Claim #337 Date Filed: 10/15/2026

UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN **DISTRICT OF TEXAS**
1100 Commerce Street
Room 1254
Dallas, Texas 75242-1496

ADMINISTRATIVE PROOF OF CLAIM

In Re: TRICOLOR HOLDINGS LLC
Debtors.

Chapter Case No. 7

Name of Debtor Against Which Claim is Held: Tricolor California Auto Group LLC

Case No. of Debtor: 25-33487 MVL

This form should be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name and address of Creditor: (and name and address where notices should be sent if different from Creditor)
Arredondo Ventures Inc.
4410 Wible Road
Bakersfield CA 93313

Telephone number: 661.348-2889 Email Address: sarredondo@arredondoventures.com

☒ Check this box to indicate that this claim amends a previously filed claim.

Court Claim Number: 87-1 (If known)

Filed on: June 03, 2026

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FILED
OCT 15 2026
CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

Name and address where payment should be sent (if different from above)

Telephone number: Email Address:

☐ Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.

☐ Check this box if you are the debtor or trustee in this case.

1. BASIS FOR ADMINISTRATIVE CLAIM:
- ☐ Goods sold
- ☐ Services performed
- ☐ Money loaned
- ☐ Personal injury/wrongful death
- ☐ Taxes
- ☒ Other (describe briefly) Post-Petition unpaid real property lease payments

(See instruction #1 on reverse side.)

- ☐ Retiree benefits as defined in 11 U.S.C. § 1114(a)
- ☐ Wages, salaries, and compensation (Fill out below)
  Your social security number _____
  Unpaid compensation for services performed
  from _____ (date) to _____ (date)

2. DATE DEBT WAS INCURRED:

3. IF COURT JUDGMENT, DATE OBTAINED:

4. Last four digits of any number by which creditor identifies debtor: _____

5. TOTAL AMOUNT OF ADMINISTRATIVE CLAIM:
$ 180,066.78

☐ Check this box if claim includes charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.

6. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this Administrative Proof of Claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. *(See definition of "redacted" on reverse side.)*

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain: See attached Lease

FOR COURT USE ONLY

Date: 10-14-26

Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

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LEASE AGREEMENT

LANDLORD

ARRENDONDO VENTURES, INC.
4410 Wible Road
Bakersfield, CA 93313
Attention: Ali Dhain
Email: ali@familymotorsautogroup.com
("Landlord")

TENANT

CARLOTZ GROUP, INC.
611 Bainbridge Street, Suite 100
Richmond, VA 23224
Attention: General Counsel
("Tenant")

PREMISES

The premises (the **"Premises"**) shall mean the approximately 2.19-acre site located at 4608 Rudnick Court, Bakersfield, California and identified by Kern County APN 405-260-24-00-7, together with all buildings and improvements located thereon (the **"Buildings"**) and appurtenances thereto, all as more particularly described on Exhibit A. Landlord hereby grants to Tenant, its customers, guests, invitees, employees, agents and licensees all easements, rights and privileges appurtenant thereto (the **"Easements, Rights and Privileges"**) which shall include the right to use the parking areas, driveways, roads, alleys, means of ingress and egress and other portions of the Premises.

DEMISE

In consideration of the mutual covenants contained herein, Landlord does hereby lease, let and demise to Tenant, and Tenant hereby leases from Landlord, the Premises upon the terms and conditions set forth herein and in the Conditions of Lease, Exhibits and Addenda, if any, attached hereto and made a part hereof (collectively, the **"Lease"**). Landlord also grants to Tenant, its customers, guests, invitees, employees, agents and licensees the Easements, Rights and Privileges.

TERM

The **"Initial Term"** (herein so called) of this Lease shall begin on the Delivery Date (as hereinafter defined), and the Initial Term shall end at 11:59 p.m. on the last day of the fifth (5th) Lease Year (defined below) following the **"Rent Commencement Date"** (herein so called). The Rent Commencement Date shall be the date that is the earlier of (i) one hundred twenty (120) days after the Commencement Date, or (ii) the date Tenant opens for business to the public at the Premises. For purposes of this Lease, a **"Lease Year"** shall be defined as that twelve (12) month period during the Initial Term or any Extension Term (hereinafter defined) commencing on the Rent Commencement Date or the annual anniversary thereof, as may be applicable; provided, however, that if the Rent Commencement Date is a day other than the first day of a calendar month, then the first Lease Year shall include that period of time from the Rent Commencement Date up to the first day of the next calendar month, and any subsequent Lease Year shall be the twelve (12) month period beginning on the first day of such month. The Initial Term and any Extension Terms (hereinafter defined) are sometimes collectively referred to herein as the **"Term"**.

Upon occupancy and possession of the Premises by Tenant, the parties shall execute a Lease Commencement Certificate in substantially the same form as attached hereto as Exhibit B in order to confirm the Commencement Date, the Rent Commencement Date, the expiration date of the Initial Term and the latest date to exercise an option to extend this Lease.

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RENT

Tenant hereby covenants and agrees to pay to Landlord, for the use and occupancy of the Premises, the sums of money ("**Base Rent**") set forth on Exhibit J. Base Rent and all other charges payable by Tenant hereunder (collectively, "**Additional Rent**") are sometimes referred to in this Lease collectively as "**Rent.**"

EXTENSIONS

Tenant shall have the option of extending this Lease for three (3) additional terms (hereinafter, collectively referred to as "**Extension Terms**", or individually as "**Extension Term**") of five (5) years each beginning the day after the last day of the Initial Term or the previous Extension Term, as applicable (the "**Extension Term Commencement Date**") on the same terms and conditions as provided herein, except for Base Rent, which shall be at the rates set forth on Exhibit J. Notice of the exercise of such option shall be delivered by Tenant to Landlord, in writing, not later than ninety (90) days prior to expiration of the Initial Term or the previous Extension Term.

CONDITIONS OF LEASE

ARTICLE 1
RENT; LEASE CONTINGENCY; MEASUREMENT OF SPACE; AND EARLY POSSESSION

Section 1.01 **Rent.** Base Rent shall begin to accrue on the Rent Commencement Date. Notwithstanding the foregoing, if Tenant has not received from Landlord an executed Lease and an executed Lease Commencement Certificate on or before the Rent Commencement Date, Base Rent shall not begin to accrue until Tenant receives the executed Lease and executed Lease Commencement Certificate from Landlord.

Section 1.02 **Lease Contingency.** This Lease is expressly contingent upon Tenant obtaining Tenant's dealer license from the California Department of Motor Vehicles (such license, the "**Approval,**" and such contingency, the "**Approval Contingency**"). If Tenant is unable to secure the Approval within sixty (60) days following the date (the "**Commencement Date**") this Lease is signed by both parties (the end of such 60 days, "**Contingency Deadline**"), then Tenant shall have the option to terminate this Lease, upon providing Landlord with written notice. Landlord shall help Tenant obtain the Approval by signing applications and providing information, including any property reports required by issuing authority. If Tenant does not terminate this Lease for failure of the Approval Contingency on or before the Contingency Deadline, Tenant will be deemed to have waived the Approval Contingency. Tenant will have the right at any time to waive the Approval Contingency by written notice to Landlord. Landlord represents and warrants that (a) the Premises are zoned to allow for Tenant's Use (as hereinafter defined), and (b) no restrictive covenant, lease, easement or other written agreement prohibits, restricts or otherwise affects Tenant's rights set forth therein.

Section 1.03 **Pre-Possession Rights.** Landlord shall allow Tenant to enter the Premises at least twenty (20) days prior to the Commencement Date for the purpose of installing its furniture and equipment. Such entry shall be subject to all of the provisions of this Lease, with the exception that Tenant's obligation to pay Base Rent (and any other charges required in this Lease) shall not accrue until the Rent Commencement Date. In addition, prior to Tenant's occupancy of the Premises, Tenant shall be allowed to store materials and/or merchandise in the Premises so long as it does not unreasonably interfere with Landlord's Work. Tenant shall also be allowed to place a banner above the pre-sale location advertising such pre-sale.

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ARTICLE 2
TAXES, UTILITIES AND INSURANCE

Section 2.01 **Taxes.** Tenant shall pay, as the same become due and payable, all personal property taxes, assessments and charges of any kind whatsoever accruing from and after the Commencement Date and during the Term that may at any time be lawfully assessed or levied against or with respect to Tenant's machinery, equipment or other property constructed, installed or brought in or on the Premises by Tenant, unless the same are being contested in good faith by Tenant, in which event Tenant shall bond or deposit with Landlord an amount equal to said taxes, assessments or charges. In addition, Tenant shall be responsible for all real property taxes and assessments ("**Real Estate Taxes**") that may be levied or assessed against the Premises from and after the Rent Commencement Date by any lawful authority, for each calendar year or portion thereof, during the entire Term of this Lease. Any payments due under this Article shall be made by Tenant on or before the later of thirty (30) days after receipt of written notice thereof from Landlord or resolution of any contest hereunder.

