

LICENSE AGREEMENT FOR SPACE

THIS LICENSE AGREEMENT ("Agreement") (Lic #0024696) made as of this ____ day of _____, _____ between LICENSOR, whose full name and address is set forth below, and LICENSEE, whose full name and address is set forth below.

A. **BASIC TERMS:** The following terms shall have the following meaning throughout this Agreement.

1. **Shopping Center:** Northridge Mall
2. **Shopping Center Address:**
796 Northridge Mall
Salinas, CA 93906
3. **Licensor:** Northridge Owner, LP, a(n) Delaware Limited Partnership
4. **Licensor's Notice Address:**
Northridge Owner, L.P.
796 Northridge Mall
Salinas, CA 94103

with a copy to:

Starwood Retail Partners, LLC
1 East Wacker, Suite 3700
Chicago, IL 60601
Attn: Specialty Leasing

License Fees Payable To: Northridge Owner LP

Address for Payment of License Fees:

PO Box 396003
San Francisco, CA 94139-6003

5. **Licensee:** City of Salinas, a California Charter City and Municipal Corporation, a(n) California Government Agency
6. **Licensee's Billing Address:**
200 Lincoln Ave.
Salinas, CA 93901
United States

Licensee's Notice Address:

200 Lincoln Ave.
Salinas, CA 93901
United States

Licensee Contact: Eric Howard
Office Telephone Number: (831) 758-7419
Mobile Telephone Number:
Home Telephone Number:
Email: erich@ci.salinas.ca.us

7. **Premises:** Space No. N02 at the Shopping Center, containing approximately 1,125 square feet, as designated on Exhibit B attached hereto and made a part hereof.

Licensee is responsible for store front lighted signage that must be pre-approved by Licensor. Full sign company plans must be pre-approved by Licensor. All costs pertaining to signage such as: production, installation and maintenance shall be at the sole expense of the Licensee. Failure to comply with Use Clause may result in the termination of the License agreement and forfeiture of the security deposit. Licensee may be required to work with a Licensor approved Visual Merchandiser at Licensee's sole cost and expense. Licensee takes space in an as-is condition. Licensee is responsible for obtaining all necessary city permits, licenses and inspection of operation from health, fire, building compliance with all appropriate authorities (State, Federal and Local.) Licensee is required to get pre-approval from Licensor for any work to be performed in the space.

Licensees hours of operations shall be as follows:

Saturday and Sunday 12pm to 6pm

Monday through Friday 10am to 8pm

Closed Federal Holidays

Term: The period commencing 08/01/2019 ("Commencement Date") that is the earlier of (i) 01/31/2020 (the "Required Opening Date"), or the (ii) date Licensee opens for business at the Premises, and expiring on 01/31/2020 ("Expiration Date").

8. **Permitted Use:** For the non-exclusive use of offering customers free access to books, story time and free online classes and for no other purpose whatsoever.

Permitted Trade Name: Salinas Public Library

9. **License Fee:** This Agreement is for a non-transferable, revocable (n) Inline. (Bill Code: ZINA 45111)

(a) **Base License Fee:**

Base Fee Schedule:

Due Date	Total Amount
08/01/2019	\$ 1,500.00
09/01/2019	\$ 1,500.00
10/01/2019	\$ 1,500.00
11/01/2019	\$ 1,500.00
12/01/2019	\$ 1,500.00
01/01/2020	\$ 1,500.00

Licensee shall be responsible for phone, data, trash, and PG&E electric utility charges servicing Licensed Premises and shall pay respective service providers directly at Licensee's sole cost and expense.

License fee includes the costs of \$70 for water and \$48 for sewer fees servicing Licensed Premises.

Any payments made by check or certified funds shall be made payable to Northridge Owner L.P.

(b) **Percentage License Fee:** % (the "Percentage Rate") of all Gross Sales exceeding the applicable "Percentage Breakpoint", as follows:

Due Date	Breakpoint Amount
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(c) **Additional License Fee:** \$ 250

Additional License Fee pertains to Administrative Fee of \$250 which is in addition to the first payment as shown in the Base Fee schedule stated herein.

10. **Security Deposit:** \$ 0 **Due Date:** Security Deposit on file

Security Deposit on file of \$1500.00 (LA# 0019852)

11. **Additional Insureds:** Northridge Owner, L.P. ("Landlord") and Starwood Capital Global Group, L.P. and their subsidiaries, affiliates, directors, officers, members, managers, partners, lenders, agents employees and assignees, and other such entities hereafter as may be reasonably requested by Landlord, referred to collectively as Additional Insured.

12. **List of Exhibits:**

Exhibit A Rules and Regulations

Exhibit B Premises

Exhibit C Approved Signage (if applicable)

13. **Additional Specific Obligations (if applicable):**

Additional Obligations of Licensee:

Additional Obligations of Licensors:

B. **LICENSE:** Licensors hereby licenses to Licensee the use of the Premises for the Term set forth above, unless terminated sooner in accordance herewith, subject to the terms and conditions hereof. Licensee acknowledges that it has inspected the Premises, observed no dangerous conditions, accepts the Premises "as is", with no representation or warranty by Licensors as to its condition, or its suitability or fitness for the Permitted Use, and assumes all risk of injury or damage to Licensee's person or property, in connection with Licensee's use of the Premises regardless of the condition thereof. Licensee is afforded no possessory interest in the Premises by the terms hereof or by an expenditure made in reliance hereon.

