



TO: SOUTHERN NEVADA DISTRICT BOARD OF HEALTH **DATE:** January 23, 2020

RE: *Approve Space Lease Agreement for 220 E. Horizon Drive Henderson, NV*

PETITION #27-20

That the Southern Nevada District Board of Health *approves the Lease Agreement between Horizon 8888L.L.C. and the Southern Nevada Health District.*

PETITIONERS:

Sean Beckham, Facilities Manager *SB*
Ernest Blazzard, Chief Financial Officer *EB*
Fermin Leguen, MD, MPH Acting Chief Health *FL*

DISCUSSION:

The Health District proposes to lease 3689 sq. ft. of medical/office space at 220 E. Horizon Drive Henderson NV to house Immunization and Health Cards. Initial lease term is 5 years with two 5 year options to renew.

FUNDING:

\$5826 per month (1.58 per sq. ft.) including C.A.M Fees.

MEDICAL OFFICE LEASE

LANDLORD:

HORIZON 8888, L.L.C.
a Nevada Limited Liability Company

c/o
Ohana Realty Group
2620 Regatta Dr. Suite 211
Las Vegas, Nevada 89128
Attn: Jesse Martinez Property Manager
702-471-0555

and

TENANT:

SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada

MAILING ADDRESS:

280 S. Decatur Blvd.
Las Vegas, Nevada 89107

PROPERTY:

220 E. Horizon Dr. Suites A, B & C
Henderson, Nevada 89015

LEASE DATED: _____

LEASE SUMMARY UPON EXECUTION

1.	TENANT NAME	SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada
2.	TENANT ADDRESS	280 S. Decatur Blvd., Las Vegas, Nevada 89107.
3.	BUILDING / SUITE	220 E. Horizon Drive, Suites A, B & C, Henderson, Nevada 89015.
4.	DATE OF LEASE	February 1, 2020
5.	RENT COMMENCEMENT	February 1, 2020.
6.	LEASE COMMENCEMENT	February 1, 2020.
7.	EXPIRATION OF LEASE	January 31, 2025.
8.	COOPERATING BROKER NAME	MDL Group.
9.	PYLON SIGN LOCATION	N/A.
10.	FACIA SIGN SIZE SPECIFICATIONS	TBD.
11.	T.I. DRAWINGS APPROVED	TBD
12.	SIGN DRAWINGS APPROVED	TBD.
13.	NOTICE OF SUBSTANTIAL COMPLETION	TBD
14.	TENANT WALK-THRU	February 1, 2020 or upon completion of Landlord Improvements.
15.	REQUEST FOR ESTOPPEL	As provided.
16.	CONDITIONAL USE PERMIT APPROVED	N/A.
18.	RENT ABATEMENT PERIOD	N/A
19.	INSURANCE VERIFIED	TBD.
21.	HVAC SERVICE CONTRACTOR	TBD.
22.	NOTICE OF NON-RESPONSIBILITY	Contractor must be licensed and insured in the State of Nevada and have signed Landlord's minimum building standards for retail office. NRS §108 must be complied with and a notice of non-responsibility served before any construction is performed by Tenant within the Premises.
23.	PERFORMANCE BOND	N/A
24.	TENANT'S CONTRACTOR	If applicable, to be determined.
25.	GUARANTOR(S)	SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada
26.	BUSINESS HOURS	Normal Business Hour for the Business
	<u>AMOUNT DUE:</u>	
A.	FIRST MONTH'S BASE RENT	\$4,427.00 (February 2020).
B.	SECURITY/DAMAGE DEPOSIT	None.
C.	FIRST MONTH'S CAM FEES	\$1,125.14.
D.	COMP. MONTH'S CAM	None.

E.	FIRST MONTH'S POLE SIGN RENT	N/A.
F.	SPACE SIZE	+/- 3,689 rentable square feet (+/- 3,520 usable square feet).
G.	LAND SIZE	+/- 1.22 acres of land zoned (C-N) Commercial Neighborhood.
	TOTAL DUE UPON EXECUTION OF LEASE IN THE FORM OF A CHECK MADE PAYABLE TO OHANA REALTY GROUP.	\$5,552.14 First Month's Rent Including C.A.M. Fees (02-01-2020.) \$0000000 Security/Damage Deposit \$5,552.14 Total Due

DRAFT

LEASE

THIS LEASE is made and entered into this _____ day of _____ 2020 by and between HORIZON 8888, L.L.C. a Nevada Limited Liability Company as ("Landlord"), and SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada as ("Tenant"). Landlord, for and in consideration of the covenants and agreements hereinafter set forth to be kept and performed by Tenant, hereby demises and leases to Tenant, and Tenant does hereby take, accept and hire from Landlord, the premises hereinafter described for the term, at the rental and subject to and upon the terms, conditions and agreements herein set forth as follows:

ARTICLE 1

FUNDAMENTAL LEASE PROVISIONS

1.	Parties	
	(a) Landlord:	HORIZON 8888, L.L.C. a Nevada Limited Liability Company
	Address for Notices:	c/o Ohana Realty Group 2620 Regatta Dr. Suite 211 Las Vegas, NV 89128 Phone: 702-471-0555 Attn: Jesse Martinez Property Manager
	(b) Tenant:	SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada.
	Address for Notices:	280 S. Decatur Blvd., , Nevada 89107.
	Tenant's Phone:	702-759-1000
	Fed. Employer I.D.	88-0151573
	Drivers License No.:	N/A.
	(c) Tenant's Trade Name:	SOUTHERN NEVADA HEALTH DISTRICT.
	(d) Property Description:	(Exhibit "A").
	(e) Demised Premises:	(Exhibit "A").
	(f) Use of Premises:	Medical and office space for a local public health agency
	(g) Term of Lease:	Sixty (60) months upon Tenants occupancy of space.
	Option Period(s):	Two (2), Five (5) year options to renew lease negotiated at market rate with 3% annual increases on Base Rent during any lease renewal period.
	(h) Minimum Monthly Rent:	(Exhibit "G").
	(i) Lease Commencement Date:	December 16, 2019.
	(j) Rent Commencement Date:	February 1, 2020.
	(k) Occupancy Date:	December 16, 2019.
	(l) Expiration Date:	January 31, 2025.
	(m) Prepaid Rent:	\$5,552.14 Including C.A.M. Fees (February 2020).
	(n) Percentage Rent	N/A.
	(o) Security/Damage Deposit:	None
	(p) Tenant's Estimated Pro Rata Share of monthly Common Area Expenses:	\$1,125.14 based upon the following: current monthly C.A.M. Charges: \$.305 per square foot area of Tenant's premises: +/- 3,689 rentable sq. ft. (+/- 3,520 sq. ft. usable sq. ft.) area of building in retail office center: +/- 14,060 square feet Tenant's pro rata share of expenses: +/- 26%
	(q) Pylon Sign Rent (Exhibit "H"):	N/A
	(r) Brokerage(s):	Ohana Realty Group: Glenn R. Wilcox, Jr. & Michael Sumiyoshi represents Landlord and MDL Group: Ryan Martin represents Tenant. The brokerages shall split 50/50 a

			leasing fee in the amount of 5% of the gross rent (Base Rent).
	(s)	Guarantor(s):	SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada.
	(t)	Exhibits:	Lease Addendum
		Exhibit "A"	Legal Description - Floor Plan
		Exhibit "B"	Landlord Improvements
		Exhibit "C"	Rules and Regulations
		Exhibit "D"	Store Sign Agreement
		Exhibit "E"	Estoppels Agreement
		Exhibit "F"	Tenants Notice of Substantial Completion (Sample)
		Exhibit "G"	Rent Schedule
		Exhibit "H"	NRS Chapter 108 Acknowledgment
		Exhibit "I"	Intentionally Deleted.
		Exhibit "J"	Intentionally Deleted.

Reference in this Article 1 to other Articles is for convenience and designates some of the other Articles where references to the particular Fundamental Lease Provisions appear. Each reference in this lease to any of the Fundamental Lease Provisions contained in this Article 1 shall be construed to incorporate all of the terms provided under each such Fundamental Lease Provision. In the event of any conflict between any Fundamental Lease Provision and the balance of this lease, the latter shall control.

ARTICLE 2

TENANT'S BUDGETARY LIMITS AND FISCAL FUND OUT

- 2.1 Tenant, as a local governmental entity, is subject to the requirements of NRS 244.230 and NRS 354.626, which require Tenant to budget annually for its expenses and which prohibit the Tenant from obligating itself to expend money or incur liability in excess of the amounts appropriated for a particular function or purpose. All Tenant's financial obligations under this Lease are subject to those statutory requirements, and subparagraphs 2.2 and 2.3 below, hereinafter referred to as the "Fund Out Clause."
- 2.2 Notwithstanding the monetary obligations of this Lease, the total amount of the Tenant's payment obligations hereunder for any fiscal year shall not exceed the amounts that Tenant has appropriated for rent, maintenance of space and related liabilities for Tenant. Tenant reasonably believes that sufficient funds can be obtained for this Lease Agreement from the budget for the fiscal years covered by the term of this Lease Agreement, and the Tenant's using department or Financial Services staff shall take all appropriate actions to obtain funding for each fiscal year to satisfy Tenant's financial obligations under this Lease Agreement.
- 2.3 Notwithstanding the monetary obligations of this Lease Agreement, this Lease Agreement shall terminate and Tenant's liability and payment obligations thereunder shall be extinguished at the end of the fiscal year (June 30) in which Tenant's governing body fails to appropriate monies for the ensuing year for the payment of all amounts which will then become due.
- 2.4 Unless terminated subject to the terms of the Fund Out Clause, Tenant shall have the additional right to cancel this lease by giving the Lessor six (6) month's prior written notice of its intention to terminate the Lease, as long as the term of the lease is at least one (1) year. In furtherance of the foregoing sentence, Tenant may only give a six-month termination notice pursuant to this subparagraph 2.4 after the sixth month of the Initial Term of this Lease has passed.

ARTICLE 3

DEMISED PREMISES

- 3.1 **Demised Premises.** The premises demised hereunder (hereinafter referred to as the "demised premises") are situated in the City, County and State referred to in Article 1 hereof and shown on Exhibit "A" attached hereto. The demised premises, together with and including other adjacent property owned by Landlord, comprise a Retail Office Center and commercial development referred to hereinafter and throughout this lease as the "Retail Office Center." A general site plan showing, among other things, the principal improvements which will comprise the Retail Office Center, is attached hereto as Exhibit "A" and made a part hereof. Tenant acknowledges that Landlord, in Landlord's sole discretion, may change the shape, size, location, number and extent of the improvements shown on said site plan and may eliminate or add any improvements to any portion of the Retail Office Center, provided Landlord shall not change the size or location of the demised premises without Tenant's consent. Landlord reserves to itself the use of the roof, exterior walls and the area beneath the demised premises, together with the right to install, use, maintain and replace equipment, machinery, pipelines, conduits and wiring through the demised premises, which serve other parts of the Retail Office Center, in a manner and in location which do not unreasonably interfere with Tenant's use of the demised premises.
- 3.2 **Floor Area.** The term "floor area" as used throughout this lease shall be deemed to mean and include all areas used for the exclusive use of and occupancy by a tenant of Landlord, measured from the exterior surface of exterior walls (and from the extensions thereof, in the case of openings), and from the midpoint of interior or common walls, including mezzanines, warehousing or storage areas, clerical or office areas, and employee areas; "floor area" shall not include truck tunnels, docks, areas for truck loading and unloading (to the extent such facilities lie outside exterior building lines), nor any utility and/or mechanical equipment vaults, rooms or penthouses.

ARTICLE 4

TERM; EXTENSIONS

- 4.1 **Initial Term.** Subject to the Fund Out Clause, the term of this lease shall commence on the earlier of the following two (2) dates and shall continue for the term specified as "Lease Term" in Article 1 hereof unless sooner terminated:
- (a) Date: As described in Article 1(i); or _____, 2020.
 - (b) If no date is indicated; then the date Landlord gives Tenant notice in writing that the demised premises have been "substantially completed" (as defined in Exhibit "B" and a copy of said notice is attached hereto as Exhibit "F") with respect to Landlord's obligations therefore and are ready for Tenant to commence the work which Tenant is required to perform pursuant to the provisions of the attached Exhibit "B". For purposes of this paragraph permanent electrical power to the Retail Office Center or Tenant's premises is not required so long as Landlord provides Tenant a nonexclusive right to use uninterrupted temporary power facilities on the Property. Landlord shall not be responsible for any delay caused by the lack of permanent power or gas to the Retail Office Center or Tenant's demised premises, and Tenant hereby waives any claim against Landlord.
- 4.2 **Option to Extend.** Landlord hereby grants onto Tenant option(s) to extend the term of this lease as described in Article 1(g) of this Lease Agreement. Such option(s) shall be subject to the Fund Out Clause on the following terms and conditions: Two (2) Five (5) year options to renew lease at market rate.
- (a) The options to extend the term of this lease shall be personal to Tenant and shall automatically terminate upon any assignment, transfer, hypothecation or encumbrance of this lease or upon any sublease of the demised premises.
 - (b) Written notice of Tenant's desire to exercise said option shall be given to Landlord not less than Four (4) months, or more than Six (6) months prior to expiration of the initial term of this lease. Tenant shall not be in default under this lease at any time during the initial lease term or at the time of the commencement of any extended term.
 - (c) If Landlord does not receive written notice to extend the Lease Term from Tenant at least One Hundred Twenty (120) days prior to the expiration of the Lease Term, then it shall be deemed that Tenant will terminate at the end of the Lease Term and Landlord shall market and lease the Premises to other prospective tenants accordingly.
 - (d) Such options shall be upon the same terms and conditions as herein set forth in this lease. Notwithstanding the above, at the commencement of each option period, the minimum annual rental shall be adjusted to be equal to the then current market rent; however the adjusted minimum annual rental shall never be less than the minimum annual rental in effect for the twelve (12) months prior to the expiration of the initial term, or the twelve (12) months prior to the expiration of the prior extended term.

ARTICLE 5

RENTAL

Subject to the Fund Out Clause, Tenant covenants and agrees to pay as rental for the use and occupancy of the demised premises, at the times and in the manner hereinafter provided:

- 5.1 **Minimum Monthly Rental.** The minimum monthly rental specified as "Minimum Monthly Rental" in Article 1(h) hereof, shall commence on _____, the initial commencement date of the lease term, pursuant to Article 4.1 hereof, payable (See Exhibit "G") in advance, on the first day of each calendar month during each year of the term of this lease, without notice, set off, reduction or abatement, subject to adjustment as set forth below. Notwithstanding the foregoing, Tenant shall pay February 2020 month's rent to Landlord upon execution of this lease to be applied toward rent payable for the month of February 2020 and thereafter the rent shall be paid on the 1st day of each month at the full, non-prorated amount for the lease term. If Tenant fails to faithfully perform the covenants and conditions of this lease prior to possession of the premises, said monies shall be applied to any damages suffered by Landlord as a result of Tenant's default. Nothing in this Article 5.1 shall in any way diminish or be construed as waiving any of Landlord's other remedies by law or equity.
- 5.2 **Rent Adjustment.** On each annual anniversary date of the commencement date of the term of this lease, the minimum annual rental shall be adjusted upwards by an amount equal to see Exhibit "G".
- 5.3 **Additional Rent.** Tenant shall pay as additional rent all other sums of money or charges required to be paid pursuant to the terms of this lease, whether or not the same be designated "additional rent." If such amounts or charges are not paid at the time provided for in this lease, they shall nevertheless be collectible as additional rent with the next installment of rent thereafter falling due hereunder, 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 become due and payable hereunder, or limit any remedy of Landlord.
- 5.4 **Returned Checks:** If Tenant's rent check is returned unpaid, Tenant will be charged \$75.00 processing fee in addition to rent payment to Landlord. All future payments to Landlord will be paid in form of money order or cashier's check.
- 5.5 **Place of Payment.** All rental and other payments shall be paid by Tenant to Landlord at Landlord's Property Management Company, Ohana Realty Group, at its address set forth on the first page of this lease, or at such other place as may from time to time be designated by

Landlord in writing at least ten (10) days prior to the next ensuing payment date. Checks shall be made payable to Ohana Realty Group, which Landlord hereby authorizes to accept payment on its behalf.