Section 2.02 **Utilities.** As of the Delivery Date, the Premises shall be served by all utilities necessary for the use and operation of the Premises. Tenant shall pay or cause to be paid all charges for water, sewer, gas, electricity, light, heat, power, telephone and other utility services used, rendered or supplied to the Premises, accruing from the Commencement Date of this Lease and during the Term of this Lease thereafter. Landlord shall provide separate meters for water, gas and electrical. For all utilities that need to be transferred to Tenant's name, Landlord shall provide meter numbers for such utilities as shown in Exhibit G, and Landlord represents and warrants the accuracy of the same.

Section 2.03 **Insurance.**

(a) Tenant agrees to carry Commercial General Liability insurance or its equivalent ("**Tenant's Liability Insurance**") on the Premises during the Term hereof naming Landlord as an additional insured, and giving Landlord a minimum of thirty (30) days' written notice by the insurance company prior to cancellation, termination or change in such insurance. Such insurance shall be for limits of not less than One Million Dollars ($1,000,000.00) per occurrence, Two Million Dollars ($2,000,000.00) aggregate, combined Bodily Injury and Property Damage Liability. Tenant will have the right to provide some or all of such insurance coverage through an umbrella policy.

(b) Tenant further agrees to carry "all risk" or "special form" property insurance ("**Tenant's Property Insurance**") covering all perils of direct physical loss or damage (including, without limitation, vandalism and malicious mischief, and sprinkler leakage) for at least eighty percent (80%) of the replacement value of Tenant's Property located on or within the Premises. Tenant shall provide Landlord, upon request, certificates evidencing that Tenant's Property Insurance is in full force and effect. Landlord agrees that it shall not have any right, title or interest in and to Tenant's Property Insurance, or any proceeds therefrom.

(c) Tenant further agrees to maintain during the Term of this Lease "all risk" or "special form" property insurance, or its equivalent (the "**Building Insurance**") covering the Buildings in an amount equal to the full replacement cost thereof (excluding foundations and underground improvements).

(d) Landlord shall maintain during the Term of this Lease commercial general liability insurance policy or its equivalent covering the activities on the Premises of Landlord and its employees, agents, and contractors, with a minimum combined single limit of liability of at least Two Million Dollars ($2,000,000.00) per occurrence and a general aggregate limit of at least Three Million Dollars ($3,000,000.00).

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(e) Landlord and Tenant, and all parties claiming under them, mutually release and discharge each other from all claims and liabilities arising from damage or destruction to property by, any peril covered, or required hereunder to be covered, in whole or in part by insurance on the Premises and the Buildings, and waive any right of subrogation which might otherwise exist in, or accrue to, any person on account thereof.

ARTICLE 3
USE, DELIVERY OF PREMISES, QUIET ENJOYMENT AND ASSIGNMENT AND SUBLETTING

Section 3.01 **Use.** The Premises may be used and occupied for the sales, service, and leasing of cars, trucks, motorcycles, and other vehicles, including, without limitation, sales or leasing, or both, by consignment, along with activities and services related thereto and activities necessary or related thereto ("**Tenant's Use**"), and for any other lawful retail use.

Section 3.02 **Delivery of Premises.**

(a) Landlord shall deliver the Premises in the condition required hereunder to Tenant on or before the date (the "**Scheduled Delivery Date**") that is five (5) days after the earlier of the expiration or the waiver of the Approval Contingency, except as delayed by Tenant and force majeure (the date of such delivery, the "**Delivery Date**"). If the Delivery Date does not occur on or before the date that is fifteen (15) days after the Scheduled Delivery Date, then Tenant's Rent shall abate in an amount equal to one (1) day for every one (1) day of delay. Furthermore, if Landlord does not deliver the Premises to Tenant within sixty (60) days after the Scheduled Delivery Date, except as delayed by Tenant and force majeure, then Tenant shall have the option to terminate this Lease. No Tenant delay will be deemed to have occurred unless and until Landlord provides Tenant with a notice specifying Tenant's actions or inaction which constitutes the Tenant delay and Tenant fails to cure such occurrence or nonoccurrence within five (5) business days of receipt of such notice. Force Majeure, as used herein, means a delay in the performance of or inability to perform an obligation due to the acts of God, public enemy, fire, flood, epidemic, severe adverse weather, quarantine restrictions, strikes, material shortages, governmental moratorium, and delays caused by governmental entities. On or before the Delivery Date, Landlord shall deliver to Tenant (i) evidence reasonably satisfactory to Tenant's title insurance company (the "**Title Company**") of Landlord's existence and good standing, and of the authority of those signing this Lease on behalf of Landlord, (ii) the Title Company's form of owner's affidavit to induce the deletion from Tenant's title policy of any exception for parties in possession and for mechanics' or materialmen's liens not due to the acts of the Tenant, and such other matters as are customarily addressed in owner's affidavits delivered in connection with the sale or lease of commercial property in the jurisdiction in which the Premises are located, and (iii) an SNDA, as defined below, from each holder of a lien on the Premises as of the Delivery Date.

(b) Landlord warrants that upon delivery of the Premises to Tenant, (i) all mechanical and electrical systems and units at the Premises including, but not limited to, the heating, ventilating and air conditioning system (the "**HVAC**"), plumbing, electrical, bathrooms, sprinkler and fire protection systems, wiring, heating units, grill and duct work, and hook up units for telecommunications equipment, if any, and the pylon sign or signs, if any, will be in good working order; (ii) the utilities and the interior and the exterior of the Buildings will meet with all laws, codes, regulations and ordinances in effect at the time the Premises is delivered by Landlord to Tenant, (iii) the Buildings will be in a sound, water tight condition both structurally and mechanically, including the roof, with access to the interior of the Buildings in compliance with the Americans With Disabilities Act of 1990, as amended (the "**ADA**"), (iv) the Premises will be free from asbestos or other Hazardous Conditions (hereinafter defined), (v) any existing auto lifts shall remain on the Premises for Tenant's use, and (vi) the Premises will be free of all tenancies or parties in possession except those established by this Lease. Further, Landlord warrants that

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the sprinkler system shall be in good working order and sufficient for Tenant's Use. If, at any time, the Premises or any utilities do not meet with the warranties listed herein (other than as a result of the failure of any improvements made by Tenant to comply with any applicable laws, codes, regulations and ordinances), then, except for work that is specifically required as a result of the particular type of retail operation being conducted by Tenant, the Premises will be brought up to the proper standards, at Landlord's expense. Landlord shall also be responsible for paying any and all fines or penalties assessed by any governmental authority if the Premises fails to meet codes and regulations of governmental authorities during the Term of this Lease, other than as a result of the failure of any improvements made by Tenant to comply with all laws, codes, regulations and ordinances as required by regulations of governing authorities. Tenant shall be responsible for paying any and all fines or penalties for the failure of any improvements made by Tenant to comply with all laws, codes, regulations and ordinances as required by regulations of governing authorities during the Term of this Lease.

(c) If at any time, the Premises do not comply with the warranties contained in Section 3.02(b), then the Premises will be brought into compliance with such warranties at Landlord's expense (except to the extent such lack of compliance is the direct result of any action or improvement by Tenant). If Landlord fails to prosecute any required repairs or modification diligently and continuously until completion, then Tenant may prosecute such repairs or modifications itself and apply the cost of same against the next Base Rent obligation due hereunder. Landlord shall also be responsible for paying any and all fines or penalties assessed by any governmental authority as a result of or relating to the failure of the Premises to comply with the warranties contained in this Article, other than as a result of the failure of any improvement made by Tenant to comply with all laws, codes, regulations, and ordinances as required by regulations of governing authorities.