C. **TERMS AND CONDITIONS.** In consideration of the license granted to Licensee herein, Licensee agrees to the following:

1. **Permitted Use/Trade Name.** Licensee shall use the Premises only for the Permitted Use, and only under the Permitted Trade Name, and for no other use, purpose or trade name whatsoever.

2. **License Fees/Additional Fees.** Licensee shall pay Licensors the License Fee and the other charges set forth in the Basic Terms in the manner provided therein, or to such other entity or location as Licensors may designate from time to time, together with any tax thereon and on any other fee and charges due under this License. (Unless set forth above, Licensors shall later notify Licensee of the amount of any such tax.) All payments of the Base License Fee, and all other charges due Licensors hereunder (all such fees and other charges hereinafter sometimes referred to collectively as "Fees"), shall be made without set-off, deduction, demand or counterclaim. Payments of all Fees for partial months shall be prorated accordingly. With respect to any charges under this Agreement payable monthly, Licensee shall pay the charge on or before the first day of each month provided that charges for the first month shall be paid upon execution of this License. License Fee or other payments due and owing hereunder from Licensee shall be made by automatic deduction from Tenant's or Licensee's bank account. In the event that there are insufficient funds to draw the License Fee from Licensee's bank account by automatic deduction, Licensee shall be charged a fee in the amount of Thirty-Five Dollars (\$35.00) in the first instance and in the amount of Seventy-Five Dollars (\$75.00) for each instance thereafter. Licensee shall provide Licensors, upon execution of the License, a voided check or deposit slip and executed authorization form to permit such automatic deductions. With respect to any of such charges that are for the Term, Licensee shall pay the full amount upon execution of this Agreement unless otherwise stated herein a specific due date. Notwithstanding anything contained herein to the contrary, Licensors may in its discretion allocate portions of the Base License Fee and/or Percentage License Fee to any advertising charges in effect at the Shopping Center, in addition to any such charges already provided for in this License.

3. **Percentage License Fee.**

(a) "Gross Sales" shall mean the total amount of the actual sales price, whether for cash or credit, of all sales of goods and services made at the Premises, without any exclusions, and including without limitation, all orders, including internet orders, received, placed or filled at the Premises provided, however, that sales tax received shall be excluded. Licensee shall record all sales in accordance with generally accepted accounting practices.

(b) Licensee shall pay Licensors the Percentage Rate of all Licensee's Gross Sales during each month of the Term which are in excess of the applicable Percentage Breakpoint. Within two (2) days after the end of each calendar week during the Term, Licensee shall deliver to Licensors a statement certified by Licensee of Licensee's Gross Sales for said week and within five (5) days after the end of each month of the Term Licensee shall deliver to Licensors a statement certified by Licensee of Licensee's Gross Sales for the month, together with the amount of any Percentage License Fee due for the month. Licensee shall, within five (5) days after the end of the Term, furnish Licensors a statement certified by Licensee of Licensee's Gross Sales for the Term, together with the amount of any additional Percentage License Fee due.

(c) Licensee shall submit Gross Sales statements to the Licensors' Notice Address set forth in the Basic Terms. Licensee shall retain all Gross Sales records for each year for at least three (3) years following the end of the year. Licensee shall make all Gross Sales records, as well as copies of all sales tax reports, available to Licensors upon demand, and shall answer questions Licensors may have regarding such records. If any review of Licensee's Gross Sales records by Licensors shows an underpayment of the Percentage License Fee due Licensors, Licensee shall pay the amount of the deficiency upon demand by Licensors, together with interest from the date the deficient amount was originally due at the Default Interest Rate.

4. **Interest; Late Charges.** If Licensee shall fail to make any payment of Fees to Licensors when due, interest on each such late payment shall accrue at the rate ("Default Interest Rate") of one and one-half percent (1-1/2%) per month, or the highest rate permitted by applicable law, whichever is less, from the date said payment was due, and said interest shall become due and payable on the first day of the month following the month in which said payment was due. In addition to any interest charges due on account thereof, if Licensee shall fail to make any payment of Fees to Licensors when due, Licensee shall pay Licensors a late charge of One Hundred Dollars (\$100.00) with respect to each late payment, which late charge shall become immediately due and payable. If Licensee shall fail to provide any Gross Sales statement as required herein when it is due, Licensee shall pay Licensors a fee of

One Hundred Dollars (\$100.00), which fee shall become immediately due and payable with respect to each such statement not provided. The aforesaid interest, late charges and fees shall not limit Licensor's other rights and remedies provided for herein on account of Licensee's failure to make payment when due or deliver Gross Sales statements when due.

5. **Opening for Business.** Licensee shall complete all of Licensee's required work, and shall open for business at the Premises, properly stocked and adequately staffed, by the Required Opening Date.

6. **Work at Premises.**

(a) Licensee takes the Premises in an "as is", "where is" and "with all faults" condition.

