

**LIBRARY GARDENS APARTMENTS LEASE
GUARANTY OF LEASE
ADDENDUM "B"**

This Guaranty of Lease ("Guaranty") dated as of _____, 2006 is executed by _____, ("Guarantor") in favor of the 2020 Kittredge LLC., a limited liability company ("Owner").

Recitals

A. Owner owns the land, together with the building (collectively the "Building") and other improvements constructed thereon, commonly known as the Library Garden Apartments and located at 2020 Kittredge Street, Berkeley, California (the "Property").

B. Owner and _____ ("Tenant") entered into a lease dated _____, 2006 (the "Lease"), whereby Owner agreed to lease to Tenant and Tenant agreed to lease from Owner the Premises.

C. As a condition to entering into the Lease, Owner has required that Guarantor execute and deliver to Owner this Guaranty.

In consideration of Owner entering into the Lease of the Premises to Tenant, and for good and valuable consideration, the receipt and adequacy of which are acknowledged, Guarantor covenants and agrees as follows:

Section 1 Guaranty. Guarantor absolutely and unconditionally guarantees to Owner 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 Owner the full, faithful, and timely performance by Tenant of the Lease, or any extensions, renewals, or modifications of the Lease. If Tenant shall default at any time in the payment of the Rent, Additional Rent, or any other rent, 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 Owner fully and promptly pay all Rent, Additional Rent, or any other rent, sums, costs, or 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 Owner pay to Owner all sums due to Owner, including, without limitation, all interest on past due obligations of Tenant, costs advanced by Owner, damages, and all expenses (including, without limitation, court costs, attorneys' fees and litigation costs) that may arise in consequence of Tenant's default.

Section 2. Waivers. Guarantor authorizes Owner, 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 Owner may determine. Notwithstanding any termination, renewal, extension or holding over of the Lease, this Guaranty of 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.

Section 3. Independent Obligations. The obligations of Guarantor under this Guaranty are independent of, and may exceed, the obligations of Tenant. A separate action may, at Owner'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 Owner against Tenant arising out of, in connection with, or based upon the Lease. Guarantor waives any right to

(a) require Owner to proceed against Tenant or any other person or entity or pursue any other remedy in Owner's power;

(b) complain of delay in the enforcement of Owner's rights under the Lease; and

(c) require Owner 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 of Tenant. Guarantor waives all demands upon and notices to Tenant and to Guarantor, including, without limitation, demands for performance, notices of nonperformance, notices of non-payment, and notices of acceptance of this Guaranty of Lease.

Section 4. Definition of Tenant. For purposes of this Guaranty of Lease and the obligations and liabilities of Guarantor, the term Tenant shall be deemed to include any and all concessionaires, licensees, franchisees, assignees, subtenants, or others directly or indirectly leasing or occupying the Premises under the Lease or operating or conducting a business in or from the Premises.

Section 5. 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 Owner will have no duty to report to Guarantor any information that Owner receives about Tenant's financial condition or any circumstances bearing on Tenant's ability to perform such obligations.

Section 6. 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 an 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.

Section 7. Joint and Several Obligations. If this Guaranty of Lease is signed, or if the obligations of Tenant are otherwise guaranteed, by more 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.

Section 8. Successors and Assigns. This Guaranty of Lease shall be binding upon Guarantor and Guarantor's administrators, personal and legal representatives and assigns, and shall inure to the benefit of Owner and Owner's successors and assigns. Owner 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.

Section 9. Guaranty of Costs and Fees. In addition to the amounts guaranteed, Guarantor agrees to pay all attorneys' fees and all other costs and expenses incurred by Owner in enforcing this Guaranty of Lease or in any action or proceeding arising out of, or relating to, this Guaranty of Lease.

Section 10. Governing Law. (a) 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 Owner and by Guarantor. (b) Owner and Guarantor shall both be deemed to have drafted this Guaranty of Lease, and the rule of construction that a document is to be construed against the drafting party shall not be employed in the construction or interpretation of this Guaranty of Lease.

Section 11. 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.

Section 12. 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.

Section 13. Authorization; Benefit of Counsel

(a) The undersigned, by their signatures, represent and warrant that they are authorized agents of their respective entities and are authorized to execute this Guaranty of Lease.

(b) Guarantor has obtained the advice of their legal counsel prior to entering into this Guaranty of Lease. Guarantor, and each of them, executes this Guaranty of Lease with full knowledge of its significance and with the express intention of affecting its legal consequences.

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

Guarantor Signature: _____

Guarantor Name: _____