this lease.

ARTICLE 51 - No Option

The submission of this lease for examination does not constitute a reservation of or option for the leased premises or any other space within the Shopping Center, and shall vest no right in Tenant. This lease shall become effective as a lease only upon execution and delivery thereof by the parties hereto. Nothing in this lease shall be construed to mean that Tenant has an option to renew its lease for the leased premises or any other space in the Shopping Center. Tenant acknowledges that it does not have any exclusive rights in the Shopping Center with respect to the sale of its merchandise or the provision of its services.

ARTICLE 52 - Intentionally Omitted

ARTICLE 53 - Corporate Tenant

If Tenant is or will be a corporation, Tenant hereby covenants, represents and warrants that Tenant is a duly incorporated or duly qualified (if foreign) corporation and is authorized to do business in the state where the Shopping Center is located (a copy or evidence thereof to be supplied to Landlord upon request); and that the person executing this lease on behalf of Tenant is an officer of such Tenant, and is duly authorized to sign and execute this lease.

Landlord covenants and represents that the person or persons, partner or member executing this Lease on behalf of Landlord is (if a corporation) an officer of Landlord, and is (if a corporation or partnership of any kind) authorized to sign and execute this Lease and that any and all consents, whether by operating agreements, mortgagees, lenders, investors, or other parties whose consent may be required herein have been obtained.

ARTICLE 54 - [Intentionally Omitted]

ARTICLE 55 - Entire Agreement

This lease and the exhibits attached hereto constitute the sole and exclusive agreement between the parties with respect to the leased premises. No amendment, modification of or supplements to this lease shall be effective unless in writing and executed by Landlord and Tenant.

ARTICLE 56 - No Third-Party Rights

This lease shall not confer, or be construed to confer (directly, indirectly, contingently or otherwise), any rights or benefits on any Person that is not a named party to this lease, including any so-called third-party beneficiary rights. "Person" shall be defined as an individual, corporation, partnership, trust, unincorporated organization or governmental organization or agency or political subdivision thereof.

ARTICLE 57 - Financial Statements

If Tenant has provided any financial statement(s) to Landlord, then Tenant acknowledges that it has provided Landlord with such financial statement(s) as a primary inducement to Landlord's agreement to lease the leased premises to Tenant, and that Landlord has relied on the accuracy of said financial statement(s) in entering into this lease. Tenant represents and warrants that the information contained in any financial statement(s) it provides to Landlord is true, complete and correct in all material aspects, and agrees that the foregoing representations shall be a precondition to this lease.

ARTICLE 58 - Nondiscrimination

Tenant herein covenants by and for itself, its heirs, executors, administrators and assigns, and all persons claiming under or through it, that this lease is made and accepted upon and subject to the following conditions: that there shall be no discrimination against or segregation of any person or group of persons on account of sex, marital status, race, age, handicap, color, religion, creed, national origin or ancestry, in the leasing, subleasing, transferring, use or enjoyment of the leased premises, nor shall Tenant or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenant, lessees, sublessees, subtenants or vendees in the leased premises.

ARTICLE 59 - [Intentionally Omitted]

ARTICLE 60 - Governing Law

This lease shall be governed by the laws of the State of California and shall be deemed made and entered into in Sacramento County.

ARTICLE 61 - Common Area Escalator

Landlord represents and warrants that the escalator in the Common Areas outside the Premises shall not be removed or relocated during the term of this Lease, except to the extent required by law, or as necessary, in Landlord's reasonable discretion, in connection with a redevelopment of the Shopping Center.

IN WITNESS WHEREOF the parties hereto have executed this lease agreement on the day and year first above mentioned, the corporate party or parties by its or their proper officers duly authorized hereunto

The exhibits are hereby incorporated by reference into the lease.

LANDLORD

ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

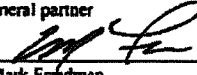
By: **AFGP, LLC,**
a Delaware limited liability company,
its general partner

By: 

Name: RONALDO M PASTORE

Its: VICE PRESIDENT

By: **Morton L. Friedman and Marcine Friedman**
Family Trust established October 26, 1994,
as general partner

By: 
Mark Friedman,
its Authorized Agent

TENANT

FOREVER 21 RETAIL, INC.,
a California corporation

By: 

Name: Da Wun Chang

Its: Chief Executive Officer

By: 

Name: Alex Chang

Its: President

[illegible]

NOTE: Although drugs and tactics used in medical intervention by non-law-enforcement first responders to drug overdoses are regulated, they are not controlled. It is important that law-enforcement, ambulance, and/or emergency medical services (EMS) personnel are trained in the use of these techniques and the use of the appropriate medical equipment. The use of these techniques without training can be dangerous. This should be done at someone's expense. When not possible, use this program to provide a general overview of the techniques and the use of the equipment. This is not a training program. The use of these techniques without training can be dangerous. This should be done at someone's expense. When not possible, use this program to provide a general overview of the techniques and the use of the equipment. This is not a training program.

EXHIBIT B

BARRICADE CRITERIA MANUAL

Tenant hereby acknowledges that it has received a copy of the current version of the Barricade Criteria Manual (effective as of the date of this lease), and Tenant agrees to comply with the terms and conditions set forth in such Barricade Criteria Manual. By its execution of the lease, Tenant acknowledges receipt of the current Barricade Criteria Manual, and by this reference, the same is incorporated herein as Exhibit B.

EXHIBIT C

TENANT PACKAGE

Tenant hereby acknowledges that it has received a copy of the current version of the Tenant Package (effective as of the date of this lease), and Tenant agrees to comply with the terms and conditions set forth in such Tenant Package. By its execution of the lease, Tenant acknowledges receipt of the current Tenant Package, and by this reference, the same is incorporated herein as Exhibit C.

EXHIBIT D
(INTENTIONALLY OMITTED)

EXHIBIT E
[INTENTIONALLY OMITTED]

EXHIBIT F
[INTENTIONALLY OMITTED]

EXHIBIT C

**CONSTRUCTION CHARGEBACKS/REIMBURSABLES
ARDEN FAIR MALL, SACRAMENTO, CALIFORNIA**

1.	Plan Review	None
2.	On-site Administration	None
3.	Construction Security Deposit (to be collected by local mall management)	\$5,000.00
4.	Temporary Utility Fee (Non-refundable) \$0.30 per square foot X _____ square feet	\$(TO BE DETERMINED)
5.	Temporary Storefront Barricade (installed by landlord) \$65.00 per lineal foot X _____ lineal feet plus \$300.00 for double doors	\$(TO BE DETERMINED)
6.	Dumpster Location Fee	\$300.00
7.	Landlord Flooring Material \$20.00 per tile (if required in connection with Tenant's Work)	\$(To Be Determined)
8.	Sprinkler Shut Down/Test Fee (Non-refundable), for each shut down, the first occurrence shall be waived	\$300.00
9.	Energy Consultant's Review for Redistribution of Utilities	Waived
10.	Alarm System Interface	Waived
11.	Signage (to update back door, loading dock and address signage)	\$100.00

Notwithstanding the foregoing, except for the Construction Security Deposit, the amount of any other Construction Chargebacks/Reimbursables provided herein shall not exceed the amounts actually incurred by Landlord, if any, in connection with such Chargebacks/Reimbursables, and only in the event that Tenant requests Landlord to do such work or incur such costs, or if such work or such costs are the result of, or required in connection with, Tenant's Work. Notwithstanding the foregoing or anything in the Tenant Package or Barricade Criteria manual, except for the foregoing Construction/Reimbursables set forth herein, any chargebacks, construction charges, deposits, fees and bonds shall be waived.

EXHIBIT 2

July 22, 2020

To whom it may concern:

Reference is made to certain Arden Fair Lease dated March 5, 2013, by and between Arden Fair Associates, L.P. ("Landlord") and Forever 21 Retail, Inc. ("Original Tenant"), together with any amendments, modifications, or extensions thereto, including that certain Omnibus Amendment to Leases ("Omnibus Amendment"), being executed concurrently herewith (the "Lease") for the lease of those certain premises referred to as Store No. 1000, located in that certain shopping center commonly known as **Arden Fair** ("Center") located in Sacramento, California, all as more particularly set forth in the Lease.

On February 13, 2020, the Bankruptcy Court entered the Order (I) Authorizing (A) Entry Into and Performance Under the Asset Purchase Agreement, (B) the Sale of the Debtors' Assets to the Buyer, and (C) the Buyer to Conduct Store Closings and Going Out of Business Sales, and (II) Granting Related Relief, authorizing the sale of substantially all of the assets of Original Tenant and its affiliated co-debtor entities to F21 OpCo, LLC, a Delaware limited liability company ("Tenant") pursuant to the terms and conditions of that certain Asset Purchase Agreement by and among the Original Tenant and its affiliated co-debtor entities, and Tenant dated February 2, 2020 (as amended, modified, or supplemented from time to time). The sale to Tenant closed on February 19, 2020.

By this agreement Landlord and Tenant desire to amend the Lease, as more particularly set forth hereinbelow.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants herein contained, and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows in this letter agreement ("Agreement"):

1. **Defined Terms.** All initial capitalized terms used in this Agreement shall have the same meaning given such terms in the Lease, unless otherwise defined in this Agreement.
2. **Amendment.** The Lease is amended as of the commencement of the Rent Reduction Period (as defined in the Omnibus Amendment) by adding the following thereto, superseding anything to the contrary set forth in the Omnibus Amendment:

Tenant shall operate and conduct its Permitted Use (or equivalent concept identified by any other defined term in the Lease) with diligence and efficiency, keep in stock a typical line of merchandise and maintain an adequate sales force so as to maximize profitable Gross Sales (also referred to as "Net Sales" in Article 5 of the Lease) and shall keep display windows, exterior signs and exterior advertising adequately illuminated, continuously throughout the remainder of the Term, during the hours the Center is open. Notwithstanding anything contained herein to the contrary, without limiting Landlord's remedies, under the Lease, at law or in equity, and including such remedies set forth in the Lease in connection with Landlord's right to enforce the operating covenant set forth in the Lease and this Agreement, if Tenant is closed for business for any period (the "Closure Period") during the Rent Reduction Period (other than due to a closure of the Premises due to an event of casualty, a condemnation, force majeure, Landlord's negligence or willful misconduct, or on such days during which the retail portion of the Center is closed for business [each an "Excluded Closure Event"]), then for purposes of (a) calculating Reduced Charges (as defined in the Omnibus Amendment) during the Closure Period and (b) Landlord obtaining and recovering upon Landlord's insurance coverage for an Excused Closure Event, Tenant's Gross Sales for each day of such Closure Period shall, at Landlord's election, be deemed to be the greater of (i) the average daily Tenant's Gross Sales for the month that the first day of the Closure Period occurred ("Closure Period Month") and (ii) 100% of the average daily Tenant's Gross Sales for the same month of the immediately prior calendar year as the Closure Period Month (or if Tenant was not open during such month in the prior calendar year, then 100% of the average daily Tenant's Gross Sales for the most recent month prior to such closed month that the Tenant was open in the prior calendar year), provided, for the first two (2) times in any calendar year that Tenant has failed to comply with the first sentence of this paragraph, the Closure Period shall be

Arden Fair – Forever 21 (Store No. 132)
July 22, 2020
Page 2

deemed to commence on the 6th day that Tenant is closed for business. The parties agree that Force Majeure will include business closures required by federal, state or local government order, rule or mandate, which closures are related to a pandemic or other widespread epidemic as recognized by the World Health Organization, such as COVID-19. To the extent that Tenant fails to operate for more than thirty (30) days at any Premises, then Landlord, in its sole discretion and without limiting Landlord's remedies under the Lease, at law or in equity, and including such remedies set forth in the applicable Lease in connection with Landlord's right to enforce the operating covenant set forth in the Lease and this Agreement, may declare such violation to be an incurable default under the Lease and terminate the Lease after providing fifteen (15) days' prior written notice to Tenant.