(i) If the Premises is a kiosk location, and if a kiosk structure currently exists at the Premises, Licensee shall take said kiosk in an "as is", "where is" and "with all faults" condition, except that Licensee shall be required to renovate, upgrade and redecorate the kiosk as may be reasonably necessary in order that the kiosk be in first-class condition. If a kiosk structure does not currently exist at the Premises, Licensee at its sole cost and expense shall construct a kiosk at the Premises in accordance with such criteria as Licensor may furnish Licensee. Licensee shall not commence construction of the kiosk until Licensor has consented in writing to Licensee's plans and specifications for the kiosk. Licensee shall perform the construction work for the kiosk only at such times as are approved in advance by Licensor. All such work shall be subject to Licensor's advance written approval.

(ii) If the Premises is an RMU location, and unless Licensor furnishes the RMU, Licensee shall at its cost provide an RMU. The design and appearance of Licensee's RMU shall be subject to Licensor's advance written consent. All such work shall be subject to Licensor's advance written approval.

(iii) If the Premises is an In-line location, Licensee shall perform any work to the Premises necessary to make the Premises suitable for Licensee's operations. All such work shall be subject to Licensor's advance written approval.

(b) Licensee shall not make any alterations to the Premises, or the kiosk or RMU (as the case may be) without Licensor's advance written consent. Licensee shall pay all taxes based on any property of Licensee, real or personal, which shall at any time be in the Premises or any other part of the Shopping Center, including Licensee's installations, additions, improvements, fixtures and personal property. Licensee shall not suffer any mechanic's lien to be filed against the Premises or any other part of the Shopping Center by reason of any work, labor, services, or materials performed at or furnished to the Premises for Licensee or anyone holding the Premises through or under Licensee. If a mechanic's lien shall be so filed, Licensor may remove it at Licensee's expense.

7. **Repair/Utilities/Trash Removal.** Licensee shall at all times keep and maintain the Premises in good order and repair. Licensee shall be responsible for verifying the adequacy of, and for obtaining, electrical service at the Premises and shall pay all bills therefor when due provided, however, if Licensor shall elect to furnish electricity to Licensee, Licensor shall make available to Licensee at the Premises electrical current for use in Licensee's business and Licensee shall pay for said electrical service as billed by Licensor, or as specifically provided in the Basic Terms. Licensor shall not be required to provide telephone or any other utilities to the Premises. In the event waste removal services or trash removal services are separately provided to the Premises by a service provider designated by Licensor, Licensee shall be solely responsible to pay all costs therefor, either directly to such service provider, or as billed by Licensor (or as specifically provided in the Basic Terms).

8. **Signs and Merchandising.** Licensee shall not inscribe, paint or affix any sign, advertisement, display or notice on any part of the Premises, the kiosk or RMU (as the case may be) or the Shopping Center, except as Licensor may approve in advance in writing. Licensor may require Licensee to install a sign pursuant to Licensor's criteria, at Licensee's sole cost and expense. Further, Licensee shall comply with Licensor's criteria, at

Licensee's sole cost and expense, with respect to merchandising of the Premises, including, without limitation, for an inline space, the display in the store and the storefront window and, for an RMU and kiosk, the arrangement and design of merchandise and displays within and on the counters of the RMU or kiosk, and Licensee shall obtain Licensor's advance written consent to all aspects of the merchandising of the Premises. Where Licensor has designated a consultant, Licensee understands that Licensee must use and pay the consultant for all aspects of the consulting process including, without limitation, initial consultation, preparation of plans to send to Licensor, and merchandising/final set-up. The signage for the Premises shown on Exhibit C is approved by Licensor. (If no Exhibit C is attached, then no signage has heretofore been approved by Licensor.) Any change by Licensee to any signage previously approved by Licensor shall require Licensor's advance written consent. Licensor may require Licensee to make changes to the merchandising of the Premises from time to time.

9. **Hours of Operation.** Licensee shall be open for business at the Premises during the entire Term at such hours and on such days and evenings of the week as may be determined by Licensor to be in the interests of the Center as a whole. For any hour Licensee shall fail to be open as required by Licensor, Licensee shall pay Licensor a fee of One Hundred Dollars (\$100.00) per hour, without limitation to any other rights and remedies of Licensor. Licensee shall at all times maintain a fully stocked supply of inventory, and shall otherwise diligently operate its business at the Premises during the Term.

10. **Access to Premises.** Licensor reserves the right to enter upon the Premises at all reasonable hours for the purpose of inspecting the same, or the use thereof by Licensee, or for making emergency repairs. The exercise by Licensor of any of its rights herein shall not be deemed an eviction or disturbance of Licensee's use and possession of the Premises.

11. **Compliance with Law; Approvals.** Whether or not Licensor's consent to any activity is given, Licensee shall comply with all governmental laws, ordinances, orders and regulations pertaining to the Premises or the conduct of Licensee's business thereat promulgated by any governmental agency having jurisdiction with respect thereto (including, without limitation, the Americans with Disabilities Act, and including procurement and maintenance of necessary permits and licenses. Licensee shall submit to Licensor prior to the Commencement Date copies of such permits and licenses required to be obtained by Licensee. Licensee shall notify Licensor immediately if Licensee fails to obtain the required permits and licenses prior to the Commencement Date.