ARTICLE 6

USE OF DEMISED PREMISES

- 6.1 **Use and Trade Name.** Tenant shall use the demised premises solely for the purpose and under the trade name specified as "Use" and "Trade Name," respectively, in Article 1 hereof. Tenant shall not use or permit the demised premises to be used for any other purpose or purposes or under any other trade name whatsoever without the written consent of Landlord first had and obtained. Tenant further covenants and agrees that it will not use or suffer or permit any person or persons to use the demised premises or any part thereof for conducting therein a secondhand store, auction, distress or fire sale or bankruptcy or going-out-of-business sale, or for any use or purpose in violation of the laws of the United States of America or the State of Nevada or the ordinances, regulations and requirements of the City and County wherein the demised premises are situated. Tenant further covenants and agrees that during the term hereof the demised premises, and every part thereof, shall be kept by Tenant in a clean and wholesome condition, free of any objectionable noises, odors and nuisances, and that all health and police regulations shall, in all respects and at all times, be fully complied with by Tenant.
- 6.2 **Operating Covenant.** Tenant covenants and agrees that after opening in the demised premises, it will continuously operate and conduct therein the business which it is permitted so to operate under the provisions hereof and cause Tenant's business to be conducted therein during the usual business hours of each and every business day as is customary for businesses of like character in the city in which the Premises are located, except while the demised premises are untenable by reason of fire or other casualty, and that it will at all times (a) keep and maintain within and upon the demised premises an adequate stock of merchandise and trade fixtures, and (b) adequately staff the demised premises with sufficient employees, as shall be required to supply and service the usual and ordinary demands and requirements of its customers. If Tenant fails to comply with the requirements of this Section, then in addition to any and all other rights and remedies of Landlord hereunder or at law or equity, Tenant shall pay to Landlord one-thirtieth (1/30) of the Minimum Rent for each day or portion thereof that Tenant fails to so comply. Such sum shall be in addition to, and not a part of, Minimum Rent and Additional Rent otherwise due under this Lease.
- (a) Tenant acknowledges that Landlord may grant, or may have previously granted, exclusive rights to other tenants at the Retail Office Center and a material consideration to Landlord in entering into this Lease is Tenant's covenant to limit its use of the Premises to the permitted use of the Premises under Tenant's trade name as set forth above. The violation by Tenant of the exclusive rights granted to other tenant(s) of the Retail Office Center will result in Landlord suffering irreparable harm and, therefore, in addition to the other rights and remedies available to Landlord under this Lease, Landlord may seek to enjoin Tenant's breach of this Section 5.2 (a) and Tenant shall be liable for any damages incurred or sustained by Landlord to such other tenant(s) whose exclusive use right was breached by Tenant. In no event shall Landlord be liable to Tenant for any failure of other tenants in the Retail Office Center to operate their business, or for any loss or damage that may be occasioned by or through the acts or omissions of other tenants or third parties.
- (b) Landlord reserves the absolute right to effect such other tenancies in the Retail Office Center as Landlord shall determine, in the exercise of its sole business judgment, is best to promote the interests of the Retail Office Center. Whether any tenants are shown or described on Exhibit "A" attached hereto, Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or number or type of tenants shall or shall not during the Term of this Lease occupy any space in the Retail Office Center, nor does Tenant rely on any other tenant or tenants operating its or their business and affairs at the Retail Office Center at any particular time or times. Moreover, no conduct by any tenant, subtenant, licensee, concessionaire, or other occupant of, customer of, supplier to or use of any portion of the Retail Office Center shall constitute an eviction, constructive or otherwise, of Tenant from the Premises, and Tenant hereby waives any and all claims that, but for this sentence, it might have against Landlord by reason of such conduct by one or more of such persons and entities.
- 6.3 **Refuse.** Tenant agrees that all trash and rubbish of Tenant shall be deposited within receptacles and that there shall be no trash receptacles permitted to remain outside of the building of which the demised premises are a part. In the event Landlord provides or designates trash receptacles, Tenant agrees to cause such receptacles to be emptied and trash removed at its own cost and expense. Tenant agrees to first bag the trash before depositing it in the authorized trash area.
- 6.4 **Condition of Demised Premises.** Tenant agrees to accept the demised premises in their "as-is" condition as of the date hereof and throughout the term of this lease. Without limiting the foregoing, Tenant's rights in the demised premises are subject to all municipal, county and state laws, ordinances and regulations governing and regulating the use and occupancy of the demised premises. Tenant acknowledges that neither Landlord nor Landlord's agent has made any representation or warranty as to the present or future suitability of the demised premises for the conduct of Tenant's business.
- 6.5 **Compliance With Laws.** Tenant hereby represents and warrants that it has investigated whether its proposed use of the demised premises and its proposed manner of operation will comply with all applicable laws, and Tenant assumes the risk that its proposed use of the demised premises and its proposed manner of operation are and will continue to be, in compliance with all applicable laws, including, without limitation, all zoning laws regulating the use and enjoyment of the demised premises. Tenant agrees that under no circumstances will Tenant be released in whole or in part from any of its obligations under this lease as a result of any governmental authority disallowing or limiting Tenant's proposed use of the demised premises or its manner of operation. Additionally, Tenant agrees to install and pay for any improvements, changes or alterations to the demised premises, required by any governmental authority, as a result of its proposed use

of the demised premises or its manner of operation.

- 6.6 **Competition.** During the term of this Lease, Tenant covenants not to engage in operation or control of any store or business within a radius of Three (3) miles of the demised premises which is competitive with Tenant's permitted use under this lease.

ARTICLE 7

CONSTRUCTION OF IMPROVEMENTS ON DEMISED PREMISES

- 7.1 **Tenant Improvements if any.** Tenant shall, at its own cost and expense, complete all of the Tenant's Work, which is incorporated herein by this reference and obligates Tenant to construct any improvements that Tenant requires that are not listed under Exhibit "B" Landlords Improvements.

Unless otherwise provided in the Exhibit "B", Landlord shall deliver to Tenant plans showing the Tenant's Specifications within thirty (30) calendar days following the Effective Date. Landlord shall use Landlord's commercially reasonable efforts to promptly review the Tenant's Specifications. The Tenant's Specifications shall be subject to Landlord's written approval, which written approval shall not be unreasonable withheld, conditioned, or delayed. Such improvements shall, however, conform to and be in accordance with all applicable building codes and other laws, statutes, regulations, and other rules governing the construction thereof. Landlord shall use commercially reasonable efforts to assist Tenant, at Tenant's sole cost and expense, in obtaining approval for the Tenant's Specifications from the applicable governmental authorities if such approval is required.

- 7.2 **Compliance with NRS 108.** SECTION 4 OF SENATE BILL 343, 73RD SESSION OF THE NEVADA LEGISLATURE ("SB 343"), WHICH AMENDS NRS CHAPTER 108 AND, AMONG OTHER SECTION OF NRS CHAPTER 108, AMENDS NRS §108.234 AND §108.2403, IMPOSES CERTAIN REQUIREMENTS AND OBLIGATIONS THAT APPLY TO TENANTS IN CONNECTION WITH CONSTRUCTION OF TENANT IMPROVEMENTS IF ANY AT A TENANT'S PREMISES. THIS SECTION 6.2 SHALL, FOR ALL PURPOSES, SERVE AS LANDLORD'S NOTICE TO TENANT OF SUCH REQUIREMENT, WHICH OBLIGATIONS ARE PRIMARILY CODIFIED IN NRS §108.2403, AND TENANT'S OBLIGATIONS TO COMPLY WITH THE SAME. LANDLORD MAY, BUT SHALL NOT BE REQUIRED TO: (1) RECORD A WRITTEN NOTICE OF WAIVER OF THE OWNERS' RIGHTS SET FORTH IN NRS 108.234 WITH THE CLARK COUNTY RECORDER PRIOR TO THE COMMENCEMENT OF ANY CONSTRUCTION OF TENANT'S IMPROVEMENTS; (2) COMPLY WITH THE NOTICE REQUIREMENTS TO THE PRIMARY CONTRACTOR AND OTHER LIEN CLAIMANTS; AND (3) COMPLY WITH ANY OTHER STATUTORY REQUIREMENTS OF LANDLORD IN CONNECTION WITH ITEMS (2) AND (3) ABOVE. NOTWITHSTANDING ANYTHING CONTAINED IN THIS LEASE TO THE CONTRARY, TENANT **MUST** COMPLY WITH NRS §108.2403 PRIOR TO COMMENCING ANY ACTIVITY WHATSOEVER THAT COULD RESULT IN THE PREMISES, THE BUILDING, AND/OR ANY OTHER IMPROVEMENT THAT IS A PART OF THE SHOPPING CENTER BEING LIENED IN ACCORDANCE WITH THE PROVISIONS OF NRS CHAPTER 108. IN ALL EVENTS, TENANT SHALL PROVIDE LANDLORD AT LEAST TEN (10) BUSINESS DAYS NOTICE PRIOR TO COMMENCING ANY IMPROVEMENTS OR CONTRACTING FOR ANY SERVICES WITH RESPECT TO WHICH A LIEN COULD BE RECORDED UNDER NRS CHAPTER 108. TENANT'S FAILURE TO COMPLY WITH THE PROVISIONS OF THIS SECTION 6.2 SHALL CONSTITUTE A MATERIAL DEFAULT UNDER THIS LEASE THAT IS NOT SUBJECT TO CURE AND FOR WHICH THERE IS NO GRACE PERIOD. THE APPLICABLE PORTIONS OF CHAPTER 108 OF THE NRS ARE ATTACHED HERETO AS EXHIBIT H AND ARE, BY THIS REFERENCE, INCORPORATED HEREIN.

ARTICLE 8

SIGNS

- 8.1 **Advertising Media.** Tenant shall not erect or install any exterior signs or window or door signs, any window or door lettering or placards, or any other advertising media visible from any part of the common area (as defined in Section 11.2 below) (whether on or just behind the windows), without Landlord's prior written consent, which shall not be unreasonably withheld. Tenant shall not install any exterior lighting or plumbing fixtures, shades or awnings, make any exterior decoration or painting, build any fences, or install any radio or television antenna, loud speakers, sound amplifiers or similar devices on the roof, ceiling, or exterior walls of the Premises. In addition, Tenant shall not make any changes to the storefront without Landlord's prior written consent, which may be withheld by Landlord in Landlord's sole and absolute discretion. In making any and all sign improvements contemplated by this Section 8.1, Tenant shall comply with the provisions set forth in Section 6.2 above, including those set forth in SB §343. In addition to the above, Landlord may, in its sole and absolute discretion, require Tenant to procure material, payment, and/or performance bonds from Tenant's sign contractor. Upon vacation of the Premises, Tenant is obligated to remove all signage and restore the Premises and or the Building back to its original condition prior to any such signage being installed including, but not limited to, wall signs, window signs, door signs, pylon/monument lettering, and interior signs. Failure to do so will result in Landlord, at Landlord's sole discretion, to use the Security Deposit to cover any expenses relating to such removal.
- 8.2 **Signage and Sign Criteria.** Prior to Landlord's written approval of any signage on the building, Tenant shall pay a non-refundable restoration fee (paint and patch but not sign removal) and approval fee of \$595.00 per sign. Tenant, at Tenant's sole cost and expense, may have the right to install signage on the Building in accordance with Landlord's sign criteria as set forth in the Storefront Sign Agreement attached hereto as Exhibit "D", which is incorporated herein by this reference, which shall be subject to the prior written approval by any

and all governing regulatory agencies. A violation of the Storefront Sign Agreement or any amendment thereto shall constitute a default by Tenant under this Lease. If there is a conflict between the Storefront Sign Agreement and any of the provisions of this Lease, the provisions of this Lease shall prevail. Further, no decals are allowed on the active door(s). Tenant is required to fully install the sign within 90 days after rent commencement.

ARTICLE 9

TAXES

- 9.1 **Tenant's Obligations.** Tenant agrees to pay Landlord its proportionate share of all taxes levied and assessed during the term of this lease upon the land, buildings and personal property comprising the Retail Office Center including the common area of the Retail Office Center, including any reassessment resulting from any sale of the Retail Office Center. The share of taxes to be paid by Tenant shall be deemed to be the product derived by multiplying the total of the taxes levied or assessed against the Retail Office Center by a fraction, the numerator of which is the floor area (as defined in this lease) contained in the demised premises and the denominator of which is the total floor area contained in the Retail Office Center, exclusive of any portion of the total floor area which may be assessed and taxed separately from the portion of the Retail Office Center in which the demised premises are located. Tenant shall pay one-twelfth (1/12) of the amount estimated by Landlord to the Tenant's share of such taxes with each monthly installment of minimum annual rental due hereunder. Following Landlord's receipt of the applicable tax bill, Landlord shall notify Tenant relative to any additional amount owing, and Tenant shall pay such additional amount to Landlord substantiated by true and correct copies of said expense, if requested in writing by Tenant within ten (10) days thereafter. In the event Tenant's monthly tax payment exceeds the taxes attributable to the demised premises, such excess shall be credited against Tenant's future tax obligations. Taxes for the first and last years of the term hereof shall be prorated between Landlord and Tenant. For the purposes of this Article 9, taxes shall include, without limitation: and such taxes shall be included in the C.A.M. Fees.
- (a) Any assessment, reassessment including but not limited to any reassessment resulting from a transfer of the Retail Office Center, any portion thereof, a change in the composition of Landlord, or any construction or reconstruction at the Retail Office Center, bond, license fee, levy, penalty or tax (except as excluded pursuant to Section 9.3 below) imposed, assessed or levied against the Retail Office Center by any authority having the direct or indirect power to tax, including without limitation any city, county, state or federal government or agency thereof, or any school, agricultural lighting, drainage, fire, street, sanitary or other improvement district thereof;
 - (b) Any tax assessed upon or measured by the rents received by Landlord hereunder;
 - (c) Any tax, fee or charge on the operation and use of the Retail Office Center and/or the common area imposed by the United States Environmental Protection Agency or any other Federal, State or local governmental entity; and
 - (d) Any impositions (whether or not such impositions constitute tax receipts to governmental agencies) in substitution, partially or totally, of any impositions now or previously included within the definition of real property taxes, including those imposed or required by governmental agencies to increase tax increments to governmental agencies, and for such services as fire protection, street, sidewalk and road maintenance, refuse removal and/or for other governmental services formerly provided without charge to property owners or occupants (it being the intention of Landlord and Tenant that all such new and/or increased impositions and all similar impositions be included within the definition of "taxes" for the purpose of this lease).
- 9.2 **Personal Property Taxes.** Tenant shall also pay before delinquency any and all taxes, assessments, license fees and public charges levied, assessed or imposed at any time and which become payable during the term of this lease upon Tenant's leasehold improvements, fixtures, equipment, furniture, inventories or merchandise and any other personal property installed or located on the demised premises whether or not such assessment is made against Tenant or against Landlord, either separately or as part of the assessment of the Retail Office Center, and whether installed by Landlord or by Tenant.
- 9.3 **Exclusions.** It is agreed and understood that the term "taxes" as used herein shall not include any franchise, excise, gift, estate, inheritance, succession, capital levy or transfer tax of Landlord arising out of or in connection with this lease or Landlord's rights in the demised premises, or any net income, excess profits or revenue tax, charge or levy against Landlord.

ARTICLE 10

INSURANCE

The tenant shall purchase and maintain the insurance policies described below during the entire term of this agreement:

- (1) **Evidence of Insurance:** Tenant must furnish evidence of insurance in the form of a Certificate of Insurance satisfactory to the Landlord, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements set forth below. The Certificate of Insurance must reference the Landlord.
- (2) **Cancellation:** The Certificate(s) of Insurance must provide 60 days written notice for any notice of cancellation, non-renewal, or material change if any insurance coverage included therein (other than upon expiration or termination of this Lease). Notice(s) must be sent to Horizon 8888, LLC and Ohana Realty Group via certified mail.
- (3) **Additional Requirements:**
 - (a) All policies must name Horizon 8888, LLC and Ohana Realty Group as additional insured.

The address of the additional insured is as follows:

Horizon 8888, LLC:	Ohana Realty Group:
1809 White Hawk Ct.	2620 Regatta Dr. Suite 211
Las Vegas Nevada 89134	Las Vegas, Nevada 89128

- (b) All insurance policies must include Other Insurance provisions that indicate Lessee's policy provides primary insurance coverage;
- (c) All insurance policies must provide liability coverage on an occurrence basis unless otherwise specified in this Agreement.
- (d) Such policies or certificates thereof shall be delivered to Landlord by Tenant upon commencement of the Lease Term and upon each renewal of said insurance;
- (e) Landlord may from time to time require reasonable increases in any such limit;
- (f) Policies must be issued by an insurer that has a current rating by Best's Rating services of "A+" "XIII" or better. The Landlord may make an exception to this rating requirement. This exception must be approved by the Landlord in writing.

(4) Minimum Coverage Requirements: The Minimum Coverage Requirements sets forth the minimum limits of insurance that the Tenant must purchase to secure agreement with the Landlord. These limits may not be sufficient to cover all liability for losses and related claim settlement expenses. Purchase of these minimum limits of coverage does not relieve the Tenant from liability or losses and settlement expenses greater than these amounts.

During the Term of this Agreement, Tenant must purchase and maintain, and shall require all other independent contractors to maintain while performing work on the Demised Premises, the minimum insurance coverages and limits specified below, which may be increased by the State and or the Landlord at its sole discretion:

(a) Commercial General Liability (CGL) Insurance: Tenant must purchase and maintain CGL on an Insurance Services Office (ISO) form CG 00 01 or equivalent form, covering liability arising from Property, operations, independent contractors, personal injury, and liability assumed under an insured contract. All such bodily injury and property damage liability insurance shall specifically insure injury or to or death of persons and injury or damage to property as required under provisions of Article 15 of this lease. Such insurance must be provided on an occurrence basis. Insurance must include liability coverage with limits not less than those specified below:

Description

Each Occurrence Limit	\$2,000,000
General Aggregate Limit	\$5,000,000

(b) Worker's Compensation and Employer's Liability Insurance: The Tenant must purchase and maintain insurance covering obligation imposed by Federal and State statutes having jurisdiction of its employees in the performance of work, including Employers Liability Insurance. Evidence of "Qualified Self-Insurance Status" will suffice if it meets the requirements of this section.

Each Employee Description	Policy Limit By Accident	By Disease
Bodily Injury	\$1,000,000	\$1,000,000

(c) Leasehold Improvements and Personal Property:

1) Tenant shall at all times during the term hereof maintain in effect policies of insurance covering (a) its leasehold improvements (including any alterations, additions or improvements as may be made by Tenant pursuant to the provisions of this lease), trade fixtures, merchandise and other personal property from time to time on or upon the demised premises. This method of valuation of these values will be on a replacement cost basis without any violation of the coinsure Leasehold Improvements and Personal Property:

1) Tenant shall at all times during the term hereof maintain in effect policies of insurance covering (a) its leasehold improvements (including any alterations, additions or improvements as may be made by Tenant pursuant to the provisions of this lease), trade fixtures, merchandise and other personal property from time to time on or upon the demised premises. This method of valuation of these values will be on a replacement cost basis without any violation of the coinsurance clause.