3. **Representation.** Tenant warrants and represents that Tenant can enter into this Agreement in the ordinary course of business and as such does not require bankruptcy court approval.
4. **Effect.** Except as expressly modified by this Agreement, the Lease shall remain unchanged and in full force and effect.
5. **No Modification or Waiver.** Except as otherwise expressly set forth herein, nothing in this Agreement shall be deemed to waive or modify any of the provisions of the Lease.
6. **No Offer.** Landlord and Tenant hereby agree that Landlord's submission of this Agreement to Tenant shall not constitute an offer to amend the Lease. This Agreement shall be effective only, and is expressly conditioned, upon the execution of this Agreement by Landlord and Tenant.
7. **Captions.** The captions and Section numbers appearing in this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit, amplify, define, construe or describe the scope or intent of the terms or provisions of this Agreement.
8. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
9. **Electronic Signatures.** This document may be executed, and shall be effective upon receipt of electronic signature; provided no changes to the Agreement shall be made without the express written consent of the other party.
10. **Successors.** The provisions of this Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.
11. **Executory Authority.** Each party executing this Agreement hereby represents and warrants that the individual executing this Agreement on behalf of such party has full power and authority to bind such party to the terms hereof.
12. **Acknowledgment and Agreement.** Please acknowledge your receipt and agreement by executing this Agreement and returning it to our attention for further processing. This Agreement shall not be binding on Landlord unless and until it is signed by Landlord and a fully executed counterpart is returned to you.

///SIGNATURES ON FOLLOWING PAGE///

Arden Fair – Forever 21 (Store No. 132)
July 22, 2020
Page 3

AGREED TO AND ACCEPTED AS OF JULY __, 2020:

TENANT:

F21 Opco, LLC,
a Delaware limited liability company

By: Brad Sell
DocuSigned by:
D8DA973AC102408...
Name: Brad Sell
Title: CFO
Date: 8/7/2020

LANDLORD:

Store No. 132

ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

By: **AFGP, LLC,**
a Delaware limited liability company,
its general partner
DocuSigned by:
By: Ronald M Pastore
49Q11CA5145D4B1...
Name: Ronald M Pastore
Its: Vice President
Date: August 4, 2020

By: **Marcine Friedman Survivor's Trust,**
under trust dated March 22, 1992,
its general partner
DocuSigned by:
By: Mark Friedman
0AD7EAC6B7F248C...
Mark Friedman,
Co-Trustee
Date: August 4, 2020

EXHIBIT 3

ASSUMPTION AND ASSIGNMENT AGREEMENT

This Assumption and Assignment Agreement ("Agreement") is made as of this 24th day of July 2020 by and between undersigned landlords (each a "Landlord") and F21 OpCo, LLC, a Delaware limited liability company (the "Assignee"), with respect to the leases identified in the attached Exhibit A.

RECITALS

WHEREAS, Forever 21, Inc. or Forever 21 Retail, Inc. (the "Assignor") and each Landlord previously entered into a lease (collectively, together with any related agreements, appendices, addenda, exhibits, and schedules thereto, the "Designated Leases"), pursuant to which Landlord leased the premises more fully identified in the attached Exhibit A to the Assignor;

WHEREAS, Assignor and certain debtor-affiliates (collectively, the "Debtors") filed for bankruptcy protection under chapter 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code") on September 29, 2019, in the United States Bankruptcy Court for the District of Delaware (the "Court"), which cases are being jointly administered under case number 19-12122 (MFW);

WHEREAS, on or about February 13, 2020, the Court entered an order approving, among other things, the sale of substantially all of the Debtors' assets to the Assignee (the "Sale Order") pursuant to the terms and conditions of that certain Asset Purchase Agreement by and among the Debtors and Assignee dated February 2, 2020 (as amended, modified, or supplemented from time to time) (the "Asset Purchase Agreement");

WHEREAS, Schedule 2.7(a) to the Asset Purchase Agreement identified those executory contracts and unexpired leases that may be assumed by the Debtors and assigned to the Assignee free and clear of all claims, liens, and encumbrances pursuant to the terms and conditions of the Asset Purchase Agreement and Sale Order, and which included the Designated Leases;

WHEREAS, pursuant to Paragraph 7 of the Sale Order, the assumption by the Assignor and assignment to Assignee of all of the Assignor's rights, title, interest, benefits, liabilities, and obligations in and under the Designated Leases pursuant to Section 365 of the Bankruptcy Code may be authorized and effectuated with the consent of the Landlord pursuant to an agreement by and among the Assignee and Landlord without the need for the Assignor to be a party to such Agreement or consent and without further Court order;

WHEREAS, the Landlord and the Assignee have agreed to amend the Designated Leases in certain respects as more particularly described in separate lease amendments entered into between the parties and identified on Exhibit B attached hereto (the "Amendments"), which Amendments address, among other things, the payment of certain amounts asserted by or that may be asserted by each Landlord to be due and owing to such Landlord arising under the particular Designated Lease prior to the entry of Sale Order, including with respect to the cure or waiver of any defaults or outstanding amounts existing under such Designated Lease at the time of the entry of the Sale Order (the "Cure Amount"); and

WHEREAS, the Assignee desires to have assumed by the Assignor and assigned to the Assignee all of Assignor's rights, title, interest, benefits, liabilities and obligations arising under

the Designated Leases (and any related documents), as amended by the Amendments, and each Landlord consents to such assumption and assignment pursuant to and in accordance with the terms of this Agreement, the Amendments, the Asset Purchase Agreement and the Sale Order.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignee and each Landlord, intending to be legally bound, hereby agree as follows:

1. The above recitals are incorporated herein by reference.
2. This Agreement shall be effective on the date set forth in the preamble hereof, provided however, that the Debtors shall seek to obtain entry of the Approval Order (as defined in the Amendments) approving the assumption and assignment of the Designated Leases pursuant to Section 365 of the Bankruptcy Code to Tenant on or prior to the Approval Date (as defined in the Amendments) (collectively, the "Effective Date").
3. The Assignee shall not pay or be responsible for any Cure Amounts, and all Cure Amounts are hereby waived by each Landlord; provided, however, each Landlord does not waive or release any rights or claims it may have against the Debtors that arise from the Debtors' use and occupancy of the Premises (whether pre-petition or post-petition), for which the Debtors have or had a duty to indemnify each Landlord pursuant to the Designated Lease, including but not limited to, obligations to maintain the Premises free and clear of any liens by mechanic's, materialmen or other similar claimants and any claims relating to failure to comply with such obligations under the Designated Lease; provided, however, each Landlord may only seek to recover against insurance maintained by the Debtors (if any) for any such claims. The Assignee has satisfied all requirements under Bankruptcy Code §§ 365(b)(1)(C) and 365(f)(2)(b) to provide adequate assurance of future performance to each Landlord in connection with the assumption and assignment of the Designated Leases from the Assignor to the Assignee.
4. In accordance with the terms and conditions of the Sale Order and the Asset Purchase Agreement, as of the Effective Date, each Landlord agrees that Assignor has assumed and assigned all of its rights, title, interest, benefits, liabilities, and obligations in and under the Designated Leases pursuant to Section 365 of the Bankruptcy Code to Assignee, and each Landlord consents to such assumption by Assignor and assignment to the Assignee of the Designated Leases, each on the terms and conditions set forth in this Agreement, the Amendments, the Sale Order and the Asset Purchase Agreement.
5. Assignee agrees to perform and assume all the applicable terms, conditions, and obligations applicable to Assignor under the Designated Leases, as amended by the Amendments entered into by and between each Landlord and Assignee simultaneously with the execution of this Agreement, and shall enjoy, and be irrevocably vested with, all of the rights, title, interests and benefits under the Designated Leases as of the Effective Date.
6. The Designated Leases shall be transferred to, and remain in full force and effect for the benefit of, the Assignee in accordance with their terms, as modified herein and by the Amendments entered into by and between each Landlord and Assignee simultaneously with the execution of this Agreement. The Assignee shall have no liability for any and all

defaults prior to entry of the Sale Order under the Designated Leases, if any. Except as provided by the Amendments, in connection with the assumption and assignment of the Designated Leases as provided herein and in the Amendments, and the transfer of the Designated Leases thereof, each Landlord is forever barred, estopped and permanently enjoined from raising or asserting against the Assignee, its affiliates, successors or assigns, or the property of any of them, (i) any default, breach or claim existing as of the date of entry of the Sale Order or any default or breach as a result of the assumption by the Assignor and assignment to the Assignee of the Designated Leases, (ii) any rights or claims to pecuniary losses, escalations, assignment fees, increases, additional payments (e.g., so called "profit" sharing/splitting), penalties, charges, fees or other financial accommodations, or (iii) any rights of first refusal on each Landlord's or other counterparty's part, rights of first offer or any other purchase option or any recapture or termination rights in favor of each Landlord or any other counterparty, or any right of each Landlord to take an assignment or sublease from a tenant. Any provision in the Designated Leases that prohibits or conditions the assignment of such Designated Leases or allows each Landlord to terminate, recapture, impose any penalty, condition on renewal or extension, refuse to renew, or modify any term or condition upon such assignment, constitutes an unenforceable anti-assignment provision that is void and of no force and effect in connection with the transfer hereof pursuant to this Agreement.