12. **Insurance.** Licensee shall maintain in full force and effect during the Term, commercial general liability insurance with respect to personal injury or death or property damage or destruction occurring at the Premises or arising out of Licensee's use of the Premises or the Shopping Center. Said insurance shall be in an amount of at least Two Million Dollars (\$2,000,000) combined single limit, and shall include workers compensation insurance as required by statute and employer's liability insurance in an amount of at least \$500,000 per occurrence. Licensee shall also maintain insurance insuring the kiosk or RMU (as the case may be) and Licensee's inventory, fixtures and other personal property at the Premises covering damage by fire or other casualty to such property. Said insurance shall be in amounts not less than the full replacement cost of such property. If any contractor of Licensee performs any work at the Premises, said contractor shall also obtain the foregoing insurance. All the policies for the foregoing insurance shall name Licensor, and such other parties as Licensor may designate, as additional insured (including all parties referenced as Additional Insureds in the Basic Terms). Prior to the Commencement Date, Licensee shall furnish Licensor with certificates of insurance evidencing that such insurance is in effect or has been renewed, as the case may be. Licensee hereby waives all subrogation rights of its insurance carriers in favor of Licensor, its partners, officers, employees, and agents, and shall obtain from its insurer a waiver of subrogation in favor of Licensor and such other parties as Licensor designates as additional insured with respect to all such insurance.

13. **Waiver of Claims and Indemnity.** To the extent not prohibited by law, Licensee shall indemnify, defend and save harmless Licensor and its employees, agents, contractors, customers, affiliates, directors, officers and subsidiaries and hold each of them harmless from and against any and all claims, liabilities, loss, cost and expense from and against any and all liability, claims, damages, costs and expense, including without limitation, attorneys' fees, resulting from or in connection with Licensee's use or occupancy of the Premises and any and all Licensee's activities in the Shopping Center, and Licensee waives all claims against Licensor for injury to persons, damage to property or to any other interests of Licensee sustained by Licensee or any person claiming through Licensee resulting from any occurrence in or upon the Premises or the Shopping Center including, without limitation,

any interruption in any utility service or any alleged failure to provide adequate security services. It is understood that all persons and property brought, invited or permitted upon the Premises by Licensee in connection herewith shall be at the sole risk of Licensee, and Licensee shall save Licenser harmless from any and all liability arising from or in connection therewith.

14. **Relocation; Damage; Early Termination.** At any time hereafter, including prior to the Commencement Date, Licenser may relocate the Premises to another space at the Shopping Center (hereinafter referred to as the "new space") and Licensee shall pay the expenses for moving from the current space to the new space. If the Premises are damaged by fire, explosion, or other casualty or occurrence Licenser may by notice to Licensee elect to repair the Premises (in which event Licensee shall promptly reopen for business after completion) or terminate the Term. Licenser may terminate the Term of this Agreement, without cause, upon ten (10) days prior notice to Licensee. If the Term is terminated as set forth herein, Licenser shall not be responsible for payment of any termination or cancellation fees to Licensee.

15. **Removal of Property; Holding Over.** By the end of the Term Licensee shall have removed all of its property from the Premises, and shall leave the Premises in a clean condition and in as good or better condition as when Licensee took possession of the Premises. Any necessary repair or restoration, must be completed prior to the end of the Term. If this Agreement is for a kiosk, Licensee may remove the kiosk only if Licensee itself had installed the same. Licensee shall not remove from the Premises any property that is not personal property, and in no event shall Licensee remove any property that was in the Premises at the time possession was delivered to Licensee, such as existing slat wall, track lights and cases. For each day or part of a day after the end of the Term that Licensee shall have failed to do the foregoing, Licensee shall pay Licenser Five Hundred Dollars (\$500.00). Payment of said sums shall not be in prejudice to any other rights available to Licenser in respect to Licensee's violation of this provision. If Licensee fails to remove its property by the end of the Term, Licensee shall be deemed to have abandoned same and Licenser may dispose of same in such manner as Licenser may determine.

16. **Assignment.** This Agreement is personal to Licensee. Licensee shall not assign, sublicense or in any other manner transfer or encumber this Agreement, and any attempted or purported transfer shall be deemed null and void.

17. **Rules and Regulations.** Licensee shall comply with each of the rules and regulations set forth on Exhibit A attached hereto and made a part hereof. Licensee shall also comply with any additional rules and regulations that Licenser may promulgate and of which Licensee is notified after the date hereof. Licensee shall be fully responsible for the conduct of its personnel and all other persons authorized by Licensee to be on the Premises during the Term (other than Licenser's personnel), including, without limitation, all employees, agents, and contractors, as well as for any damage done to any part of the Premises by any of the foregoing persons. Licenser reserves the right to exclude or eject any and all objectionable persons from the Premises without liability.