2) Tenant's "direct damage" property policy will provide coverage on a "special" perils coverage basis including but not limited to other perils of "Fire, Wind, Hurricane, Theft, and Flood." The Tenant is responsible for insuring or replacing all

damaged plate glass on the demised premises. The proceeds of such insurance, so long as this lease remains in effect, shall be used for the repair or replacement of the property so insured. Upon termination of this lease, the proceeds under (b) above shall be paid to landlord;

- 3) Tenant shall also maintain "indirect damage" property coverage in the form of business interruption insurance. Tenant shall at times during the term hereof maintain this insurance coverage for a minimum twelve-month period and the rental payment described in this lease will be paid to Landlord if the described premise is destroyed or rendered inaccessible.

ARTICLE 11

UTILITIES SERVICES

Tenant shall, within three (3) business days following the Possession Date, transfer all separately metered telephone, electric, gas, or any utility other than water and sewer that is used or consumed in the Premises into Tenants' name and promptly pay all related charges due. In the event Tenant fails to transfer the utilities within three (3) business days, Landlord shall have any and all utility companies disconnect any utility services not transferred by Tenant. Tenant shall be solely responsible for and promptly pay, within ten (10) days following notice from Landlord, all charges for separately metered or shared utilities, including, without limitation, Tenant's separately metered telephone, electric, gas, or any utility other than water and sewer that is used or consumed in the Premises; provided, however, that trash shall be excluded, except for all restaurant and/or food users, as it is specifically included in the definition of Operating Expenses. Tenant shall further be responsible for any utility connection charges, or system development charges, from any and all utility companies or districts that are attributable to Tenant's separately metered utilities. In the event these charges are billed to the Landlord, Tenant shall make payment of the full amount or an amount equal to Tenant's prorata share of Landlord's actual cost for any shared utilities billed to Landlord within ten (10) days after receiving written notice from Landlord of such billed amount.

Tenant shall pay for all separately metered or shared utilities, including, without limitation, gas, power, electric, and all other utilities used by Tenant on, in or at the Premises, including grease interceptor and trash services for restaurant and/or food users only, from and after the Possession Date. In the event Landlord bills Tenant for any shared utilities, Tenant shall, within ten (10) days following notice from Landlord, pay Landlord such billed amount. If any such charges are not paid when due, Landlord may pay the same, and any amount so paid by Landlord shall thereupon become due to Landlord from Tenant as Additional Rent. Landlord shall have the option of requiring Tenant to install its own gas and electric meter, at Tenant's sole cost and expense. In the event that any utilities are furnished by Landlord, the rates charged to Tenant therefor shall not exceed those that would be charged by the local public utility company if the same were furnished directly to Tenant, and such charges shall not be less than Tenant's Pro-Rata Share of such jointly metered service, which will be determined based on the respective floor areas of the parties served by such jointly metered utility service. Where utilities are so jointly metered, Landlord shall not be liable in damages or otherwise for any failure or interruption of any utility service being furnished to the Premises, and no such failure or interruptions shall entitle Tenant to terminate this Lease or to abate any payment of any portion of any rent due or to become due hereunder; provided, however, that if any such utilities are so interrupted as a result of the gross negligence acts of Landlord or its agents or contractors, then Tenant shall be entitled to abate rent during the period of such interruption. Tenant hereby acknowledges that no utility company is or shall be considered to be an agent, representative, or contractor of, or be deemed to have any similar relationship to Landlord, and Landlord will not be responsible or otherwise liable for any act or omission on the part of any such utility company. In the event Landlord furnishes any utilities to the Premises and thereafter elects to discontinue, or is unable to continue, furnishing the same such utilities for any reason (other than the failure by Tenant to pay any utility charge or any of the rent to be paid hereunder), then Landlord shall so inform Tenant in writing and Tenant shall, within ten (10) calendar days after Landlord gives such notice, obtain its own utilities for the Premises.

ARTICLE 12

COMMON AREA

- 12.1 **Common Area.** Landlord shall make available at all times during the term of this lease, on such portions of the Retail Office Center as Landlord shall from time to time designate or relocate, such automobile parking and other common area as Landlord shall from time to time deem appropriate. Tenant shall have the non-exclusive right during the term of this lease to use the common area (except for those portions of the common area on which have been constructed or placed permanent or temporary kiosks, displays, carts or stands, if applicable) for itself, its employees, agents, customers, invitees and licensees, subject to the restrictions contained herein.
- 12.2 **Common Area Defined.** The term "common area" shall mean the portions of the Retail Office Center which have at the time in question been designated and improved for common use by or for the benefit of more than one (1) tenant or concessionaire of the Retail Office Center. Common area may include but not be limited to any of the following: The land and facilities utilized as parking areas; access and perimeter roads; truck passageways (which may be in whole or in part subsurface); service corridors and stairways providing access from other premises; landscaped areas; exterior walks, arcades, stairways; interior corridors, elevators, stairs, arcades and/or balconies; directory equipment; wash rooms, comfort rooms, drinking fountains, toilets and other public facilities; and bus stations and taxi stands, but excluding any portion thereof when designated by Landlord for a non-common use, provided any portion of the Retail Office Center which is not included within the common area shall be so included when so designated and improved for common use.
- 12.3 **Control of Common Area.** The common area shall be subject to the exclusive control and management of Landlord or such other persons or nominees as Landlord may have delegated or assigned to exercise such management or control, in whole or in part, in Landlord's place and stead. In no event shall Tenant have the right to sell or solicit in any manner in any of the common areas. Landlord shall have the right

to close, if necessary, all or any portion of the common area to such extent as may in the opinion of Landlord's counsel be legally necessary to prevent a dedication thereof or the accrual of any rights of any person or of the public therein; to close temporarily all or any portion of the common area to discourage non-customer use; to use portions of the common area while engaged in making additional improvements or repairs or alterations to the Retail Office Center; and to do and perform such other acts in, to, and with respect to, the common area as in the use of good business judgment Landlord shall determine to be appropriate for the Retail Office Center. Landlord shall have the right to increase the size of the common area, including the expansion thereof to adjacent property; to reduce the common area; to turn common area into floor area to be occupied by tenants of the Retail Office Center; to rearrange the parking spaces and improvements on the common area; and to make such changes therein and thereto from time to time which in its opinion are deemed to be desirable and for the best interests of all persons using the common area. Tenant agrees that it and its concessionaires, agents, employees, vendors, suppliers and other independent contractors will use such access roads and will operate trucks and trailers in delivering merchandise to and from the demised premises upon and over such access roads as are designated therefor by Landlord as a means of ingress to and egress from the demised premises.

- 12.4 **Rules and Regulations.** Landlord shall have the right to establish, and from time to time to change, alter and amend, and to enforce against Tenant and the other users of the common area such reasonable rules and regulations as may be deemed necessary or advisable for the proper and efficient operation and maintenance of the common area. Such rules and regulations may provide, without limitation, the hours during which the common area shall be open for use.
- 12.5 **Parking.** It is understood that the parking ratio is +/- 3.3 spaces per 1,000 sq. ft. of building, and all parking is considered open parking. Tenant shall furnish Landlord with its and its employees' automobile license numbers within fifteen (15) business days after opening for business and Tenant shall thereafter notify Landlord of any changes within five (5) business days after such change occurs.
- 12.6 **Certain Signage.** Landlord has or may install certain signage indicating that video surveillance cameras have been installed and are in use in the Common Areas. Tenant acknowledges that these signs are solely for deterrent purposes. Tenant acknowledges that it has been informed that there is no surveillance equipment or security personnel under contract to the premises as of the Effective Date of this Lease Agreement. Landlord assumes no obligation to install video surveillance cameras in the Common Area, now or at any future time, and if installed, to maintain or operate said cameras. Tenant specifically waives any claim against Landlord for Landlord's failure to provide video surveillance cameras in the Common Area or to ensure that any such cameras are properly functioning.

ARTICLE 13

COMMON AREA MAINTENANCE COSTS

- 13.1 **Common Area Expenses.** During the term of this lease Landlord shall keep or cause the common area to be kept in a neat, clean and orderly condition, properly lighted and landscaped, and shall repair any damage to the facilities thereof, but all costs and expenses incurred by Landlord in connection therewith shall be charged and prorated in the manner hereinafter set forth. It is understood and agreed that the term "costs and expenses incurred" shall mean all sums expended by Landlord for payment of all work deemed necessary by Landlord for the operation, maintenance, replacement and repair of the common area, including the following (the specific recitation of which shall not be deemed to limit the definition of such costs and expenses): materials, supplies and all other costs of operating and repairing, lighting, resurfacing, re-striping, remarking, directional or other Retail Office Center signs, painting, cleaning and sweeping and removing rubbish or debris and policing and inspecting the parking lot and other common areas; janitorial services; operating and maintaining heating and air conditioning systems and equipment for such areas; costs and expenses of maintenance, repair and replacement when necessary of roofs, sidewalks, parking areas, curbs, bumpers, landscaping, planting, replanting and replacing flowers, shrubbery other landscaping, drainage facilities and systems, lighting facilities and other utilities, and servicing and maintaining any sprinkler system; operation, maintenance and repair of any common automatic sprinkler systems and storm drainage systems; police and fire protection and security alarm systems and equipment and providing private police protection, security patrol, or night watchmen (including, but not limited to, uniforms); any taxes, real and personal, and assessments imposed by governmental agencies; cost of utility services not separately metered to tenant; depreciation on maintenance and operating machinery and equipment, if owned, and rental paid for such machinery and equipment if rented; Landlord's insurance, including fire and extended coverage, public liability, property damage, vandalism, malicious mischief, earthquake insurance, insurance against liability for defamation and claims of false arrest, and such other insurance in such amounts and covering hazards deemed appropriate by Landlord on the common area; fidelity bonds; worker's compensation insurance and payroll taxes for personnel; including the cost of leasing and operating any signs, the personnel to implement any service described above, and to direct traffic and police the common areas; and (i) administrative and overhead costs equal to ten (10%) of the common area costs, and (ii) in the event Landlord supervises, manages and maintains the common area, an amount equal to five percent (5%) of the gross rentals received by Landlord from tenants at the Retail Office Center for each calendar year ("gross rentals"), or (iii) in the event an independent contractor supervises, manages and maintains the common area, an amount equal to five percent (5%) of the gross rentals to the independent contractor and an amount equal to one percent (1%) of the gross rentals to Landlord for its supervision of the independent contractor. The C.A.M. Fees may include but is not limited to Landlord's property taxes, Landlord's insurance, property maintenance, property management fee, property landscaping, water, sewer, trash removal, association fee and common area power.
- 13.2 **Proration of Common Area Expenses.** Tenant shall pay to Landlord, as additional rent, Tenant's proportionate share of the foregoing costs and expenses in the following manner:
- (a) From and after the commencement date of the term of this lease, Tenant shall pay Landlord on the first day of each calendar month of the term hereof Tenant's share of "Common Area Expenses" as specified in Article 1 hereof, which amount shall be deemed to be additional rent. Tenant shall pay the additional rent during any free rent period provided under Exhibit G. The foregoing estimated monthly charge may be adjusted by Landlord at the end of any month on the basis of Landlord's experience and anticipated costs.
- (b) Within ninety (90) days following the end of each calendar year, Landlord shall furnish Tenant with a statement covering the calendar year just expired, certified as correct by Landlord, showing the total of the costs and expenses incurred, and if requested by Tenant in

writing true and correct copies of said expenses, with respect to the common area, the amount of Tenant's share of same for such calendar year, and the payments made by Tenant with respect to such calendar year as set forth in subparagraph (a) above. If Tenant's share of the costs and expenses incurred with respect to the common area exceed Tenant's payments so made, Tenant shall pay to Landlord the deficiency within ten (10) days after receipt of said statement. If said payments exceed Tenant's share of same, Tenant shall be entitled to offset the excess against payments next thereafter to become due to Landlord as set forth in said subparagraph (a). There shall be appropriate adjustments of Tenant's share of said costs and expenses as of the commencement and expiration of the term hereof. The term "Tenant's proportionate share" shall mean the product which results by multiplying the total of the costs and expenses incurred with respect to the common area by a fraction, the numerator of which shall be the square feet of floor area of the demised premises and the denominator of which shall be the total square feet of floor area of all stores or store spaces in the Retail Office Center, including the demised premises, which are from time to time occupied and open for business as of each calendar year. All floor area computations shall be determined in Landlord's reasonable judgment.

- 13.3 **Required Alterations.** If at any time Landlord is required by any rule, regulation or law ("building regulations") to make any changes, alterations, or improvements to the common area or demised premises or any portion of the Retail Office Center, including without limitation electrical, mechanical or other systems or components thereof ("required alterations"), but excluding required alterations attributable to Tenant's specific use and occupancy of the demised premises, which alterations shall be Tenant's sole responsibility, all costs relating to such required alterations fairly characterized as "expenses" under generally accepted accounting principles shall be fully included in Landlord's reimbursable costs and expenses for the common area in the year in which such charges accrue or in the year Landlord pays such charges, as Landlord shall elect, and if under generally accepted accounting principles, any portion of all such costs must be allocated to capital improvements to be depreciated or amortized over two (2) or more years, Landlord shall be entitled each year during the term hereof to include that portion of such capital costs toward common area expenses as Landlord's accountant reasonably determines to be a fair estimate of the depreciation or amortization which would be chargeable for such capital improvements during such year, based upon a reasonable estimate of the useful life of the required alteration.

ARTICLE 14

INDEMNITY

To the extent permitted by law, Tenant hereby indemnifies and holds Landlord harmless from and against (a) any and all claims arising from Tenant's construction on or use of the demised premises for the conduct of its business or from any activity, work, or thing done, permitted or suffered by Tenant and its agents and employees in or about the demised premises; (b) any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this lease, or arising from any act or negligence of Tenant, or any of its agents, contractors or employees; and (c) all costs, attorneys' fees, expenses and liabilities incurred by Landlord in defending any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risks of damage to property or injury to persons, in, upon or about the demised premises from any cause and Tenant hereby waives all claims in respect thereof against Landlord. Landlord mutually agrees to hereby indemnify and hold Tenant harmless from and against (a) any and all claims arising from Landlord's construction on or use of the demised premises for the conduct of its business or from any activity, work, or thing done, permitted or suffered by Landlord and its agents and employees in or about the demised premises; (b) any and all claims arising from any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this lease, or arising from any act or negligence of Landlord, or any of its agents, contractors or employees; and (c) all costs, attorneys' fees, expenses and liabilities incurred by Tenant in defending any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Tenant by reason of any such claim, Landlord, upon notice from Tenant shall defend the same at Landlord's expense by counsel reasonably satisfactory to Tenant. Landlord, as a material part of the consideration to Tenant, hereby assumes all risks of damage to property or injury to persons, in, upon or about the demised premises from any cause and Landlord hereby waives all claims in respect thereof against Tenant.

ARTICLE 15

EXEMPTION OF LANDLORD FROM LIABILITY

Tenant hereby agrees that Landlord shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its employees, invitees or customers, or by any other person in or about the demised premises caused by or resulting from fire, steam, electricity, gas, water or rain which may leak or flow from or into any part of the demised premises, or from the breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures whether said damage or injury results from conditions arising upon the demised premises or from other sources. Tenant further agrees that Landlord shall not be liable for any damages arising from any act or negligence of any other Tenant of the Retail Office Center.

ARTICLE 16

QUIET POSSESSION

Landlord agrees that Tenant, upon paying the rent and performing the covenants and conditions of this lease, may quietly have, hold and enjoy the demised premises during the term hereof.

ARTICLE 17

ESTOPPEL CERTIFICATE

Within ten (10) business days after written request by Landlord, Tenant shall execute and deliver to Landlord a statement substantially in the form of Exhibit E attached hereto. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the demised premises or of all or any portion of the Retail Office Center of which the demised premises are a part. Further, such failure to deliver such statement (showing any exceptions to any of the statements of fact required thereby) shall be a material breach of this lease and if, after additional written notice from Landlord, Tenant does not deliver such certificate to Landlord within seventy-two (72) hours, Landlord may, in addition to any other remedies it has at law or in equity, terminate this lease.