7. The Designated Leases shall be amended such that all references to Assignor will now be read as Assignee.
8. All other terms of the Designated Leases, as amended by the Amendments, shall remain in full force and effect.
9. Upon the Effective Date, except as otherwise expressly provided in this Agreement or the Amendments, notwithstanding any provision in any Designated Lease that purports to prohibit, restrict or condition such action, Assignee shall be authorized to exercise, utilize or take advantage of any renewal options and any other current or future rights, benefits, privileges, and options granted or provided to the Assignor under, and subject to the terms and conditions of, the Designated Lease (including all of the same which may be described or designated as, or purport to be, "personal" to the Assignor or to a named entity in such Designated Lease or to be exercisable only by the Assignor or by a named entity or an entity operating under a specific trade name).
10. Assignee provides the following address for purposes of receipt of all future notices, requests, claims, invoices, and other communications between each Landlord and Assignee related to the Designated Leases:

F21 OpCo, LLC
c/o Simon Property Group
225 West Washington Street
Indianapolis, Indiana 46204
Attention: Stanley Shashoua
(sshashoua@simon.com); Steven Fivel
(sfivel@simon.com)

and

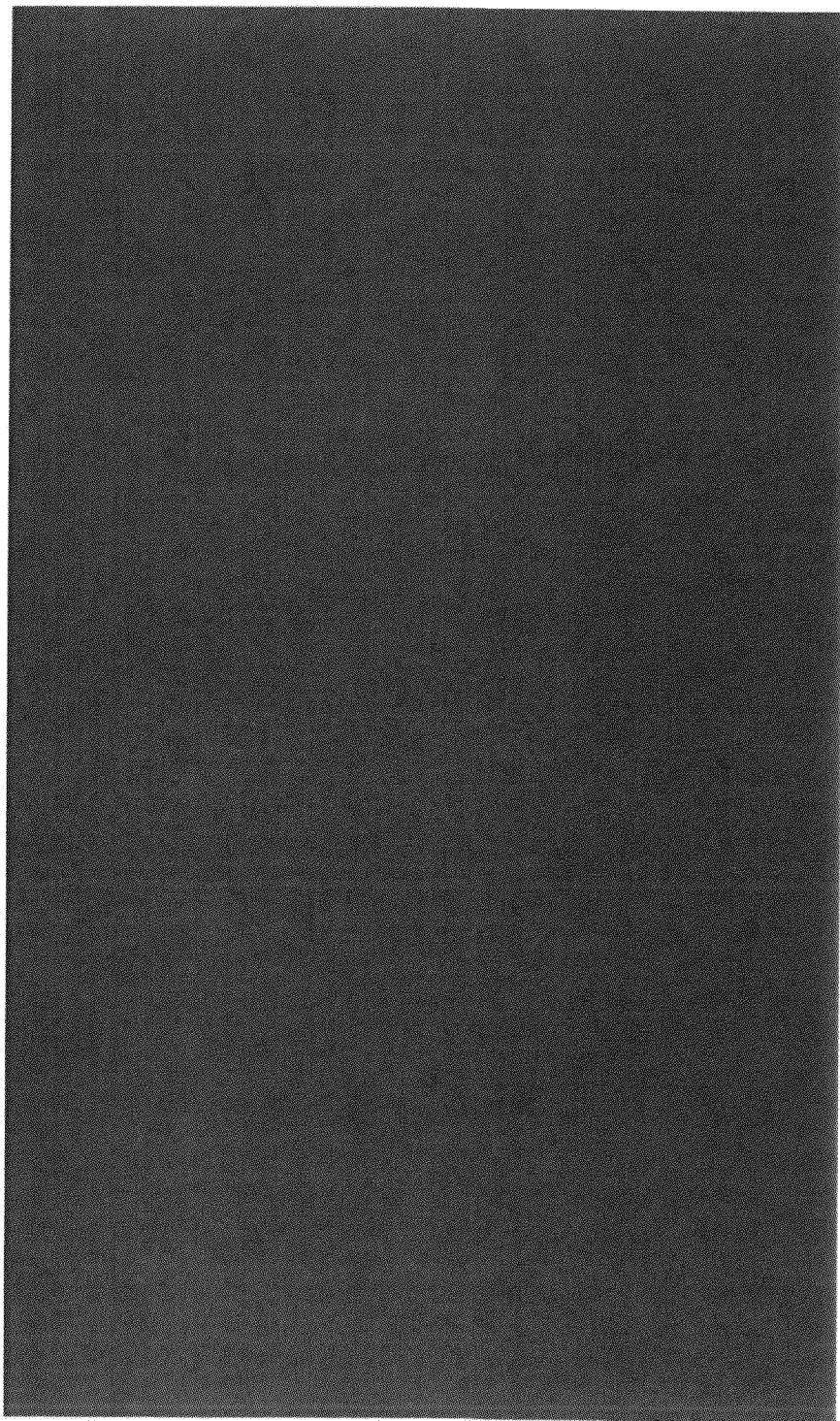
F21 OpCo, LLC
3880 N. Mission Road
Los Angeles, CA 90031
Attention: Scott Hampton
(scott.hampton@forever21.com and
legal@forever21.com);

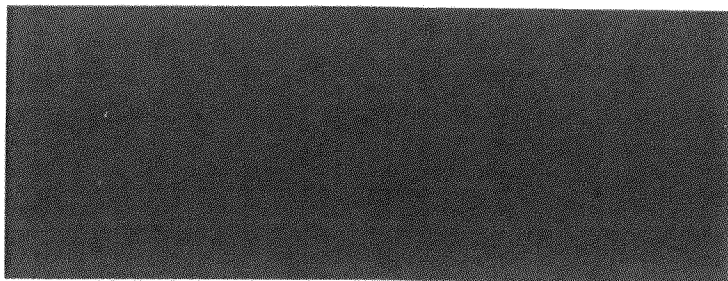
11. This Agreement and the representations, warranties and covenants contained herein shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns as permitted by the Designated Leases and the Amendments, and shall survive the execution and delivery hereof.
12. This Agreement may be executed in two or more counterparts and shall be effective when one or more of such counterparts has been executed and delivered by all parties hereto (although it is not necessary that any single counterpart be executed by all parties hereto, and all such counterparts shall be deemed to constitute but one and the same instrument). This Agreement may be executed by facsimile or digital (*i.e.*, PDF) signature and such signature will constitute an original for all purposes.
13. This Agreement shall be governed by and construed in accordance with the internal laws of the State of in which the Premises is located and the applicable provisions of the Bankruptcy Code.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK; SIGNATURE PAGE(S) FOLLOW]

IN WITNESS WHEREOF, each Landlord and Assignee hereto have executed this Agreement by and through their respective duly authorized officers as of the Effective Date first written above.

LANDLORD:





Store No. 132

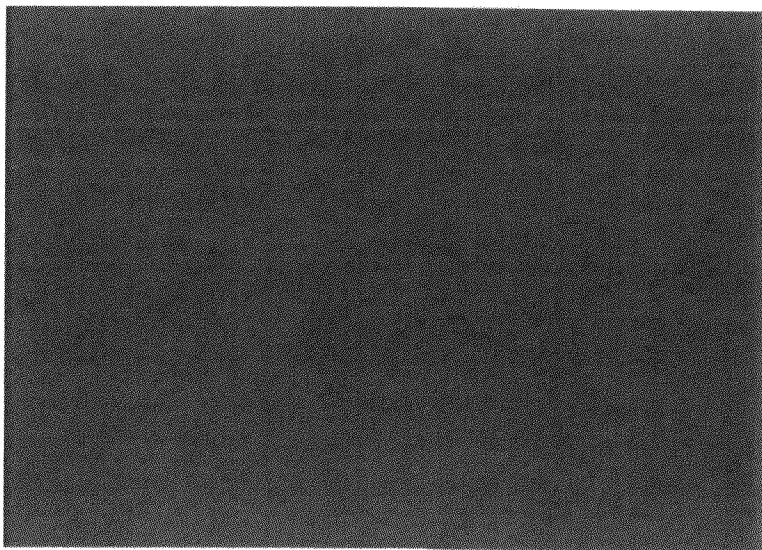
ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

By: AFGP LLC,
a Delaware limited liability company,
its general partner

By: _____
Name: _____
Title: _____

By: Marcine Friedman Survivor's Trust,
under trust dated March 22, 1992,
its general partner

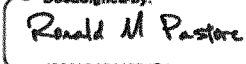
By: _____
Mark Friedman
Co-Trustee




Store No. 132

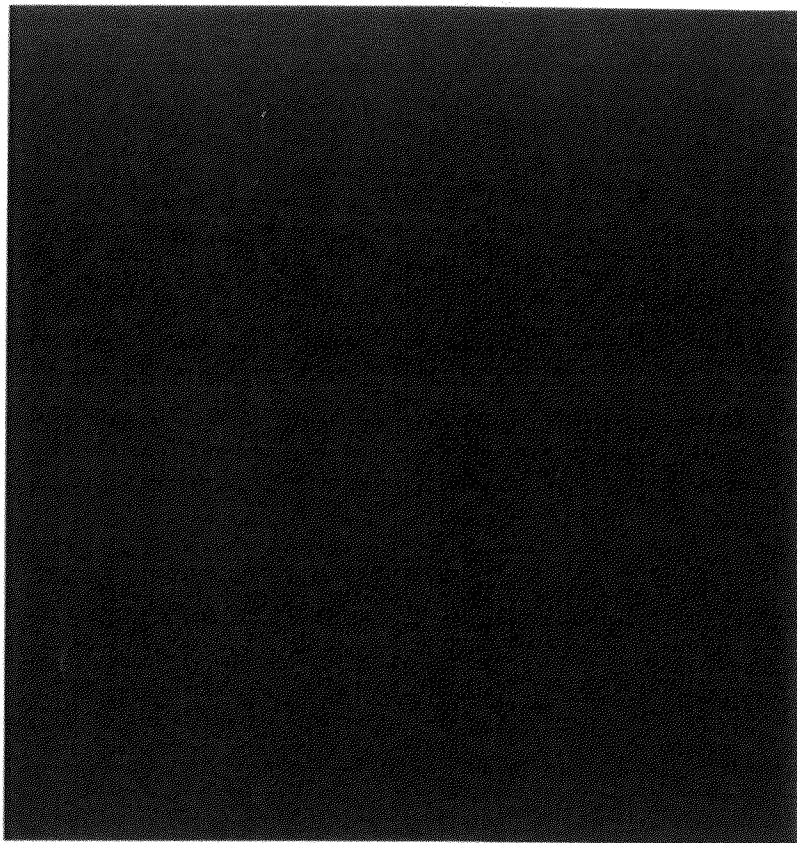
ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

By: AFGP LLC,
a Delaware limited liability
company,
its general partner

By: 
Name: Ronald M. Pastore
Title: Vice President

By: Marcine Friedman Survivor's Trust,
under trust dated March 22, 1992,
its general partner

By: 
Mark Friedman
Co-Trustee



ASSIGNEE:

F21 OpCo, LLC,
a Delaware limited liability company

By:

Brad Sell

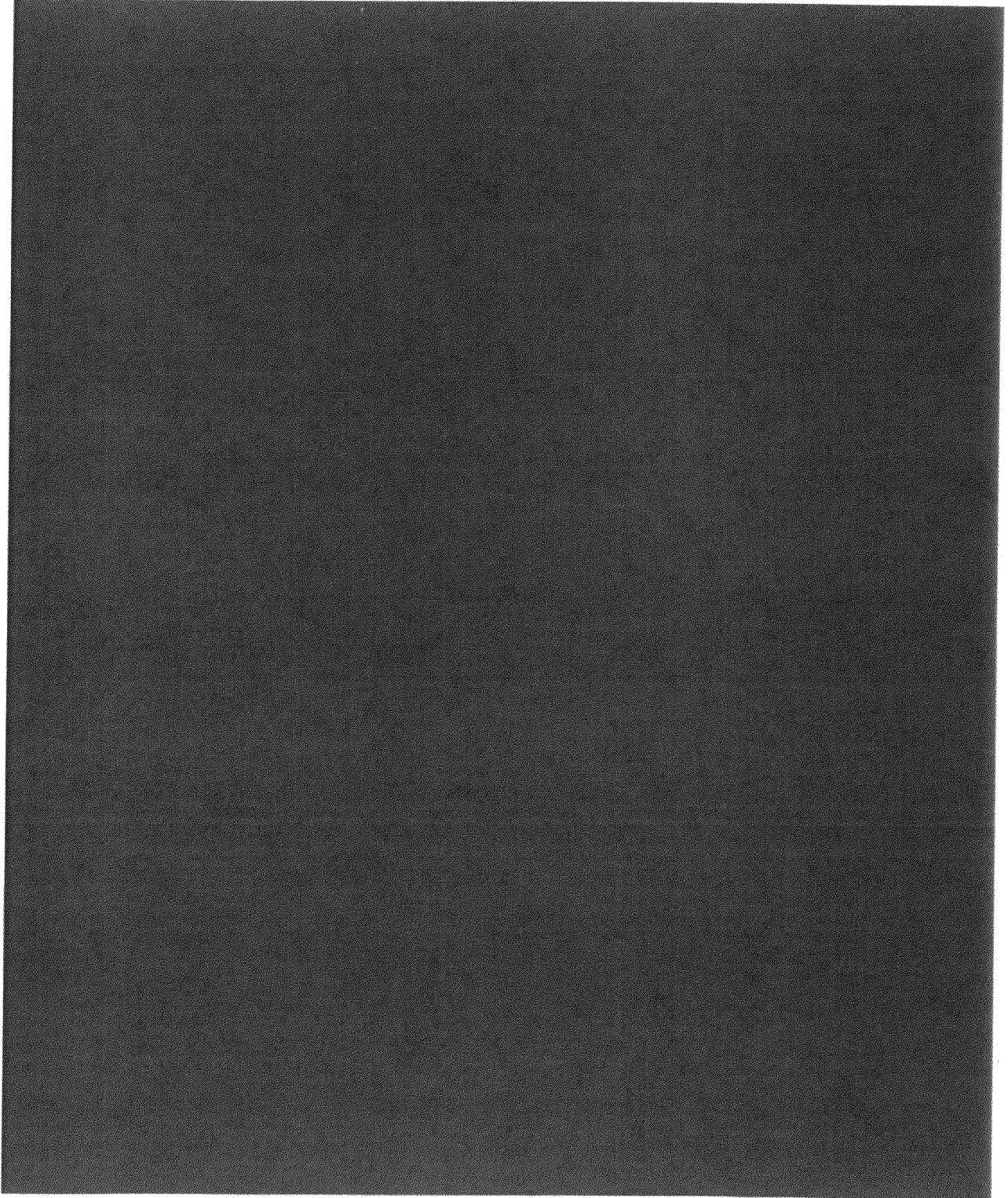
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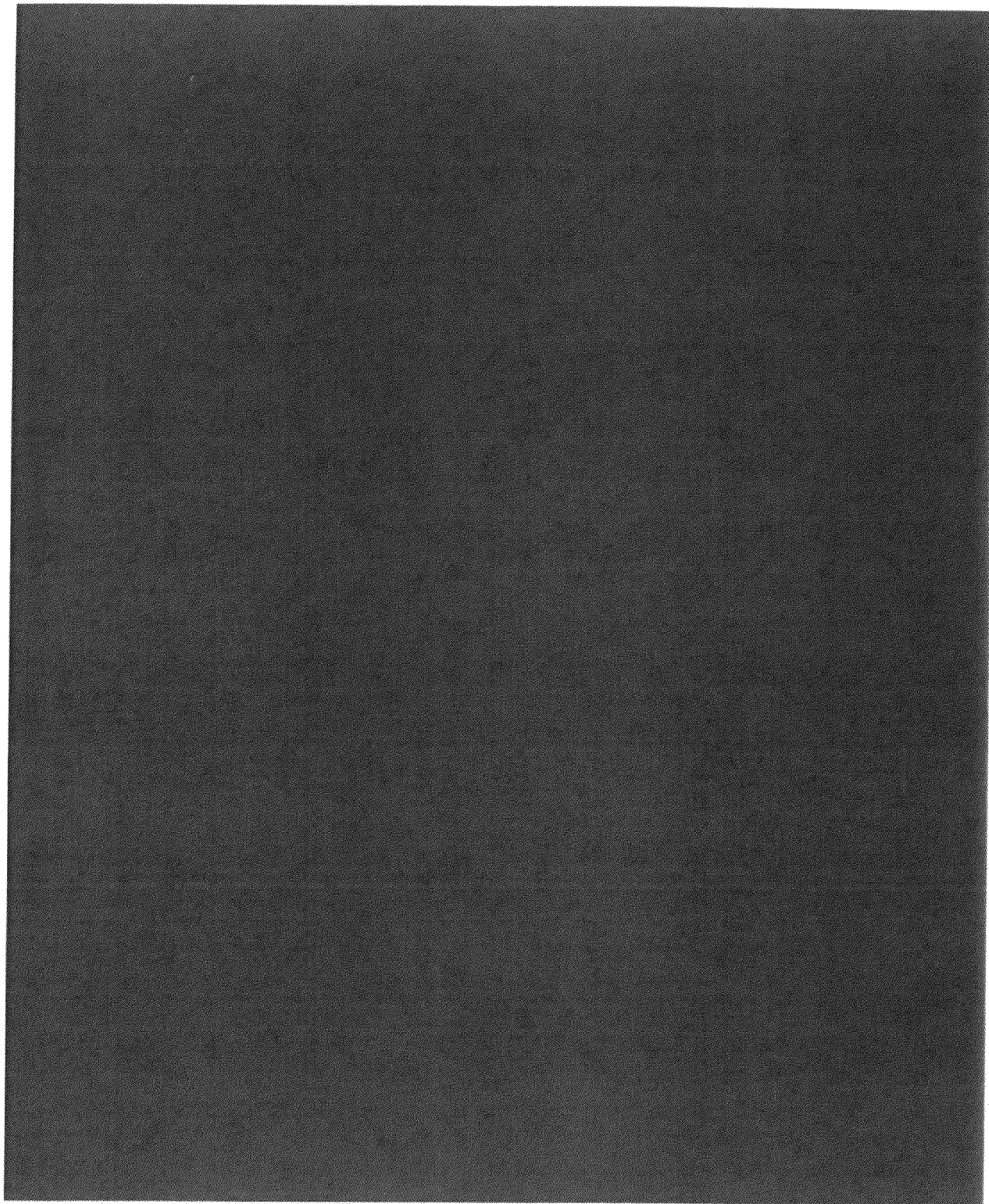
Brad Sell

Title:

CFO

Exhibit A





Arden Fair Lease made as of March 5, 2013 (together with any amendments, modifications, or extensions), for the lease of certain premises more commonly known as Space No. 1000 located

EXHIBIT 4

OMNIBUS AMENDMENT TO LEASES

THIS OMNIBUS AMENDMENT TO LEASES ("Agreement") is made as of this 24th day of July, 2020 by and between undersigned landlords individually (and not joint and severally) (each a "Landlord", and collectively, the "Landlords"), and **F21 OpCo, LLC**, a Delaware limited liability company (the "Tenant" and, together with the Landlords, the "Parties"), with respect to the leases identified in the attached Exhibit 1.

RECITALS

A. Landlords (or their predecessors-in-interest) and Forever 21 Retail, Inc. (the "Original Tenant") entered into certain Leases with the Landlords, which individual lease agreements are summarized in Rider "A" – "Z" (the "Riders"), attached hereto as Exhibit 2, and together with any amendments, modifications, or extensions thereto, including this Omnibus Amendment to Leases, are hereinafter individually referred to as, the "Lease," and collectively as the "Leases," for the leases of those certain premises (the "Premises"), located in the shopping centers identified in Exhibit 1 (the "Centers"), all as more particularly set forth in each Lease.

B. On September 29, 2019 (the "Petition Date"), Original Tenant and its affiliated co-debtor entities (collectively, the "Debtors") filed voluntary petitions pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code") with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Original Tenant's bankruptcy proceeding is being jointly administered under case number 19-12122 (MFW) and styled as In re Forever 21, Inc., et al. (the "Bankruptcy Proceeding").

C. On February 13, 2020, the Bankruptcy Court entered the Order (I) Authorizing (A) Entry Into and Performance Under the Asset Purchase Agreement, (B) the Sale of the Debtors' Assets to the Buyer, and (C) the Buyer to Conduct Store Closings and Going Out of Business Sales, and (II) Granting Related Relief (the "Sale Order"), authorizing the sale of substantially all of the Debtors assets to Tenant pursuant to the terms and conditions of that certain Asset Purchase Agreement by and among the Debtors and Assignee dated February 2, 2020 (as amended, modified, or supplemented from time to time) (the "Asset Purchase Agreement"). The sale to Tenant closed on February 19, 2020 (the "Closing").

D. Schedule 2.7(a) to the Asset Purchase Agreement identified those executory contracts and unexpired leases that may be assumed by the Original Tenant and assigned to the Tenant free and clear of all claims, liens, and encumbrances pursuant to the terms and conditions of the Asset Purchase Agreement and Sale Order, and which included the Leases.

E. Tenant wishes to take assignment of the Leases and to assume the obligations of Original Tenant under the Leases, subject to Landlords and Tenant entering into this Agreement and Tenant and Landlords are simultaneously herewith entering into an omnibus assumption and assignment agreement (the "Assumption and Assignment Agreement") to effect the same.

F. As a condition of the assumption by Original Tenant and assignment of the Leases to Tenant, Tenant has requested that Landlords agree to amend the Leases in certain respects as more particularly set forth herein, and Landlords are willing to agree to such amendments upon the assumption of the Leases by Original Tenant and assignment of the Leases to Tenant, subject to the terms and conditions set forth herein.

G. This Agreement sets forth the terms of the agreement between Landlords and Tenant that apply to all of the Leases, with the specific references to the individual Leases and any Lease specific modifications set forth in the individual Riders, which Riders are specifically agreed to by the Parties as part of this Agreement and are incorporated herein as if set forth in full in this Agreement.

TERMS

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants herein contained, and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

1. **Defined Terms.** All initial capitalized terms used in this Agreement shall have the same meaning given such terms in the Leases, unless otherwise defined in this Agreement.

2. **Bankruptcy Court Approval.** This Agreement shall be effective on the date of this Agreement as set forth in the preamble hereof (the "Effective Date"); provided, however, that the Debtors shall seek to obtain entry of a final, non-appealable order of the Bankruptcy Court (the "Approval Order") approving the assumption and assignment of the Leases to Tenant, on or prior to July 30, 2020, which date may be extended with the written consent of Landlords and Tenant (the "Approval Date"). If the Debtors do not seek to obtain the Approval Order on or before the Approval Date, this Agreement shall automatically terminate and be deemed void *ab initio*, and Landlords shall have all rights to pursue any claims against Original Tenant and Tenant without reference to any provision of this Agreement. Landlords agree that they shall not object to, or otherwise impede or obstruct, the Debtors' or Tenant's efforts to obtain the Approval Order. The effective date of the Assumption and Assignment Agreement shall be deemed to be the Effective Date, and the Approval Order shall provide that this Amendment and the Assumption and Assignment Agreement shall be effective as of the Effective Date. Furthermore, this Agreement shall supersede the prior undated Multi-Property Lease Amendment Term Sheet entered into between the Original Tenant and the Landlords (the "Post-Petition Term Sheet"), and the parties agree that the Post-Petition Term Sheet is void and of no further force and effect; provided, however, this provision shall only apply to the Post-Petition Term Sheet and shall not affect or modify any other amendments between the Original Tenant and Landlords. Throughout the Term of each Lease, Tenant shall continue to operate at the Premises and under the Leases as "Forever 21" or such trade name similar to "Forever 21" utilized by Tenant at more than 50% of the locations that Tenant formerly operated as Forever 21.