18. **Security Deposit.** Licensee shall deposit with Licenser a Security Deposit in the amount set forth in the Basic Terms to secure Licensee's performance of each and every covenant and agreement to be performed by Licensee hereunder. Licenser shall have the right, at its option, to apply all or part of the Security Deposit toward the payment of the amounts required to remedy any default of Licensee in the payment of the License Fee or any other fees or charges payable under this Agreement or in the performance of any other covenant or agreement contained herein, provided, however, the existence of the Security Deposit shall not affect the rights of the Licenser in the event of any such nonpayment or failure to perform, nor shall the same in any way limit Licensee's responsibility therefore, and shall not preclude or extinguish any other right or remedy to which Licenser may be entitled. If Licenser applies all or part of the Security Deposit, Licensee shall, upon notice from Licenser, pay to Licenser an amount sufficient to restore the Security Deposit to the original full amount. Upon termination of this License, Licenser shall reimburse Licensee for the amount of any unused portion of the Security Deposit and in no event shall any interest be due and owing thereon.

19. **Prohibition Against Counterfeit Merchandise.** Licensee shall not be permitted at any time during the Term to display, sell, or make available to anyone in, at, or from the Premises any "Counterfeit Merchandise." As used herein, the term "Counterfeit Merchandise" shall mean merchandise Licensee has no lawful right to sell because it carries a logo or trade name in which another party has a proprietary intellectual property right under law ("Proprietary Right Party"), and which merchandise was not obtained by Licensee from the Proprietary Right Party,

or with the consent of the Proprietary Right Party, or from any other third party with the right to sell such merchandise to the Licensee.

If Licensee displays, sells, or makes available Counterfeit Merchandise to anyone in, at, or from the Premises and Licenser has a reasonable basis for suspecting the merchandise is counterfeit based on reasonable substantiating evidence, Licenser shall have the right to require Licensee to remove the Counterfeit Merchandise within 24 hours after written notice from Licenser. Notwithstanding anything to the contrary contained in this Agreement, if Licensee does not remove such Counterfeit Merchandise within the requisite twenty-four hour period, Licenser, at Licenser's option, shall have the right to remove it from the Premises or terminate the Agreement immediately and if Licensee displays, sells, or makes available Counterfeit Merchandise to anyone in, at or from the Premises for a second time, Licenser shall have the right to terminate the Agreement immediately.

20. Default and Liability of Licenser. If Licenser shall fail to perform any obligation under this Agreement required to be performed by Licenser, Licenser shall not be deemed to be in default hereunder nor subject to claims for damages of any kind, unless such failure shall have continued for a period of thirty (30) days after written notice thereof by Licensee or such additional time as may be required due to force majeure circumstances. If Licenser shall fail to cure within the time permitted for cure herein, Licenser shall be subject to such remedies as may be available to Licensee (subject to the other provisions of this License), provided Licensee shall in no event have the right of self-help to perform repairs or any other obligation of Licenser and, further, Licensee shall have no right to withhold, set-off, or abate Fees, or to terminate this Agreement on account of an alleged default by Licenser. If Licenser is found by a court of law to have failed to perform its obligations in accordance with any of the provisions of this Agreement, any money judgment resulting from such failure shall be satisfied only out of Licenser's interest in the Shopping Center, and Licenser and its directors, employees, agents, members or principals, shall have no personal liability hereunder. Furthermore, none of the foregoing parties shall be subject to levy, attachment, or execution, or otherwise sued to satisfy any such judgment. Licensee hereby waives any right to satisfy a judgment against Licenser except from Licenser's interest in the Shopping Center. The term "Licenser", as used in this paragraph, shall mean only the Licenser or Licensers at the time in question of the fee title or interest in a ground lease of the Premises, and in the event of any transfer of such title or interest, Licenser herein named (and in case of any subsequent transfers, the then grantor) shall be relieved from and after the date of such transfer of all liability with respect to Licenser's obligations thereafter to be performed.

21. Access. Licenser reserves the right to inspect the Premises any time, and to enter same for any reasonable cause, including, without limitation, the making of repairs to the Shopping Center. The exercise by Licenser of any of its rights herein shall not be deemed an eviction or disturbance of Licensee's use and possession of the Premises.

22. Default of Licensee. If (i) Licensee shall fail to pay when due the License Fee, or any additional fees or other charge required to be paid under this Agreement, or (ii) if Licensee shall fail to perform or comply with any other term, condition or covenant on the part of Licensee to be observed herein, then, in any such event, Licensee shall be in breach hereunder and Licenser, at its option, any time thereafter, may terminate this Agreement by notice to Licensee and, upon service of said notice, this Agreement and the Term hereunder shall be terminated and Licensee shall immediately vacate the Premises in accordance with the provisions of this Agreement. If Licensee shall fail to vacate the Premises at the expiration of the Term, whether after Licensee's breach or otherwise, Licenser may re-enter the Premises and remove Licensee and all persons, fixtures and property occupying the Premises and Licenser shall not be liable for any damages resulting therefrom. Upon a breach by Licensee hereunder Licenser shall also have all other rights available to it at law or equity, including injunction, at its option, without further notice or demand of any kind to Licensee. If Licenser shall terminate this Agreement after breach by Licensee, without limitation to any other right or remedy of Licenser, Licensee shall be liable to Licenser, as liquidated damages and not as a penalty, for a sum of money equal to the value of all Fees due hereunder for the remainder of the Term less the fair market value of the Premises for the remainder of the Term, taking into account, without limitation, the period of time it would reasonably take Licenser to find a replacement Licensee satisfactory to Licenser, in Licenser's sole discretion, for the Premises. If Licensee shall fail to comply with and perform any of Licensee's obligations herein contained, Licenser shall have the right, but not the obligation, to perform any such obligations, and Licensee shall pay to Licenser on demand a sum equal to the amount expended by Licenser in the performance of such obligations plus interest at the Default Rate. Notwithstanding anything to the contrary in this Agreement, any default by Licensee or any Affiliate (as hereinafter defined) of Licensee as to