ARTICLE 18

REPAIRS AND MAINTENANCE

- 18.1 **Tenant's Maintenance Obligations.** Tenant shall, during the term of this lease, keep the demised premises, including all improvements constructed by Tenant therein, in good order, condition and repair, including the interior surface of exterior walls; all windows, doors, door frames, and door closures; all plate glass, storefronts and showcases; all carpeting and other floor covering; all electrical equipment; all heating and air conditioning equipment; and all plumbing and sprinkler systems, if any, installed therein; and shall as necessary, or when required by governmental authority, make modifications or replacements thereof. Landlord shall have no obligation to repair or maintain the demised premises or improvements constructed therein except as in this lease provided. Tenant hereby waives the right to make repairs at Landlord's expense under the provisions of any laws permitting repairs by a tenant at the expense of Landlord (including without limitation the Sections of the Civil Code of the State of Nevada or any similar statute now or hereafter in force) to the extent allowed by law, in that Landlord and Tenant have by this lease made specific provision for such repairs and have defined their respective obligations relating thereto. Tenant expressly agrees that the use of roof areas shall be limited to ingress and egress for maintenance purposes only, and that said roof areas shall not be used for storage of inventory or for any other use. If applicable Tenant agrees to use Landlord's HVAC sub-contractor to initialize the Air Conditioning and Heating system in Tenant's demised premises in order not to violate any warranties provided to Landlord in the initial installation of the unit. Otherwise, Tenant shall be responsible for any costs or expenses relating to such repairs where the warranty has been voided as a result of third party vendor work performed on said unit.
- 18.2 **Tenant's Failure to Maintain Demised Premises.** If Tenant refuses or neglects to make repairs to and/or maintain the demised premises, or any part thereof, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, but shall not be obligated, to make such repairs or perform such maintenance on behalf of and for the account of Tenant. In such event, Tenant shall pay promptly upon demand therefor, as additional rent, the cost of such work.
- 18.3 **Landlord's Maintenance Obligations.** Landlord shall keep in good order, condition and repair the foundations, exterior walls (excluding the interior of all walls and the exterior or interior of any windows, doors, plate glass and display windows) and roof (excluding interior ceiling) of the demised premises, except for any damage thereto caused by any act, negligence or omission of Tenant, except for reasonable wear and tear, and except for any structural alterations or improvements required by any governmental agency by reason of Tenant's use and occupancy of the demised premises. Tenant shall reimburse Landlord for Tenant's pro rata share of the cost which Landlord incurs in performing its obligations as aforesaid, with respect to the building of which the demised premises are a part. Tenant's pro rata share shall be determined by multiplying the cost of such repair and maintenance by a fraction, the numerator of which shall be the floor area of the demised premises and the denominator of which shall be the total floor area of the building of which the demised premises are a part. Tenant shall pay its pro-rata share of such costs and expenses to Landlord within ten (10) business days after receipt of an invoice for the cost of same from Landlord; provided, however, if Landlord reasonably anticipates incurring such costs during any calendar year during the term of this lease, Landlord may submit monthly billings to Tenant of the amount which Landlord estimates to be Tenant's pro-rata share of same. In such event, Tenant's actual share shall be computed as aforesaid and appropriate adjustments shall be made following completion of such maintenance and repair.
- 18.4 **Right of Entry.** Tenant agrees to permit Landlord and/or Landlord's lender, as well as their respective authorized representatives, to enter the portions of the Premises that are open to the general public at all times during usual business hours, and all other portions of the Premises during regular business hours upon not less than twenty-four (24) hours advanced written notice to Tenant, for the purpose of inspecting the Premises; provided, however, that such inspection shall not unreasonably interfere with Tenant's business and/or operations. In all events, Landlord and such other parties shall use reasonable efforts to minimize any disruption of and/or to Tenant's operations. Tenant further covenants and agrees that Landlord may go upon the Premises and make any necessary repairs to the Premises and perform any work therein that (a) may be necessary to comply with any laws, ordinances, rules, and/or regulations of any public authority, of the Insurance Services Office, or of any similar body; (b) Landlord may deem necessary to prevent waste and/or deterioration in connection with the Premises if Tenant does not make or cause such repairs to be made or performed, or cause such work to be performed promptly after receipt of written demand from Landlord; or (c) Landlord may deem necessary to perform remodeling or other construction work incidental to any portion of the Premises, the Building, and/or any other portion of the Shopping Center, including, without limitation, the premises of any other tenant, whether adjacent to, above, or below the Premises. Nothing herein contained shall imply any duty on the part of Landlord to do any such work that, under any provisions of this Lease, Tenant may be required to do, nor shall it constitute a waiver of any of Tenant's defaults in failing to do the same. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby nor to any abatement of rent. In the event of any emergency repairs, Tenant hereby grants to Landlord the right to enter upon the Premises at any time and regardless of the level of disruption, if any, that such entry has on Tenant's business and/or operations.
- 18.5 **Condition of Demised Premises.** Tenant agrees upon the expiration or earlier termination of this lease to surrender the demised premises to Landlord in good order, condition and repair, ordinary wear and tear excepted.

ARTICLE 19

ALTERATIONS

- 19.1 **Permitted Alterations and Trade Fixtures.** Tenant shall not make any alterations or additions to, or install any trade fixtures at, the Premises, nor shall Tenant make any contract therefor, without first procuring Landlord's written consent. In all events, Tenant must comply with Section 6.2 of this Lease, the requirements of NRS 108.2403, and the other provisions contained in NRS Chapter 108 before making any such alterations, additions, installations, and/or improvements. All alterations, additions, installations, and improvements made by Tenant to in, or about the Premises, including, without limitation, floor coverings and trade fixture installations, (including, without limitation, restaurant equipment, light fixtures, signs, cases, counters, and other removable trade fixtures, shall be deemed to have become the property of Landlord when made or installed); provided, however, that if prior to the expiration or sooner termination of this Lease, or within fifteen (15) calendar days thereafter, Landlord so directs by written notice to Tenant, Tenant shall promptly remove such additions, improvements, fixtures, trade fixtures, and/or installations that were placed in, on, or about the Premises by Tenant and that are designated in said notice, and shall repair any damage occasioned by such removal. If Tenant shall fail to remove any such addition, improvement, fixture, or trade fixture as directed by Landlord, Landlord may dispose of or otherwise effect such removal and repair at Tenant's cost and expense. In addition, Tenant shall, at Tenant's sole cost and expense, provide Landlord with as-built plans for such alterations.
- 19.2 **Standards of Construction.** All work with respect to alterations, additions, and/or other changes shall not diminish the market value of the Premises and shall be done by Nevada licensees, be performed in a good and workmanlike manner, and be diligently prosecuted to completion such that the improvements on the Premises will at all times, be a complete unit, except during the period of work. Any such changes, alterations, and/or improvements shall be performed and done strictly in accordance with the laws and ordinances relating thereto, and with the requirements of all carriers of insurance insuring the Premises, or any part thereof, and the Board of Underwriters, Fire Rating Bureau, and any similar organization. In performing work with respect to any such alteration, addition or change, Tenant shall have the work performed in such a manner so as not to obstruct access to the Building or any other part of the Shopping Center or any premises of any other tenant in the Shopping Center, nor to interfere with the quiet enjoyment of any other tenant in the Shopping Center or nor to interfere with any other tenant's business conducted at or use of such tenant's premises.
- 19.3 **Notification of Landlord.** At least ten (10) business days prior to commencing and/or contracting for any such work or construction in, on, or about the Premises or installation of any trade fixture thereat or therein, Tenant shall provide Landlord with all plans and documentation and notify Landlord in writing of the date Tenant expects the same to commence and/or the date Tenant expects to contract therefor. Landlord shall have the right at any time and from time to time to post and maintain on the Premises such notices as Landlord deems necessary to protect the Premises, the Building, the other parts of the Shopping Center, and Landlord in addition to Landlord complying with the requirements set forth in NRS Chapter 108.
- 19.4 **Performance and Completion Bond.** If the provisions of NRS 108.2403 are not applicable, then before the commencement of any alteration, change, or addition to, in, on, or about the Premises costing in excess of Five Thousand and no/100 Dollars (\$5,000.00), Landlord may, in Landlord's sole and absolute discretion, require Tenant to furnish to Landlord a performance and completion bond issued by an insurance company qualified to do business in Nevada, in a sum not to exceed one and one-half times the cost of the alterations (as determined by the construction contract between Tenant and its contractor) guaranteeing the completion of the alteration, change, or addition free and clear of all liens and other charges in accordance with the plans and specifications therefor approved by Landlord. The alterations shall be performed in a manner that will not interfere with the quiet enjoyment of the other tenants of the Building and/or the other parts of the Shopping Center.
- 19.5 **Contractor Deposit.** Landlord hereby reserves the right to require any of Tenant's contractors to post a refundable security deposit in such amount as Landlord shall reasonably determine prior to commencing the construction of any of the alterations or additions to the Premises or installing any trade fixture in, on, or at the Premises, which security deposit shall be applied towards fixing any and all damage done by such contractor, subcontractors, invitees, and/or guests. As a condition of reimbursement, such contractor shall, at its sole cost and expense, make any repairs to the Premises, the Building, or any other portion of the Shopping Center that is so damaged, or reimburse Landlord the costs and expenses incurred by Landlord in making such repairs on the contractor's behalf, which reimbursement shall be made within five (5) calendar days following receipt of Landlord's written demand therefor. The security deposit made pursuant to this Section 19.5 will be refunded upon completion of work and, Landlord's inspection of the Premises, the Building, and the other parts of the Shopping Center. Tenant shall be primarily responsible for all the contractors' obligations under this Section 18.5.

ARTICLE 20

MECHANICS' LIENS

- 20.1 **Mechanics' Liens.** Tenant hereby agrees that it will pay or cause to be paid all costs for work done by it or caused to be done by it on the demised premises, and it will keep the demised premises free and clear of all mechanics' liens on account of work done by Tenant or persons claiming under it. Tenant hereby agrees to indemnify and save Landlord free and harmless against liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished for Tenant or persons claiming under it.
- 20.2 **Contest of Lien.** If Tenant shall desire to contest any claim of lien, it shall furnish Landlord adequate security of the value or in the amount of the claim, plus estimated costs and interest, or a bond of a responsible corporate surety in such amount as is necessary to release the lien. If a final judgment establishing the validity or existence of a lien for any amount is entered, Tenant shall pay and satisfy the same at once.
- 20.3 **Tenant's Default.** If Tenant shall be in default in paying any charge for which a lien claim and suit to foreclose the same have been filed, and such lien shall not have been bonded, there has not been other security posted therefor, or Tenant shall not have given Landlord such other security that is reasonably acceptable to Landlord to protect the Premises, the Building, the other parts of the Shopping Center, and/or Landlord against such claim of lien, then Landlord may, but shall not be obligated to, pay the same, and the amount so paid shall be

immediately due and owing from Tenant to Landlord upon Landlord's giving written demand to Tenant therefor .

- 20.4 **Notice.** Should any claims of lien be filed against the demised premises or any action affecting the title to such property be commenced, the party receiving notice of such lien or action shall forthwith give the other party written notice thereof.
- 20.5 **Right of Entry.** Landlord or its representatives shall have the right to go upon and inspect the demised premises, including the improvements constructed thereon, at all reasonable times during Tenant's regular business hours.

ARTICLE 21

DAMAGE AND DESTRUCTION

- 21.1 **Restoration.** In the event of the partial or total damage or destruction of the building of which the demised premises are a part during the term hereof, from any cause, except if due to the negligent acts or omissions of Tenant, its agents or employees, or to the failure on the part of Tenant to perform or observe any of Tenant's covenants or conditions contained herein, Landlord shall, to the extent of the proceeds available to Landlord from the insurance referred to in Section 9.3 hereof, forthwith repair and reconstruct said building to substantially the same condition which said building was in immediately prior to such damage or destruction, provided such repairs or reconstruction can be made under then existing laws and regulations. In the event of such reconstruction, Tenant, at its sole cost and expense, shall be responsible for the repair and restoration of all items set forth in "Description of Tenant's Work" in Exhibit "B" and the replacement of its stock-in-trade, trade fixtures, furniture, furnishings and equipment, and Tenant shall commence such repair and restoration and the installation of fixtures, equipment and merchandise promptly upon delivery to it of possession of the demised premises and shall diligently prosecute such work and installation to completion. If such repairs cannot be adequately made, then Landlord may terminate this lease. With respect to any damage or destruction which Landlord is obligated to repair or may elect to repair under the terms of this Article, Tenant hereby waives the provisions of Sections of the Civil Code of the State of Nevada and any amendments thereto or of any law which may hereafter be passed by the State during the term of this lease authorizing the termination of a lease upon the complete or partial destruction of the demised premises. Notwithstanding anything above to the contrary, in the event the demised premises are partially or totally damaged or destroyed by a cause or casualty other than those covered by said insurance, or by any cause at any time during the last two (2) years of the term hereof, or in the event the demised premises are, or the building in which the demised premises are situated is, damaged or destroyed by any cause or casualty to the extent of not less than thirty-three and one-third percent (33-1/3%) of the replacement cost thereof at the time of such damage or destruction, or if in the reasonable opinion of Landlord the restoration of the demised premises cannot be completed within six (6) months from the occurrence of the damage or destruction, then Landlord may elect to terminate this lease by giving written notice to Tenant of such termination within ninety (90) days after the occurrence of such damage or destruction.
- 21.2 **Termination.** Unless this lease is terminated as provided above, such destruction shall in no way annul or void this lease and Tenant shall continue the operation of its business during any such period to the extent reasonably practicable from the standpoint of prudent business management; provided, however, that at Landlord's option either (a) the minimum annual rental shall be reasonably reduced by Landlord in proportion to the extent that Tenant is deprived of the use of the demised premises, or (b) the minimum annual rental shall not be reduced but Tenant shall be entitled to have the proceeds of the business interruption insurance required under Section 9.4 hereof applied to such obligation.

ARTICLE 22

EMINENT DOMAIN

- 22.1 **Definitions of Taking.** The term "total taking" means the taking of so much of the demised premises by right of eminent domain or other authority of law, including a voluntary transfer under the threat of the exercise thereof, that the remainder of the demised premises is not suitable to conduct the business which Tenant intends to conduct therein. The term "partial taking" means the taking of a portion of the demised premises which does not constitute a total taking as above defined.
- 22.2 **Total Taking.** If during the term hereof there shall be a total taking by public authority under the power of eminent domain, then this lease, and the leasehold estate of Tenant in and to the demised premises, shall cease and terminate as of the date the condemning authority takes actual physical possession of the demised premises.
- 22.3 **Partial Taking.** If during the term hereof there shall be a partial taking of Tenant's demised premises, this lease, as to the portion of the demised premises so taken, shall terminate on the date on which the condemning authority takes actual physical possession of such portion, but this lease shall continue in full force and effect as to the remainder of the demised premises. The minimum annual rental payable by Tenant for the balance of the term shall be abated in the ratio that the floor area of the demised premises taken bears to the total floor area of the demised premises immediately prior to such taking, and Landlord shall make all necessary exterior and structural repairs or alterations in order to make the remaining portion of the demised premises a complete architectural unit.
- 22.4 **Award.** All compensation and damages awarded for the taking of Tenant's demised premises or any portion thereof shall belong to and be the sole property of Landlord, and Tenant shall not have any claim or be entitled to any award for diminution in value of its leasehold interest hereunder or for the value of any unexpired term of this lease; provided, however, that Tenant shall be entitled to make its own claim for and receive any award that may be made for Tenant's improvements, or on account of any cost or loss Tenant may sustain in the removal of Tenant's trade fixtures, equipment, and furnishings.
- 22.5 **Proration of Rent.** If this lease is terminated pursuant to the provisions of this Article, then all rentals and other charges payable by Tenant to Landlord hereunder shall be paid up to the date on which possession shall be taken by the condemning authority and any rentals and other charges theretofore paid by Tenant which are applicable to any period subsequent to the date possession is taken, shall be repaid to

Tenant by Landlord, and the parties shall thereupon be released from all further liability hereunder.

- 22.6 **Waiver of Rights of Termination.** Tenant hereby waives any statutory rights of termination which may arise by reason of any partial taking of the demised premises under the power of eminent domain.
- 22.7 **Subordination.** The foregoing provisions of this Article 22 are and shall be subordinate to the lien of any trust deed of trust of any bank, insurance company or other lending institution now of record or recorded after the date of this lease affecting the demised premises. Such subordination is effective without any further act of Tenant. Tenant shall, from time to time on request from Landlord, execute and deliver any documents or instruments that may be required by the lender to effectuate any subordination.

ARTICLE 23

DEFAULTS BY TENANT AND LANDLORD'S REMEDIES

- 23.1 **Events of Default.** The occurrence of any one or more of the following events shall constitute a material default and breach of this lease by Tenant:
- (a) Any failure by Tenant to pay the rental or make any other payment required to be made by Tenant hereunder when due.
 - (b) The abandonment of the demised premises by Tenant, or the vacation (defined to be ten [10] or more days of continual absence from the demised premises) of the demised premises by Tenant.
 - (c) A failure by Tenant to observe and perform any other provision of this lease to be observed or performed by Tenant, where such failure continues for fifteen (15) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of such default is such that the same cannot reasonably be cured within such fifteen (15) day period, Tenant shall not be deemed to be in default if Tenant shall within such period commence such cure and thereafter diligently prosecute the same to completion. Said written notice shall be in lieu of, and not in addition to, any notice required under Sections of the Code of Civil Procedure of Nevada, or any similar, superseding statute. **This subsection does not apply to Tenant's failure to pay rent.**
 - (d) The making by Tenant or by any guarantor of Tenant's obligations under this Lease of any general assignment for the benefit of creditors; the insolvency of Tenant or of any guarantor of Tenant's obligations under this lease or the inability of Tenant or any such guarantor to make payment on its obligations generally as they become due; the filing by or against Tenant or any such guarantor of a petition to have Tenant or such guarantor 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 or such guarantor, 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 demised 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 demised premises or of Tenant's interest in this lease, where such seizure is not discharged within thirty (30) days.
- 23.2 **Landlord's Right to Terminate Lease.** Subject to the Fund Out Clause, 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 so to terminate this lease, all unpaid rents payable during the remainder of this Lease or any renewal period shall be accelerated without notice or demand, further the Landlord may recover from Tenant:
- (a) The worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus
 - (b) The actual cost of all improvements to the demised premises and recovery of concessions, including rent for any period of waived or abated rent; plus
 - (c) Landlord's cost of reletting the demised premises including but not limited to leasing fees, utility charges and any other fees necessary to relet the demised premises; plus
 - (d) The actual cost of all repairs to the demised premises for Tenant's use that are beyond normal wear and tear; plus
 - (e) To the extent permitted by law, Landlord's actual costs associated with evicting Tenant, including but not limited to court costs, costs of service and reasonable attorney's fees; plus
 - (f) To the extent permitted by law, Landlord's actual costs associated with collecting amounts due under this Lease, including but not limited to debt collection fees and returned check charges; plus
 - (g) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this lease or which in the ordinary course of things would be likely to result therefrom; and
 - (h) 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 Nevada law. The term "rent" as used herein shall be deemed to include 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 fifteen (15) month period prior to default except that if it becomes necessary to compute such rental before such a fifteen (15) month period has occurred, then on the basis of the average monthly amount accruing during such shorter period.