3. **Rent Reduction.** Notwithstanding anything to the contrary contained in the Leases, and subject to the terms and conditions set forth herein, commencing February 1, 2020 and continuing through January 31, 2023 (the "Rent Reduction Period"), in lieu of rent and any other recurring rent charges under the Leases, except as otherwise set forth herein (collectively, the "Abated Rent Items"), Tenant shall pay to Landlords Twelve Percent (12%) of the Gross Sales for the preceding month (the "Reduced Charges") for each of the Leases, which amount shall be payable within fifteen (15) days after the end of each month, and which payment shall be accompanied by Tenant's statement of its prior month's Gross Sales.

3.1. Other than the Abated Rent Items and Deferred Rent (as defined below), this Agreement shall not be deemed to modify, reduce or abate Tenant's obligation to pay any amounts not otherwise expressly abated hereinabove, including, without limitation: (i) any excise, transaction, sales or privilege tax imposed upon Landlords on account of, attributed to, or measured by rent, including rent tax (but exclusive of any net income or franchise tax that is solely the responsibility of Landlord); (ii) any amounts for electricity, water, sewer, trash removal, and/or any other utility or consumable that are separately metered to the Premises or any amounts for other services or goods that are supplied to Tenant by any third party; (iii) any repair obligations that Landlords are required to provide under the Leases that relate solely to the Premises where the monetary obligation under the Lease belongs to the Tenant; and (iv) any non-monthly charge based upon any failure to perform or based upon any indemnity or other obligation under the Leases to the extent payable by Tenant under the terms of the Leases. Tenant shall continue to pay the same in accordance with the terms and provisions of the Leases.

3.2. The Parties acknowledge and agree that Tenant's obligation to pay percentage rent (but not any charges that Tenant is required to pay pursuant to Paragraph 3.1 above) is suspended from March 19, 2020 through the earlier of the date (i) Tenant reopens for business in the Premises, or (ii) fifteen (15) business days after the later of (A) the date such federal, state, or local governmental authority permits the opening of the applicable Center to the public (if the Center is actually closed to the public), or (B) notice from Landlord of the date Landlord intends to voluntarily re-open the applicable Center to the public in consideration for Tenant's closure due to the COVID-19 pandemic (which closure period, as may be extended by further agreement of the Landlord and Tenant, shall hereinafter be referred to as the "COVID-19 Closure Period"), and any co-tenancy provision under the Lease shall be suspended during the COVID-19 Closure Period. To the extent that Tenant fails to operate for more than thirty (30) days at any Premises excluding closures due to casualty, condemnation, other events of force majeure, or during the COVID-19 Closure Period, then Landlord, in its sole discretion and without limiting Landlord's remedies under the such Lease, at law or in equity, and including such remedies set forth in the applicable Lease in connection with Landlord's right to enforce the operating covenant set forth in the applicable Lease and this Agreement, may declare such violation to be an incurable default under the applicable Lease and terminate the applicable Lease after providing fifteen (15) days prior written notice to Tenant.

3.3. Landlords reserve the right to allocate amounts received as Reduced Charges to any of the Abated Rent Items, or to any other charges, in such amounts and at such times as Landlord shall elect in its sole discretion, provided, in no event shall such allocation result in any charge or fee to Tenant.

3.4. During the Rent Reduction Period, Landlords shall have the right to audit Gross Sales in accordance with the terms of the applicable Lease. Until the expiration of the Rent Reduction Period, Tenant waives any express or implied right under the Lease or at law to review or audit adjustable charges that are included in the Abated Rent Items.

3.5. From and after the expiration (or other termination) of the Rent Reduction Period, including any holdover or option period, the Tenant shall resume payment of all rent and charges as due under the Lease, including any and all increases thereto which would have otherwise occurred under the Lease.

4. **Amendment of Lease.** The Leases are amended as of the Effective Date to make the following revision to the Prohibited and Restricted Use provision of each Lease:

4.1 Prohibited Use. Tenant will not display, sell or promote cigarettes, electronic cigarettes, MOD's, atomizers, any other supplies, accessories or devices used in connection with cigarettes, electronic cigarettes, vaporizers, atomizers, herbal vaporizers, e-liquids, cannabis [including without limitation the cannabis plant and any and all parts, seeds, derivatives, cannabinoids (such as CBD), and extracts thereof] or any products constituting a technological evolution thereof for vaping.

4.2 Tenant waives any rights to claim a violation of any Lease based on co-tenancy or any kiosk or RMU restriction and any such provisions are hereby deleted in their entirety in all the Leases.

4.3. Revised Use Clause. As of the Effective Date, except to the extent that any of the below violates an existing exclusivity or restrictive use provision in another lease in the applicable Center as set forth in the Rider for each Center (and upon Landlord's notification to Tenant of any such violation, Tenant shall promptly discontinue the sale of the violating item(s) or category), the use clause of the Lease shall be deleted in its entirety and replaced with the following: "The Premises shall be used primarily for the display and retail sale of junior's, women's, men's, unisex and/or children's ready-to-wear apparel, and ancillary thereto, the display and sale, at retail, of fashion accessories,

swimwear, footwear, sunglasses, handbags, scarves, ties, perfumes, cosmetics, bath and body products, timepieces, costume jewelry, confections, sundry items, light exercise products and accessories such as, but not limited to, yoga mats, yoga mat bags, water bottles and stretch bands, and such other items and fashion-related services as may be sold from time to time in other stores, catalogs or websites offered by Tenant, its parent(s), affiliate(s) or subsidiary(ies) (provided the display area of any one category of ancillary items or offering of ancillary services listed herein may not exceed 500 square feet of area within the Premises), including, but not limited to, performance of ear and body piercing in the rear ten percent (10%) of the sales floor area of the Premises, performance of hair and cosmetic demonstrations (but not the operation of a hair salon), and service of food items and non-alcoholic beverages to customers ("Permitted Use"). In addition, Tenant shall comply with any state or local laws, ordinances, or permit requirements in connection with the performance of hair and cosmetic demonstrations and the provision of service of food items and non-alcoholic beverages to customers, and Tenant shall obtain and provide proof of any additional insurance required for such operations.

5. **Deferred Rent.** Landlords agree to defer payment of fifty percent (50%) of the Reduced Charges for March 2020 and April 2020 (the "Deferred Rent") and waive any and all late fees and penalties for such period. Tenant will reimburse Landlords the full amount of the Deferred Rent on or before January 1, 2022. In the event a Lease is terminated by either a Landlord or Tenant prior to January 1, 2022, for any reason whatsoever, Tenant shall pay the Deferred Rent for such Lease to the applicable Landlord in full concurrent with the termination of the Lease. In no event shall any amounts paid by Tenant as Deferred Rent be deemed future rent of any kind.

6. **Waiver of Pre-Petition Balance, Year-End Adjustments and February 2020 Rent.** Landlords represent that either Original Tenant or Tenant is delinquent in the payment of certain pre-petition rent and charges, as well as the entirety of February 2020 rent and charges and any year-end adjustments, whether or not yet billed by Landlord (the "Past Due Sums"). As of the Effective Date, and subject to the rights reserved in Paragraph 2, Landlords shall forgive and waive the Past Due Sums; provided, however, Landlords do not waive or release any rights or claims it may have against Original Tenant or the Debtors that arise from Original Tenant's or Debtors' use and occupancy of the Premises (whether pre-petition or post-petition), for which Original Tenant or the Debtors have or had a duty to indemnify Landlords pursuant to the Leases, including but not limited to, obligations to maintain the Premises free and clear of any liens by mechanic's, materialmen or other similar claimants and any claims relating to failure to comply with such obligations under the Leases; provided, however, Landlords may only seek to recover against Original Tenant or the Debtors or insurance maintained by Original Tenant or the Debtors (if any) for any such claims. Should Tenant at any time from and after the Effective Date of this Agreement default under any provision of the Lease, as modified herein, beyond applicable notice and cure periods, in addition to all other rights and remedies available to Landlords under the Leases, at law and in equity, Landlords' forgiveness shall be deemed withdrawn, and the Past Due Sums, shall become immediately due and owing to Landlords as past due Rent under the Leases. For the avoidance of doubt, Landlords do not waive or defer any rights to indemnification that exist under the Leases.

7. **Event of Default.** The Reduced Charges shall terminate (the "Reduced Charges Termination Date") for any particular Lease upon the occurrence of any of the following ("Event of Default") with respect to such Lease: (a) Tenant failing to perform its monetary obligations as required by such Lease, as amended by this Agreement, including the Reduced Charges within fourteen (14) days of the applicable Landlord providing written notice to Tenant that such amount remains unpaid; (b) Tenant failing to pay the Reduced Charges within thirty (30) days of the date Tenant is advised or becomes aware that such payment is due under the applicable Lease or this Agreement but has not been paid, without any requirement of written notice from the particular Landlord; (c) Tenant otherwise failing to perform any other obligation under such Lease, as amended by this Agreement, that would become a

default under the Lease after the expiration of any specific notice and/or cure periods set forth in the Lease, as amended by this Agreement, all without need for any further notice and/or cure period or (d) Tenant rejects such Lease or terminates such Lease, specifically excluding any termination pursuant to rights set forth in this Agreement (including the Exhibits) or pursuant to any casualty or condemnation. As of the Reduced Charges Termination Date, and in addition to all other rights and remedies each Landlord may have under each Lease, at law, or in equity, the Reduced Charges provided herein shall immediately terminate for the applicable Lease without further notice to the Tenant, and from and after the Reduced Charges Termination Date, the Tenant shall resume payment of all rent and lease charges for the applicable Lease as set forth in each Lease without regard to this Agreement.

8. **Effect of Reduced Charges.** The Reduced Charges shall in no way obligate Landlords to take any further action, or refrain from taking any action, for the purpose of easing Tenant's financial obligations. The Reduced Charges provided herein are personal to Tenant and its affiliates, and are not transferable to any subsequent purchaser or assignee of the Leases (other than to Tenant's affiliates) absent the written consent of Landlord, which consent may be withheld at Landlord's sole and absolute discretion (except the transfer of all of the Leases to Tenant's affiliate, which entity continues to operate as Forever 21). The Reduced Charges shall also terminate immediately as to any individual Lease upon either: (i) the Tenant's assignment, sale, or other transfer of the Lease, except as permitted in the preceding sentence; or (ii) Tenant's failure to continue operations at the Premises as required under the Lease, excluding closures due to casualty, condemnation, other events of force majeure, or during the COVID-19 Closure Period. Thereafter, the Reduction Period shall cease, and the Tenant shall pay all rent and other charges due under the Lease without regard to this Agreement.

9. **Effect of Lease Rejection or Termination on Landlord's Claims.** If Tenant rejects (in a subsequent bankruptcy proceeding) or terminates the Lease during the Rent Reduction Period, Landlord's claim(s) for damages under the Bankruptcy Code or applicable non-bankruptcy law, shall not be based upon the Reduced Charges provided in this Agreement, but shall be based upon the original rent and charges due and owing under such Lease without regard to the abatements granted in this Agreement. In the event a rejection of a Lease occurs prior to the assumption (or assumption and assignment) of the Lease (in a subsequent bankruptcy proceeding), to the extent Landlord has an unsecured claim for damages arising out of such rejection pursuant to Section 502(b)(6) of the Bankruptcy Code, Landlord's unsecured claim shall be based upon the original rent and charges due and owing under such Lease without regard to this Agreement. In the event a rejection of the Lease occurs after an assumption (or assumption and assignment) of the Lease (in a subsequent bankruptcy proceeding), and to the extent Landlord has an administrative expense claim pursuant to Section 503(b)(7) of the Bankruptcy Code, Landlord's administrative claim shall be based upon the original rent and charges based upon the original rent and charges due under such Lease without regard to this Agreement.