Section 3.03 **Covenants of Title and Quiet Enjoyment.** Landlord represents and warrants that (a) Landlord is the fee simple owner and record title holder of the Premises and the Buildings, (b) Landlord has not received any notice, and does not have any knowledge of any eminent domain or similar proceeding which would affect all, or any portion, of the Buildings or the Premises, (c) Landlord has the full right, power and authority to make this Lease, (d) no restrictive covenant, easement, lease or other written agreement restricts, prohibits or otherwise affects Tenant's rights set forth in this Lease, including, without limitation, Tenant's Use, Tenant's Exclusive Right (as hereinafter defined), parking rights, rights to signage, construction, permitted use or ingress and egress to and from the Premises and across the Buildings, and (e) provided Tenant is not then in default of its obligations hereunder beyond any applicable notice and cure periods, that Tenant, or any permitted assignee or subtenant of Tenant, upon the payment of the Base Rent and performance of the covenants hereunder, shall and may peaceably and quietly have, hold and enjoy the Premises and improvements thereon during the Term of this Lease. Additionally, Landlord shall take no action that will interfere with Tenant's intended use of the Premises, parking, signage, ingress or egress to and from the Premises.

Section 3.04 **Assignment and Sublet.** Landlord's consent is required for any assignment, license or concession agreement, or hypothecation, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, Tenant shall have the absolute right to sublet, assign or otherwise transfer its interest in this Lease to a licensee, franchisee or any parent or operating subsidiary of Tenant, or subsidiary of the parent of Tenant, or to a corporation with which Tenant may merge or consolidate, without Landlord's approval, written or otherwise. Tenant shall remain liable in the event of a corporate transfer. In addition, Tenant shall have the absolute right to sublet its interest in this Lease to any entity or person without Landlord's approval, written or otherwise. This Lease shall contain no provision restricting or referring in any manner to a change in control or change in shareholders, directors, management or organization of Tenant, or any subsidiary, affiliate, or associate of the parent of Tenant, or to the issuance, sale, purchase or disposition of the shares of Tenant, or any subsidiary, affiliate or associate of the parent of Tenant.

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Section 3.05 [Intentionally omitted]

Section 3.06 **Sale of Premises**. Landlord covenants and agrees to make the purchaser in any sale of the Premises expressly aware of this Lease and agrees that any sale, transfer, or conveyance of the Premises shall be subject to the leasehold estate created herein. It shall be deemed and construed without further agreement between the parties to this Lease and the purchaser at any such sale, or the transferee or conveyee, as the case may be, that such purchaser, transferee, or conveyee has assumed and agreed to carry out all of Landlord's covenants and obligations under this Lease, and that so long as Tenant shall observe and perform the covenants and agreements binding on it under this Lease, Tenant shall at all times during the time therein granted peacefully and quietly have and enjoy the possession of the Premises without any encumbrance or hindrance by, from or through Landlord or its successors or assigns.

Section 3.07 **Trade Fixtures**. Any trade fixtures, business equipment, inventory, trademarked items, signs, decorative soffit, counters, shelving, showcases, mirrors and other removable personal property installed in or on the Premises by Tenant at its expense (**"Tenant's Property"**) shall remain the property of Tenant. Landlord agrees that Tenant shall have the right, at any time or from time to time, to remove any and all of Tenant's Property. Tenant at its expense shall immediately repair any damage occasioned by the removal of Tenant's Property and, upon expiration or earlier termination of this Lease, shall leave the Premises in a neat and clean condition, free of debris, normal wear and tear excepted.

Section 3.08 **Signage Delivery**. Landlord warrants that upon delivery of the Premises, any pylon signage on the Premises shall be in good working condition. Tenant shall have the right to install all free-standing and building signage on the Premises and the Building deemed by Tenant to be necessary or desirable, subject to Tenant's compliance with all applicable codes, statutes, and ordinances, as more particularly provided in Section 4.03.

ARTICLE 4
CONDITION OF PREMISES, IMPROVEMENTS

Section 4.01 **Repair and Maintenance of Premises**

(a) Landlord covenants and agrees, at its sole cost and expense without reimbursement or contribution by Tenant, to keep in good condition and promptly repair, maintain, inspect, monitor and replace, if necessary, (i) the structural systems including, without limitation, the roof, roof membrane, roof covering (including interior ceiling if damaged by leakage from the roof), load-bearing walls and floor slabs and masonry walls, footings and foundations, (ii) the plumbing system, the electrical system, and the utility lines and connections exterior to the Premises, (iv) the sprinkler mains, and (v) all capital improvements necessary for the operation of the Premises for Tenant's Use. Provided Tenant has performed the maintenance required under Section 4.01(d), Landlord shall be responsible for all replacements of major components (**"Component Replacements"**) of the HVAC system in the Building as they reach the end of the their useful life (a component shall be deemed to have reached the end of its useful life when (A) it cannot be repaired to a condition such that the component will be reasonably reliable, or (B) the cost to repair the component exceeds the value of the component)

(b) In the event the Premises become or are out of repair and not in good condition due to either the failure of Landlord to comply with the terms of this Article or a latent defect, then Landlord shall perform or cause to be performed any and all repairs necessary to restore the Premises to a state of good condition and repair. If such repairs are not completed within thirty (30) days after Landlord has received written notice from Tenant of such state of disrepair or if such repairs cannot reasonably be completed within such thirty (30) day period and Landlord shall fail to commence such

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repairs within thirty (30) days after notice and proceed diligently thereafter, then Tenant may either (i) terminate this Lease immediately upon delivery of written notice to Landlord, if such failure has a material adverse affect on Tenant's ability to conduct its business in the Premises, or (ii) prosecute such repairs itself, and apply the cost of such repairs against the next maturing monthly installment or installments of Base Rent due hereunder.

(c) Tenant shall be responsible for keeping the Premises in a neat and clean condition, keeping Tenant's Property in good condition and repair, and maintaining, repairing, and replacing the interior walls, interior ceiling, individual irrigation sprinklers and pipes, plate glass, the interior plumbing and electrical system and interior utility lines, lights and ballast, and doors of the Premises at Tenant's sole expense.

(d) Throughout the Term of this Lease, Tenant shall procure and keep in force a maintenance agreement with a reputable service company for all HVAC equipment on the Premises, and at Landlord's request, shall provide Landlord with a copy of such maintenance agreement annually. In addition to the cost of the maintenance agreement, Tenant shall pay for all repairs and replacements to the HVAC except Component Replacement, which shall be the responsibility of Landlord as provided in Section 4.01(a). Landlord shall and does hereby assign to Tenant, to the extent that same are assignable, all warranties, if any run to the benefit of Landlord, with respect to the Premises; provided, however, that such assignment shall not include any warranties relating to the portions of the Building or portions of the HVAC maintenance required to be maintained or performed by Landlord as set forth above.

Section 4.02 **Sign Maintenance.** Tenant shall be responsible for routine sign maintenance resulting from ordinary wear and tear to Tenant's own sign cabinet on any existing pylon signs. Such maintenance shall include, without limitation, bulbs, ballast and panel repairs, except when such repairs result from a leaking or otherwise poorly maintained cabinet, in which case the repairs shall be the Landlord's responsibility. Landlord, at its sole expense, shall be responsible for all other pylon sign maintenance issues, including, without limitation, structural and electrical issues. Landlord, at its sole expense, shall be responsible for all sign maintenance other than that resulting from ordinary wear and tear to Tenant's sign cabinet.

Section 4.03 **Improvements.**

(a) Tenant may, at its own expense and without the prior consent of Landlord (provided the cost per occurrence does not exceed the sum of $50,000), make such interior, non-structural alterations, additions and improvements to the Premises as Tenant, in its sole discretion, desires. Any other Tenant improvements shall be approved in writing by Landlord and such approval shall not be unreasonably withheld, conditioned or delayed.

(b) Notwithstanding the foregoing, Tenant may, at its own expense and without the prior consent of Landlord, make such improvements to the Premises as are set forth in Exhibit D. In addition, Landlord acknowledges that Tenant may lease property adjoining the Premises, and if Tenant does so, Tenant will have the right to remove any barriers between the Premises and the adjoining property to permit vehicular and pedestrian access between the two properties.

(c) As an inducement for Tenant to enter into this Lease, Landlord agrees that Tenant shall have the right to install such signage on the interior and exterior of the Premises and promotional banners displayed within the Premises as Tenant shall deem necessary or desirable. Tenant shall be entitled to the maximum signage allowable by municipal or county codes and subject to municipal or county codes (collectively, the "**Sign Ordinance**"), shall have the right to any signage any signage the Tenant deems necessary or desirable. Other than those imposed by the Sign Ordinance, no restrictions as

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to the color or design of such signs shall apply. Unless restricted by law, Tenant shall have the right to cover any window with promotional material provided such material can be easily removed without damage to the window surfaces. Tenant shall have the right to display promotional banners within the Premises. Tenant shall be given the opportunity to use available project signage including available pylon signage, monument signage, and directional signage. On any such pylon sign, Tenant shall be responsible for maintenance resulting from ordinary wear and tear to its own sign cabinet, including, without limitation, bulbs, ballast and panel repairs. All other sign maintenance, including structural and electrical repairs to Tenant's sign cabinet, shall be Landlord's responsibility, at Landlord's expense. Landlord shall remove all signage from prior tenants of the Premises and repair any damage to the interior or exterior, or both, of the Premises caused by such prior tenant's signage or the removal thereof. In the event any freestanding signage is not illuminating fully at the time of Tenant's installation, then Landlord agrees to compensate Tenant for the cost of repairing such signage so that it is fully illuminated. Landlord will fully cooperate with Tenant, at no cost or expense to Landlord, in filing any required applications for permits or variances for Tenant's signage, or with respect to the Premises generally. On or before the Effective Date, Landlord shall execute and deliver to Tenant the letter attached hereto as Exhibit F authorizing Tenant to file any such applications for permits or variances.