any obligation of Licensee or any of its Affiliates in favor of Licensor or Licensor's Affiliates with respect to any other license, lease, or agreement between Licensor (or an Affiliate of Licensor) and Licensee (or an Affiliate of Licensee) may, at Licensor's sole and exclusive option, constitute a default under this Agreement, and Licensor will have all remedies available at law and in equity. For purposes of the foregoing, "Affiliate" shall be deemed to mean, as applied to a person or entity, any other person or entity directly or indirectly controlling, controlled by, as under common control with, that person or entity.

23. **Costs of Litigation.** If Licensor, or its agents or employees shall without fault on their part be made a party to any litigation arising out of any act or omission of Licensee, Licensee shall pay all costs and expenses, including reasonable attorneys' fees, incurred by said parties on account of said litigation. Licensee shall also reimburse Licensor for all costs and expenses incurred by said parties, including reasonable attorneys' fees, in enforcing the provisions of this Agreement. Any sums due from Licensee to Licensor, not paid when due, shall bear interest at the rate of eighteen percent (18%) per annum, or the highest rate allowed by law, whichever is less ("Default Rate").

24. **Waiver of Jury Trial.** IN THE INTEREST OF OBTAINING A SPEEDIER AND LESS COSTLY HEARING OF ANY DISPUTE, EACH OF LICENSOR AND LICENSEE HEREBY EXPRESSLY WAIVES TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER AND ANY RIGHTS TO A TRIAL BY JURY UNDER ANY STATUTE, RULE OF LAW OR PUBLIC POLICY IN CONNECTION WITH ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATING TO THIS LICENSE, THE PREMISES OR THE SHOPPING CENTER. Although such jury waiver is intended to be self-operative and irrevocable, Licensor and Licensee each further agree, if requested, to confirm such waivers in writing at the time of commencement of any such action, proceeding or counterclaim.

25. **Brokerage Fees.** Licensee shall pay and hold Licensor harmless from any cost, expense or liability (including costs of suit and reasonable attorneys' fees) for any compensation, commission or charges claimed by any realtor, broker or agent with respect to this Agreement and the negotiation thereof, other than a broker with whom Licensor has signed a written agreement relating to this Agreement.

26. **Notices.** Notices and demands required or permitted to be given hereunder shall be in writing given by personal delivery or overnight delivery or be sent by certified mail, return receipt requested, addressed, if to Licensor, at the Licensor notice address set forth in the Basic Terms, or such other address as Licensor may designate by notice to Licensee from time to time, and, if to Licensee, at the address for Licensee set forth in the Basic Terms, or such other address as Licensee may designate by notice to Licensor from time to time. Notices and demands shall be deemed to have been given when mailed or sent by overnight delivery or, if made by personal delivery, then upon such delivery.

27. **Confidentiality.** Licensor and Licensee shall keep this Agreement, and the existence, terms and conditions thereof and of any dispute thereunder, strictly confidential and shall not disclose same to any person or entity other than a Permitted Person on a need to know basis. A "Permitted Person" shall be defined as the officers and directors of Licensor or Licensee, the employees of Licensor or Licensee who are involved in license administration, Licensor or Licensee's respective certified public accountants, lenders and attorneys who have responsibilities related to this Agreement, or any person or entity to whom disclosure is required by applicable judicial or governmental authority, and with respect to Licensor, to its investors and its prospective lenders and investors and to prospective purchasers of the Shopping Center (or any portion thereof) or of interests therein. Prior to disclosing same to any Permitted Person, Licensor or Licensee shall each instruct such Permitted Person to abide by this confidentiality provision.

28. **Miscellaneous.** Licensor reserves the right at any time to install additional kiosks and RMUs at the Shopping Center, change the location or character of or make alterations in or additions to the common areas or other parts of the Shopping Center, and otherwise alter, repair or reconstruct or change the common areas or other parts of the Shopping Center. The failure of Licensor to insist upon performance by Licensee of any of the terms, conditions and covenants hereof shall not be deemed a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained. All obligations (including indemnity obligations) herein shall survive the expiration of this Agreement. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture

between the parties hereto. This Agreement shall be construed in accordance with the laws of the state in which the Shopping Center is located. The submission of this Agreement for examination or execution does not constitute an offer or a reservation or an option for the Premises, and this Agreement shall become effective only upon execution by Licensor and delivery thereof to Licensee. This Agreement contains all of the agreements between the parties hereto in connection herewith, and it may not be modified in any manner other than by an agreement in writing signed by all the parties hereto or their successors in interest. The terms, covenants and conditions contained herein shall inure to the benefit of and be binding upon the parties, and their respective successors and assigns. This Agreement may be executed in counterparts, which when taken together shall constitute one original agreement. Neither party shall record this Agreement.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS IMMEDIATELY BELOW]**

IN WITNESS WHEREOF, the parties have executed this license agreement as of the day and year first above written.