10. **Tenant's Right to Terminate Based on Sales.** In lieu of, and not in addition to, any other sales based termination rights that Tenant may have under the Leases, in the event that Tenant's Gross Sales for any Lease for the period from August 1, 2020 through July 31, 2021, and each annual period from August 1 through July 31 thereafter (each a "Measuring Period") through the Expiration Date, do not equal or exceed the sales threshold set forth in the attached Exhibit 1 for each of the Leases (the "Threshold"), then Tenant shall have the right to terminate the applicable Lease upon providing written notice to the applicable Landlord of its intent to terminate such Lease (the "Termination Notice"), which Termination Notice must be delivered to Landlord within sixty (60) days following the end of each Measuring Period or the ability to terminate such Lease pursuant to this Paragraph 10 shall be waived for that Measuring Period. In addition to (and not in lieu of) any obligations that Tenant has under any Lease that is the subject of a Termination Notice as provided in this Paragraph 10, Tenant shall provide such Landlord its certified statement of Gross Sales made by Tenant from the Premises during the applicable Measuring Period concurrently with the delivery of the Termination Notice. Landlords shall each have the right to audit the applicable statement of Gross Sales in accordance with the terms of the applicable Lease, and to nullify such termination in the event that it is determined, in accordance with the terms of

such Lease, that Tenant's Gross Sales for such period are not less than the Threshold. Upon certification that Tenant's Gross Sales did not meet the Threshold, the termination of the applicable Lease pursuant to this Paragraph 10 shall be effective ninety (90) days after delivery of the Termination Notice (the "Termination Effective Date"). Tenant shall not have the right to exercise a termination of any Lease under this provision if: (a) Tenant is in default under the terms and conditions of such Lease or this Agreement, beyond any applicable notice and cure periods, as of the date of the Termination Notice; or (b) if such Lease is assigned other than as set forth herein, then Tenant's termination right provided herein shall be void and of no further force or effect. Notwithstanding anything contained herein to the contrary, if Tenant is closed for business for one or more days (each an "Operating Failure") during the Measuring Period (other than due to an event of casualty, a condemnation, force majeure or any other reason that is expressly permitted by the Leases, or on such days during which the Centers are closed for business), then Gross Sales during the Operating Failure Period for purposes of calculating Gross Sales during the applicable Measuring Period shall be deemed to be Tenant's Gross Sales for the same period in the immediately preceding calendar year. The parties acknowledge and agree the Threshold shall be reduced by a percentage that is equal to the percentage obtained by dividing the total number of days in the Measuring Period by the total number of days in the COVID-19 Closure Period.

11. Tenant's Right to Terminate at end of Rent Reduction Period. To the extent any of the Leases expire after January 31, 2023 (each a "Post Rent Reduction Lease"), Tenant shall have the one-time right to terminate any such Post Rent Reduction Lease effective January 31, 2023, but only if Tenant provides the applicable Landlord not less than sixty (60) days prior written notice of Tenant's election to terminate any Post Rent Reduction Lease (the "End of Rent Reduction Termination Notice"). Tenant shall not have the right to exercise a termination of any Post Rent Reduction Lease under this Paragraph if: (a) Tenant is in default under the terms and conditions of any Post Rent Reduction Lease or this Agreement, beyond applicable notice and cure periods, as of the date of the End of Rent Reduction Termination Notice; (b) Tenant fails to remain open and operating in accordance with the Lease as the same may be modified by this Agreement and such Post Rent Reduction Lease during the Rent Reduction Period; or (c) such Post Rent Reduction Lease is assigned other than as permitted under such Post Rent Reduction Lease or this Agreement, in which case Tenant's termination right provided herein shall be void and of no further force or effect. If Tenant does not elect to terminate any such Post Rent Reduction Lease pursuant to this Paragraph on or before December 1, 2022, Tenant's termination right under this Paragraph is void and without effect, and effective as of February 1, 2023, Tenant shall resume payment of all rent and related charges under the Post Rent Reduction Leases without respect to this Agreement, including any and all increases thereto which would have otherwise occurred during the Rent Reduction Period as due under the Post Rent Reduction Leases. If Tenant exercises its right to terminate as set forth in this Paragraph 11, and a Post Rent Reduction Lease terminates pursuant to this Paragraph 11, then such exercise shall not be a default of the Post Rent Reduction Leases, as amended hereby.

12. Landlord's Right to Recapture Portion of Premises After Downsize. To the extent Tenant downsizes its operations at any Premises and discontinues the use of any floor or partial floor of such Premises (the "Downsize Space"), the Landlord shall have the right, but not the obligation to recapture the Downsize Space after providing ninety (90) days' prior written notice to Tenant of its intent to recapture the Downsize Space, subject to the parties' reasonable approval, agreed upon within forty-five (45) days following Landlord's notice, of the determination of the Downsize Space and the work to be performed by the Landlord, at Landlord's sole cost and expense, to effectuate the separation of the Premises from the Downsize Space; provided, however, it shall be reasonable for Tenant to deny approval for any separation plan that materially impacts Tenant's access to utilities, restrooms, non-sales areas or other critical functions to Tenant's operations. Furthermore, in no event shall Landlord's work related to any separation of a Downsize Space occur during the months of October, November and December.

13. Reservation of Rights by Landlords. Nothing in this Agreement shall be deemed a waiver of any right of Landlords under the Leases, other than as modified herein. Other than as specifically set forth herein, the Landlords do not waive any right to bill or assess against the Original

Tenant any charges, and/or collect from Original Tenant any and all outstanding balances due under the Leases, as modified by this Agreement, and the Bankruptcy Code in connection with the assumption (or assumption and assignment) of the Leases.

14. **Effect.** Except as expressly modified by this Agreement, the Leases shall remain unchanged and in full force and effect.

15. **No Modification or Waiver.** Except as otherwise expressly set forth herein, nothing in this Agreement shall be deemed to waive or modify any of the provisions of the Lease.

16. **No Offer.** Landlords and Tenant hereby agree that Landlords submission of this Agreement to Tenant shall not constitute an offer to amend the Leases. This Agreement shall be effective only, and is expressly conditioned, upon the execution of this Agreement by Landlords and Tenant.

17. **Captions.** The captions and Section numbers appearing in this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit, amplify, define, construe or describe the scope or intent of the terms or provisions of this Agreement.

18. **Brokers.** Landlords and Tenant shall each indemnify, defend and hold the other harmless from and against, all damages (including reasonable attorneys' fees and costs) resulting from any claims that may be asserted against Landlords or Tenant by any broker, finder, or other person with whom the indemnifying party has or purportedly has dealt.

19. **Counterparts; Authority; PDF Signatures.** This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which shall together constitute but one agreement. This Agreement may be executed by facsimile or electronically by PDF and each Party has the right to rely upon an electronic PDF or facsimile counterpart of this Agreement signed by the other Party to the same extent as if such Party had received an original counterpart.

20. **Successors.** Except as set forth in Paragraph 8 above, the provisions of this Agreement shall bind and inure to the benefit of the Parties hereto and their respective heirs, representatives, successors and assigns, including a trustee or receiver appointed in any bankruptcy or insolvency proceeding.

21. **Tenant's Representation.** Tenant represents that it holds the designation rights to Original Tenant's entire interest in the Leases and that it has not made any assignment, sublease, transfer, conveyance or other disposition of the Leases or any interest in the Leases.

22. **Executory Authority.** Each Party executing this Agreement hereby represents and warrants that the individual(s) executing this Agreement on behalf of such Party has/have full power and authority to bind such Party to the terms hereof.

23. **Confidentiality.** Landlords and Tenant shall keep this Agreement, and all of the terms and conditions hereof, strictly confidential, and shall not disclose, or permit to be disclosed, this agreement or any of the terms or conditions hereof to any person or entity except (a) to the extent necessary in connection with the processing, analyzation, and/or enforcement of this agreement and/or the approval thereof by the Bankruptcy Court, including as required under the terms of the Sale Order or as necessary or appropriate in connection with the assumption and assignment of the Lease to Tenant under section 365 of the Bankruptcy Code; (b) to each of Landlord's and Tenant's professionals, advisors, affiliates, and partners; (c) to any proposed purchaser or mortgagee of Tenant's or Landlord's interest in the Lease; and (d) as may otherwise be required by applicable law. In the event Landlord or Tenant discloses, or permits to be disclosed, this Agreement or any of the terms or provisions hereof in violation of the foregoing provision, such disclosure shall be deemed a default under the Leases.

24. **Merger.** This Agreement contains the entire agreement of the Parties hereto with respect to the subject matter hereof, and may not be modified or terminated except in writing by all Parties hereto.

25. **Attorneys' Fees.** In the event that at any time after the date hereof either Landlords or

Tenant shall institute any action or proceeding against the other(s) relating to this Agreement, then and in that event, the party(ies) not prevailing in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party.

26. **Joint Venture and Lender Approvals.** This Agreement shall be effective only, and is expressly conditioned, upon Landlords receiving any joint venture partner and lender approval required under the applicable joint venture or loan document.

////SIGNATURE PAGE TO FOLLOW////

Store No. 132

ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

By: AFGP LLC,
a Delaware limited liability company,
its general partner

DocuSigned by:

By: Ronald M Pastore
Name: Ronald M Pastore
Title: Vice President

By: Marcine Friedman Survivor's Trust,
under trust dated March 22, 1992,
its general partner

DocuSigned by:

By: Mark Friedman
Name: Mark Friedman
Title: Co-Trustee

TENANT:

F21 Opco, LLC,
a Delaware limited liability company

DocuSigned by:

Brad Sell

D9DA873AC102408...