- 23.3 **Landlord's Right to Lock-out Tenant and/or Reenter Premises.** In the event of a court-ordered eviction of Tenant, Landlord shall also have the right to: (i) lock-out the Tenant; and/or (ii) reenter the demised premises without any liability to Tenant or any person claiming by or through Tenant and remove all persons and property therefrom by summary proceedings or otherwise; such property may, but need not, be removed and stored in a public warehouse or elsewhere at the cost and expense of, and for the account of Tenant.
- 23.4 **Right to Recover Rents or Relet.** In the event of the vacation (as defined herein) or abandonment of the demised premises by Tenant, or in the event Landlord shall elect to reenter as provided in Section 23.3 above or shall take possession of the demised 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 Section 23.2 above, then Landlord may from time to time, without terminating this lease, either recover all rental as it becomes due or relet the demised premises or any part thereof for such term or terms and at such rental or rentals and upon other terms and conditions as Landlord in its sole discretion may deem advisable, with the right to make alterations and repairs to the demised premises.
- 23.5 **Application for Rent.** In the event that Landlord shall elect so to relet, then rentals received by Landlord from such reletting shall be applied first, to the payment of any indebtedness, other than rent due hereunder, owed by Tenant to Landlord; second, to the payment of any cost of such reletting; third, to the payment of the cost of any alterations and repairs to the demised premises; fourth, to the payment of rent due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future rent 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 rent hereunder, be less than the rent 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 alterations and repairs not covered by the rentals received from such reletting.
- 23.6 **No Termination.** No reentry or taking possession of the demised premises by Landlord pursuant to this Article shall be construed as an election to terminate this lease unless a written notice of such intention be given by Landlord to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Landlord may at any time after such reletting elect to terminate this lease for any such default by Tenant.
- 23.7 **Disposition of Fixtures.** In the event of default under this lease, Landlord shall have the option (a) to take exclusive possession of Tenant's trade fixtures, furniture, equipment, improvements, additions and alterations and use the same rent or charge free until the default is cured, to require Tenant to remove all furniture & equipment, at its sole cost and expense, or (c) in the further event this lease is terminated by reason of such default, to take full possession of same to be disposed of or to be put to any purpose Landlord desires. Tenant agrees to keep all of its trade fixtures, furniture and equipment free of liens and shall not use the same as security in any loan arrangement.
- 23.8 **Legal Fees.** Landlord shall have the right to seek reimbursement from Tenant for all reasonable attorney's fees and costs incurred by Landlord as a result of: (i) Tenant's breach of this Lease, (ii) as a result of Tenant's failure to comply with any of the terms of this Lease, or (iii) which are incurred by Landlord in any lawsuit involving Tenant or any Guarantor. The provisions contained in this Section 23.8 shall survive the expiration or earlier termination of this Lease.

ARTICLE 24

DEFAULTS BY LANDLORD

- 24.1 **Tenant's Remedies.** In the event Landlord shall neglect or fail to perform or observe any of the covenants, provisions, or conditions contained in this lease on its part to be performed or observed within thirty (30) days after written notice of default (or if more than thirty [30] days shall be required because of the nature of the default, if Landlord shall fail to proceed diligently to cure such default after written notice thereof), then in that event Landlord shall be liable to Tenant for any and all damages sustained by Tenant as a result of Landlord's breach.
- 24.2 **Assignee's Right to Cure.** If the demised premises or any part thereof are at any time subject to a first mortgage or a first deed of trust and this lease or the rentals due from Tenant hereunder are assigned to such mortgagee, trustee or beneficiary (called "Assignee" for purposes of this Article only) and Tenant is given written notice thereof, including the post office address of such Assignee, then Tenant shall give 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. If and when the said Assignee has made performance on behalf of Landlord, such default shall be deemed cured.

ARTICLE 25

LANDLORD'S RIGHTS TO EXHIBIT DEMISED PREMISES

Landlord and the authorized representatives of Landlord may enter the demised premises during business hours with advance written notice for the purpose of exhibiting the same to prospective purchasers and, during the final six (6) months of the term of this lease, may exhibit the demised premises for hire and may display therein or thereon, in such manner as not unreasonable, to interfere with Tenant's business, the usual "For Lease" signs, and such signs shall remain unmolested upon the demised premises.

ARTICLE 26

SUBORDINATION, ATTORNMENT

- 26.1 **Subordination.** Upon request of Landlord or any mortgagee, deed of trust trustee or beneficiary, or lessor of Landlord, Tenant shall in writing subordinate its rights hereunder to the lien of any first mortgage or deed of trust of any bank, insurance company or other lending institution, now or hereafter in force against the land and building of which the demised premises are a part, and to all advances made or hereafter to be made upon the security thereof, or the interest of any lease in which Landlord is lessee. Any such mortgage deed of trust trustee or beneficiary or lessor of Landlord may at its option subordinate its mortgage or lease to this lease and Tenant agrees to execute any document accomplishing same.
- 26.2 **Attornment.** In the event any proceedings are brought for the foreclosure of such lien, or in the event of the exercise of the power of sale under any mortgage or deed of trust made by the Landlord covering the demised premises, or should the lease in which Landlord is lessee be terminated, Tenant shall attorn to the purchaser upon any such foreclosure or sale or termination and recognize such purchaser or lessor as the landlord under this lease.
- 26.3 **Lease Continues.** The provisions of this Article to the contrary notwithstanding, and so long as Tenant is not in default hereunder, this lease shall remain in full force and effect for the full term hereof.

ARTICLE 27

ASSIGNMENT, SUBLETTING AND ENCUMBRANCE

- 27.1 **Consent of Landlord.** Tenant shall not, directly or indirectly, voluntarily or by operation of law assign, license, concede, franchise, transfer, mortgage, hypothecate, or otherwise encumber all or any part of Tenant's interest in this lease or in the demised premises, and shall not sublet, franchise, change ownership, license or concede all or any part of the demised premises (herein collectively referred to in this Article as "Assignment") without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld, and any attempted Assignment without such consent shall be wholly void and shall confer no rights upon any third parties. Landlord shall use its business judgment in the granting or withholding of consent to any proposed Assignment, and shall, among other considerations, take into account the following criteria: (a) the proposed assignee, licensee, concessionaire, franchisee, transferee, mortgagee or sublessee (herein collectively referred to in this Article as "Assignee"), shall have had successful experience in a similar business operated in a Retail Office center of like character and quality as the Retail Office Center; (b) the proposed Assignee shall have financial worth equal to or greater than Tenant (as measured by such factors as certified audited net worth and credit rating); (c) the demised premises shall be put to the same use as permitted under this lease; (d) the nature, character and quality of business operation and merchandising of the Proposed Assignee shall be first-class and compatible with the Retail Office Center; and (e) evidence that the gross sales from the business conducted in the demised premises shall not be decreased by reason of such Assignment.
- 27.2 **Tenant's Application.** In the event Tenant desires at any time to assign this lease or sublet the demised premises, or any portion thereof, Tenant shall give written notice to Landlord of its intention, requesting Landlord's consent thereto. Such written notice shall be submitted to Landlord no more than ninety (90) days and no less than sixty (60) days prior to the effective date of such proposed Assignment, and shall contain the following information: (a) a notice of intention to assign the lease or sublet the demised premises, requesting Landlord's consent thereto; (b) the proposed effective date of the proposed Assignment; (c) the name of the proposed Assignee; (d) the nature of the business to be carried out upon the demised premises by the proposed Assignee; (e) the terms and provisions of the proposed Assignment; (f) a copy of the proposed Assignment or, if the same is not available, the letter of commitment or letter of intent; (g) a current, audited financial statement of the proposed Assignee; and (h) such other information Landlord may reasonably request. Landlord may, at any time within thirty (30) days after its receipt of such notice of a proposed Assignment, approve or disapprove of such proposed Assignment in writing to Tenant, or elect to terminate this lease as provided in Section 26.9 below. If Landlord consents to the proposed Assignment in writing, so long as Tenant shall not be in breach or default of any of its obligations under this lease, Tenant may enter into the Assignment in accordance with the terms and conditions contained in Tenant's notice. If Landlord fails to exercise its right to consent to or disapprove of the proposed Assignment within such thirty (30) day period, Landlord shall be deemed to have disapproved such proposed Assignment.
- 27.3 **Increased Rental Upon Assignment; Excess Consideration.** If, in the event of any approved Assignment by Landlord of all or any, portion of the demised premises, the minimum annual rental specified in Article 1, or the portion thereof related to that portion of the demised premises subject to the Assignment, shall be increased (but in no event decreased) effective as of the date of such Assignment, to the then current market rent (in accordance with Section 4.3) as of the effective date of the Assignment.
- 27.4
- 27.5 **Form of Assignment.** Each assignment to which there has been the consent of Landlord shall be by an instrument in writing in form satisfactory to Landlord and shall be executed by the transferor, assignor, sublessor, licensor, concessionaire, hypothecator or mortgagor, and the Assignee. One (1) fully executed copy of such written instrument shall be delivered to Landlord. Failure to first obtain in writing Landlord's consent or failure to comply with the provisions of this Article shall operate to prevent any such Assignment from becoming effective.
- 27.6 **Assumption of Obligations.** Each Assignee, other than Landlord, shall assume all of the obligations of Tenant under this lease, and shall be and shall remain liable, both jointly and severally with Tenant, for the payment of all rent, and for the due performance of all of the terms, covenants, conditions and agreements herein contained on Tenant's part to be performed for the remainder of the term of this lease. No Assignment shall be binding on Landlord, notwithstanding Landlord's prior consent thereto, unless such Assignee or Tenant shall deliver to Landlord an executed instrument in a form which contains a covenant or assumption by the Assignee satisfactory to Landlord in both substance and form, and is consistent with the above requirements.
- 27.7 **Assignment of Interest.** If Tenant hereunder is either a partnership, unincorporated association, limited liability company or a corporation

which, under the then current laws of the State where the Retail Office Center is situated, is not deemed a public corporation, the transfer, assignment or hypothecation of any membership interest, stock or interest in such limited liability company, corporation, unincorporated association or partnership in the aggregate in excess of twenty-five percent (25%) shall be deemed an Assignment within the meaning and provisions of this Article 27.

- 27.8 **Option to Terminate.** Landlord may elect, by written notice to Tenant given within thirty (30) days after receipt of Tenant's notice of a proposed Assignment, to terminate this lease, or in the case of a proposed Assignment of a portion of the demised premises, to terminate this lease with respect to such portion, effective as of a date not less than thirty (30) days following Landlord's notice of such election. Upon such termination, Tenant shall be relieved from any further liability under this lease (regarding the portion of the demised premises which are no longer subject to this lease) accruing after the date of such termination.

ARTICLE 28

NOTICES

All notices, consents, approvals, requests, demands, and other communications (collectively "**notices**") that Landlord or Tenant are required or desire to serve upon, or deliver to, the other shall be in writing and mailed postage prepaid by certified or registered mail, return receipt requested, by personal delivery, or posted to the appropriate address indicated below, or at such other place or places as either Landlord or Tenant may, from time to time, designate in a written notice given to the other. If the term "**Tenant**" in this Lease refers to more than one person or entity, Landlord shall be required to make service or delivery, as aforesaid, to any one of said persons or entities only. Notices shall be deemed sufficiently served or given at the time of personal delivery or three (3) calendar days after the date of mailing thereof. Any notice, request, communication or demand by Tenant to Landlord shall be addressed to the Landlord at the address set forth for Landlord in Section 1(a) above, with a copy to:

Michael M. Lin, Esq.
5288 Spring Mtn. Rd Suite 103
Las Vegas, NV. 89146
Phone: 702-871-9888

Any notice, request, communication, or demand by Landlord to Tenant shall, before the Possession Date, be addressed to Tenant at the address set forth for Tenant in Section 1(b) above, and on and after the Possession Date be addressed to Tenant at the address for the Premises, with a copy to:

Southern Nevada Health District
Contract Administrator, Legal Department
280 S. Decatur Blvd.
Las Vegas, Nevada 89107.

Rejection or other refusal to accept a notice, request, communication, or demand or the inability to deliver the same because of a changed address of which no notice was given shall be deemed to be receipt of the notice, request, communication, or demand sent. In addition, any notice that is properly given and addressed with the proper postage applied that is returned as being undeliverable shall be deemed to have been received as provided above.

ARTICLE 29

SALE OF DEMISED PREMISES BY LANDLORD

Notwithstanding anything contained herein to the contrary, Landlord may assign, in whole or in part, Landlord's interest in this lease, and may sell all or part of the Retail Office Center. In the event of any sale or exchange of the demised premises by Landlord and/or an assignment by Landlord of this lease, Landlord shall be and is hereby entirely freed and relieved of all liability under any and all of its covenants and obligations contained in or derived from this lease arising out of any act, occurrence or omission relating to the demised premises or to this lease occurring after the consummation of such sale or exchange and/or assignment. Tenant shall at any time and from time to time upon not less than ten (10) days prior written notice from Landlord execute, acknowledge and deliver to Landlord a certificate substantially in the form of Exhibit E indicating thereon any exceptions thereto which may exist at that time. Any such statement may be relied upon by any such purchaser or assignee of the demised premises. Failure of Tenant to execute and deliver such certificate shall constitute an acknowledgment by Tenant that the statements included in Exhibit E are true and correct without exception.

ARTICLE 30

SECURITY/DAMAGE DEPOSIT

Upon execution of this lease, Tenant will deposit with Landlord the sum specified as "Security/Damage Deposit" in Article 1 hereof as security for the full and faithful performance of every provision of this lease to be performed by Tenant. Said deposit shall be held by Landlord without obligation or liability for payment of income from or interest on said deposit. If Tenant defaults with respect to any provisions of this lease, including but not limited to the provisions relating to the payment of any rent or other charges, Landlord may use, apply or retain all or any part of said deposit for the payment of any rent or other charge in default, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of said deposit is so used or applied, Tenant shall, within five (5) days after written demand therefore, deposit cash with Landlord in an amount sufficient to restore said deposit to the full amount hereinabove stated, and Tenant's failure to do so shall be a material

breach of this lease. If Tenant shall fully and faithfully perform every provision of this lease to be performed by it, said deposit or so much thereof as has not theretofore been applied by Landlord, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) at the expiration of the term hereof. The making by Tenant of such deposit, or the application thereof by Landlord in the manner hereinabove provided, shall not constitute nor be construed as a limitation upon the exercise by Landlord of any other rights or remedies provided to Landlord under the terms of this lease in the event of Tenant's default. In the event Landlord sells the Retail Office Center, then Landlord may assign said deposit to the purchaser of Landlord's interest in the demised premises without liability to Tenant, and upon such assignment Landlord shall be discharged from further liability with respect to such deposit.

ARTICLE 31

TITLE OF LANDLORD

Landlord covenants that as of the date hereof there are no liens upon its estate other than: (a) the effect of covenants, conditions, restrictions, easements, mortgages or deeds of trust, ground leases, rights of way, and any other matters of record (including but not limited to that certain recorded or unrecorded document entitled "Declaration of Restrictions and Grant of Easements" as the same may from time to time be amended, hereinafter referred to as the "Agreement"); (b) the effect of any zoning laws of the City, County and State where the Retail Office Center is situated; and (c) general and special taxes not yet due and payable. Tenant agrees (i) that as to its leasehold estate it, and all persons in possession or holding under it, will conform to and will not violate the terms of the aforementioned Agreement or said matters of record; and (ii) that this lease is and shall be subordinate to the Agreement and any amendments or modifications thereto, and Tenant further agrees, at the option of Landlord, to execute and return to Landlord within ten (10) days after written demand therefor by Landlord, an agreement in the form provided by Landlord with said written notice subordinating this lease to the Agreement.

ARTICLE 32

NNN LEASE

This lease shall be a "NNN Lease" and Tenant recognizes and acknowledges, notwithstanding terms or provisions to the contrary provided for herein and without limiting the generality of the other terms or provisions of this lease, that it is the intent of the parties hereto that any and all rentals in this lease provided to be paid by Tenant to Landlord, shall be net to Landlord, and except as otherwise set forth in this Lease, and expenses incurred in connection with the demised premises, or in connection with the operations thereon, excluding structural repair expenses, and including but not limited to any administrative expenses, management services, outside professional services, all taxes, assessments, general or special license fees, insurance premiums, public utility bills and costs of non-structural repair, maintenance and operation of the demised premises, together with the appurtenances thereto, shall be paid by Tenant, in addition to the rentals provided for herein. For avoidance of doubt, Landlord is solely responsible for payment of costs relating to structural repairs to the roof, foundation, floor slabs, permanent exterior walls, and support columns of the demised premises and Retail Office Center due to normal wear and tear.

ARTICLE 33

RELOCATION OF PREMISES

Landlord shall have the right, upon sixty (60) days notice to Tenant and subject to Tenant's written approval, to relocate Tenant in other space ("Substitute Space") in the Retail Office Center. Such Substitute Space shall contain at least as many rentable square feet as the Premises. The base minimum rent per square foot shall be the same for the Substitute Space as for the Premises under the terms of Article 1 of this Lease. Landlord shall pay expenses reasonably incurred by Tenant in moving to the Substitute Space, including moving expenses. Landlord agrees to furnish the Substitute Space with Tenant Improvements comparable in quality and monthly minimum rent to those in the Premises.