LICENSEE:

City of Salinas, a California Charter
City and Municipal Corporation _____,

a(n) California Government
Agency _____

Signature: _____

Name: _____

Title: _____

Date: _____

LICENSOR:

Northridge Owner, LP _____

a(n) Delaware Limited Partnership _____

By: Starwood Retail Property Management, LLC, a
Delaware Limited Liability Company as Licensor's agent _____

Signature: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A
RULES AND REGULATIONS

1. Condition of Premises and Surrounding Area.

- (a) Licensee shall continually keep and maintain the Premises, as Licensee may have at the Premises, in good order and repair and in a neat, clean and attractive condition. Licensee shall not use, bring upon, or generate at the Premises any substance which is now or hereafter deemed hazardous or toxic by any governing or regulatory body having jurisdiction. No boxes, trash, back-up stock or personal items shall be visible to customers at any time. Licensee shall continually keep the area around the Premises free of any refuse or other items originating from the Premises or arising out of Licensee's activities thereat. Without limitation, Licensee shall not allow any substance on the floor area at or around the Premises which may cause the floor to be slippery or otherwise hazardous to persons walking on the floor. At all times during the Term, Licensee shall promptly repair any damage to the Premises or the surrounding area caused by Licensee or arising out of Licensee's activities. Licensee shall store all trash and garbage at the locations designated by Licensor and shall not burn any trash or garbage in or about the Premises or anywhere else in the Shopping Center. Food and drink are not permitted in the Premises.
- (b) If the Premises is an in-line or storage location, Licensee shall continually keep and maintain the Premises in good order and repair and in a neat, clean and attractive condition. Licensee shall not use, bring upon, or generate at the Premises any substance which is now or hereafter deemed hazardous or toxic by any governing or regulatory body having jurisdiction. At all times during the Term, Licensee shall promptly repair any damage to the Premises caused by Licensee or arising out of Licensee's activities. Licensee shall store all trash and garbage at the locations designated by Licensor and shall not burn any trash or garbage in or about the Premises or anywhere else in the Shopping Center. Except as expressly permitted in the Basic Terms, food and drink are not permitted in the Premises.

2. Transport of Objects. Licensee shall perform all loading and unloading of goods only at such times and in such areas as is designated by Licensor for such purpose. Unless Licensor consents, no items shall be brought to the Premises during Shopping Center operating hours. No item Licensee brings to the Premises shall be dragged across any floor or other surface. Licensee shall hand carry or use carts or dollies to transport items to the Premises and any such cart or dolly shall have rubber wheels that are at least two inches wide.

3. Personal Appearance; Conduct. Licensee and each member and employee of Licensee shall maintain a personal appearance, including attire and grooming, consistent with highest possible standards. Licensee and its members and employees shall conduct all activities in a quality manner and shall not carry on any activity that may be considered offensive or which may injure the reputation of the Shopping Center in any way. No soliciting or badgering of other occupants of the Shopping Center shall be allowed. Licensee shall not stop or detain in any manner Shopping Center patrons as they pass by a display. Licensee shall have someone at the Premises to man Licensee's display at all times during Shopping Center hours.

4. Parking. Licensee and its employees shall park their vehicles only in such portions of the parking lots serving the Shopping Center as Licensor shall designate to Licensee.

5. Approvals. Whenever Licensor's approval is required hereunder, such approval shall not be effective unless granted in writing by an authorized representative of Licensor. Any approval granted shall apply only to the specific matter for which approval was sought. Any such approvals may be granted or withheld in Licensor's sole discretion.

6. **Noises, Odors and other Matters.** If the Premises are in the common areas of the Shopping Center, Licensee shall not permit any music or similar loud noise to be produced at the Premises. In no event shall Licensee permit any noises, odors, or other matters to occur at or about the Premises so as to bother or annoy other occupants of the Shopping Center or members of the public.

7. **Solicitation/Nuisance.** Licensee shall not solicit or leaflet in any manner, nor create a nuisance, at any time at the Shopping Center.

8. **Objects at or around Premises.** Licensee shall obtain Licensor's prior approval with respect to any objects Licensee intends to place on the Premises. Licensee shall not place any items outside the Premises. Licensee shall not place any type of tape on the floor or on any fixture in or around the Premises. No item shall be placed on any fixture at the Shopping Center including, without limitation, on fountains, cans, planters, walks, columns, banisters or railings.

9. **Contact with Floor.** Except where otherwise specifically permitted by Licensor, Licensee shall not permit any item lacking a rubber or soft vinyl base at its point of contact with the floor to be placed upon the floor unless the item is set on a clean, neat vinyl or rubber mat or carpet.

10. **Security.** Licensee shall be responsible for paying for Shopping Center security officers necessary for Licensee's activities, and shall obtain Licensor's advance approval with respect thereto.