By: _____

Name: Brad Sell

Title: CFO

By: _____

Name: _____

Title: _____

Exhibit 1 (Tenant Kickout Thresholds)

Forever 21**Store Review**

	Store #	Store Name	City	State	Expiry	Size (SF)	FY 20 Estimated Sales	Sales KO Threshold
1	132	Arden Fair	Sacramento	CA	1/31/2024	16,157	5,143,000	4,628,700
2	435	Atlas Park	Glendale	NY	1/31/2023	14,724		
3	3511	Cerritos	Cerritos	CA	1/31/2028	85,691		
4	743	Chandler Fashion Center	Chandler	AZ	9/30/2022	29,198		
5	375	Deptford Mall	Deptford Townsh	NJ	1/31/2021	20,243		
6	419	Eastland Mall	Evansville	IN	5/31/2022	17,472		
7	2139	Fashion Dist. Philadelphia	Philadelphia	PA	10/31/2029	11,820		
8	440	Fashion Outlets Of Chicago	Rosemont	IL	1/31/2024	27,819		
9	481	Fashion Outlets Of Niagara Falls	Niagara Falls	NY	1/31/2025	19,059		
10	776	Flatiron Crossing	Broomfield	CO	12/31/2021	55,257		
11	6004	Freehold Raceway (Downsize)	Freehold	NJ	1/31/2023	19,586		
12		Fresno Fashion Fair	Fresno	CA	4/30/2021	148,614		
13	79	Green Acres Mall	Valley Stream	NY	1/31/2020	14,733		
14	3515	Inland Center	San Bernardino	CA	11/30/2022	94,011		
15	785	Kings Plaza Mall	Brooklyn	NY	1/31/2020	22,802		
16	3510	Lakewood Center Mall	Lakewood	CA	1/31/2023	80,688		
17	56	Queens Center	Elmhurst	NY	4/16/2022	28,069		
18	287	San Tan Village	Gilbert	AZ	1/31/2023	12,975		
19	2134	Santa Monica Place	Santa Monica	CA	12/31/2028	9,712		
20	342	Scottsdale Fashion Square	Scottsdale	AZ	1/31/2020	15,371		
21	311	South Plains Mall	Lubbock	TX	2/28/2023	15,419		
22	10	Stonewood Center	Downey	CA	12/31/2023	18,031		
23	797	The Oaks	Thousand Oaks	CA	6/30/2026	7,975		
24	258	Tyson's Corner	McLean	VA	6/30/2024	25,728		
25	213	Valley River Center	Eugene	OR	4/30/2029	12,466		
26	723	Washington Square	Tigard	OR	1/31/2024	18,329		

Exhibit 2
(Riders for individual lease terms)

Rider "Z" – Arden Fair (Store No. 132)

RECITALS

This Rider is made as of the same date, and is an addendum to, the Omnibus Amendment of Leases between Landlords and **F21 Opco, LLC** (the "Omnibus Amendment"). Except as specifically set forth herein, the Omnibus Amendment shall govern. Unless otherwise defined in this Rider, all initial capitalized terms used in this Rider shall have the same meaning given such terms in the Omnibus Amendment, if defined therein, or in the Lease.

A. Arden Fair Associates, L.P. and Forever 21 Retail, Inc. entered into that certain Arden Fair Lease made as of March 5, 2013 (together with any amendments, modifications, or extensions, the "Lease"), for the lease of certain premises more commonly known as Space No. 1000 (the "Premises"), located in the City of Sacramento, County of Sacramento, and State of California, in a commercial project commonly referred to as Arden Fair ("Center"), all as more particularly set forth in the Lease.

B. The Lease by its terms shall expire on January 31, 2024 (the "Expiration Date").

TERMS

1. **Amendment of Lease.** The Lease is amended as of the Effective Date, unless another date is expressly provided, as follows:

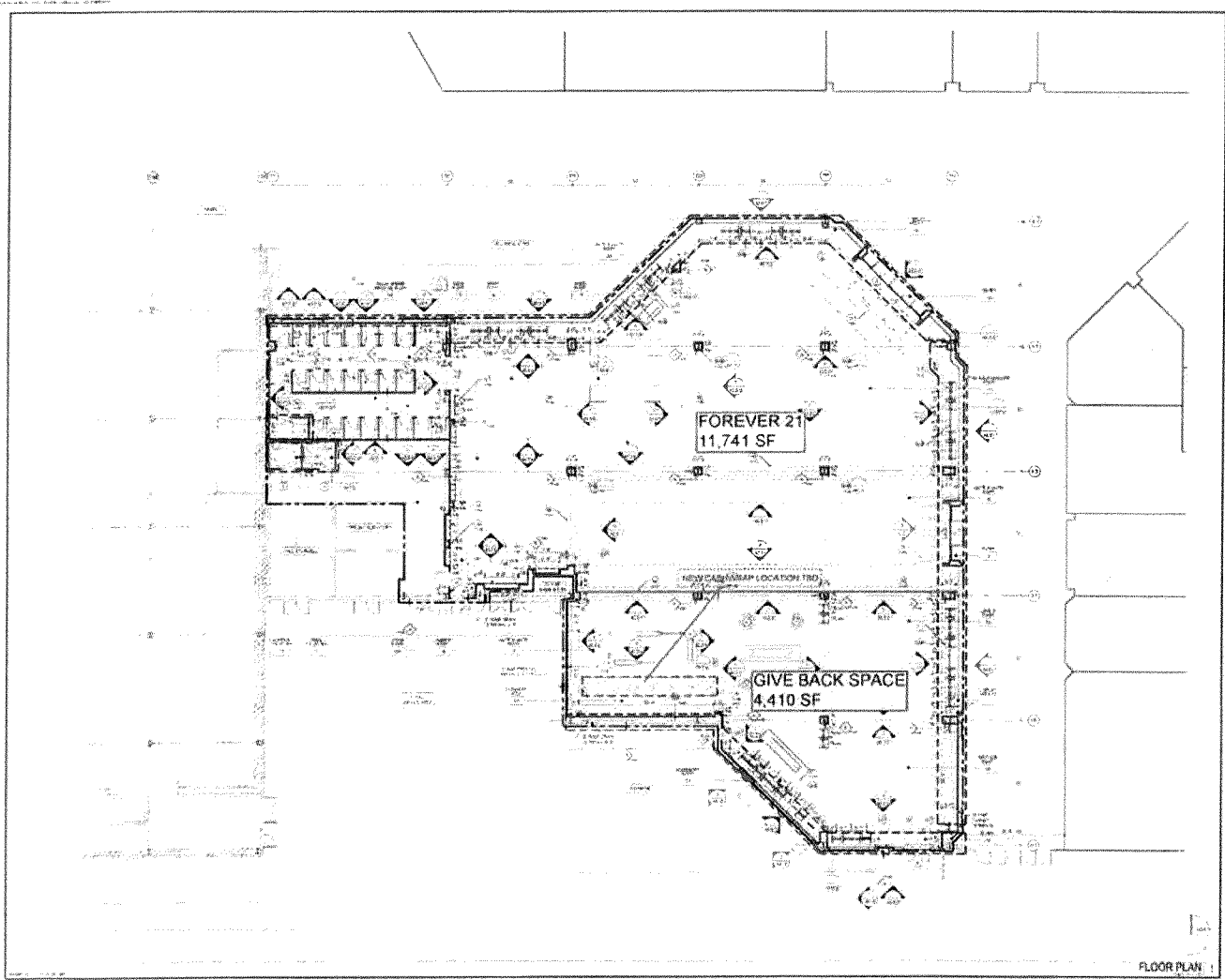
1.1. Elimination of Co-Tenancy Provisions.

1.1.1. Subsection (c) of Article 25 (Tenant's Conduct of Business) shall be amended by deleting the same in its entirety, and Tenant waives any unexercised rights, if any, pursuant to the terms thereof prior to the Effective Date and any other provisions providing Tenant with a right to claim a violation of the Lease based on co-tenancy.

1.2. Elimination of Kiosk Restrictions. Subsection (h) of Article 17 (Joint Use Areas) shall be amended by removing the following language therefrom, and Tenant waives any unexercised rights, if any, pursuant to the terms thereof prior to the Effective Date:

"Notwithstanding the foregoing to the contrary. Landlord shall not permit any retail kiosk, cart or other display or obstruction to be installed or constructed within twenty feet (20') directly in front of the storefront doors of the leased premises as limited by an imaginary twenty foot (20') extension of Tenant's storefront doors (not including any kiosk, cart or other display or obstruction existing as of the date of this lease), and except as otherwise approved by Tenant, which approval shall not be unreasonably withheld."

2. **Downsize.** Landlord shall have the right but without any obligation, at Landlord's sole cost and expense, to recapture ("Recapture") a portion of the Premises not to exceed 4,410 square feet (the "Recapture Space") (without any obligation to do so), which Recapture Space is identified in the attached Exhibit 1 to this Rider. Landlord shall provide Tenant not less than sixty (60) days written notice of the Recapture (the "Recapture Notice"), which Recapture shall be subject to the following conditions. Landlord shall restore Tenant's interior demising wall to its original condition and relocate Tenant's cash wrap in accordance with Exhibit 1 to the Rider (the "Work"). Tenant shall cooperate with Landlord by working diligently to allow Landlord to complete the Work within one-hundred twenty (120) days of the Downsize Recapture Notice. The Recapture Notice shall specify the date of the effective date of the Recapture (the "Recapture Date"), and the Work shall not take place between November 1 through January 1. As of the Recapture Date, the Downsize Space shall be deemed excluded from the Premises for all purposes; and then all references to the "Premises" contained in the Lease shall be deemed references only to the Premises without the square footage or floor area of the Downsize Space.



J.T. NAKAOKA ASSOCIATES ARCHITECTS
 10300 SANTA MONICA BLVD
 LOS ANGELES, CALIF. 90025
 TELEPHONE: (310) 296-9373

THIS DOCUMENT IS THE PROPERTY OF J.T. NAKAOKA ASSOCIATES ARCHITECTS. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. IT IS NOT TO BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF J.T. NAKAOKA ASSOCIATES ARCHITECTS. ANY VIOLATION OF THIS NOTICE SHALL BE SUBJECT TO LEGAL ACTION.

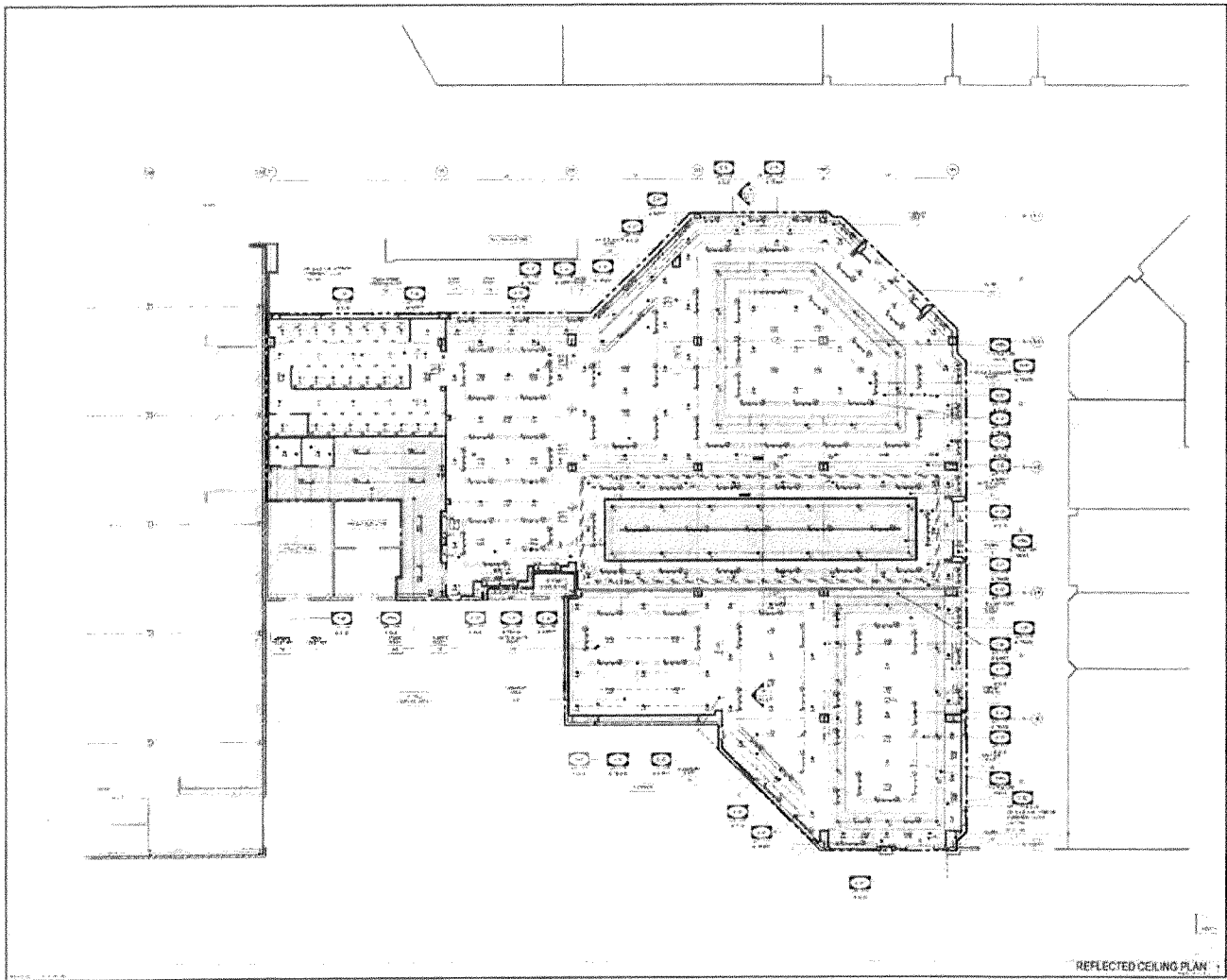
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FOREVER 21
ARDEN FAIR MALL
 10300 SANTA MONICA BLVD
 LOS ANGELES, CALIF. 90025
 1/20/00



