

**GROUND LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT  
THIRD PARTY LEASED PROPERTY  
1721 Del Monte Blvd., Seaside California**

THIS LEASE ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2019, by and among P & S Real Estate Co., a California General Partnership ("Assignor"), Cappo Management LIV, LLC ("Assignee") and Transportation Agency for Monterey County ("Lessor").

**RECITALS:**

A. Assignor, as Lessee and Lessor, are parties to those two adjacent certain ground leases, one for 7,800 square feet and once for 12,800 square feet, both dated June 13, 2014 (collectively, the "Lease"). The Lease pertains to real property known as the parking area behind 1721 Del Monte Boulevard, Seaside, California (the "Premises").

B. The Lease was Amended by First Amendment dated July 12, 2017.

C. Assignor's affiliated companies and Assignee are parties to that certain Agreement for Purchase and Sale of Automobile Dealership Assets, dated December 13, 2019 (the "APA"), pursuant to which Assignor and Assignee have agreed to execute and deliver this Agreement. Any undefined capitalized terms used in this Agreement have the meanings ascribed to such terms in the APA.

D. Assignor and Assignee are entering into this Agreement to provide for the assignment of Assignor's rights and the delegation of its duties under the Lease to Assignee, and to provide for Assignee's acceptance of Assignor's rights and assumption of Assignor's duties and liabilities under the Lease. Lessor is entering into this agreement to confirm consent to the assignment from Assignor to Assignee.

NOW, THEREFORE, in consideration of the above recitals, the mutual promises contained in the APA and below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Assignor and Assignee agree as follows:

**AGREEMENT:**

1. Recitals. The above recitals are an integral part of the agreement and understanding of Assignor and Assignee, and are incorporated by reference in this Agreement.

2. Assignment. Assignor hereby grants, conveys, assigns and transfers to Assignee, effective as of the Closing Date (the "Effective Date"), all of Assignor's right, title and interest in and to, and delegates to Assignee all of Assignor's duties, obligations and liabilities in connection with the Lease. If the APA fails to close for any reason, this Agreement shall have no force or effect.

3. Acceptance and Assumption. Assignee hereby accepts the Assignment and assumes and promises to perform all of Assignor's duties, obligations and liabilities under the Lease as of and following the Effective Date.

4. Indemnities. Assignor hereby agrees to indemnify and hold harmless Assignee and its, officers, directors, members, managers, partners, employees, agents, successors and assignees, from and against any and all losses, damages, liabilities, obligations, assessments, suits, actions, proceedings, claims or demands, including costs, expenses and fees (including reasonable attorneys' fees, accountant, paralegal, and expert witness fees) incurred in connection with, suffered by any of them or asserted against any of them, arising out of or based upon any default, liability or obligation under the Lease which occurred or arose before the Effective Date. Assignee hereby agrees to indemnify and hold harmless Assignor and its, officers, directors, members, managers, partners, employees, agents, successors and assignees, from and against any and all losses, damages, liabilities, obligations, assessments, suits, actions, proceedings, claims or demands, including costs, expenses and fees (including reasonable attorneys' fees, accountant, paralegal, and expert witness fees) incurred in connection with, suffered by any of them or asserted against any of them, arising out of or based upon any default, liability or obligation under the Lease which occurs or arises on or after the Effective Date.

5. Assignor Waivers. To the extent applicable, Assignor hereby waives its right to assert any defense to its liability under the Lease based on (a) Lessor's failure to make any demand for performance or to give a notice of nonperformance to Assignor; (b) any defense based upon an election of remedies by Lessor under the Lease, including any election which destroys or impairs any right of subrogation, reimbursement or contribution which Assignor may have; and (c) any rights or benefits in favor of Assignor under Sections 2809, 2810, 2815, 2819, 2839, 2845, 2848, 2849 or 2850 of the California Civil Code, or any amendment to any of the foregoing statutes. If all or any portion of Assignor's obligations under the Lease are paid or performed, Assignor's liability shall continue and remain in full force and effect in the event that all or any part of such payment or performance is subsequently avoided or recovered from Lessor as a preference, fraudulent transfer or otherwise.

6. Consent. Lessor hereby consents to Assignor's assignment of all of Assignor's right, title, and interest in and to the Lease to Assignee, subject to and upon all of the terms and conditions set forth herein. In granting this consent, Lessor does not waive any of Lessor's rights under the Lease. Further, such consent shall not be deemed a waiver by Lessor of its right of consent with respect to any subsequent Lease, sub-lease or assignment by Assignor or Assignee.

7. Lessor's consent is not intended, and shall not be construed (a) to modify or otherwise affect any provisions of the Lease; or (b) as binding or obligating Lessor in any manner whatsoever with respect to any covenants, representations, undertakings or agreements solely between Assignor, Assignor's affiliated companies and Assignee.

8. Release. This Agreement releases Assignor of Assignor's obligations under the Lease including Assignor's obligation to pay rent and to perform all other obligations to be performed by Lessee under the Lease effective upon the Effective Date.

9. Miscellaneous.

a. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Consistent with

the Lease, Assignor has obtained Lessor's written consents to this Agreement in the forms attached hereto.

b. APA. The assignments and assumptions made in this Agreement are made solely to the extent required at the Closing by the APA. This Assignment is expressly made subject to the APA, and any conflict between the terms of this Agreement and the terms of the APA shall be construed in favor of the APA.

c. Attorneys' Fees. If any legal action is brought concerning any matter relating to this Agreement, or by reason of any breach of any covenant, condition or agreement referred to in this Agreement, the prevailing party shall be entitled to have and recover from the other Party to the action all costs and expenses of suit, including attorneys' fees.

d. Amendments. This Agreement may not be altered, waived, amended, or extended except by a written agreement signed by the parties.

e. Governing Law. This Agreement shall be construed under the laws of the State of California, without regard to its principles of conflicts of law.

f. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original, but all of which will together constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or e-copy transmission shall be effective as delivery of a manually executed counterpart thereof.

g. Section Headings. The section headings used in this Agreement are for reference only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement.

DATED as of the date first written above, but effective as of the Effective Date.

**ASSIGNOR:**

P & S Real Estate Co.,  
a California General Partnership

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**ASSIGNEE:**

Cappo Management LIV, LLC,  
a Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**LESSOR:**

Transportation Agency for Monterey County

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Approved as to form:

By: \_\_\_\_\_  
Name: Kathryn Reimann \_\_\_\_\_  
\_\_\_\_\_TAMC Counsel