Section 4.04 **Destruction of Premises.** In the event of damage or destruction of all or any portion of the Premises which renders the Premises reasonably and economically unsuitable for Tenant's business, as determined by Tenant, Tenant shall have the option to (a) terminate this Lease whereupon the Base Rent shall be apportioned as of the date of such destruction, any prepaid rents or deposits shall be returned, and the parties shall be released of all further duties and obligations hereunder; (b) if this Lease is not so terminated, require Landlord, at its sole expense (but with Tenant making Building Insurance proceeds available), to rebuild, repair or restore the Premises to a condition substantially similar to its condition at the Lease Commencement Date within ninety (90) days of such damage or destruction, and the Base Rent shall be abated during such rebuilding, repair and restoration; or (c) if this Lease is not so terminated and Landlord does not rebuild, repair or restore the Premises pursuant to (b) above, at Tenant's sole expense (using available proceeds of the Building Insurance), rebuild, repair or restore the Premises to a condition substantially similar to its condition at the Lease Commencement Date, and the Base Rent shall be abated during such rebuilding, repair and restoration. Tenant shall notify Landlord in writing within thirty (30) days of the date of such damage or destruction of its election hereunder. Insurance proceeds of policies maintained by Tenant, if any, shall be made available to Landlord for expenditures incurred pursuant to (b) hereunder. Insurance proceeds of policies maintained by Landlord, if any, shall be made available to Tenant for expenditures incurred pursuant to (c) hereunder.

Section 4.05 **Condemnation.** In the event of condemnation or other similar taking or transfer due to governmental order (any of the foregoing, a "**Taking**"), of all or any portion of the Premises which renders the Premises reasonably and economically unsuitable for Tenant's business, as determined by Tenant (a "**Material Taking**"), at Tenant's option, this Lease shall terminate, in which case the Base Rent shall be apportioned as of such date, any prepaid rents or deposits shall be returned, and Landlord and Tenant shall be released of all further duties and obligations hereunder except those provisions which specifically survive the termination or expiration of this Lease. If a Taking occurs that is not a Material Taking, or if Tenant does not elect to terminate this Lease after a Material Taking, this Lease shall continue in full force and effect except that the Base Rent shall be reduced by a percentage which is equivalent to the percentage of the Premises so taken. Landlord shall be entitled to the entire proceeds of any condemnation award; provided, however, that Tenant may pursue a separate claim for the book value less depreciation of improvements placed on the Premises by Tenant at its own expense, as shown on Tenant's most recent federal income tax return or as certified as a book value amount by Tenant, adjusted for subsequent additions and depreciation to the date of such condemnation, plus amounts, to compensate Tenant for expenses special to Tenant. Without limitation, a condemnation or other similar taking or transfer due to governmental order that reduces available parking spaces at the Premises by five percent

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(5%) or more or that eliminates or reduces ingress and egress to and from the Premises from a public right of way shall be a Material Taking, but the decision to terminate the Lease or reduce Base Rent as a result shall be remain at Tenant's option.

ARTICLE 5
DEFAULT AND REMEDIES

Section 5.01 **Events of Default.** If:

(a) Tenant shall default in the due and punctual payment of the monthly Base Rent, insurance premiums, impositions or any other amounts or rents due under this Lease or any part thereof, and such default shall continue for ten (10) days after notice thereof in writing from Landlord to Tenant; or

(b) Tenant shall default in the performance or compliance with any of the other covenants, agreements or conditions contained in this Lease and such default shall not be cured within thirty (30) days after notice thereof in writing from Landlord to Tenant, or if such default cannot reasonably be cured within thirty (30) days, Tenant has not commenced to cure and diligently pursued the same; or

(c) Tenant shall file a petition in voluntary bankruptcy or under Chapter VII or XI of the Federal Bankruptcy Act or any similar law, state or federal, whether now or hereafter existing, or an answer admitting insolvency or inability to pay its debts, or fail to obtain a vacation or stay of involuntary proceedings within ninety (90) days after the involuntary petition is filed; or

(d) Tenant shall be adjudicated a bankrupt or a trustee or receiver shall be appointed for Tenant or for all of its property or the major part thereof in any involuntary proceedings, or any court shall have taken jurisdiction of the property of Tenant or the majority part thereof in any involuntary proceeding for reorganization, dissolution, liquidation or winding up of Tenant, and such trustee or receiver shall not be discharged or such jurisdiction relinquished or vacated or stayed on appeal or otherwise within ninety (90) days; or

(e) Tenant shall make an assignment for the benefit of its creditors;

then and in any such event referred to in clauses (a), (b), (c), (d) or (e) above (each one, an "**Event of Default**") Landlord shall have the remedies with respect to the Premises as set forth below.

Section 5.02 **Landlord's Remedies Upon Default.** Upon the occurrence of an Event of Default by Tenant, then Landlord shall be entitled to the following remedies:

(a) Terminate this Lease by giving written notice of termination to Tenant, in which event Tenant shall immediately surrender the Premises to Landlord. If Tenant fails to so surrender the Premises, then Landlord may, without prejudice to any other remedy it has for possession of the Premises or arrearages in rent or other damages, re-enter and take possession of the Premises and expel or remove Tenant and any other person occupying the Premises or any part thereof, in accordance with applicable law; or

(b) Landlord may re-enter and take possession of the Premises without terminating this Lease in accordance with applicable law, and if Landlord so elects, relet the Premises and apply the rent received to the account of Tenant. Tenant shall pay to Landlord any deficiency between the rent received by Landlord, and the monthly Base Rent payable by Tenant hereunder. In the event Landlord so re-enters and takes possession of the Premises as set forth above, Landlord agrees to use reasonable

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efforts to relet the Premises for a commercially reasonable rate at the time of such reletting. No reletting by Landlord is considered to be for Landlord's own account unless Landlord has notified Tenant in writing that this Lease has been terminated. In addition, no such reletting is to be considered an acceptance of Tenant's surrender of the Premises unless Landlord so notifies Tenant in writing.

Notwithstanding anything to the contrary set forth herein, in no event shall Landlord have the right to accelerate the Rent or sue Tenant for any consequential, punitive or incidental damages (including, without limitation, any claims for lost profits and/or lost business opportunity).

Section 5.03 **Mitigation of Damages.** In the event that a right of action by Landlord against Tenant arises under this Lease, Landlord shall attempt to mitigate damages by using commercially reasonable efforts to seek to relet the Premises.

Section 5.04 **Landlord's Default.** If Landlord fails to perform any of Landlord's obligations under this Lease, which failure continues for more than thirty (30) days after Tenant's delivery of written notice to Landlord specifying such failure, or if such failure is of a nature to require more than thirty (30) days for remedy and continues beyond the time reasonably necessary to cure (and Landlord has not undertaken procedures to cure the failure within such thirty (30) day period and diligently pursued such efforts to completion), Tenant may, in addition to any other remedy available at law or in equity, at its option, (a) upon written notice, terminate this Lease, or (b) incur any expense necessary to perform the obligation of Landlord specified in such notice and deduct such expense from the Base Rent or other charges next becoming due. If Landlord fails to perform any of Landlord's obligations under this Lease and such failure significantly impairs Tenant's ability to operate, which failure continues for more than three (3) days after Tenant's delivery of written notice to Landlord specifying such failure, Tenant may, in addition to any other remedy available at law or in equity, incur any expense necessary to perform the obligation of Landlord specified in such notice and deduct such expense from the Base Rent or other changes next becoming due.