11. **Signs.** All signs, brochures and displays Licensee may wish to use at the Premises shall be subject to Licensor's advance written approval and any such signs, brochures and displays shall be of professional design and quality.

12. **Alcoholic Beverages.** If any sales of alcoholic beverages shall occur at the Premises (which is permitted only if specified in the Basic Terms), Licensee shall comply with all laws and governmental requirements, and shall include "dram shop" or liquor insurance coverage (if consumption, but not sales shall occur, only "host liquor liability insurance" is required) in the amount of at least \$2,000,000 per occurrence, with Licensor and its partners and agents named as additional insureds. If Licensee has a caterer and the caterer is not licensed to serve alcohol, Licensee shall obtain a banquet permit or other applicable permit. All necessary liquor permits must be submitted to Licensor in advance, and posted during the Term, as required by applicable law.

13. **Exchanges And Refunds.** If a customer of Licensee requests an exchange or refund of merchandise purchased from Licensee and presents a receipt, Licensee shall be required to exchange or refund such merchandise within thirty (30) days from the purchase date. Licensee shall not limit the return of merchandise only to exchanges or merchant credits, and "exchanges only" or similar signs are not permitted.

EXHIBIT B
PREMISES

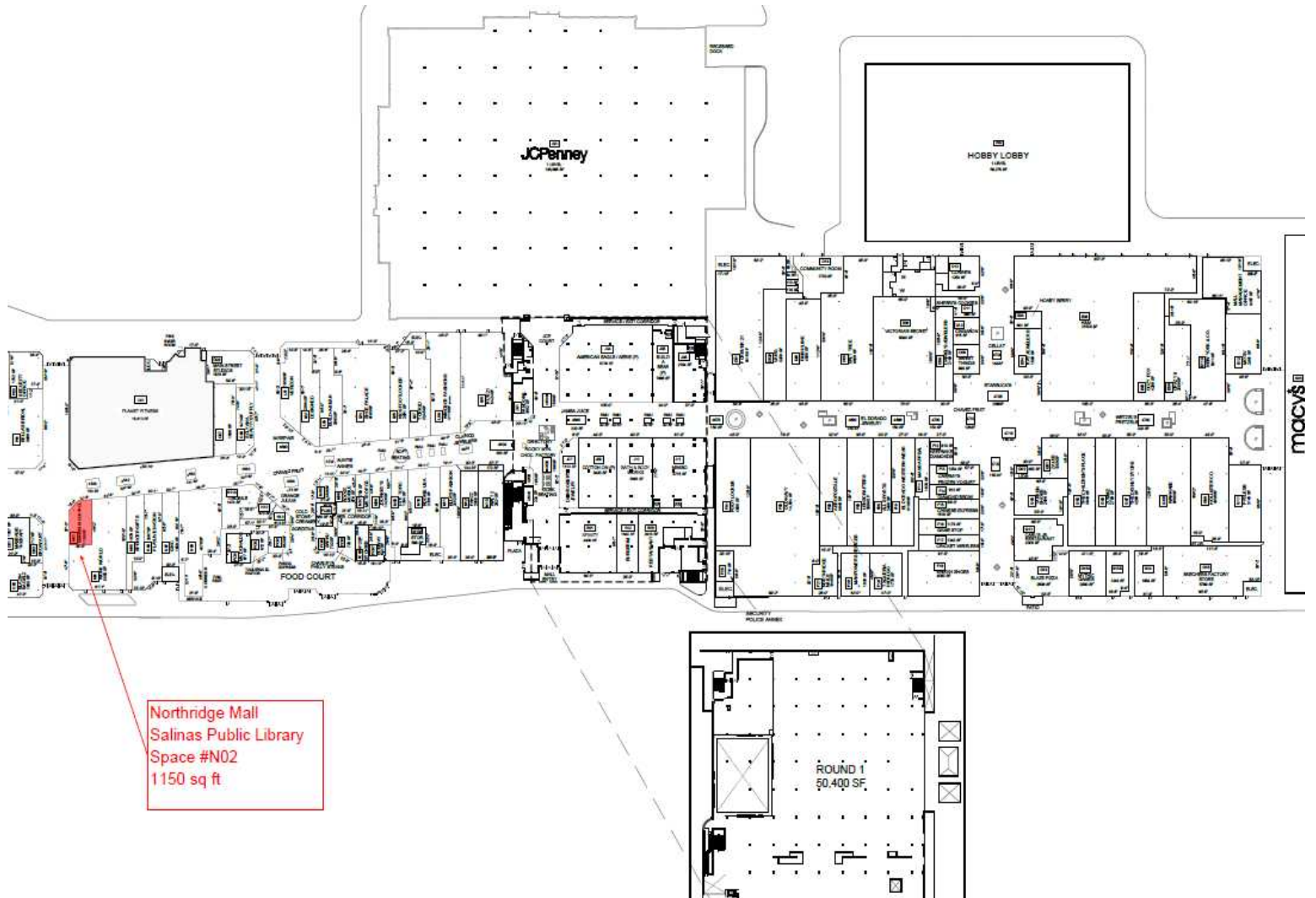


EXHIBIT C

APPROVED SIGNAGE (if applicable)