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FLOOR PLAN
 1 of 10
 Scale: 1/8" = 1'-0"
 Date: 1/20/00
 A1.0.0



J. T. NAKAOKA ASSOCIATES ARCHITECTS
 10300 SANTA MONICA BLVD
 LOS ANGELES, CALIF. 90025
 TELEPHONE: (310) 286-9375

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DATE: 11/11/00
 DRAWN BY: J. T. NAKAOKA
 CHECKED BY: J. T. NAKAOKA
 PROJECT: FOREVER 21 MODERN FAIR MALL
 SHEET: RCP
 SCALE: 1/8" = 1'-0"

FOREVER 21 MODERN FAIR MALL
 1245 WEST 10TH STREET
 LOS ANGELES, CALIF. 90015
 100,000 S.F.

DATE: 11/11/00
 DRAWN BY: J. T. NAKAOKA
 CHECKED BY: J. T. NAKAOKA
 PROJECT: FOREVER 21 MODERN FAIR MALL
 SHEET: RCP
 SCALE: 1/8" = 1'-0"

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 PROJECT: FOREVER 21 MODERN FAIR MALL
 SHEET: RCP
 SCALE: 1/8" = 1'-0"

[illegible]

BB410

M110

EXHIBIT 5

AMENDMENT OF LEASE AGREEMENT

THIS AMENDMENT OF LEASE AGREEMENT ("Agreement") is made as of June 13, 2023 ("Effective Date"), by and between **ARDEN FAIR ASSOCIATES, L.P.**, a California limited partnership ("Landlord") and **F21 OPCO, LLC**, a Delaware limited liability company ("Tenant"), d.b.a. FOREVER 21.

RECITALS

A. Landlord and Tenant are parties to that certain Arden Fair Lease dated March 5, 2013 (as amended, the "Lease"), for the lease of premises referred to as Store No. 1000 ("Premises") in a commercial project commonly known as Arden Fair ("Center"), located in Sacramento, California, as more particularly set forth in the Lease.

B. Landlord and Tenant desire by this Agreement to extend the term and amend the Lease as hereinafter set forth.

TERMS

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants herein contained, and good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Defined Terms.** All initial capitalized terms used in this Agreement shall have the same meaning given such terms in the Lease, unless otherwise defined in this Agreement.

2. **Extension of Term.**

2.1. **Extension of Term.** The term of the Lease is hereby extended commencing retroactively on February 1, 2024, and expiring on January 31, 2027 ("Extension Period"), upon all of the terms, covenants, conditions and rents contained in the Lease, except as otherwise set forth in this Agreement.

2.2. **Condition of Premises.** Tenant acknowledges and agrees that Landlord shall have no obligation to undertake any work of improvement upon the Premises and that Tenant shall continue to lease the Premises for the term, as hereby extended, in an "As Is" condition; however, nothing in this Section shall be deemed to modify Landlord's repair obligations as expressly set forth in the Lease.

2.3. **Audit Waiver.** Notwithstanding anything to the contrary contained herein or in the Lease, for the time period prior to February 1, 2023, Tenant hereby waives all rights (whether at law, at equity or under the Lease) to audit Fringe Charges under the Lease, including any pending audits or requests to audit any of such Fringe Charges; however, any amounts which have been billed by Landlord on account of Fringe Charges which remain unpaid must be timely paid by Tenant to Landlord. "Fringe Charges" means all of the following regardless of how any such charges may be defined or described in the Lease: (a) Tenant's share of real estate taxes and assessments, (b) Tenant's share of the costs and expenses incurred by or on behalf of Landlord in operating, managing, insuring, securing, maintaining and repairing the joint use areas, (c) Tenant's share of utilities whether supplied to the joint use areas or the Premises and (d) Tenant's contributions to any marketing fund, promotion fund, merchants' association, or the like.

3. **Amendment of Lease.** The Lease is amended as of the Effective Date as follows:

3.1. **Minimum Annual Rental.** Commencing (and retroactive from) February 1, 2023 and continuing through the Extension Period, Minimum Annual Rental shall be payable in an amount equal to \$350,000.00 per year, payable in equal monthly installments of \$29,166.67.

3.2. **Percentage Rental.** Commencing (and retroactive from) February 1, 2023 and continuing through the Extension Period, Tenant shall pay to Landlord Percentage Rental in an amount equal to 12% of all Net Sales in excess of an annual Breakpoint of \$2,916,666.70.

4. **Amendment of Omnibus Amendment.** The Omnibus Amendment (if applicable to the Lease) is amended as of the Effective Date as follows:

4.1. Section 10 (Tenant's Right to Terminate Based on Sales) of the Omnibus Amendment is hereby deleted in its entirety and the following inserted in lieu thereof:

"10. **Intentionally Omitted.**"

4.2. Section 11 (Tenant's Right to Terminate at the end of the Rent Reduction Period) of the Omnibus Amendment is hereby deleted in its entirety and the following inserted in lieu thereof:

"11. **Intentionally Omitted.**"

5. **Waiver of Rent.** Notwithstanding anything to the contrary contained herein, commencing retroactively as of February 1, 2023, Tenant shall have no obligation to pay joint use area costs (under Article 17 of the Lease), Tenant's proportionate share of taxes (under Article 7 of the Lease), the Promotional Fund Charge (under Article 37 of the Lease), any other monthly recurring additional rent and utilities or consumables that are not separately metered to the Premises or billed directly by the applicable provider to Tenant, however, in no event shall this Agreement be deemed to modify, reduce or abate Tenant's obligation to pay any amounts not otherwise expressly waived hereinabove, including, without limitation, (i) any excise, transaction, sales or privilege tax imposed upon Landlord on account of, attributed to, or measured by rent, including rent tax (but exclusive of any net income or franchise tax that is solely the responsibility of Landlord); (ii) any amounts for electricity, water, sewer, trash removal, and/or any other utility or consumable that are separately metered to the Premises and paid to a third party or any amounts for other services or goods that are supplied to Tenant by any third party; (iii) any repair obligations that Landlord is required to provide under the Lease that relate solely to the Premises where the monetary obligation under the Lease for such repair belongs to the Tenant; and (iv) any non-monthly charge based upon any failure to perform or based upon any indemnity or other obligation under the Lease to the extent payable by Tenant under the terms of the Lease, and Tenant shall continue to pay the same in accordance with the terms and provisions of the Lease.

6. **Credits and Refunds.** Landlord and Tenant agree that any credits or refunds related to any time period prior to February 1, 2023 shall be retained as additional consideration by Landlord rather than issued as a credit to Tenant.

7. **Effect.** Except as expressly modified by this Agreement, the Lease shall remain unchanged and in full force and effect.

8. **No Modification or Waiver.** Except as otherwise expressly set forth herein, nothing in this Agreement shall be deemed to waive or modify any of the provisions of the Lease.

9. **No Offer.** Landlord and Tenant hereby agree that Landlord's submission of this Agreement to Tenant shall not constitute an offer to amend the Lease. This Agreement shall be effective only, and is expressly conditioned, upon the execution of this Agreement by Landlord and Tenant and Tenant's receipt of a fully executed copy thereof.

10. **Captions.** The captions and Section numbers appearing in this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit, amplify, define, construe or describe the scope or intent of the terms or provisions of this Agreement.

11. **Brokers.** Landlord and Tenant shall each indemnify, defend and hold the other harmless from and against, all damages (including reasonable attorneys' fees and costs) resulting from any claims

that may be asserted against Landlord or Tenant by any broker, finder, or other person with whom the indemnifying party has or purportedly has dealt.

12. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement. Any signature to this Agreement transmitted electronically through DocuSign or by pdf which is certified as authentic by an e-mail from the Tenant shall be deemed an original signature and be binding upon the parties hereto (it being agreed that such electronic signature shall have the same force and effect as an original signature).

13. **Successors.** The provisions of this Agreement shall bind and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns.

14. **Tenant's Representations.** Tenant represents that it holds the entire tenant interest in the Lease and that it has not made any assignment, sublease, transfer, conveyance or other disposition of the Lease or any interest in the Lease.

15. **Executory Authority.** Each party executing this Agreement hereby represents and warrants that the individual(s) executing this Agreement on behalf of such party has/have full power and authority to bind such party to the terms hereof.

16. **Merger.** This Agreement contains the entire agreement of the parties hereto with respect to the subject matter hereof, and may not be modified or terminated except in writing by all parties hereto.

17. **Attorneys' Fees.** In the event that at any time after the date hereof either Landlord or Tenant shall institute any action or proceeding against the other(s) relating to this Agreement, then and in that event, the party(ies) not prevailing in such action or proceeding shall reimburse the prevailing party for the reasonable expenses of attorneys' fees and all costs and disbursements incurred therein by the prevailing party.

18. **Disclosure.** The Premises have not undergone an inspection by a Certified Access Specialist (CASP). In accordance with Section 1938, subsection (e), as amended, of the Civil Code of the State of California, please note the following as of 1/1/2017: *A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction related accessibility standards under the state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit Tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction related accessibility standards within the premises.*

////SIGNATURE PAGE TO FOLLOW////

IN WITNESS WHEREOF, this Agreement has been entered into by the parties as of the day and year first above written.

LANDLORD:

ARDEN FAIR ASSOCIATES, L.P.,
a California limited partnership

By: AFGP LLC,
a Delaware limited liability company,
its general partner

DocuSigned by:
By: Ronald M Pastore
Name: Ronald M. Pastore
Its: Vice President

By: Friedman AFA Investors, LLC,
a California limited liability company,
its general partner

DocuSigned by:
By: Mark Friedman
Name: Mark Friedman
its manager

TENANT:

F21 OPCO, LLC,
a Delaware limited liability company

DocuSigned by:
By: Brad Sell
Name: Brad Sell
Title: CFO, F21 Opco, LLC