ARTICLE 6
ENVIRONMENTAL

Section 6.01 **Landlord's Disclosures, Representations.** Landlord is not aware of (i) any past or present release of any hazardous substances, hazardous materials, toxic substances or other similar or regulated substances, residues or wastes, pollutants, petroleum products, asbestos, and by-products ("**Hazardous Materials**") at, on, under, or surrounding the Premises, or (ii) any underground storage tanks at or under the Premises (any such Hazardous Materials and underground storage tanks, collectively, a "**Hazardous Condition**," whether one or more). Landlord has not received any warning notices, notice of violations, administrative complaints, judicial complaints or other formal or informal notices from any environmental or governmental agency alleging that the presence of a Hazardous Condition at, on, under, or surrounding the Premises is in violation of, or gives rise to liability under, any applicable federal, state or local laws, statutes, ordinances, regulations or rulings relating to preservation or protection of human health and the environment or relating to the handling, treatment or disposal of Hazardous Materials or underground storage tanks, including, without limitation, related to the release or threatened release of Hazardous Materials ("**Environmental Laws**").

Section 6.02 **Tenant's Environmental Covenants.** Throughout the Term of this Lease, Tenant shall (a) conduct its operations on the Premises in material compliance with Environmental Laws; (b) secure and operate in material compliance with all permits required for its operation under Environmental Laws; (c) notify Landlord of Tenant's discovery of a release of Hazardous Materials at, on, under, or surrounding the Premises; and (d) provide, upon Landlord's request, copies of any written claim

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or notice of violation or alleged violation relating to the environmental condition of the Premises or of Tenant's compliance with Environmental Laws that Tenant receives.

Section 6.03 **Environmental Indemnity**. Landlord agrees to indemnify and hold Tenant harmless from and against any and all liabilities, claims, damages, and expenses whatsoever arising from or incident to (a) the material inaccuracy of Landlord's disclosure or breach of Landlord's representation in Section 6.01 and Section 3.02(b)(iv) of this Lease, and (b) the presence of one or more Hazardous Conditions in and around the Premises which have not been introduced by Tenant. Tenant agrees to indemnify and hold Landlord harmless from and against any and all liabilities, claims, damages, and expenses whatsoever arising from or incident to (x) the breach of Tenant's covenants in Section 6.02 of this Lease, and (y) impairment of the environmental condition of the Premises caused by Tenant's operation on them. With respect to Tenant's obligation under clause (y) of the immediately preceding sentence, Tenant shall not be required to take any corrective action beyond the least stringent necessary consistent with current commercial/industrial uses of the Premises. Landlord shall cooperate in the imposition of any institutional control as may be required by governmental authorities to issue a determination that no further corrective action is necessary. This Section 6.03 shall survive the termination or earlier expiration of this Lease.

ARTICLE 7
MISCELLANEOUS

Section 7.01 **Indemnification**. Subject to Section 2.03(d), each party will indemnify and save harmless the other of and from any and all fines, suits, claims, demands, penalties, losses and actions (including attorneys' fees) for any breach of this Lease or for any death, bodily injury or injury to persons or damage to or loss of property in or about the Premises caused by the negligence, willful misconduct by such party, its agents, employees, business invitees or guests, or arising from such party's use of the Premises.

Section 7.02 **Reasonable Consent**. Any consent or approval of either party required hereunder shall not and may not be unreasonably withheld unless this Lease provides that such consent or approval is within the sole discretion of such party.

Section 7.03 **Access to Premises**. Landlord may, at reasonable and mutually agreeable times, but with at least forty-eight (48) hours advance written notice to Tenant (except in the event of an emergency), enter the Premises to make a walk-through examination and to make any necessary repairs on the Premises. In conducting any such examination or repair, Landlord shall avoid, to the extent reasonably possible, any interference with Tenant's business activities.

Section 7.04 **Brokers**. Jones Lang LaSalle, Inc. (**"Tenant's Broker"**) is the broker for Tenant and Collier's International (**"Landlord's Broker,"** and together with Tenant's Broker, the **"Brokers"**)is the broker for Landlord. Landlord shall pay a commission to the Brokers as per a separate agreement, and Landlord will hold Tenant harmless from any and all claims by the Brokers. Landlord and Tenant each warrant to the other that no other broker or agent has been employed with respect to the Lease and each agrees to indemnify and hold the other harmless from any claims by any other broker or agent claiming compensation in respect of the Lease alleging an agreement by Landlord or Tenant, as the case may be.

Section 7.05 **Relationship of Parties.** The relationship between the parties hereto shall be solely that of landlord and tenant, and neither party shall be deemed the employee, agent, partner or joint venturer of the other.

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Section 7.06 **Separability**. Each and every covenant and agreement herein shall be separate and independent from any other and the breach of any covenant or agreement shall in no way or manner discharge or relieve the performance of any other covenant or agreement.

Section 7.07 **No Waiver**. No delay in exercising or omission of the right to exercise any right or power by either party shall impair any such right or power, or shall be construed as a waiver of any breach or default or as acquiescence thereto. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a continuing or subsequent breach of the same covenant provision or condition. The consent or approval by either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to or approval of any subsequent similar act.

Section 7.08 **Attorneys' Fees**. In the event of any controversy arising under or relating to the interpretation or implementation of this Lease or any breach thereof, the prevailing party shall be entitled to payment for all costs and attorneys' fees (both trial and appellate) incurred in connection therewith.

Section 7.09 **Entire Lease**. This Lease, together with any Exhibits or attachments hereto and other written agreements entered into contemporaneously herewith, constitutes and represents the entire agreement between the parties hereto and supersedes any prior understandings or agreements, written or verbal, between the parties hereto respecting the subject matter herein. This Lease may be amended, supplemented, modified or discharged only upon an agreement in writing executed by all of the parties hereto. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 7.10 **Applicable Law**. This Lease shall be governed by and construed in accordance with the laws of the state in which the Premises is situated.

Section 7.11 **Subordination**. Except as provided below, Landlord represents and warrants to Tenant that the Premises is not subject to the lien of any mortgage or deed of trust as of the date of this Lease. If the Premises is or becomes subject to any lien of a mortgage or deed of trust which has priority over this Lease, then Landlord agrees to obtain a Subordination, Non-Disturbance and Attornment Agreement ("**SNDA**") from its current lender on a form mutually agreeable to Tenant, Landlord, and such lender. With respect to mortgage and deed of trust liens encumbering the Premises as of the date of this Lease, Landlord shall deliver an SNDA with respect to each such lien on or before the Delivery Date. With respect to any subsequent such liens, Landlord shall deliver an SNDA with respect to each such lien to Tenant within sixty (60) days from Tenant becoming aware of such lien, failing which Tenant may terminate this Lease. As long as Tenant shall not be in default in the performance of its obligations under this Lease, neither this Lease nor Tenant's right to remain in exclusive possession of the Premises shall be affected or disturbed by reason of any default under any mortgage or deed of trust affecting the Premises, and, if such mortgage or deed of trust shall be foreclosed or if such mortgagee or trustee shall exercise any of its remedies under such mortgage or deed of trust, this Lease and all of Tenant's rights and obligations hereunder shall survive such foreclosure and continue in full force and effect.

Section 7.12 **Notices**. All notices and other communications under this Lease shall be in writing and shall be deemed to have been given three (3) business days after deposit in the mail, designated as certified mail, return receipt requested, postage-prepaid, or one (1) business day after being entrusted to a reputable commercial overnight delivery service, at its address set forth at the beginning of this Lease. Any party hereto may change the address to which notices shall be directed under this Section by giving ten (10) days written notice of such change to the other parties. In the event of an emergency,

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Landlord can be reached via email at ali@familymotorsautogroup.com. Landlord shall notify Tenant as soon as possible in the event of any change to this contact information.

Section 7.13 **Interpretation.** This Lease shall not be construed more strictly against one party than against the other merely because it may have been prepared by counsel for one of the parties, it being recognized that both parties have contributed substantially and materially to its preparation.

Section 7.14 **Time of the Essence.** Time of performance by either party of each and every term, covenant, condition or provision herein contained is of the essence.

Section 7.15 **Binding Effect.** All of the terms, covenants, conditions and provisions of this Lease, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective administrators, executors, other legal representatives, heirs and permitted assigns.

Section 7.16 **Headings.** The headings contained in this Lease are for convenience of reference only, and shall not limit or otherwise affect in any way the meaning or interpretation of this Lease.

Section 7.17 **Remedies Cumulative.** No right or remedy herein conferred upon any party is intended to be exclusive of any other right or remedy, and each and every such right or remedy shall be cumulative and shall be in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

Section 7.18 **Authority.** If Landlord signs as a corporation, limited liability company, limited liability corporation, limited partnership, professional association, professional service corporation, partnership, trust or any other fictional entity, execution hereof shall constitute a representation and warranty by the person(s) executing this Lease on behalf of Landlord that Landlord has the full right and authority to enter into this Lease and that all persons signing on behalf of Landlord have been duly authorized to do so by appropriate action.

