

Lease Abstract - South Asian Taste



Tenant Asian Inc.
Landlord Skyline Developers

Property Information:

Property Name	Skyline Retail Centre	City	San Diego
Address 1	1234 Skyline Drive	State	CA
Suite	101	ZIP Code	92107
Measurement Type	SF	Country	US
Property Rentable Area	100,000	Currency	USD

Tenant Information:

Lease Status	Active	Rentable Area	3,500
Space Type	Retail	Usable Area	
Recovery Type	Net	Trade Name	South Asian Taste

Notes Lease, Pg 1: Premises contains 3,000 SF retail space and 500 SF outdoor seating area.

Term Information:

Description	Lease Commencement	Rent Commencement	Expiration	Term	Cite
Current Term	12/01/2006	12/01/2006	11/30/2015	108 Months	Pg 1 & 1st Amd., Art.2
Total Lease Term	08/01/2001	08/01/2001	11/30/2015	172 Months	Pg 1

Notes Term shall commence on the earlier of (i) the date TT opens its store in the Premises, or (ii) 08/01/2001.

Rent Schedule:

Current Base Rent:

Begin Date	End Date	Monthly	Annual	SF	PSF/Year	Cite
12/01/2006	11/30/2008	\$5,833.33	\$70,000.00	3,500	\$20.00	Art.14
12/01/2008	11/30/2009	\$6,000.33	\$72,004.00	3,500	\$20.57	Art.14
12/01/2009	11/30/2010	\$6,167.33	\$74,008.00	3,500	\$21.15	Art.14
12/01/2010	11/30/2011	\$6,334.33	\$76,012.00	3,500	\$21.72	Art.14
12/01/2011	11/30/2012	\$6,501.33	\$78,016.00	3,500	\$22.29	Art.14
12/01/2012	11/30/2013	\$6,668.33	\$80,020.00	3,500	\$22.86	Art.14
12/01/2013	11/30/2014	\$6,835.33	\$82,024.00	3,500	\$23.44	Art.14
12/01/2014	11/30/2015	\$7,002.33	\$84,028.00	3,500	\$24.01	Art.14

Notes Art.14:Rent shall be paid in advance on the 5th day of each month.

Expense Recoveries:

CAM:

Begin Date	End Date	Type	Pro-rata share	Base Year	Cap
08/01/2001	11/30/2015	Net	3.50%		5.00%

Notes Art.3.2(a): TT shall pay, its PRS of operating expenses. Controllable operating expenses are capped at 5% per annum.

Real Estate Taxes:					
Begin Date	End Date	Type	Pro-rata share	Base Year	Cap
08/01/2001	11/30/2015	Net	3.50%		
Notes	Art.3.2(a): TT shall pay, its PRS of real estate taxes.				
Insurance:					
Begin Date	End Date	Type	Pro-rata share	Base Year	Cap
08/01/2001	11/30/2015	Net	3.50%		
Notes	Art.3.2(a): TT shall pay its PRS of insurance maintained by LL.				
Percentage Rent:					
Begin Date	End Date	Percentage	Breakpoint		
08/01/2001	11/30/2015	5.00%	See Notes		
Notes	TT shall pay annually 5% of the gross sales over the natural break point.				
Sales Reporting	TT shall deliver LL a statement of each month's sales on or before 20th day of the following month, and by January 31 of each year of the Term an annual statement of the Net Sales made during the preceding year.				
Sales Exclusions	Following shall be exclude from gross sales (a) refunds to customers to the extent that such refunds relate to (i) a prior inclusion of the same transaction or (ii) returns of merchandise purchased from other physical store locations of TT; (b) sales, use, excise, retailer's, occupation or similar taxes imposed in a specific amount, or percentage upon, or determined by, the amount of sales; (c) interest, service, finance or sales carrying charges paid by customers for extension of credit on sales, if not included in the merchandise sale price; (d) returns to shippers and manufacturers; (e) sales not in the ordinary course of TT's business, of machinery or equipment which TT has the right to remove from the Premises; and (f) the value of any exchange or transfer of merchandise between stores of TT if it is made solely for the convenient operation of TT's business and not for the purpose of consummating a sale made in, at, or from the Premises.				
Additional Information:					
Admin / Management Fee	Art.(3)(l): Management fee not exceeding 8% shall be included in operating expenses.				
Tenant Improvement Allowance	Art.6.1: TT took the Premises in "as-is" condition.				
Security Deposit	Pg 1: TT had paid an interest free, refundable security deposit of \$10,833.34 (2 months base rent).				
Options					
Renewal Options:					
Description	First Notice Date	Last Notice Date	Notice Period	Rent/Month	
Option 1 of 1	12/01/2006	11/30/2014	12 Months	See notes	
Notes	Art.35: TT has one option to renew the Lease for an additional term of 5 years (12/01/2015-11/30/2020) by giving 12 months prior written notice. Rent shall be based on then existing Fair Market Rent.				
Termination Options:					
Description	First Notice Date	Last Notice Date	Notice Period	Termination Fee	
Option 1 of 1	12/1/2006	3/1/2014	30 Days	Silent	
Notes	Add., Art.2: If the gross sales do not exceed \$850,000.00 for the calendar year 2013, TT shall have the right to terminate the Lease within 60 days of the end of the calendar year 2013. All obligation and rights of both the parties shall cease 30 days after the date LL receives a termination notice.				
Other Options:					
Right to Relocate	Add., Art. 1: Upon 60 days prior written notice to TT, LL may elect to relocate TT to a mutually acceptable location in the S/C at LL's expense.				
Right of First Offer or Refusal	Add., Art.3: TT shall have right of first offer to lease any space that becomes available in the outdoor seating area. If TT wishes to exercise TT's right of first offer, then within 20 days of delivery of the First Offer Notice to TT, TT shall deliver notice to LL of TT's intention to exercise its right of first offer.				
Right to Purchase	Lease is silent				

Lease Clauses:	
Alterations	Art.6.1: With prior written consent of LL.
Assign/Sublet	Art.14: With prior written consent of LL, unless to an affiliate.
Audit Rights	Art.3.2(b): TT shall have the right to audit LL's books and records related to operating cost within 120 days after the receipt of annual statement, by giving 60 days written notice.
Co-Tenancy	Lease is silent
Estoppel	Art.21.1: TT shall provide an estoppel certificate to LL upon 10 days written notice.
Exclusive Use	Art.5: LL shall not lease any space in the S/C to a tenant whose primary purpose is sale of Asian food products. In case of any breach, TT shall pay, in lieu of base rent, percentage rent and other charges, an alternate rent of 2% of gross sales.
Go Dark	Lease is silent
Governing Law	Art.34: The Lease shall be construed with the laws of State of California.
Guarantor	Lease is silent
Holdover	Art.19.2: MTM tenancy, at the rate of 200% of the then current rent. Either party shall have the right to terminate such tenancy by giving 30 days written notice.
Tenant Insurance	Art.12: TT shall, at its sole cost and expense, maintain the following policies of insurance: (1) Comprehensive general liability insurance, with a comprehensive single limit of liability not less than \$3,000,000.00; (2) Plate glass insurance at full replacement cost; (3) Fire insurance, in an amount not less than 100% of their full insurable value; (4) Workers compensation insurance, with limits of liability not less than the minimum required under applicable law.
Landlord Right of Entry	Art.18: LL shall have the right to enter the Premises at all reasonable times upon reasonable notice (except in case of emergencies) & show the Premises to prospective broker, or tenants.
Late Fee	Art.16: Rent not paid within the due date shall be assessed a late fee of 10% of the overdue amount.
Parking Requirements	Art.36: TT shall have the right to use the parking spaces as timely designated by LL.
Permitted Use	Art.5.1: Restaurant serving Asian and oriental style foods and non-alcoholic beverages. TT's menu may also include such other items as are popular and in demand and served in TT's other South Asian Taste restaurant's
Radius Restriction	Art.21: Two miles
Repair and Maintenance by LL	Art.7 & 37: LL shall maintain and repair the structural portion of the building, the building systems and the public and common areas of the property.
Repair and Maintenance by TT	Art.7 & 37: TT shall at its expenses, repair and maintain the Premises and the approved signage in good condition and repair.
Restoration/ Surrender	Art.6.1: TT shall surrender the premises (along with all keys) in the same condition as received on the commencement date, ordinary wear and tear excepted. TT shall remove all fixtures attached to the Premises and repair any damages resulting there from.
Signage	Art.37 : TT shall not install any sign in or outside the Premises or the building without LL's prior written consent.
Utilities	Art.3.2(a): TT shall pay all charges directly to the utility providing company.
Condemnation	See Art.13 of Lease
Damage/ Destruction	See Art.12 of Lease
Events of Default	See Art.15 of Lease
Hazardous Materials	See Art.5.2 of Lease
Notice	See Art.22 of Lease
Rules and Regulations	See Exh.C of Lease
SNDA	See Art.20.1 of Lease
Miscellaneous	None

Contact Information:

Contact Type	Company Name	Attention	Address
Landlord	Skyline Developers	Property Manager	500 Skyline Street, Suite 475 San Diego, CA 92107
Notes	Art.22		
Tenant	Asian Inc.	Lease Administrator	12345 Park Street San Diego, CA 92107
Notes	Pg 2		

Document Index:

Document Type	Document Name	Dated
Lease	Lease Agreement	08/01/2001
Amendment	First Amendment	11/01/2006

Abstract / Audit Information:

Date Prepared	02/10/2010
Abstracted By	REBO-A1-03
Reviewed By	REBO-Q1-04/REBO-Q2-03

Other Comments/Special Provisions:

1. **Execution:** Lease is not executed by Landlord.
2. **Commencement Date:** Abstract is prepared considering 08/01/2001 as the commencement date.