ARTICLE 34

HAZARDOUS AND TOXIC MATERIALS

- 34.1 **HAZARDOUS MATERIALS.** Tenant shall not use, generate, manufacture, store or dispose of, on or about the Premises, or transport to or from the Premises, any flammable explosives, radioactive materials, hazardous wastes, toxic substances, or any related materials or substances, including, without limitation, any substance defined as or included in the definition of "hazardous substances" under any applicable federal, state or local law, regulation or ordinance (collectively, "Hazardous Substance").
- 34.2 **MATERIALS CLAIMS.** Promptly, upon Tenant obtaining actual knowledge thereof, Tenant shall promptly notify Landlord in writing of: (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened with respect to the Hazardous Substances pursuant to any applicable federal, state or local law, ordinance or regulation; and (ii) all claims made or threatened by any third party against Tenant or the Premises relating to any damage, loss or injury, whether to person or property, resulting from the Hazardous Substances.

Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall also mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Hazardous

Substance shall include, but not be limited to, hydrocarbons, petroleum, gasoline, crude oil or any products, by-products or fractions thereof. Tenant shall not engage in any activity in, on or about the Premises which constitutes a Reportable Use (as hereinafter defined) of Hazardous Substances without the express prior written consent of Landlord and compliance in a timely manner (at Tenant's sole cost and expense) with all Applicable Law (as defined herein "Reportable use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority. Reportable Use shall also include Tenant to being responsible for the presence in, on or about the premises or a Hazardous Substance with respect to which any Applicable Law requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Tenant may, without Landlord's prior consent, but in compliance with all Applicable Law, use any ordinary and customary materials reasonably required to be used by Tenant in the normal course of Tenant's business permitted on the Premises, so long as such use is not a Reportable Use and does not expose the Premises or neighboring properties to any meaningful risk of contamination or damage or expose Landlord to any liability therefor. In addition, Landlord may (but without any obligation to do so) condition its consent to the use or presence of any Hazardous Substance, activity or storage tank by Tenant upon Tenant's giving Landlord such additional assurances as Landlord, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefrom or therefore, including, but not limited to, the installation (and removal on or before Lease expiration or earlier termination) of reasonably necessary, protective modifications to the Premises (such as concrete encasements) and/or the deposit of a Security Deposit.

Duty to Inform Landlord. If Tenant knows, or has reasonable cause to believe, that a Hazardous Substance, or a condition involving or resulting from same, has come to be located in, on, under or about the Premises, other than as previously consented to by Landlord, Tenant shall promptly give written notice of such fact to Landlord. Tenant shall also promptly give Landlord a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action or proceeding given to, or received from, any governmental authority or private party, or persons entering or occupying the Premises, concerning the presence, spill, release, discharge of, or exposure to, any Hazardous Substance or contamination in, on, or about the Premises, including but not limited to all such documents as may be involved in any Reportable Uses involving the Premises. Tenant shall not cause or permit any Hazardous Substance to be spilled or released in, on, under or about the Premises (including, without limitation, through the plumbing or sanitary sewer system).

Indemnification. To the extent permitted by law, tenant shall indemnify, protect, defend and hold Landlord, its agents, employees, lenders, and the premises, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, costs, claims, liens, expenses, penalties, and/or permits. Landlord shall have the right to seek reimbursement for reasonable attorney's and consultant's fees arising out of or involving any Hazardous Substance or storage tank brought onto the Premises by or for Tenant or under Tenant's control. Tenant's obligations under Paragraph 6 shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Tenant, and the cost of investigation (including consultant's and attorney's fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Lease with respect to Hazardous Substances or storage tanks, unless specifically so agreed by Landlord in writing at the time of such agreement.

Tenant's Compliance with Requirements. Tenant shall, at Tenant's sole cost and expense, fully, diligently and in a timely manner, comply with all "Applicable Requirements", which term is used in this Lease to mean all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, permits, the requirements or any applicable fire insurance underwriter or rating bureau, and the recommendations of Landlord's engineers and/or consultants, relating in any manner to the Premises (including but not limited to matters pertaining to (i) industrial hygiene, (ii) environmental conditions on, in, under or about the Premises, including soil and groundwater conditions, and (iii) the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any Hazardous Materials), now in effect or which may hereafter come into effect. Tenant shall, within five (5) business days after receipt of Landlord's written request, provide Landlord with copies of all documents and information, including but not limited to permits, registrations, manifests, applications, reports and certificates, evidencing Tenant's compliance with any Applicable Requirements specified by Landlord, and shall promptly upon receipt, notify Landlord in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure by Tenant or the Premises to comply with any Applicable Requirements.

Compliance with Law. Landlord, Landlord's agents, employees, contractors and designated representatives, and the holders of any mortgages, deeds of trust or ground leases on the Premises ("Lenders") shall have the right to enter the Premises at any time in the case of an emergency, and otherwise at reasonable times during Tenant's regular business hours, for the purpose of inspecting the condition of the Premises and for verifying compliance by Tenant with this Lease and all Applicable Requirements (as defined above), and Landlord shall be entitled to employ experts and/or consultants in connection therewith to advise Landlord with respect to Tenant's activities, including but not limited to Tenant's installation, operation, use, monitoring, maintenance, or removal of any Hazardous Substance on or from the Premises. The costs and expenses of any such inspections shall be paid by the party requesting same, unless a Default or Breach of this Lease by Tenant or a violation of Applicable Requirements or a contamination, caused or materially contributed to by Tenant, is found to exist or to be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In such case, Tenant shall upon request reimburse Landlord or Landlord's Lender, as the case may be, for the costs and expenses of such inspections.

ARTICLE 35

MISCELLANEOUS

- 35.1 **Negation of Partnership.** Nothing herein contained, either in the method of computing rent or otherwise, shall create between the parties hereto, or be relied upon by others as creating, any relationship of partnership, association, joint venture, or otherwise. The sole relationship of the parties hereto shall be that of landlord and tenant.
- 35.2 **Applicable Law.** The laws of the State in which the Retail Office Center is located shall govern the validity, performance and enforcement of this lease. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is mutually agreed that the venue of such suit or action shall be in the County in which the Retail Office Center is located.
- 35.3 **Gender.** The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a tenant herein, whether the same shall be composed of one (1) or more individual(s) or entity(ies); and if Tenant shall be comprised of more than one (1) individual or entity, any notice required or permitted by the terms of this lease may be given by or to any one (1) thereof and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to Tenant shall be deemed a proper reference even though Tenant may be an individual, a partnership, a corporation or a group of two (2) or more individuals, partnerships or corporations. The necessary grammatical changes required to make the provisions of this lease apply in the plural sense where there is more than one (1) tenant and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.
- 35.4 **Successors.** The terms and agreements as contained in this lease shall apply to, run in favor of and shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, executors, administrators, personal representatives and assigns and successors-in-interest.
- 35.5 **Entire Agreement.** It is understood that there are no oral agreements or representations between the parties hereto affecting this lease, and this lease supersedes representations and cancels any and all previous negotiations, arrangements, brochures, agreements or representations and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this lease. There are no other representations or warranties between the parties and all reliance with respect to representations is solely upon the representations and agreements contained in this document.
- 35.6 **Captions.** The titles of Articles and Sections herein are for convenience only and do not in any way define, limit or construe the contents thereof.
- 35.7 **Execution of Lease.** The submission of this document for examination and negotiation does not constitute an offer to lease, or a reservation of, or option for, the demised premises; and this document shall become effective and binding only upon execution and delivery hereof by Tenant and by Landlord (or, when duly authorized, by Landlord's agent or employee). No act or omission of any agent of Landlord or of Landlord's broker shall alter, change or modify any of the provisions hereof.
- 35.8 **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 demised 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.
- 35.9 **Severability.** If any provision of this lease shall be determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this lease and all such other provisions shall remain in full force and effect; and it is the intention of the parties hereto that if any provision of this lease is capable of two constructions, only one (1) of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- 35.10 **Force Majeure.** Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, acts of terror, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform any term, covenant or condition of this lease, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage except the obligations imposed with regard to rental and other charges to be paid by Tenant pursuant to this lease.
- 35.11 **Rules and Regulations.** Tenant agrees and covenants to comply with all of Landlord's rules and regulations as set forth in Exhibit C attached hereto. Landlord shall have the right from time to time to promulgate amendments and additional and new rules and regulations for the care, safety, maintenance and cleanliness of the demised premises and the Retail Office Center, or for the preservation of good order. On delivery of a copy of such amendments and additional and new rules and regulations to Tenant, Tenant shall comply with same. A violation of any of such rules and regulations shall constitute a default by Tenant under this lease. If there is a conflict between the said rules and regulations and any of the provisions of this lease, the provisions of this lease shall prevail.
- 35.12 **Holding Over.** In the event Tenant shall hold over the demised premises after the expiration of the term hereof without the express written consent of Landlord, Tenant shall become a tenant at sufferance only, at a monthly rental rate equal to one hundred fifty percent (150%) of the base rent applicable as of the date of such expiration, and otherwise subject to the terms, covenants, and conditions herein specified, so far as applicable.
- 35.13 **Attorney's 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 relating to the provisions of this lease, or any default hereunder, then and in that event, the prevailing party in such action or proceeding shall have the right to seek reimbursement from the party not prevailing for the reasonable expenses of attorney's fees and all costs and disbursements incurred therein by the prevailing party, including without limitation, any such fees, costs or disbursements incurred on any appeal from such action or proceeding to the extent permitted by law. The provisions contained in this Section 35.13 shall survive the expiration or earlier termination of this lease.

- 35.14 **Brokers.** In connection with this lease, Tenant warrants and represents that it has had no dealings with any broker and that it knows of no person who is or might be entitled to a commission, finder's fee or other like payment in connection herewith other than the Broker named in Article 1, if any, and to the extent permitted by law does hereby indemnify and agree to hold Landlord harmless from and against any and all loss, liability and expenses that Landlord may incur should such warranty and representation prove incorrect.
- 35.15 **Merchants' Association or Promotional Fund.** If Landlord forms a merchants' association or promotional fund to promote and enhance the Retail Office Center, Tenant agrees to join as a member and participate therein on the same terms as those on which the majority of the tenants of the Retail Office Center will join and participate.
- 35.16 **Safety and Health.** Tenant covenants at all time during the term of this lease to comply with the requirements of the Occupational Safety and Health Act of 1970, 29 U.S.C. 651 et seq. and any analogous legislation in Nevada (collectively the "Act"), to the extent that the Act applies to the demised premises and any activities thereon. Without limiting the generality of the foregoing, Tenant covenants to maintain all working areas, all machinery, structures, electrical facilities and the like upon the demised premises in a condition that fully complies with the requirements of the Act, including such requirements as would be applicable with respect to agents, employees or contractors of Landlord who may from time to time be present upon the demised premises (except to the extent that the particular activities of such agents, employees or contractors of Landlord on the demised premises require safety precautions or alterations of the conditions of the demised premises beyond the requirements of such Act otherwise applicable to the demised premises, in which event Tenant shall not be obligated to undertake or provide any such additional safety precautions or alterations of conditions), and to the extent permitted by law, Tenant agrees to indemnify and hold Landlord harmless from and against any liability, claim or damages, arising as a result of a breach of the foregoing covenant and from all costs, expenses and charges arising therefrom, which indemnity shall survive the expiration or termination of this lease. Landlord shall have the right to seek reimbursement of reasonable attorneys' fees and court costs incurred by Landlord in connection herewith.
- 35.17 **No Inducements.** Tenant warrants and represents that there have been no representations or statements of fact with respect to the demised premises, the Retail Office Center, the surrounding area or otherwise, whether by Landlord, its agents or representatives, any lease broker or any other person, which representations or statements have in any way induced Tenant to enter this lease or which have served as the basis in any way for Tenant's decision to execute this lease, except as contained in this lease.
- 35.18 **No Conditional Payments.** No payment by Tenant or receipt by Landlord of lesser amount than the total of all sums due hereunder shall be deemed to be other than an account of the earliest stipulated rent, nor shall any endorsement or statement on any check, other payments or any accompanying letter be deemed an accord and/or satisfaction and Landlord may accept such cash and/or negotiate such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this lease or otherwise, regardless of whether Landlord makes any notation on such instrument of payment or otherwise notifies Tenant that such acceptance, cashing or negotiation is without prejudice to any of Landlord's rights.
- 35.19 **No Co-Tenancy Requirement.** Landlord reserves the right to effect such tenancies in the Retail Office Center as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interest of the Retail Office Center. Tenant is not relying on the fact, nor does Landlord represent, that any specific tenant or kind of tenant or number of tenants shall, during the term of this lease, occupy any space in the Retail Office Center, nor that did any specific percentage of the Retail Office Center has heretofore been leased.
- 35.20 **Retail Office Center Name Change.** Landlord reserves the right to change the name of the Retail Office Center from time to time during the term of this lease.
- ~~35.23 **City Permits and Approvals.** It is mutually understood and acknowledged that Landlord is seeking the necessary permits to construct the Retail Office Center from the proper governing agencies. In the event that Landlord, having put forth a good faith effort, can not obtain permits for (i) building and appurtenant improvements, (ii) site use, (iii) signs, and (iv) driveways, herein collectively referred to as "permits" sufficient to enable Landlord to construct the Retail Office Center, Tenant agrees that Landlord may cancel this lease on thirty (30) days written notice to Tenant. Tenant hereby waives any and all claims against Landlord and without liability to or by any party.~~
- ~~35.24 **Acquisition of Property.** It is mutually understood and acknowledged that Landlord may not have ownership of the Property or Retail Office Center. In such case, this lease is contingent upon Landlord obtaining title to the Property. If Landlord, having put forth a good faith effort, is unable to complete the acquisition of the Property upon which the Building and the Retail Office Center is to be constructed, Tenant agrees, in either event, that Landlord may cancel this lease on thirty (30) days written notice to Tenant without liability to or by any party.~~
- ~~35.26 **Construction Financing.** It is mutually understood and acknowledged that Landlord may have to finance the construction of the initial improvements on the demised premises through a mortgage loan or mortgage loans from one or several mortgagees and that before said loans are approved and closed, said mortgagees must approve the terms of this lease as to credit value of Tenant for mortgage purposes and as to legal form, contents and economic terms. In view of the above, if the mortgagee, does not approve this lease for credit purposes, or if Tenant refuses to agree to any amendment or modifications of the lease as to form or contents as may be required by the~~

~~mortgagee, or if the Landlord, having put forth a good faith effort, is unable to secure the financing for construction of improvements or is unable to complete the acquisition of the property upon which the building is to be constructed, Tenant agrees, in either event, that Landlord may cancel this lease on thirty (30) days written notice to Tenant without liability to or by any party.~~

- 35.21 **Tenant Condition.** Tenant agrees to provide within fifteen (15) days of Landlord request its financial statement and other additional financial information reasonably requested by Landlord to ascertain its financial condition.
- 35.22 **No Recordation; Time is of the Essence.** Tenant shall not record this Lease nor a short form memorandum hereof without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion. Time is of the essence of this Lease and each provision hereof in which time of performance is established.
- 35.23 **Confidentiality.** The Parties acknowledge Tenant is a public entity subject to Nevada's Public Records Act pursuant to Nevada Revised Statutes Chapter 239. Accordingly, documents, including this Lease and all amendments and their content may be open to public inspection and copying, provided however that Landlord shall have the right to timely object or dispute the production of any such documents, agreements or other materials in the appropriate court, and in the event of such objection Tenant shall not produce any such documents, agreements, or other materials until a determination is made by a court of competent jurisdiction.