Section 7.19 **Lighting.** Tenant, at Tenant's sole expense, shall have the obligation to replace as necessary all incandescent and LED light bulbs and light fixtures.

Section 7.20 **Telecommunications Equipment.** Tenant shall have the right, at its sole cost, and subject to compliance with all applicable laws, including, but not limited to, zoning variations or changes, as required by all federal, state and/or local codes, to install out of visible eyesight and in the rear portion of the building containing the Premises, such telecommunication equipment Tenant reasonably deems necessary. Said installation(s) shall be at a location or locations and in a manner mutually agreed upon by Landlord and Tenant. Additionally, at the expiration or earlier termination of this Lease, Tenant shall, at its sole cost, remove the telecommunication equipment and repair any damage caused by such removal.

Section 7.21 **Duties After Termination or Expiration.** Upon the expiration or earlier termination of this Lease, Landlord shall return all prepaid and unearned rents and deposits within fifteen (15) days and both parties shall be relieved of all further duties and obligations under this Lease except for such duties and obligations of either party that are to survive the termination of this Lease.

Section 7.22 **Waiver of Landlord's Lien.** Landlord hereby waives any contractual, statutory or other Landlord's lien on Tenant's furniture, fixtures, supplies, equipment, and inventory.

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Section 7.23 **Conduct of Business.** In no event shall Tenant be required to continuously operate in the Premises. Tenant shall have the right to remove the personal property and cease operations in the Premises at any time and at Tenant's sole discretion. Tenant shall make reasonable effort to provide Landlord with prior written notice of its election to cease operations in the Premises; however, the failure to provide such notice shall not be deemed a default hereunder. However, the right to cease to operate its business shall not affect Tenant's obligation to pay all amounts due hereunder, and to perform all covenants and obligations hereunder. Furthermore, in no event shall Tenant be restricted in any way from opening or operating other stores in the area surrounding the Premises or any other area.

Section 7.24 **Owners' Association.** Tenant shall not be required to pay any dues to an Owners' Association or to pay any promotion or advertising fee.

Section 7.25 **Right of First Refusal.** Subject to the limitations and conditions set forth below, if at any time during the Term of this Lease, Landlord shall have received a bona fide offer (which may be in the form of a letter of intent) from a third party prospective buyer which Landlord is willing to accept (the "**Bona Fide Offer**") and which includes all or any portion of the Premises (the "**Refusal Space**"), prior to entering into an agreement to sell the Refusal Space, Landlord shall offer to Tenant the opportunity to purchase the portion of the Refusal Space which is subject to the Bona Fide Offer ("**Tenant's Right of First Refusal**") on the basic economic terms set forth in the Bona Fide Offer (the "**Refusal Offer Notice**"). Tenant may accept the offer set forth in the Refusal Offer Notice by delivering to Landlord an unconditional acceptance ("**Tenant's Refusal Notice**") of such offer within fifteen (15) business days after delivery of the Refusal Offer Notice to Tenant. If Tenant timely delivers Tenant's Refusal Notice, then Landlord and Tenant shall enter into an agreement for the purchase and sale of the Refusal Space which is subject to the Bona Fide Offer on the economic terms described in the Refusal Offer Notice. If Tenant does not accept Landlord's offer within such fifteen (15) business day period, or if Landlord and Tenant have not executed and delivered a mutually satisfactory purchase and sale agreement amendment within thirty (30) business days after Tenant timely accepts Landlord's offer, Tenant's rights with respect to the Premises identified in the Refusal Offer Notice shall lapse and terminate, and Landlord may, at its discretion, sell such Premises for a price equal to not less than the price set forth in Landlord's Refusal Offer Notice; provided, however, if the sale of such Premises does not close within six (6) months after the date of the Refusal Offer Notice, Tenant's Right of First Refusal shall remain in effect.

Section 7.26 **Termination Rights.** Tenant shall have the right to terminate this Lease without penalty for any or no reason if use of the Premises for consignment sales or leasing of any or all of cars, trucks, motorcycles, and other vehicles becomes illegal or not permitted at the Premises by one or more governmental authorities.

Section 7.27 **Confidentiality.** Except as may be required by law, the parties shall not disclose the terms of this Lease to any third party, other than to such party's consultants or advisors who agree to maintain the confidentiality of such information, without the prior written consent of the other party.

Section 7.28 **Memorandum of Lease.** This Lease shall not be recorded. However, Landlord hereby agrees that at the request of Tenant, that it shall execute a memorandum of lease, in recordable form, reasonably satisfactory to Tenant and substantially in the form attached hereto as Exhibit I, wherein a description of the Premises, the Term, and certain other provisions hereof required pursuant to applicable law shall be set forth to give requisite record notice of this Lease and Tenant's rights hereunder.

[SIGNATURES FOLLOW]

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IN WITNESS WHEREOF, the parties have caused this Lease to be executed on their behalf as of the dates set forth below. The last date of execution and delivery of this Lease shall be the "**Effective Date**".

LANDLORD:

ARRENDONDO VENTURES, INC., a California corporation

By: _____

Name: ALI DHAIN

Title: V.P

TENANT:

CARLOTZ GROUP, INC., a Delaware corporation

DocuSigned by:

By: _____
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Michael W. Bor, President

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EXHIBIT A
Property Description

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF BAKERSFIELD, COUNTY OF KERN, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

LOT 2 OF LOT LINE ADJUSTMENT NO. 212, AS PER CERTIFICATE OF COMPLIANCE RECORDED OCTOBER 10, 1986 IN BOOK 5925, PAGE 618, OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

PARCELS 11 AND 12 AND THE SOUTHERLY 15 FEET OF PARCEL 10 OF PARCEL MAP NO. 7145, IN THE CITY OF BAKERSFIELD, COUNTY OF KERN, STATE OF CALIFORNIA, AS PER MAP RECORDED DECEMBER 6, 1984 IN BOOK 31, PAGE 109 OF PARCEL MAPS, AND BY CERTIFICATE OF COMPLIANCE RECORDED MARCH 25, 1986, IN BOOK 5856, PAGE 780, OF OFFICIAL RECORDS.

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EXHIBIT B
Lease Commencement Certificate

Effective Date: April 1, 2021

Premises: 4608 Rudnick Ct. Bakersfield, CA. 93313

Landlord and Tenant hereby certify the following:

1. Tenant accepted possession of the Premises effective _____ [date].

2. The Commencement Date is/was _____ [date] and the Rent Commencement Date shall be _____ [date].

3. Unless earlier terminated as provided in the Lease, the expiration of the Initial Term of the Lease term shall be _____ [date].

4. If the Lease provides an option to extend the Term, the latest date on which the option can be exercised is _____ [date].

The representations made in this Lease Commencement Certificate shall inure to the benefit of, estop or bind, as the case may require, the parties hereto and their respective heirs, successors and assigns.

LANDLORD:

ARRENDONDO VENTURES, INC., a California corporation

By: _____

Name: Ali Dhain

Title: V.P.

Date: 4/1/2021

TENANT:

CARLOTZ GROUP, INC.
a Delaware corporation

By: _____

Name: Michael W. Bor

Title: _____

Date: _____

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Lease Commencement Certificate

Effective Date: April 23, 2021

Premises: **4608 Rudnick Court**
Bakersfield, CA 2022

Landlord and Tenant hereby certify the following:

1. Tenant accepted possession of the Premises effective April 23, 2021.

2. The Delivery Date was April 23, 2021, and the Rent Commencement Date shall be the earlier of (i) August 21, 2021, or (ii) the date Tenant opens for business in the premises.

3. Unless earlier terminated as provided in the Lease, the expiration of the Initial Term of the Lease term shall be April 30, 2026.

4. The latest date on which the first option to extend the term can be exercised is July 21, 2026.

The representations made in this Lease Commencement Certificate shall inure to the benefit of, estop or bind, as the case may require, the parties hereto and their respective heirs, successors and assigns.

LANDLORD:

ARRENDONDO VENTURES, INC., a California corporation

By: _____

Name: ALI DHAIN

Title: V.P.

Date: 4/26/2021

TENANT:

CARLOTZ GROUP, INC.
a Delaware corporation

By: DocuSigned by: _____
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Name: Michael W. Bor
CEO and Chairman of the Board

Date: 4/26/2021 | 5:28 PM EDT

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EXHIBIT C
Description of Landlord's Work

[Reserved]

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EXHIBIT D
Description of Tenant's Work

Tenant shall have the right to make all improvements to the Premises necessary for a typical CarLotz store, including without limitation the installation of Tenant's fixtures, furniture and equipment.

