

GUARANTY OF GROUND LEASE

The undersigned _____ (“Guarantor”), as a material inducement to and in consideration of the execution by _____, a _____ (“Lessor”) of that certain Ground Lease (the “Lease”), dated for reference purposes as of _____, 20____, between Lessor _____, a _____ (“Lessee”), relating to certain real property located in the City of _____, County of _____, State of _____, consisting of approximately _____ acres as described more fully in the Lease, hereby agrees as set forth below. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Lease.

Guarantor hereby unconditionally guarantees the performance of, and unconditionally promises to perform, all of the obligations of Lessee under this Lease and any and all extensions, expansions and modifications thereof, including, but not limited to, the obligation to pay Rent thereunder.

In such manner, upon such terms and at such times as Lessor shall deem best, and without notice to or the consent of Guarantor, Lessor may alter, compromise, extend or change the time or manner for the performance of any obligation hereby guaranteed, substitute or add any one or more guarantors, accept additional or substituted security for the performance of any such obligation, or release or subordinate any security therefor, any and all of which may be accomplished without any effect on the obligations of Guarantor hereunder. No exercise or non-exercise by Lessor of any right hereby given, no dealing by Lessor with Lessee, any other guarantor or other person, and no change, impairment or suspension of any right or remedy of Lessor shall in any way affect any of the obligations of Guarantor hereunder or any security furnished by Guarantor or give Guarantor any recourse against Lessor.

Guarantor hereby waives and agrees not to assert or take advantage of the following:

Any right to require Lessor to proceed against Lessee or any other person or to proceed or exhaust any security held by Lessor at any time or to pursue any other remedy in Lessor’s power before proceeding against Guarantor, including the provisions of Sections 2845 and 2850 of the Civil Code of California;

Any defense based on the statute of limitations in any action hereunder or in any action for the performance of any obligation hereby guaranteed; provided, however, that nothing in this Section shall prevent Guarantor from asserting the statute of limitations as a defense to the performance of an obligation of Lessee under this Lease to the extent that Lessee could assert such defense against Lessor;

Any defense that may arise by reason of the incapacity, lack of authority, bankruptcy, death or disability of any other person or persons or the failure of Lessor to file or enforce a claim against the estate (in administration, bankruptcy or any other proceeding) of any other person or persons, including the provisions of Section 2810 of the Civil Code of California;

Any right to receive demands, protests and notices of any kind including, but not limited to, notice of the existence, creation or incurring of any new or additional obligation or of any action or non-action on the part of Lessee, Lessor or any other person;

Any defense based on an election of remedies including, but not limited to, any action by Lessor which shall destroy or otherwise impair any subrogation right of Guarantor or the right of Guarantor to proceed against Lessee for reimbursement, or both;

Any duty on the part of Lessor to disclose to Guarantor any facts Lessor may now or hereafter know about Lessee, regardless of whether Lessor has reason to believe that such facts materially increase the risk beyond that which Guarantor intends to assume or has reason to believe that such facts are unknown to Guarantor or has a reasonable opportunity to communicate such facts to Guarantor, it being understood and agreed that Guarantor is fully responsible for being and keeping informed of the financial condition of Lessee and of all circumstances bearing on the risk of nonperformance of any obligation hereby guaranteed;

Any right to receive notice of or to consent to any amendments that may hereafter be made to this Lease, including the provisions of Section 2819 of the Civil Code of California; and

Any defense based on the fact that Guarantor's obligations hereunder are larger or more burdensome than that of Lessee's under this Lease, including the provisions of Section 2809 of the Civil Code of California.

Until all obligations hereby guaranteed shall have been fully performed, Guarantor shall have no right of subrogation and waives any right to enforce any remedy which Lessor now has or may hereafter have against Lessee and any benefit of, and any right to participate in, any security now or hereafter held by Lessor, including the provisions of Sections 2847, 2848 and 2849 of the Civil Code of California. Guarantor agrees that nothing contained herein shall prevent Lessor from suing on this Lease or from exercising any rights available to Lessor thereunder and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of Guarantor. Guarantor expressly waives any and all benefits under the second sentence of California Civil Code Section 2822(a). In addition, Guarantor agrees that Lessor (and not Lessee) shall have the right to designate the portion of Lessee's obligations under this Lease that is satisfied by a partial payment by Lessee.