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

"Landlord":

HORIZON 8888, L.L.C.
a Nevada Limited Liability Company

By: _____
Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member

"Tenant":

SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada Organization

By _____
Name: Ernest Blazzard
Title: Chief Financial Officer

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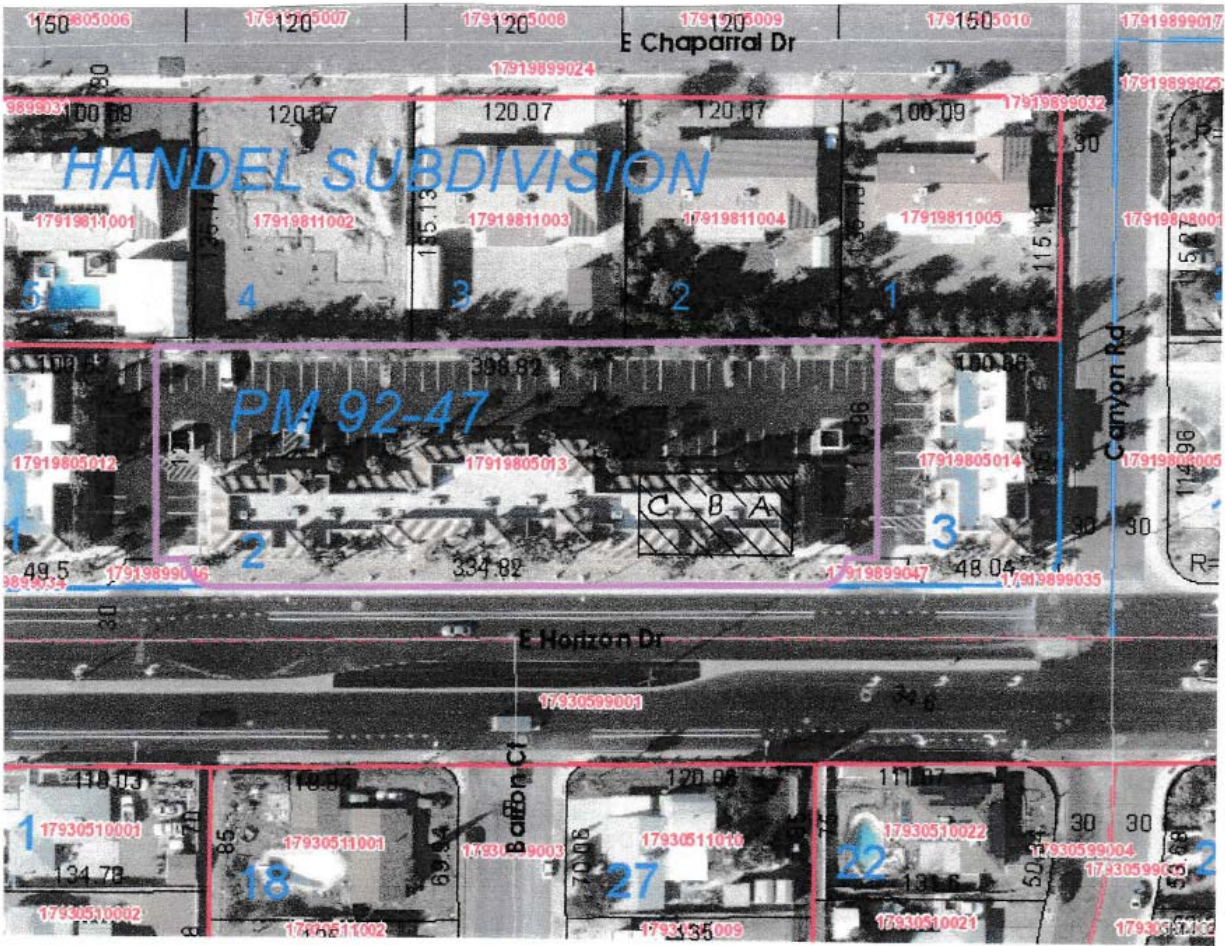
EXHIBIT "A"

DESCRIPTION OF DEMISED PREMISES

The demised premises are located at 220 E. Horizon Dr. Suites A, B & C Henderson, Nevada 89015 and contains +/- 3,689 rentable square feet (+/- 3,520 usable square feet) of medical office space, as set forth in Article 1 of this Lease.

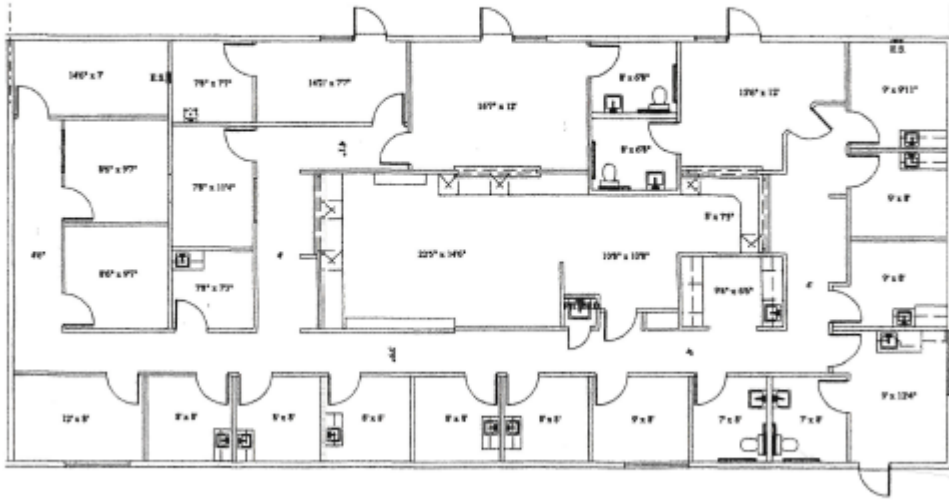
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EXHIBIT A-1
SITE PLAN



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EXHIBIT A-2
EXISTING FLOOR PLAN
220 E. HORIZON SUITES A, B AND C



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EXHIBIT "B"

LANDLORD IMPROVEMENTS

The following is a list of improvements that Landlord shall provide at no cost to Tenant.

1. DESCRIPTION OF LANDLORD'S WORK:

Notwithstanding anything to the contrary contained in this Lease, Landlord shall deliver the Premises in good working condition upon completion of Landlord Improvements to the existing Floor Plan pursuant to Exhibit B-1, Proposal to Landlord for Completion of Landlord Improvements, which will be executed solely at Landlord's expense. In the event Tenant elects to construct additional improvements (the "**Tenant Improvements**") and/or Alterations within the Premises, Tenant shall be subject to prior approval by Landlord and shall construct such additional improvements in accordance with the provisions of this Lease. Attached is a detailed proposal from Landlords Contractor itemizing all improvements to be completed by Landlord at no cost to Tenant.

IN WITNESS WHEREOF, this Work Letter Agreement is executed as of the date of the Lease Agreement.

"Landlord":

**HORIZON 8888, L.L.C.
a Nevada Limited Liability Company**

"Tenant":

**SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada**

By:

**_____
Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member**

By:

**_____
Name: Ernest Blazzard
Title: Chief Financial Officer**

EXHIBIT B-1
PROPOSAL TO LANDLORD FOR COMPLETION OF LANDLORD IMPROVEMENTS

JERRY RAMSEY CONSTRUCTION INC
4595 KEVIN WAY
LAS VEGAS NV 89129
LIC .0030551
PH. 227-0266
FAX 227-3828
1-16-2020
LIMIT \$3,000,000.00

TO: Horizon 8888, L.L.C.

JOB ADDRESS: 220 Horizon Dr. Suites ABC Henderson, NV. 89015.

DESCRIPTION OF WORK:

1. Demo walls.	\$ 3,000.00
2. Frame walls and repair damage walls due to demo drywalls.	\$ 3,500.00
3. Touch up interior paint where needed and damage walls where demo.	\$ 2,500.00
4. Repair existing ceiling grid and required ceiling tile.	\$ 1,500.00
5. Lower counter tops put door through counter area make new tops.	\$ 5,200.00
6. Exterior lighting upgrade and electric for one sign.	\$ 3,500.00
7. Electric for interior of Suites ABC.	\$ 3,500.00
8. Replace (4) toilets (4) ADA Moen lav. faucets replace angle stops.	\$ 3,600.00
9. Plans and permits.	\$ 2,000.00
10. Asbestos test.	\$ 600.00
11. Supervision.	\$ 2,890.00
12. Overhead and profit.	\$ 3,179.00
	TOTAL: \$34,969.00

Exclusions :

ALL MATERIALS IS GUARANTEED TO BE AS SPECIFIED ABOVE AND THE ABOVE WORK TO BE PERFORMED IN ACCORDANCE WITH THE DRAWINGS AND SPECIFICATIONS SUBMITTED FOR ABOVE WORK AND COMPLETED IN A SUBSTANTIAL WORKMANLIKE MANNER FOR THE SUM OF.

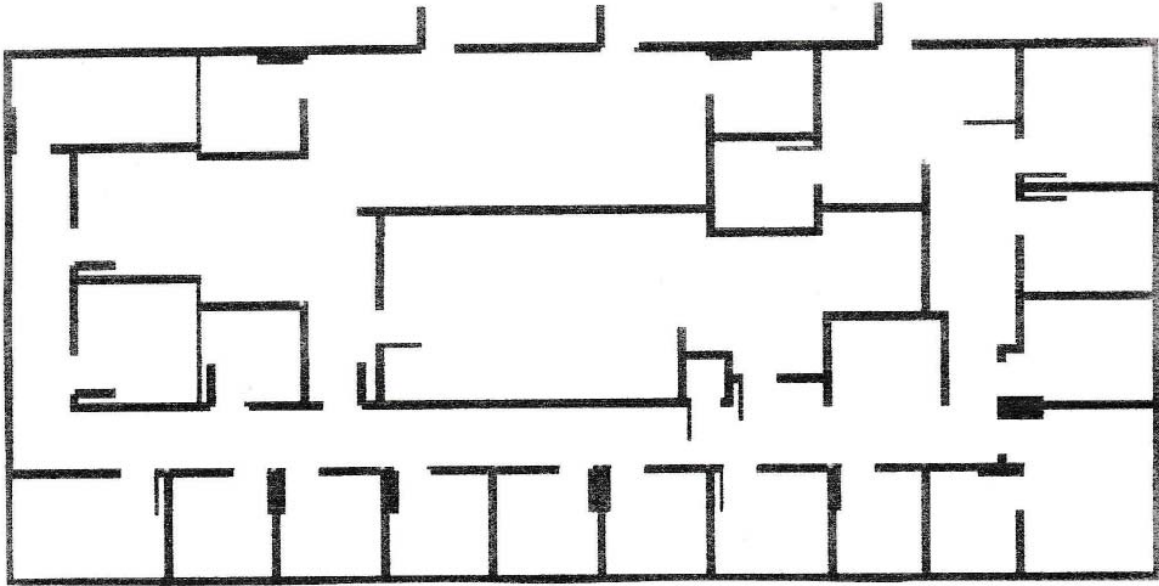
THIRTY-FOUR THOUSAND NINE HUNDRED AND SIXTY-NINE DOLLARS
\$34,969.00.

YOU ARE HEREBY AUTHORIZED TO FURNISH ALL MATERIALS, EQUIPMENT AND LABOR REQUIRED TO COMPLETE THE WORK DESCRIBED IN THE ABOVE PROPOSAL, FOR WHICH THE UNDERSIGNED AGREES TO PAY THE AMOUNT STATED IN SAID PROPOSAL AND ACCORDING TO THE TERMS THEREFORE.

OWNER _____ DATE _____

EXHIBIT B-2

NEW FLOOR PLAN
220 E. HORIZON DR., SUITES A, B AND C



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EXHIBIT "C"

RULES AND REGULATIONS

The rules and regulations agreement is entered into as of the date of the Lease Agreement (the "Lease"), by and between the parties named in Article 1, and by this reference is incorporated herein. Landlord hereby establishes the following rules and regulations for the safety, care and cleanliness of (i) the store areas (hereinafter referred to as the "demised premises") of any tenant or tenants of the Retail Office Center (hereinafter referred to as the "tenant"), (ii) the common area, and (iii) the Retail Office Center in general, or for the preservation of good order:

A. FOR THE STORE AREAS:

- 1) All floor areas of the demised premises (including vestibules, entrances, and air returns), doors, fixtures, windows and plate glass shall be maintained in a clean, safe and good condition.
- 2) All trash, refuse, and waste materials shall be stored in adequate containers and regularly removed from the demised premises. These containers shall not be visible to the general public and shall not constitute a health or fire hazard or nuisance to any tenant. In the event that any tenant shall fail to remedy such a health or fire hazard or nuisance within five (5) days after written notice by Landlord, Landlord may remedy and/or correct such health or fire hazard or nuisance at the expense of the tenant involved.
- 3) All trash areas shall be fully enclosed.
- 4) No portion of the demised premises shall be used for lodging purposes.
- 5) Neither sidewalks nor walkways shall be used to display, store, or place any merchandise, equipment or devices, except with Landlord's prior written approval.
- 6) No public telephone, newsstand, shoeshine stand, refreshment, vending or other coin operated machine shall be installed or placed on the sidewalk or walkway area adjacent to the demised premises or on the common area without Landlord's prior written approval in each instance.
- 7) No person or persons shall use the demised premises or any part thereof, for conducting therein a second-hand store, auction, distress or fire sale or bankruptcy sale, or "going-out-of business" sale or "lost our lease" sale, without Landlord's prior written consent.
- 8) No portion of the demised premises shall be used for the storage of any merchandise, materials or other personal property, other than those reasonably necessary for the operation of a tenant's business. Landlord may, from time to time, inspect during regular business hours the demised premises to ensure compliance with the foregoing provisions.
- 9) No display areas of the demised premises shall be left vacant, and a tenant shall not black out or otherwise obstruct the windows of the demised premises, without Landlord's prior written consent.
- 10) Except as specifically provided in the Lease to which these Rules and Regulations are attached, no sign, placard, picture, advertisement name or notice shall be installed or displayed on any part of the outside or Storefront without the prior written consent of Landlord. Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed in violation of this rule.
- 11) Landlord shall have the absolute right to enter upon the demised premises to perform such cleaning and clearing of the pipes and drains servicing the demised premises (including rotor-rooter service), as Landlord shall deem necessary and will not interrupt Tenant's business.. The tenant shall pay Landlord on an estimated monthly basis for said services.

B. FOR THE COMMON AREA:

- 1) Use of the common areas shall be in an orderly manner in accordance with directional or other signs or guides. Roadways shall not be used at a speed in excess of ten (10) miles per hour and shall not be used for parking or stopping, except for the immediate loading or unloading of passengers. Walkways and malls shall be used only for pedestrian travel.
- 2) Customers and invitees of tenants shall not use the parking areas for anything but parking motor vehicles provided. All motor vehicles shall be parked in an orderly manner within the painted lines defining the individual parking places. No overnight parking shall be permitted.
- 3) No person shall use any utility area, truck loading area, or other area reserved for use in conducting business, except for the specific purpose for which permission to use these areas has been given.
- 4) Without the consent of the Landlord, no person shall use any of the common area for:
 - a. Vending, peddling or soliciting orders, for sale or distributing of any merchandise, device, service, periodical, book, pamphlet, or other matter;
 - b. Exhibiting any sign, placard, banner, notice or other written material;

- c. Distributing any circular, booklet, handbill, placard, or other material;
- d. Soliciting membership in any organization, group, or association, or soliciting contributions for any purpose;
- e. Parading, patrolling, picketing, demonstrating, or engaging in conduct that might interfere with the use of the common areas or be detrimental to any of the business establishments in the Retail Office Center;
- f. Using the common areas for any purpose when none of the business establishments in the Retail Office Center are open for business;
- g. Discarding any paper, glass, or extraneous matter of any kind except in designated receptacles;
- h. Using a sound-making device of any kind or making or permitting any noise that is annoying, unpleasant, or distasteful; or
- i. Damaging any sign, light, standard fixture, landscaping material or other improvement or property within the Retail Office Center.

The above listing of specific prohibitions is not intended to be exclusive, but is intended to indicate the manner in which the right to use the common areas solely as a means of access and convenience in Retail Office at the business establishments in the Retail Office Center is limited and controlled by Landlord.

C. IN GENERAL:

- 1) No pets shall be allowed in or about the office areas or common areas of the Retail Office Center without Landlord's prior written consent, except service animals in accordance with the Americans with Disabilities Act of 1990 as it may be amended from time to time.
- 2) All tenants and their authorized representatives and invitees shall not loiter in the parking or other common areas that any tenant has the right to use; nor shall they in any way obstruct the sidewalks, entry passages, pedestrian passageways, driveways, entrances and exits, and shall use them only for ingress to and egress from their work areas.
- 3) Tenants and their authorized representatives and invitees shall not throw cigar or cigarette butts or other substances or litter of any kind in or about the buildings of the Retail Office Center, except in receptacles placed in it for that purpose.
- 4) The toilet rooms, toilets, urinals, washbowls, and other apparatus available to tenants shall not be used for any purpose other than that for which they were constructed. No foreign substances of any kind shall be thrown into them, and the expense of any breakage, stoppage, or damage shall be paid by the tenants.
- 5) Landlord shall not be responsible to any tenant or to any other person for the non-observance or violation of these rules and regulations by any other tenant or other person. All tenants shall be deemed to have read these rules and to have agreed to abide by them as a condition to their occupancy of the demised premises.

IN WITNESS WHEREOF this Rules and Regulations Agreement is executed as of the date of the Lease Agreement.

"Landlord":

HORIZON 8888, L.L.C.

**By: _____
Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member**

"Tenant":

SOUTHERN NEVADA HEALTH DISTRICT

**By: _____
Name: Ernest Blazzard
Title: Chief Financial Officer**

EXHIBIT "D"

STOREFRONT SIGN AGREEMENT

THIS STOREFRONT SIGN AGREEMENT is entered into as of the date of the Lease Agreement (the "Lease") by and between the parties named in Article 1, and by this reference is incorporated herein.

RECITALS

- A. Concurrently with the execution of this Storefront Sign Agreement, Landlord and Tenant have entered into a lease (the "Lease") covering certain premises (the "demised premises") more particularly described in Exhibit A attached to the Lease.
- B. In order to induce Tenant to enter into the Lease (which is hereby incorporated by reference to the extent applicable) and in consideration of the mutual covenants hereinafter contained, Landlord and Tenant hereby agree as follows:

1. General Requirements.

- (a) Tenant shall submit to Landlord for approval within thirty (30) days after execution of the Lease and before fabrication two (2) copies of detailed drawings indicating the location, sign, layout, design and color of the proposed signs including all lettering or graphics. Prior to Landlord's written approval of any signage on the Building, Tenant shall pay a non-refundable restoration fee (paint and patch but not sign removal) and approval fee of \$595.00 per sign.
- (b) Tenant must obtain and pay for all permits for signs and installation.
- (c) Landlord has the right to approve Tenant's sign installation.
- (d) All of Tenant's permanent signs shall be constructed and installed at Tenant's sole expense within 90 days of rent commencement.
- (e) Even after design approval, no signs shall be installed without advance notice to Landlord, and if Landlord elects, under the supervision of Landlord or its agents.