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EXHIBIT E
[Reserved]

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EXHIBIT F
Authority Letter

[To be printed on Landlord's Letterhead]

As the Owner of property at [address], I hereby authorize CarLotz, as tenant and/or lessee of said property, to obtain the proposed signage. I also authorize CARLOTZ and its employees and/or agents to obtain the required and necessary permits, licenses and approvals, which may be required for the installation of said signage, and to proceed with the installation if in accordance with all governing laws, statutes and ordinances.

Sincerely,

ARRENDONDO VENTURES, INC., a California corporation

By: _____
Its: ALI DHAIN

Contact Information:

Name: ALI DHAIN
Address:

4410 Wible Road
Bakersfield, CA 93313

Telephone: (661) 852-1880
Email Address: alic.familymotorcargroup.com

STATE OF California

CITY/COUNTY OF Kern

The foregoing instrument was acknowledged before me in the above-stated jurisdiction this 1 day of April, 2021 by Ali Dhain, in the capacity set forth above.

_____
Notary Public

My commission expires: July 28, 2023
Registration No: 2299186

MONICA GONZALEZ
Notary Public - California
Kern County
Commission # 2299186
My Comm. Expires Jul 28, 2023

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EXHIBIT G
Utility Meter Information

Landlord shall list all utilities that need to be transferred to Tenant's name.

Utility Type	Utility Company Name and Phone Number	Meter Number
Gas	Pacific Gas & Electric (PG&E) 800.468.4743	#10094091O1
Electric	PG&E 800.468.4743	
Water	California Water Company (661) 837.7200	Acct # 4884224722
Sprinkler Service		#3344344531-8

* When calling to set up accounts, make sure to give them address of 4600 Rudnick Ct.

* 4608 Rudnick Ct Doesn't show up on there system.

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EXHIBIT H

[Reserved]

[See attached]

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EXHIBIT I
Form of Memorandum of Lease

THIS MEMORANDUM OF LEASE (the "**Memorandum**") is entered into as of this 1st day of April, 2021, by and between **ARRENDONDO VENTURES, INC.**, California corporation (hereinafter referred to as "**Landlord**"), and **CARLOTZ GROUP, INC.**, a Delaware corporation (hereinafter referred to as "**Tenant**").

Recitals

Landlord and Tenant have entered into a Lease Agreement dated _____ ___, ____ (the "**Lease**") and are filing this Memorandum to provide record notice of the Lease and the terms and conditions contained in the Lease.

Memorandum

1. Premises. The Premises shall mean that certain tract of land containing an approximately _____ (_____) acre site located at 4608 Rudnick Ct. and identified by tax map number _____, together with all buildings and improvements located thereon (the "**Buildings**") and appurtenances thereto, all as more particularly described on Exhibit A attached hereto and by reference incorporated herein and shown on the site plan attached hereto as Exhibit A. Landlord has also granted to Tenant, its customers, guests, invitees, employees, agents and licensees all easements, rights and privileges appurtenant thereto (the "**Easements, Rights and Privileges**") which shall include the right to use the parking areas, driveways, roads, alleys, means of ingress and egress and other portions of the Premises.

2. Term. The "Initial Term" of the Lease shall begin on the date (the "**Commencement Date**") the Lease is executed and delivered by Tenant and Landlord. The Initial Term shall end at 11:59 p.m. on the last day of the fifth (5th) Lease Year (defined in the Lease) following the "**Rent Commencement Date**" (herein so called). The Rent Commencement Date shall be the date that is one hundred twenty (120) from the Commencement Date. The Initial Term and any Extension Terms are the "**Term.**"

3. Extension Term. Tenant has the option of extending the Lease for three (3) additional terms (collectively referred to as "**Extension Terms**", or individually as "**Extension Term**") of five (5) years each beginning the day after the last day of the Initial Term or the previous Extension Term, as applicable (the "**Extension Term Commencement Date**") on the terms and conditions as provided in the Lease.

4. Incorporation of Lease. The provisions of the Lease are incorporated into this Memorandum as if set out in full. In the event of any conflict or inconsistency between the terms of this Memorandum and the terms of the Lease, the terms of the Lease will govern and control for all purposes.

5. Defined Terms. All capitalized terms and words of art which are used but not defined in this Memorandum will have the same respective meaning designated for such terms and words of art in the Lease.

6. Right of First Refusal. Landlord grants Tenant a right of first refusal with respect to the Premises, under the provisions set forth in the Lease.

7. Cancellation of Memorandum. On the request of Landlord following the expiration or termination of the Lease, Tenant will promptly execute and deliver an appropriate release and/or cancellation instrument in recordable form acknowledging the expiration or termination of the Lease and releasing any and all right, title and interest of Tenant in and to the Premises under the Lease.

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8. Counterparts. This Memorandum may be executed in counterparts, each of which shall be deemed an original and all of which when taken together shall constitute one and the same document.

[Add signature blocks and acknowledges for Premises state]

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Lease Commencement Certificate

Effective Date: April 23, 2021

Premises: **4608 Rudnick Court**
Bakersfield, CA 2022

Landlord and Tenant hereby certify the following:

1. Tenant accepted possession of the Premises effective April 23, 2021.

2. The Delivery Date was April 23, 2021, and the Rent Commencement Date shall be the earlier of (i) August 21, 2021, or (ii) the date Tenant opens for business in the premises.

3. Unless earlier terminated as provided in the Lease, the expiration of the Initial Term of the Lease term shall be April 30, 2026.

4. The latest date on which the first option to extend the term can be exercised is July 21, 2026.

The representations made in this Lease Commencement Certificate shall inure to the benefit of, estop or bind, as the case may require, the parties hereto and their respective heirs, successors and assigns.

LANDLORD:

ARRENDONDO VENTURES, INC., a California corporation

By: _____

Name: ALI DHALN

Title: V.P.

Date: 4/26/2021

TENANT:

CARLOTZ GROUP, INC.
a Delaware corporation

By: DocuSigned by: _____
CF9D7F09BB31496...

Name: Michael W. Bor
CEO and Chairman of the Board

Date: 4/26/2021 | 5:28 PM EDT

1.

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EXHIBIT J
Base Rent Schedule

Lease Year	Annual Rent	Monthly Rent
1	$159,000.00	$13,250.00
2	$198,000.00	$16,500.00
3	$198,000.00	$16,500.00
4	$198,000.00	$16,500.00
5	$198,000.00	$16,500.00
6	$217,800.00	$18,150.00
7	$217,800.00	$18,150.00
8	$217,800.00	$18,150.00
9	$217,800.00	$18,150.00
10	$217,800.00	$18,150.00
11	$239,580.00	$19,965.00
12	$239,580.00	$19,965.00
13	$239,580.00	$19,965.00
14	$239,580.00	$19,965.00
15	$239,580.00	$19,965.00
16	$263,538.00	$21,961.50
17	$263,538.00	$21,961.50
18	$263,538.00	$21,961.50
19	$263,538.00	$21,961.50
20	$263,538.00	$21,961.50

Years 6 through 20 are subject to the exercise of extension options as provided in the Lease.

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ASSIGNMENT AND ASSUMPTION OF LEASE AND BILL OF SALE

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AND BILL OF SALE (this "***Assignment***"), dated October 1, 2022, but effective on December 1, 2022 (the "***Effective Date***"), is entered into by and between CarLotz Group, Inc., a Delaware corporation ("***Assignor***"), and Tricolor California Auto Group LLC, a Delaware limited liability company ("***Assignee***").

WHEREAS, Arrendondo Ventures, Inc., a California corporation, as landlord (the "***Landlord***"), and Assignor, as tenant, entered into that certain Lease Agreement dated April 1 2021, (the "***Lease***"), whereby Assignor leased from Landlord that certain premises located 4608 Rudnick Road, Bakersfield, California 93313, as more particularly described in the Lease and which is incorporated herein by reference (the "***Premises***");

WHEREAS, Assignor desires to assign its right, title, and interest as tenant in, to, and under the Lease to Assignee, and Assignee desire to accept such assignment from Assignor and to assume from Assignor all obligations and liabilities of Assignor as tenant under the Lease as of the Effective Date;

WHEREAS, simultaneously with the execution of this Assignment, Landlord, Assignor and Assignee have executed an Amendment to Lease Agreement (the "***Amendment***"), whereby the Lease is amended as set forth therein; and

WHEREAS, in connection therewith and the assignment of the Lease pursuant hereto, Assignor desires to assign and transfer to Assignee all of Assignor's right, title and interest in and to all personal property of Assignor situated on the Premises, including, without limitation, all furniture, fixtures and equipment (collectively, the "***Assigned Property***"), and Assignee desires to accept such assignment.