All existing and future obligations of Lessee to Guarantor, or any person owned in whole or in part by Guarantor, and the right of Guarantor to cause or permit itself or such person to withdraw any capital invested in Lessee are hereby subordinated to all obligations hereby guaranteed, and, without the prior written consent of Lessor, such obligations to Guarantor shall not be performed, and such capital shall not be withdrawn, in whole or in part, while Lessee is in default under this Lease.

All rights, powers and remedies of Lessor hereunder and under any other agreement now or at any time hereafter in force between Lessor and Guarantor shall be cumulative and not alternative, and such rights, powers and remedies shall be in addition to all rights, powers and remedies given to Lessor at law or in equity. This Guaranty of Ground Lease is in addition to and exclusive of the guarantee of any other guarantor of any obligation of Lessee to Lessor.

The obligations of Guarantor hereunder are independent of the obligations of Lessee under this Lease, and, in the event of any default hereunder or under this Lease, a separate action or actions may be brought and prosecuted against Guarantor, whether or not Lessee is joined therein or a separate action or actions are brought against Lessee. Lessor may maintain successive actions for other defaults. Lessor's rights hereunder shall not be exhausted by its exercise of any of its rights or remedies or by any such action or by any number of successive actions until and unless all obligations hereby guaranteed shall have been fully performed.

Guarantor shall pay to Lessor, without demand, reasonable attorneys' fees and all costs and other expenses which Lessor shall expend or incur in collecting or compromising any obligation hereby guaranteed or in enforcing this Guaranty of Ground Lease against Guarantor, whether or not suit is filed including, but not limited to, attorneys' fees, costs and other expenses incurred by Lessor in connection with any insolvency, bankruptcy, reorganization, arrangement or other similar proceeding involving Guarantor which in any way affects the exercise by Lessor of its rights and remedies hereunder.

Should any one or more provisions of this Guaranty of Ground Lease be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.

This Guaranty of Ground Lease shall inure to the benefit of Lessor and its successors and assigns, and shall bind the heirs, executors, administrators, successors and assigns of Guarantor. This Guaranty of Ground Lease may be assigned by Lessor either independently or concurrently with the transfer of title to Property covered by this Lease, and, when so assigned, Guarantor shall be liable to the assignees without in any manner affecting the liability of Guarantor hereunder.

If, upon the date which is _____ (____) months after the Rent Commencement Date, there is no continuing and uncured Event of Default by Lessee under the Lease, this Guaranty of Ground Lease shall be of no further force or effect. If, however, there is a continuing and uncured Event of Default upon such date, this Guaranty of Ground Lease shall continue until the full performance of all obligations hereby guaranteed.

No provision of this Guaranty of Ground Lease or right of Lessor hereunder can be waived or modified, nor can Guarantor be released from Guarantor's obligations hereunder, except by a writing duly executed by Lessor.

When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural and the masculine shall include the feminine and neuter and vice versa. The word "person" as used herein shall include any individual, company, firm, association, partnership, corporation, trust or other legal entity of any kind whatsoever.

If two (2) or more entities are signing this Guaranty of Ground Lease as Guarantor, then all such entities shall be jointly and severally liable for the obligations of Guarantor hereunder.

This Guaranty of Ground Lease shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of law. In any action brought under or arising out of this Guaranty of Ground Lease, Guarantor hereby consents to the jurisdiction of any competent court within the State of California and hereby consents to service

of process by any means authorized by California law. This Guaranty of Ground Lease shall constitute the entire agreement of Guarantor with respect to the subject matter hereof, and no representation, understanding, promise or condition concerning the subject matter hereof shall be binding upon Lessor unless expressed herein.

Dated: _____, 20____

Guarantor:
