

DOCUMENT PREPARED BY
AND RETURN TO:
Harbor Freight Tools
Legal Department
26677 Agoura Road
Calabasas, California 91302
Attention: Senior Real Estate Paralegal

(Space above for Recorder's Use)

MEMORANDUM OF LEASE

This Memorandum of Lease dated as of the 16th day of June 2023, is made and entered into by and between **HART ESTATE INVESTMENT COMPANY**, a California general partnership, with an address at 711 Grand Avenue, #270, San Rafael, California 94901 ("Landlord/Grantor"), and **HARBOR FREIGHT TOOLS USA, INC.**, a Delaware corporation, with an address at 26677 Agoura Road, Calabasas, California 91302 ("Tenant/Grantee") respecting that certain unrecorded lease between Landlord and Tenant relating to the Premises and Shopping Center (defined below) (the "Lease"). Any capitalized terms not defined herein shall have the meaning assigned thereto in the Lease.

Pursuant to the Lease, Landlord and Tenant hereby acknowledge and affirm that:

1. Landlord has leased to Tenant and Tenant has leased from Landlord those certain Premises containing approximately 26,592 square feet (the "Premises"), located in the shopping center commonly known as Carson Valley Fair Shopping Center, City of Gardnerville, County of Douglas, State of Nevada (the "Shopping Center"). The Shopping Center is legally described on Exhibit "A" attached hereto and incorporated herein by reference, and the Premises is shown on Exhibit "A" attached to the Lease.
2. The term of the Lease is for a period of ten (10) Lease Years (as defined in Paragraph 2 of the Lease), commencing on the Lease Commencement Date as described in the Lease and terminating on the last day of the tenth (10th) full Lease Year, unless sooner terminated or extended pursuant to the terms of the Lease.

3. Tenant has five (5) successive options, each of which entitles Tenant at its election to extend the then current Term for an additional period of five (5) years per Option Term, subject to all of the provisions of the Lease.

4. Tenant has the exclusive right in the Shopping Center to operate as a general tool and tool accessories merchandise retailer; provided, however, that other Shopping Center tenants shall be permitted to sell tools and tool accessories on an incidental basis, so long as any such tenant does not devote more than the lesser of two hundred fifty (250) square feet or ten percent (10%) of such tenant's retail selling space to the sale of tools and tool accessories.

5. Landlord covenants not to make or permit to be made any changes, additions, or alterations to the Common Areas located within the Tenant's Protected Area as depicted on Exhibit "A" to the Lease for any reason (other than as necessary for repairs and replacements required to be performed by Landlord pursuant to this Lease and as necessary to remedy emergency situations as described in Lease Paragraph 11.2) without first obtaining Tenant's written consent. Notwithstanding the foregoing, if Landlord makes modifications to the landscaping in Tenant's Protected Area: (i) as may be required by applicable Laws; or (ii) in the areas of the Shopping Center that are south of the current Round Table, Starbucks, Burger King and AutoZone outparcels, and also south of the southernmost access drive servicing the Shopping Center, and such landscaping modifications obstruct the visibility of the Tenant's storefront or signage, said landscaping modifications shall not be deemed a "Common Area Violation" (as defined in the Lease).

In addition, Landlord covenants not to make or permit to be made any changes, additions, or alterations to the Common Areas located outside of the Tenant's Protected Area to the extent the same would materially affect Tenant's business operations, access to the Premises (including, without limitation, truck access to Tenant's loading area) or the Tenant's Protected Area, or the visibility of the Premises or any of Tenant's signage. The foregoing restrictions shall not apply to the placement of typical and standard sized trash receptacles, small shrubs, planters, benches, and similar non-material design elements to enhance the Common Areas and offer customer convenience, provided that none of the foregoing shall affect access to and from the Premises (both internally and from the surrounding public streets, including truck access to Tenant's loading area) nor materially obstruct visibility of the Premises storefront or Tenant's signage (both within the Shopping Center and from surrounding streets), nor violate or reduce any of Tenant's rights (or increase Tenant's obligations) provided in this Lease. Landlord shall not block, impair, obstruct or impede (and shall prohibit other Shopping Center tenants or occupants from doing so) Tenant's delivery truck access and shall provide unhindered truck circulation route to/from Tenant's loading area.

6. Landlord agrees and covenants to Tenant that, following the Effective Date and for the remainder of the Term, Landlord shall not sell any property within the Shopping Center or enter into any leases or other occupancy agreements (and to the extent Landlord has consent rights, Landlord shall not approve a change of use, sublease or assignment) for any space in the Shopping Center to any tenant, subtenant, assignee or other entity which will have the right to use any such space for any uses listed in Exhibit "E" attached to the Lease or for any of the following uses: (i) a training or education facility (including, but not limited to, a beauty school, barber college, reading room, or other place of instruction catering primarily to students rather than to customers),