2. General Specifications.

- (a) No animated, flashing or audible signs will be permitted.
- (b) No exposed lamps or neon tubing will be permitted in store front or mansard.
- (c) All signs and their installation shall comply with all local, building and electrical codes.
- (d) All conduit, cabinet, conductors, transformers and other equipment shall be concealed.
- (e) Electrical service to all signs shall be on Tenant's electric meter.
- (f) Individual Tenant pylon or pole signs will not be permitted.
- (g) No sign of any sort will be permitted on canopy roofs or building roofs.
- (h) Interior illumination shall be 60 Ma. with approved transformers. No exposed neon, cross-overs or raceways are permitted. Transformers and wiring raceways shall be remote in accessible areas behind plaster fascia. Access panels and catwalk have been provided in this space along with junctions boxes.
- (i) Letter fastening and clips are to be concealed and be of galvanized, stainless steel, aluminum, brass or bronze metals only.
- (j) All penetrations of the building structure required for sign installation shall be in a water-tight condition and patched to match adjacent finish.

3. Design Requirements.

- (a) Identification signs shall be designed in a manner compatible with and complementary to the adjacent and facing storefronts and the overall design concept of other stores in the Retail Office Center.
- (b) Storefront signs shall comply with the following requirements:
 - (i) All signs are to be individual channel letters mounting without exposed raceway.
 - (ii) Sign to be constructed of paintlok 24 OA sheet metal finished with two (2) coats enamel. Channel depth 5".

- (iv) Lettering shall be mounted on storefront conforming generally with the following requirements (but subject to adjustment by Landlord)
- (v) A minimum of a 4" space shall exist on each end of sign area. In addition the sign width shall not exceed 70% of the storefront width or one square foot of sign area for every foot of storefront width. The overall height of the sign shall not exceed 24". Electrical signs require U L label.

4. Construction Requirements. Tenant shall indemnify and hold harmless Landlord and all other tenants of the Retail Office Center against any and all loss, cost, damages or liability caused to persons, property or otherwise caused by Tenant's sign installations.

5. Additional Sign Criteria and Limitations. Except as provided herein, no advertising placards, banners, pennants, names, insignia, trademarks, or other descriptive material shall be installed, displayed, affixed or maintained on any part of the outside of the building or storefront or upon any of the glass panes and supports of the show windows and doors without the prior written consent of Landlord. Landlord shall have the right to remove, at Tenant's expense and without notice, any sign installed or displayed absent Landlord's consent. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved by Landlord.

IN WITNESS WHEREOF this Storefront Sign Agreement is executed as of the date of the Lease Agreement.

"Landlord":

HORIZON 8888, L.L.C.

"Tenant":

SOUTHERN NEVADA HEALTH DISTRICT

By: _____

Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member

By: _____

Name: Ernest Blazzard
Title: Chief Financial Officer

EXHIBIT "E"

ESTOPPEL CERTIFICATE

The undersigned, as Tenant under that Lease dated _____, made with Horizon 8888, L.L.C. as Landlord, hereby certifies as follows:

- (1) That the undersigned has entered into occupancy of the demised premises as described in said lease;
- (2) That said lease is in full force and effect and has not been assigned, modified, supplemented or amended in any way, except as follows:
N/A;
- (3) That the same represents the entire agreement between the parties as to said lease;
- (4) That the commencement date of said lease is _____;
- (5) That there is an unexpired term hereunder of 60 months;
- (6) That all conditions of said lease to be performed by Landlord and necessary to the enforceability of said lease have been satisfied;
- (7) That there are no uncured defaults by either Tenant or Landlord thereunder;
- (8) That no rents have been prepaid, other than as provided in said lease;
- (9) That on this date there are no existing defenses or offsets which the undersigned has against the enforcement of said lease by Landlord;
- (10) That the minimum monthly rent is currently \$4,427.00 and has been paid through February 2020 [or date as applicable at time of Landlord request];
- (11) That the monthly common area expenses (CAM) is currently \$1,125.14;
- (12) That the amount of the security deposit held by Landlord is currently \$00; and
- (13) That the amount of the first month's rent held by Landlord is currently \$5,552.14 representing February, 2020, rent.

The undersigned hereby agrees to (i) disclaim all right, title or interest in said demised premises except the rights granted by said lease; and (ii) give to the holder of any mortgage affecting the demised premises, or its assignee, the same right as the Landlord has to cure any default complained of in any notice or demand.

Executed this _____ day of _____, 2020..

**TENANT: SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada**

**BY: _____
Name: Ernest Blazzard
Title: Chief Financial Officer**

EXHIBIT "F"

**TENANT NOTICE OF SUBSTANTIAL COMPLETION
(Sample)**

Date: December 16, 2019

To: SOUTHERN NEVADA HEALTH DISTRICT

RE: DELIVERY.

Notice is hereby given as of the date hereof to SOUTHERN NEVADA HEALTH DISTRICT ("Health District"), a Political Subdivision of the State of Nevada under that certain Lease Agreement dated, that the premises located at 220 E. Horizon Drive Suites A, B & C, Henderson, Nevada 89015, are substantially completed with respect to the Landlord's obligations therefore and are ready for Health District to commence the work which it is required to perform pursuant to the provisions of Exhibit "B" of your Lease.

If it have not done so already, Health District needs to contact its local gas and electric company regarding its meter applications and the scheduled date for the installation of these services.

Also, before beginning the construction in your demised space, Health District needs to submit to us the following for our approval:

1. Working drawings and specifications for Health District's demised space prepared by a licensed architect or engineer if applicable.
2. Contractor's construction schedule for Health District's improvements.
3. Contractor's name, address, and telephone number.
4. Detailed drawings indicating the layout, design, lettering, and color of Health District's proposed storefront sign and contractor's name.
5. Insurance policy naming Landlord & Property Management Company as an additional insured.

Please register below any problems or missing items with Health District's demised space in order for our contractor to include those matters for repair in his Punch List.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT "G"

RENT SCHEDULE

The base Minimum Rent for the initial term shall be adjusted on each anniversary date from the date of commencement of the lease term in accordance to Article 4.1 of the Lease, provided that such adjustment shall never result in the base minimum rent being increased less than as follows:

MONTHLY MINIMUM RENT:

- 12-16-2019 TO 01-31-2020 Early occupancy at no cost to Tenant.
- 02-01-2020 TO 01-31-2021 \$4,427.00 monthly Base Rent plus C.A.M. Fees.
- 02-01-2021 TO 01-31-2022 \$4,560.00 monthly Base Rent plus C.A.M. Fees.
- 02-01-2022 TO 01-31-2023 \$4,697.00 monthly Base Rent plus C.A.M. Fees.
- 02-01-2023 TO 01-31-2024 \$4,838.00 monthly Base Rent plus C.A.M. Fees.
- 02-01-2024 TO 01-31-2025 \$4,983.00 monthly Base Rent plus C.A.M. Fees.

NOTE: C.A.M. Fees are presently estimated at .305 psf./\$1,125.14 monthly.

LEASE RENEWAL PERIOD: Tenant shall have Two (2) Five (5) year options to renew lease and such option shall be negotiated at market rate 120 days prior to the expiration of initial lease term or lease renewal period. Tenants Base Rent shall increase by a minimum of 3% above the Base Rent Tenant is paying during the final (12) months of the initial lease term or lease renewal period. In the event Tenant mutually executes a lease renewal addendum with Landlord the Base Rent shall increase 3% annually during such lease renewal period.

IN WITNESS WHEREOF this Minimum Rent Schedule is executed as of the date of the Lease Agreement.

"Landlord":

HORIZON 8888, L.L.C.
a Nevada Limited Liability Company

"Tenant":

SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada

By: _____

Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member

By: _____

Name: Ernest Blazzard
Title: Chief Financial Officer

EXHIBIT "H"

**CHAPTER 108
NRS CHAPTER 108 ACKNOWLEDGMENT**

This NRS CHAPTER 108 ACKNOWLEDGMENT (the "Acknowledgment") is dated, by and between HORIZON 888, L.L.C., a Nevada limited liability company and SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada.

RECITALS

- A. Landlord and Tenant have executed that certain lease of even date herewith, pursuant to which Tenant leased from Landlord approx. Three Thousand Six Hundred Eighty-Nine (+/- 3,689) rentable square footage located in Henderson, Nevada, as more particularly described in the Lease. All capitalized terms used, but not defined, herein shall have the meanings assigned thereto in the Lease.
- B. Landlord and Tenant now desire to execute this Acknowledgment to confirm, among other things, that tenant has received written notice of its obligations under NRS Chapter 108, which was provided to Tenant in Section 6.2 of the Lease.

ACKNOWLEDGMENT

Tenant hereby unconditionally acknowledges to Landlord that Tenant has, pursuant to Section 6.2 of the Lease, received written notice of Tenant's obligations under NRS Chapter 108 and that Tenant will comply with the same.

IN WITNESS WHEREOF, the Tenant has executed this Acknowledgment as of the date set forth below.

"Landlord":

HORIZON 8888, L.L.C.

"Tenant":

SOUTHERN NEVADA HEALTH DISTRICT

By: _____
Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member

By: _____
Name: Ernest Blazzard
Title: Chief Financial Officer

EXHIBIT "1"

(INTENTIONALLY DELETED)

DRAFT

EXHIBIT "J"

(INTENTIONALLY DELETED)

DRAFT

ADDENDUM A TO LEASE AGREEMENT C2000092

THIS ADDENDUM A TO Lease Agreement C2000092 (“Lease Addendum A”) is hereby attached to and expressly made part of Lease Agreement C2000092 (“Lease Agreement”), dated _____, by and between HORIZON 8888, L.L.C., a Nevada Limited Liability Company as Landlord and SOUTHERN NEVADA HEALTH DISTRICT, a Political Subdivision of the State of Nevada as Tenant, for property located at 220 E. Horizon Dr., Suites A, B & C, Henderson, Nevada, 89015, consisting of +/- 3,689 rentable square feet of medical office space, effective. The parties hereby agree as follows:

- 1) **PRIORITY OF DOCUMENTS.** In the event of any inconsistency between this Lease Addendum A and Lease Agreement, this Lease Addendum A shall prevail.
- 2) **LANDLORD IMPROVEMENTS:** The following is a list of Improvements that Landlord shall provide at no cost to Tenant. Other than items listed below, Tenant is taking subject space in “as is” condition, upon completion of Landlord Improvements as follows, and consistent with Exhibit B of the Lease Agreement:
 - A) Landlord shall provide Tenant with +/- 3,689 rentable square feet of medical office space in good working order.
 - B) Install exterior lighting on the Northeast and East side of building if needed to adequately light parking lot.
 - C) The roof shall be serviced and inspected and any stained ceiling tiles shall be replaced.
 - D) Landlord shall provide a turn-key space at no cost to Tenant. Tenant and Landlord’s Contractor shall walk Suites ABC and shall itemize the scope of work and develop a detailed Contractor Proposal for Landlord and Tenant review and approval and such approval shall not be unreasonably withheld. The final Contractor Proposal shall be attached to the Lease Agreement as part of Exhibit “B” Landlord Improvements and shall include all work that Landlord is to complete at no cost to Tenant. The Contractor Proposal shall include but not be limited to the removal of several interior walls and re-grid the ceiling and retile the flooring in such area, repaint interior walls where required (Landlord and Tenant to approve paint color), replace toilets and sink faucets where required, replace window coverings, relocate IT Board outside of mop-sink closet (Landlord & Tenant to approve new location), deliver power to the exterior walls to power exterior signage if required, modify a portion of the check-in and check-out counters to be Handicap Accessible. See Exhibit “B” Landlord Improvements of the Lease Agreement for more details.
- 3) **HVAC SYSTEM:** Upon completion of Landlord Improvements Landlord shall have the HVAC System serviced and inspected by a HVAC Contractor including the replacement of filters if needed. The HVAC System Inspection Report shall be provided at no cost to Tenant and shall state that the HVAC System is in good working order and if any repairs are required the repairs shall be completed at time of service and inspection at no cost to Tenant. Upon rent commencement Landlord shall provide Tenant with a Six (6) month HVAC System Warranty Period which shall include any required repairs at no cost to Tenant. During Warranty Period, Tenant shall replace filters when needed at no cost to Landlord. Upon the expiration of the HVAC System Warranty Period the Tenant shall be responsible for maintaining the HVAC System in good working order during the lease term at no cost to Landlord including the replacement of filters when needed. Upon Tenant vacating space, Tenant

shall provide Landlord with a HVAC System Inspection Report from a HVAC System Contractor stating that the HVAC System is in good working order and the filters have been replaced if needed. In the event that during service and inspection there are any repairs required, Tenant shall have such repairs completed and paid for during the HVAC System service and inspection at no cost to Landlord prior to vacating premises final walk-through with Landlord.

- 4) **TENANT IMPROVEMENTS:** The following is a list of Improvements that Tenant shall provide at no cost to Landlord as follows:
 - A) Tenant shall provide all furniture & equipment to operate its business.
 - B) Tenant shall have the right to hire an IT Company to add or relocate any Cat-5 jacks, cabling or any other IT needs at no cost to Landlord. The security alarm system, if any, is “as is.”
 - C) Any and all work serving only Tenant or its demised premises not included in Contractor Proposal attached to the Lease Agreement as Exhibit “B” Landlord Improvements.
- 5) **TENANT UTILITIES:** Tenant shall be responsible to directly pay the utility companies for power, gas, telephone, cable service, alarm service if any, internet service and any janitorial expenses for its occupied space. All other utilities such as water, sewer and trash shall be paid by Landlord and shall be included in Tenant’s monthly C.A.M. Fees.
- 6) **DISCLOSURE:** The subject retail office center consists of (3) individual buildings, and 220 E. Horizon Dr. was built in 1999, consisting of +/- 14,060 sq. ft. of retail office space located on +/- 1.22 acres of land zoned (C-N) Neighborhood Commercial, APN 179-19-805-13. The Owner of such property is Horizon 8888, L.L.C. a Nevada Limited Liability Company, and most of the members are licensed dentists in the State of Nevada.
- 7) **SIGNAGE:** Tenant shall have the right to place signage on the front, back & East side of the building for its occupied space and may include signage on Suites A, B & C glass front doors. Furthermore, Tenant shall be allowed to place a temporary tasteful large banner on the building for up to 60 days from possession announcing the grand opening. All permanent signage shall be installed within (90) days of Tenants rent commencement at no cost to Landlord, and is subject to Landlord and Local Government approval prior to instillation of such signage subject to Article 8 of the Lease Agreement.
- 8) **PARKING:** All parking in the center is open parking and is zoned at approximately 3.3 spaces per 1,000 sq. ft. of building. Parking is provided by Landlord at no additional cost to Tenant.
- 9) **TENANT EARLY OCCUPANCY AND ENTRY:** Landlord agrees to give Tenant early occupancy and entry upon the mutual execution of this Addendum A while Landlord’s Contractor is completing Landlord Improvements. Tenant may perform work through its own IT Contractor, subject to Landlord’s prior written approval and in accordance with the requirements of Section 6 of this Lease. The foregoing license to enter the premises prior to rent commencement date is however, conditioned upon the compliance by Tenant’s contractor with all requirements imposed by Landlord on third party contractors, including without limitation the maintenance by Tenant and its contractors and subcontractors of workers compensation and public liability and property damage insurance in amounts and with companies and on forms satisfactory to Landlord, with certificates of such insurance being furnished to Landlord prior to proceeding with any such entry. The entry shall be deemed to be under all of the provisions of the Lease except as to covenants to pay rent. Landlord shall not be liable in any way for any injury, loss or damage which may occur to any such early occupancy or entry or work being performed by Tenant, the same being solely at Tenant’s risk. Tenant

or their perspective contractor or employees shall not hamper or otherwise prevent Landlord from proceeding with the completion of Landlord Improvements.

10) DETERMINATION OF MARKET RENT: Market Rent shall be reasonably determined by Landlord considering the most recent new leases and renewal leases of comparable space and for a comparable usage in the retail office center or in comparable retail office center within the vicinity of the premises. At least one hundred twenty (120) days prior to the date that the minimum annual rental is to be determined, Landlord shall give Tenant notice (the "Market Rent Notice") of the determination of such minimum annual rental and the basis upon which Landlord made its determination of such amount. Upon receipt of the Market Rent Notice, Tenant shall pay the minimum annual rental stated in the Market Rent Notice in the manner set forth in Article 4, effective on the date of the commencement of the applicable extended term, subject to adjustment as provided in Section 3.2. The adjusted minimum annual rental shall not be less than the minimum annual rental in effect for the twelve (12) months prior to the expiration of the initial term, or the twelve (12) months prior to the expiration of the prior extended term.

11) NO PRIVATE RIGHT CREATED. The Parties do not intend to create in any other individual or entity the status of a third-party beneficiary, and this Agreement shall not be construed to create such status. The rights, duties, and obligations contained in the Agreement shall operate only between the Parties to this Agreement, and shall inure solely to the benefit of the Parties determining and performing their obligations under this Agreement.

12) STATEMENT OF ELIGIBILITY. Each Party acknowledges to the best of its knowledge, information, and belief, and to the extent required by law, neither it nor any of its respective employees/contractors is/are: i) currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs; and ii) has/have not been convicted of a federal or state offense that falls within the ambit of 42 USC 1320a-7(a).

All other terms and conditions of the Lease Agreement dated _____ and subsequent Addenda, Exhibits, and Amendments shall remain in full force and effect.

BY SIGNING BELOW, the Parties hereto have approved and executed this Addendum A to Lease Agreement C2000092.

LANDLORD:

HORIZON 8888, L.L.C.
a Nevada Limited Liability Company

By: _____
Name: Ching Kuo Tony Lee, D.M.D.
Title: Managing Member

Date: _____

TENANT:

SOUTHERN NEVADA HEALTH DISTRICT
a Political Subdivision of the State of Nevada

By: _____
Name: Ernest Blazzard
Title: Chief Financial Officer

Date: _____