NOW THEREFORE, in consideration of the foregoing recitals, the covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee agree as follows:

1. **Assignment and Assumption**.

(a) Assignor hereby assigns its right, title and interest as tenant in, to, and under the Lease to Assignee, and Assignee hereby accepts such assignment and hereby assumes and agrees to perform all obligations and liabilities of Assignor as tenant under the Lease to be performed from and after the Effective Date.

(b) Assignor hereby assigns, transfers, and conveys to Assignee, and Assignee hereby accepts from Assignor, all of Assignor's right, title and interest in and to the Assigned Property in an "as is" condition, with no representation or warranty of Assignor as to such condition.

(c) It is expressly understood that Assignor is also referred to as Original Tenant and Assignee is referred to as Tenant outside of thisAssignment.

2. **Consultant**. Each party hereby represents and warrants to the other party that such representing party has not utilized the services of, or for any other reason owes compensation to, a consultant with regard this this transaction, other than John Simmons of JLL, representing Assignor (the "***Consultant***"). The Broker shall be paid a commission by Assignor pursuant to a separate agreement, and Assignor shall hold Assignee harmless for any and all claims by identified by the Broker. Each party agrees to indemnify and hold the other harmless from and against losses, damages, costs, and expenses of any kind, including, but not limited to, reasonable attorneys' fees, arising from compensation claimed inconsistent with the representation set forth by the indemnifying party in this paragraph.

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3. **Indemnification**. Assignor shall indemnify, defend and hold Assignee harmless from any and all liabilities, claims, obligations, losses and expenses, including, without limitation, reasonable attorneys' fees, arising in connection with Lease which are actually incurred and which arise by virtue of Assignor's failure to fulfill Assignor's duties and obligations accruing under the Lease on or prior to the Effective Date. Assignee shall indemnify, defend and hold Assignor harmless from any and all liabilities, claims, obligations losses and expenses, including, without limitation, reasonable attorneys' fees, arising in connection with the Lease which are actually incurred and which arise by virtue of Assignee's failure to fulfill Assignee's duties and obligations accruing under the Lease after the Effective Date.

4. **Successors and Assigns**. This Assignment shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

5. **Pre-Possession Rights.** Assignor and Landlord shall allow Assignee to enter the Premises sixty (60) days prior to the Effective Datefor the purpose of installing signage, furniture and equipment. Such entry shall be subject to all provisions of the Lease, with the exception that Assignee's obligation to pay Base Rent (and any other charges required by this Assignment) shall not accrue until Assignee notified Assignor that it received Approval or the Contingency Deadline has passed without Assignee providing notice of termination to Assignor.

6. **Law**. This Assignment shall be governed by and construed in accordance with the laws of the State of California.

7. **Counterparts**. This Assignment may be executed in one or more counterparts. All such counterparts, when taken together, shall comprise the fully executed Assignment. This Assignment may also be executed by delivery by electronic mail in PDF format of an executed counterpart of this Assignment. The parties hereto agree that the signature of any party transmitted by electronic mail in PDF format with confirmation of transmission shall have binding effect as though such signature were delivered as an original.

[Signatures appear on the following page]

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IN WITNESS WHEREOF, this Assignment has been executed as of the date first above written.

ASSIGNOR:

CARLOTZ GROUP, INC.,
a Delaware corporation

By: lev peker
Name: lev peker
Title: CEO

ASSIGNEE:

TRICOLOR CALIFORNIA AUTO GROUP, LLC
a Delaware limited liability company

By:
Name: Daniel Chu
Title: CEO

ACKNOWLEDGED BY:

LANDLORD:

ARRENDONDO VENTURES, INC.

DocuSigned by:
By:
Name: Sergio Arredondo
Title: President

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AMENDMENT TO LEASE AGREEMENT

THIS AMENDMENT TO LEASE AGREEMENT (this "***Amendment***") is entered into effective as of December 1, 2022 ("***Amendment Effective Date***") by and among Arrendondo Ventures, Inc., a California corporation ("***Landlord***"), CarLotz Group, Inc., a Delaware corporation ("***Original Tenant***"), and Tricolor California Auto Group LLC, a Delaware limited liability company ("***Tenant***").

WHEREAS, Landlord and Original Tenant entered into that certain Lease Agreement dated April 1 2021 (the "***Lease***"), whereby Original Tenant leased from Landlord that certain premises located at 4608 Rudnick Road, Bakersfield, California 93313, together will all improvements situated thereon and all rights and easements appurtenant thereto, all as more particularly set forth in the Lease;

WHEREAS, simultaneously with the execution of this Amendment, Original Tenant shall assign the Lease to Tenant pursuant to an Assumption and Assignment of Lease and Bill of Sale dated as of even date herewith in the form attached hereto as Exhibit A (the "***Assignment***"), and, in connection therewith and as a condition thereto, Tenant has requested that Landlord and Original Tenant enter into an amendment to the Lease; and

WHEREAS, the parties hereto now desire to amend the Lease as more fully set forth in this Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Incorporation of Recitals; Defined Terms**. The foregoing recitals are incorporated into this Amendment by this reference and are deemed restated herein for all relevant purposes. Unless otherwise defined in this Amendment, all defined terms shall have the same meaning as set forth in the Lease.

2. **Consent to Assignment**. Landlord hereby expressly consents to the assignment of the Lease by Original Tenant to Tenant pursuant to the Assignment.

3. **Early Access Period**. Prior to the Amendment Effective Date, Tenant shall have access to the Premises, but shall not be entitled to conduct business. Prior to any entry upon the Premises by Tenant or any of Tenant's representatives, agents, consultants, and contractors (collectively, the "***Consultants***"), Tenant shall provide Landlord with proof of insurance evidencing that Tenant and any Consultant conducting the due diligence are insured for commercial general liability insurance, with limits as to each insured required under the Lease, which insurance shall name Landlord as an additional insured. Tenant shall defend, indemnify, and hold harmless Original Tenant, Landlord and Landlord's direct and indirect owners, managers, directors, officers, members, partners, employees, representatives, lenders, affiliates, successors and assigns (each a "***Landlord Party***") from and against all losses, costs, damages, claims, and liabilities (whether arising out of injury or death to persons or damage to the Premises or otherwise) including, but not limited to, costs of remediation, restoration and other similar activities, mechanic's and materialmen's liens and reasonable attorneys' fees, resulting from Tenant's actions in connection with the due diligence or the entry by Tenant or any Consultants upon the Premises, except to the extent of any pre-existing condition on the Premises or liabilities caused by the gross negligence or willful misconduct of Landlord, Original Tenant, any Landlord Party, or any owners, managers, directors, officers, members, partners, employees, representatives, lenders, affiliates, successors and assigns of Original Tenant on the Premises. The indemnification provisions of this Section 3 shall survive any termination of this Amendment.

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4. **Miscellaneous**.

(a) Except as expressly amended pursuant to the terms of this Amendment, the Lease shall remain in full force and effect in accordance with its original terms, and Landlord and Tenant hereby ratify the Lease as amended pursuant to this Amendment, each hereby expressly retaining all of its rights and remedies thereunder, as amended hereby.

(b) In the event that any of the provisions of this Amendment conflict with the provisions of the Lease, the provisions of this Amendment shall govern and control.

(c) To facilitate execution, this Amendment may be executed in as many counterparts as may be required; and it shall not be necessary that the signature of each party, or that the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of each party, or that the signatures of the persons required to bind any party, appear on one or more of such counterparts. All counterparts shall collectively constitute a single agreement. Execution and delivery of this Amendment by facsimile or by PDF copy by electronic mail shall be sufficient for all purposes and shall be binding on any person or entity who so executes.

[*Remainder of page left blank; signature page follows*]

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the Amendment Effective Date.

LANDLORD:

ARRENDONDO VENTURES, INC.
a California corporation

By: DocuSigned by: [signature]
Name: Sergio Arredondo
Title: President

ORIGINAL TENANT:

CARLOTZ GROUP, INC.,
a Delaware corporation

By: lev peker
Name: lev peker
Title: CEO

TENANT:

TRICOLOR CALIFORNIA AUTO GROUP, LLC
a Delaware limited liability company

By: [signature]
Name: Daniel Chu
Title: CEO

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EXHIBIT A

ASSIGNMENT AND ASSUMPTION OF LEASE AND BILL OF SALE

(See Attached)