or (ii) a car wash, gas station, automobile repair shop, or any business servicing motor vehicles, or (iii) subject to the Gym and Restaurant Exceptions set forth below, a health spa, gym, exercise facility or other similar business, or (iv) subject to the “Gym and Restaurant Exceptions” set forth below, any restaurants (excluding so-called quick-serve restaurants, so long as each is no larger than 2,500 square feet and has no drive-thru facilities, except that drive-thrus may be used in conjunction with the three (3) outparcel buildings (Starbucks, Burger King and AutoZone), provided for clarity that, subject to the Gym and Restaurant Exceptions set forth below, all sit-down restaurants (with table service where orders are taken at the table by waitstaff) and any all-you-can-eat/buffet style restaurants are specifically prohibited, or (v) a place of religious worship, or (vi) a movie theater, or (vii) a grocery store or supermarket, except that the Grocery Outlet premises of 21,000 square feet may be replaced with another grocery user of the same or smaller size, provided that the exterior customer doors do not move any closer to the Premises, or (viii) an entertainment, amusement or recreational facility (e.g., bowling alley, skating rink, arcade, trampoline park, laser-tag, bingo hall, indoor playground, etc.), or (ix) any non-retail use (e.g., offices, medical use, manufacturing, call center, etc.), or (x) any use/operation that requires more than four (4) parking spaces per one thousand (1,000) square feet of rentable space in order to obtain a certificate of occupancy (or other applicable certificate which permits the user to open and operate its business at the applicable location within the Shopping Center). The provisions set forth in Lease Paragraph 14.2 shall run with the land comprising the Shopping Center for the Term of the Lease. Notwithstanding the foregoing, Lease Paragraph 14.2 shall not prohibit a tenant (its successors, assigns and subtenants) under a lease existing on the Effective Date (and any renewals or extensions thereof) from using space occupied by it for any use permitted under such tenant’s lease as of the Effective Date; provided, however, if any such tenant’s lease requires Landlord’s consent before such tenant may change its use and/or expand or relocate its premises in violation of Lease Paragraph 14.2, Landlord agrees to withhold such consent.

“Gym and Restaurant Exclusions” shall mean (i) both the current Pho Vietnamese restaurant (2,700 square feet) and the current Round Table (3,668 square feet) may be replaced, in the same location, by full-service restaurants of the same or smaller size, and (ii) full-service restaurants and gym uses shall be permitted within the AutoZone building and in the 15,000 square foot southern half of the Rite Aid building as depicted on Exhibit “A” to the Lease in blue.


7. Landlord and Tenant further acknowledge and affirm that this Memorandum of Lease is not a complete summary of the Lease. Accordingly, Landlord and Tenant hereby agree that this Memorandum of Lease shall not be used in interpreting the Lease provisions and that, in the event of conflict between this Memorandum of Lease and the Lease, the Lease shall control.


8. This Memorandum of Lease may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same instrument. If any signature is delivered through authenticated electronic signature technology (e.g., DocuSign, Adobe Sign, etc.), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such authenticated electronic signature were an original hand-written signature, including for purposes of validity, enforceability, recording and admissibility of this Memorandum of Lease or any part hereof.

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
SIGNATURES APPEAR ON FOLLOWING PAGES**

LANDLORD:

HART ESTATE INVESTMENT COMPANY,
a California general partnership

By: 
Eric H. Gabrielsen
General Partner

By: 
Victoria Gabrielsen
(a/k/a Eve Victoria Gabrielsen Owen)
General Partner

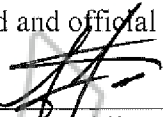
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

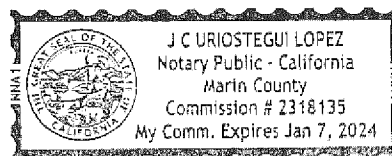
STATE OF california)
) ss.
COUNTY OF marin)

On 06/30/2023, before me, Jc Uriostegui Lopez x Notary Public, personally appeared Victoria Gabrielsen Owen who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of california that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.


Signature of Notary Public



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF Massachusetts
COUNTY OF Nantucket ss.

On July 10, 2023, before me, Sofia Laveaux-Crawford a Notary Public, personally appeared Eric Gabrielsen who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of Massachusetts that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Sofia Laveaux-Crawford
Signature of Notary Public

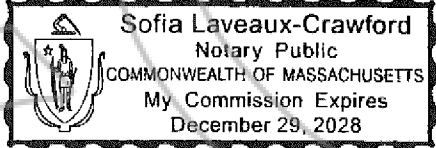


EXHIBIT "A"
LEGAL DESCRIPTION

APN: 1220-04-501-016

THE LAND REFERRED TO HEREIN BELOW IS SITUATED GARDNERVILLE, IN THE COUNTY OF DOUGLAS, STATE OF NEVADA, AND IS DESCRIBED AS FOLLOWS:

All that certain real property situate in the County of Douglas, State of Nevada, described as follows:

All that certain real property being a portion of the Northeast 1/4 of Section 4, Township 12 North, Range 20 East, M.D.B.&M., Douglas County, Nevada, more particularly described as follows:

Commencing at a point on the Easterly right-of-way line of Nevada State Highway 395, said point being the Southwesterly corner of that certain parcel of land shown on that Grant Deed to Thorobred Photo Service, Inc., File No. 29420, Douglas County Records, from which point the Northeast corner of said Section 4, bears North 30°43'28" East, 2,116.56 feet;

Thence along said Easterly right-of-way line, North 51°02'32" West, 166.00 feet to the TRUE POINT OF BEGINNING;

Thence continuing along said Easterly right-of-way line, North 51°02'32" West, 634.00 feet to the Southerly right-of-way line of Waterloo Lane, being a 100 foot right-of-way;

Thence along said Southerly line, North 44°54'36" East, 701.78 feet;

Thence leaving said Southerly right-of-way, South 29°39'15" East, 741.00 feet;

Thence South 60°20'45" West, 196.00 feet;

Thence North 89°39'15" West, 44.24 feet;

Thence South 44°54'36" West, 218.83 feet to the TRUE POINT OF BEGINNING.

Said land is also shown as Parcel 1 on the Record of Survey for Hart Estate Investment Co., according to the map thereof, filed in the office of the County Recorder of Douglas County, State of Nevada, on November 7, 1989, as File No. 214297, Official Records.