

Guaranty of Lease

THIS GUARANTY OF LEASE ("Guaranty") dated as of _____ is executed by Hills and Homes Property Management ("Guarantor") in favor of Hills and Homes Property Management ("Landlord").

Recitals

- A. Landlord and _____ ("Tenant") have entered into a lease dated as of _____ ("Lease"), whereby Landlord agreed to lease to tenant and Tenant agreed to lease from Landlord the premises located _____ more particularly described in attached Exhibit A and incorporated by referenced ("Premises").
- B. As a condition to entering into the Lease, Landlord has required that Guarantor execute and deliver to Landlord this Guaranty.
- NOW THEREFORE, in consideration of Landlord entering into the Lease of the Premises to Tenant, Guarantor covenants and agrees as follows:

1.1 Guaranty

Guarantor absolutely and unconditionally Guarantees to Landlord the timely payment of all amounts that Tenant may at any time owe under the Lease, or any extensions, renewals, or modifications of the Lease. Guarantor further guarantees to Landlord the full, faithful, and timely performance by Tenant of the Lease, or any extensions, renewals, or modifications for the Lease. If Tenant shall default at any time in the payment of any rent or any other sums, costs, or charges, or in the performance of any covenant or obligation under the Lease, then guarantor, at Guarantor's expense, shall on demand by Landlord fully and promptly pay all rent, sums, costs, and charges to be paid and perform all other covenants and obligations to be performed by Tenant pursuant to the Lease. In addition, Guarantor shall on demand by Landlord pay to Landlord all sums due to Landlord, including, without limitation, all interest on past due obligations of Tenant, costs advanced by Landlord, damages and all expenses (including, without limitation, court costs and reasonable attorney fees) that may arise in consequence of Tenant's default.

2.1 Waivers

Guarantor authorizes Landlord, without notice or demand and without affecting Guarantor's liability under this Guaranty, to:

- (a) consent to any extensions, accelerations, or other changes in the time for any payment provided for in the Lease, or consent to any other alteration of any covenant, term, or

condition of the Lease in any respect, and to consent to any assignment, subletting, or reassignment of the Lease;

- (b) take and hold security for any payment provided for in the Lease or for the performance of any covenant, term, or condition of the Lease, or exchange waive, or release any security; and
- (c) apply this security and direct the order or manner of its sale as Landlord may determine. Notwithstanding any termination, renewal, extension or holding over of the Lease, this Guaranty and obligations on the part of tenant to be performed have been fully and completely performed by Tenant, and Guarantor shall not be released of any obligation or liability under this Lease shall continue until all of the covenants and obligations on the part of Tenant to be performed have been fully and completely performed by Tenant, and Guarantor shall not be released of any obligation or liability under this Guaranty so long as there is any claim against Tenant arising out of the Lease that has not been settled or discharged in full.

3.1 Independent Obligations

The obligations of Guarantor under this Guaranty are independent of, and may exceed, the obligations of Tenant. A separate action may, at Landlord's option, be brought and prosecuted against Guarantor, whether or not any action is first or subsequently brought against Tenant, or whether or not Tenant is joined in any action, and Guarantor may be joined in any action or proceeding commenced by landlord against Tenant arising out of, in connection with or based upon the Lease. Guarantor waives any right to:

- (a) require Landlord to Proceed against Tenant or any other person or entity or pursue any other remedy in Landlord's power;
- (b) complain of delay in the enforcement of Landlord's rights under the Lease; and
- (c) require Landlord to proceed against or exhaust any security held from Tenant or Guarantor. Guarantor waives any defense arising by reason of any disability or other defense of Tenant or by reason of the cessation from any cause of the liability to Tenant. Guarantor waives all demand upon and notices to Tenant and to Guarantor, including, without limitation, demands for performance, notices of nonperformance, notices of non-payment, and notice of acceptance of this Guaranty of Lease.

4.1 Definition of Tenant

For purposes of this Guaranty of Lease and their obligations and liabilities of Guarantor, the term "Tenant" shall be deemed to include any and all concessionaires, licensees, franchisees, department operators, assignees subtenants, or others directly or indirectly leasing or occupying the Premises leased under the Lease or operating or conducting a business in or from these Premises.

5.1 No Reporting Duty

Guarantor assumes full responsibility for keeping fully informed of the financial condition of Tenant and all other circumstances affecting Tenant's ability to perform Tenant's obligations under the Lease, and agrees that Landlord will have no duty to report to Guarantor any information that Landlord receives about Tenant's financial condition or any circumstances bearing on Tenant's ability to perform such obligations.

6.1 Continuing Guaranty

This Guaranty shall remain in full force notwithstanding the appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or any assignment by Tenant for the benefit of creditors, or any action taken or suffered by Tenant under any insolvency, bankruptcy, reorganization, moratorium, or other debtor relief act or statute, whether now existing or later amended or enacted, or the disaffirmance of the Lease in any action or otherwise.

7.1 Joint and Several Obligations

If this Guaranty of Lease is signed, or if the obligations of Tenant are otherwise guaranteed, by or than one party, their obligations shall be joint and several, and the release or limitation of liability of any one or more of the guarantors shall not release or limit the liability of any other guarantors.

8.1 Successors and Assigns

This Guaranty of Lease shall be binding upon Guarantor and Guarantor's heirs, administrators, personal and legal representatives, successors, and assigns, and shall inure to the benefit of Landlord and Landlord's successors and assigns. Landlord may, without notice, assign this Guaranty of Lease, the Lease or the rents and other sums payable under the Lease, in whole or in part.

9.1 Guaranty of Costs and Fees

In addition to the amounts guaranteed, Guarantor agrees to pay reasonable attorney's fees and all other costs and expenses incurred by Landlord in enforcing this Guaranty of Lease or in any action or proceeding arising out of, or relating to, this Guaranty of Lease.

10.1 Governing Law

This Guaranty of Lease shall be deemed to be made under and shall be governed by California law in all respects, including matters of construction, validity, and performance, and the terms and provisions of this Guaranty may not be waived, altered,

modified, or amended except in a writing signed by an authorized officer of Landlord and by Guarantor.

11.1 Severance

If any of the provisions of this Guaranty of Lease shall contravene or be held invalid under the laws of any jurisdiction, this Guaranty of Lease shall be construed as if it did not contain those provisions, and the rights and obligations of the parties shall be construed and enforced accordingly.

12.1 Counterparts

This Guaranty of Lease may be executed in any number of counterparts, each of which shall be a valid and binding original, but all of which together shall constitute one and the same instrument.

Guarantor has executed this Guaranty as of the date first written above.

GUARANTOR:

By: _____

Name: _____

Its: _____