

**SUBLEASE AGREEMENT**  
**FOR SUITE 570**  
**3750 UNIVERSITY AVENUE, RIVERSIDE, CALIFORNIA**

**I. PARTIES AND LEASE COMMENCEMENT DATE**

This sublease ("Sublease"), is made between Younger & Company, CPAs ("Sublessor") and Garcia & Reed LLP ("Sublessee"). Lease commencement date: January 01, 2017.

**2. MASTER LEASE**

Location: 3750 University Avenue, Riverside CA is referred to hereafter as the "**Building**." Younger & Company, CPAs. Younger & Company, CPAs is a direct lessee of the City of Riverside. The parking structure and all common areas associated with **Building** and parking structure is hereafter referred to as the "**Project**." Sublessee is bound by the this sublease agreement, as well as the master lease agreement executed by Younger & Company, CPAs and the City of Riverside.

**3. PREMISES**

Sublessor hereby leases to Sublessee on the terms and conditions set forth in this Sublease, a portion of 3750 University Avenue, Suite 570 ("**Premises**") as follows:

- A. One Executive Offices
- B. Shared Common Areas

**4. TERM**

4.1 **The Term**. The term of this Sublease shall be for 24 months.

4.2 **Termination**. Sublessee may not terminate this Sublease. In the event Sublessee terminates the lease prior to the end of the lease date, Sublessee will reimburse Sublessor for any unpaid rent payments due at the time of termination and for all subsequent months remaining in the lease.

**5. RENT**

5.1 **Gross Monthly Rent**. Sublessee shall pay to Sublessor **\$1,250 per month** for rent which includes common area charges, operating expenses, taxes, and insurance, without deduction, set off, notice, or demand. This amount represents the monetary portion of rent.

5.2 **Direct Deposit**: Sublessee agrees to make payment of rent using the direct deposit method. Younger & Company, CPAs will provide Sublessee with depositing banking information. Rent payment is due by the 1<sup>st</sup> of each month.

5.3 **Late Fees**: Sublessee will incur a late charge of \$5.00 per day if rent payment is deposited into Sublessor's bank account AFTER the 1<sup>st</sup>. This charge will be assessed daily until deposit has been made.

Sublessor Initials: 

Sublessee initials: 

**6. SECURITY DEPOSIT**

Sublessee has a current security deposit of \$700 which was paid with its initial lease with Sublessor. Sublessee agrees to pay an additional deposit of \$550 to equal \$1,250 (one month's rent payment).

**7. AFTER HOURS OPERATING COSTS**

Sublessee shall pay additional amounts for after hours air conditioning and heat usage allocable to them at the rate in effect under the Master Lease for the Building. The amount allocable will be mutually agreed upon by both Sublessor and Sublessee.

**8. USE OF PREMISES.**

The Premises shall be used and occupied only for general office purposes including, but not limited to, a professional law firm.

**9. SIGNAGE**

At its cost and in compliance with the Master Lease, Sublessee shall have the right to place its name on the main building directory and adjacent to the entry door of the Premises.

**10. ASSIGNMENT AND SUBLETTING**

Sublessee is not permitted to sublet. Sublessee may not assign this Sublease without prior written consent of Sublessor and the City.

**11. TERMS AND CONDITIONS**

Sublessee assumes and agrees to perform the lessee's obligations under the Master Lease during the Term to the extent that such obligations are applicable to the Premises, except that the obligation to pay rent to Lessor under the Master Lease shall be considered performed by Sublessee upon payment of rent to Sublessor in accordance with Section 5 of this Sublease. Sublessee shall not commit or suffer any act or omission that will violate any of the provisions of the Master Lease. Sublessor shall exercise due diligence in attempting to cause Lessor to perform its obligations under the Master Lease for the benefit of Sublease. If the Master Lease terminates, this Sublease shall terminate and the parties shall be relieved of any further liability or obligation under this Sublease; provided however, that if the Master Lease terminates as a result of a default by Sublessor or Sublessee under this Sublease and/or the Master Lease, then the defaulting party shall be liable to the nondefaulting party for the damage suffered as a result of such termination. Notwithstanding the foregoing, if the Master Lease gives Sublessor any right to terminate the Master Lease in the event of the partial or total damage, destruction, or condemnation of the Master Premises or the Building or Project, the exercise of such right by Sublessor shall not constitute a default or breach hereunder.

Sublessor Initials: UY

Sublessee initials: A.C.

12. **INDEMNIFICATION AND EXCULPATION**

12.1 **Sublessee's Indemnification of Sublessor.** Sublessee shall be liable for, and Sublessee indemnifies Sublessor and its members, partners, officers, directors, employees, successors and assigns from and against, any and all claims, damages, judgments, suits, causes of action, losses, liabilities and expenses, including attorneys' fees and court costs (collectively, "Indemnified Claims"), arising or resulting from; (a) any negligent act or negligent omission of Sublessee or any of Sublessee's agents, employees, contractors, subtenants, assignees, licensees or invitees (collectively, "Sublessee Parties"); and (b) the use of the Premises and common areas and conduct of Sublessee's business by Sublessee or any Sublessee Parties, or any other activity, work or thing done, permitted or suffered by Sublessee or any Sublessee Parties, in or about the Premises, the Building or the Project. Notwithstanding the foregoing, Sublessee shall not be responsible for the negligent or willful acts or omissions of invitees outside of the Premises unless such acts or omissions are permitted or suffered with the knowledge of Sublessee or are conducted in connection with the Sublessee's business.

12.2 **Sublessor's Indemnification.** Sublessor shall be liable for, and Indemnifies Sublessee from and against any Indemnified Claims arising or resulting from the gross negligence or willful misconduct of Sublessor, its agents or employees; provided, however, that Sublessor's indemnity shall not apply or extend to any such damage or injury which is covered by any insurance maintained by Sublessee (or would have been covered had Sublessee obtained the insurance as required 13.

13. **SUBLESSEE'S INSURANCE**

13.1 **Types of Insurance.** On or before the Commencement Date, and continuing during the entire Term, Sublessee shall obtain and keep in full force and effect, the following insurance in connection with Sublessee's use or occupancy in the Project:

(a) **Commercial general liability insurance coverage,** insuring Sublessee's activities at or otherwise affecting the Project, including personal injury, bodily injury (including wrongful death), broad form property damage, operations hazard, owner's protective coverage, contractual liability (including Sublessee's indemnification obligations under this Lease, products and completed operations liability, and owned/non-owned auto liability, with initial limits as follows: general aggregate-not less than Two Million Dollars (\$2,000,000.00), and per occurrence-not less than One Million Dollars (\$1,000,000). The limits of liability of such commercial general liability insurance shall be adjusted from time to time in accordance with comparable adjustments, if any, required under the Master Lease.

(b) **Worker's compensation insurance,** in statutory amounts and limits.

Sublessor Initials: 

Sublessee initials: 

**14. DEFAULT**

Any act or omission by Sublessee that would constitute a default under the Master Lease will likewise constitute a default under this Sublease; provided, however, that Sublessee will have all rights to cure any such default as provided under the Master Lease.

**15. ARBITRATION AND ATTORNEYS' FEES**

Sublessor and Sublessee agree to formal arbitration prior to commencing an action in court. Prevailing party will be paid by the other party for the reasonable costs of arbitration, including attorney fees. If Sublessor or Sublessee shall commence an action against the other arising out of or in connection with this Sublease, the prevailing party shall be entitled to recover its costs of suit and reasonable attorney's fees from the other party.

**16. PARKING**

Sublessee is responsible for paying its own parking passes. Sublessor agrees to make available to Sublessee applications for up to 5 parking passes, but no more than the total number permitted under the Master Lease for Suite 570, collectively for both Sublessee and Sublessor combined. Master Lease provides a maximum of 14 parking passes for Suite 570 (4 parking spaces per 1,000 Premises RSF for the sublease term). Sublessee shall contract directly with Parking Concepts for the monthly rental payment of the parking spaces.

**17. NOTICES**

All notices and demands which may or are to be required or permitted to be given by either party on the other hereunder shall be in writing. All notices and demands by either party to the other shall be hand-delivered or sent by certified United States Mail, postage prepaid, at the addresses set forth below:

**To Sublessor:**

Younger & Company, CPAs  
3750 University Avenue, Suite 570  
Riverside, CA 92501  
Attention: Vivian Younger

**To Sublessee:**

Garcia & Reed LLP  
3750 University Avenue, Suite 570  
Riverside, CA 92501  
Attention: Raul Garcia

**18. CONSENT BY LESSOR**

This Sublease shall be of no force or effect unless consented to by Lessor as provided in the Master Lease and cooperate as needed to obtain such consent. If not obtained within 45 days, then either party may terminate this Sublease upon written notice to the other.

**19. HOLDOVER**

Sublessor Initials: 

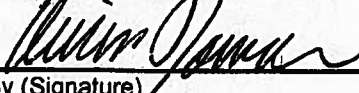
Sublessee initials: 

Sublease Agreement – Suite 570  
Sublessor: Younger & Company, CPAs  
Sublessee: Garcia & Reed LLP  
Page 5 of 5

Any holding over by Sublessee permitted by Sublessor shall be at a rental rate equal to one hundred fifty percent (150%) of that amount of regular rent paid by Sublessee.

**SUBLESSOR:**

YOUNGER & COMPANY, CPAS

  
By (Signature)

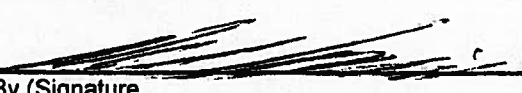
Vivian Younger  
Print Name

Owner / Sublessor  
Title

12/29/16  
Date Signed

**SUBLESSEE:**

GARCIA & REED LLP

  
By (Signature)

Paul B. Garcia  
Print Name

Partner  
Title

12-29-16  
Date Signed

Sublessor Initials: \_\_\_\_\_

Sublessee initials: \_\_\_\_\_