



Fwd: Permit documents for 1210 Olive Street, Ramona

1 message

Amy Sherlock <amyjoshlock@gmail.com>

Sent from my iPad

Begin forwarded message:

From: "Public Records@Cannabis" <publicrecords@cannabis.ca.gov>
Date: August 15, 2022 at 4:55:13 PM CDT
To: Amy Sherlock <amyjoshlock@gmail.com>
Subject: RE: Permit documents for 1210 Olive Street, Ramona

Greetings Amy,

Thank you for the additional information. To clarify, conditional use permits (CUPs) are issued to a business by a local jurisdiction, which can be a city, county, or city and county. The DCC does not issue CUPs. If you are looking for information regarding the CUP issued to the below business, we recommend contacting the local jurisdiction where the business is located, in this case, the County of San Diego.

If you still wish to view any disclosable records the DCC may possess regarding the below business; then we may be able to provide records through a public records act request. Please be aware that certain information or documents may be redacted or withheld from disclosure in their entirety per state public disclosure laws.

Please let us know if you wish to continue with your below request.

Regards,

Department Staff

Legal Affairs Division



Integrity • Fairness • Innovation • Knowledge • Collaboration • Support

From: Amy Sherlock <amyjoshlock@gmail.com>
Sent: Monday, August 15, 2022 7:00 AM
To: Public Records@Cannabis <publicrecords@cannabis.ca.gov>
Subject: Re: Permit documents for [1210 Olive Street, Ramona](#)

[EXTERNAL]: amyjoshlock@gmail.com

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[Download full resolution images](#)

Dear Legal Affairs Division,

[Available until Sep 14, 2022](#)

Thank you for your response. I am the legal successor to the [1210 Olive Street, Ramona](#), Conditional Use Permit, or CUP. My late husband, Michael Sherlock, was the first permittee for the property in 2015. Subsequent to Michael's death, his business partners stole the CUP from me and my children. I was unaware of my interests in the CUP for years. I'm requesting all the documents regarding the CUP for this property at [1210 Olive Street, Ramona](#), so I can find out who stole it, when and how. Unfortunately, there's no forms that are applicable to my request on your website. If I've overlooked it, kindly point me in the right direction.

I've attached my driver's license to prove my identity, my marriage certificate and Michael's death certificate. That should suffice to gain my access to the records requested.

On Aug 12, 2022, at 7:22 PM, Public Records@cannabis

<publicrecords@cannabis.ca.gov> wrote:

Greetings Amy,

Thank you for contacting the Department of Cannabis Control (DCC). This is in response to your request for records pursuant to the California Public Records Act. The information that you are likely seeking would not be available to you through a public records act request. However, if you are a license owner's successor in interest (e.g. appointed guardian, executor, administrator, receiver, trustee, or assignee), we recommend that you follow the process outlined in DCC regulation section 15024 for obtaining licensee information in the event of the death or incapacity of an owner of a DCC license. You can review the process to obtain information here:

[https://govt.westlaw.com/calregs/Document/I8B1BDE45D81A4BC6A6C4C65EE9CFD62E?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/I8B1BDE45D81A4BC6A6C4C65EE9CFD62E?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default)).

All DCC forms can be found on the DCC website here: <https://cannabis.ca.gov/applicants/application-resources/>.

Regards,

Department Staff
Legal Affairs Division

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-----Original Message-----

From: Amy Sherlock <amyjoshlock@gmail.com>
Sent: Thursday, August 4, 2022 1:34 PM
To: Public Records@cannabis <publicrecords@cannabis.ca.gov>
Subject: Permit documents for 1210 Olive Street, Ramona

[EXTERNAL]: amyjoshlock@gmail.com

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Hello,
I'm looking for all documents (applications, background checks, correspondence and certificates etc.) pertaining to:

Olive Tree Wellness
1210 Olive Street
Ramona, CA

My late husband's name was Michael Sherlock. I'm looking for records regarding his applications, approvals and ownership.

Thank you,
Amy
619-871-5403

Sent from my iPad



Darryl Cotton <indagrodarryl@gmail.com>

Fwd: 8863 Balboa #E request for information

1 message

Amy Sherlock <amyjoshlock@gmail.com>
To: Darryl Cotton <indagrodarryl@gmail.com>

Fri, Mar 10, 2023 at 5:33 PM

Sent from my iPad

Begin forwarded message:

From: "Public Records@Cannabis" <publicrecords@cannabis.ca.gov>
Date: October 3, 2022 at 3:51:34 PM CDT
To: Amy Sherlock <amyjoshlock@gmail.com>
Subject: RE: 8863 Balboa #E request for information

Greetings Amy,

Thank you for contacting the Department of Cannabis of Control (Department). The Department is in receipt of your request for records pursuant to the California Public Records Act. Specifically, you requested all " documents, correspondence, applications, licenses, emails, approvals, issues, requests etc. for the dispensary at [8863 Balboa Ave #E, San Diego](#)".

The Department has determined your request seeks copies of disclosable records and is in the process of collecting, gathering, and reviewing records for disclosure. The Department estimates that records will be available within the next 120 days.

Regards,

Department Staff
Legal Affairs Division
Department of Cannabis Control

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-----Original Message-----

From: Amy Sherlock <amyjoshlock@gmail.com>
Sent: Friday, September 23, 2022 7:57 AM
To: Public Records@Cannabis <publicrecords@cannabis.ca.gov>
Subject: 8863 Balboa #E request for information

[EXTERNAL]: amyjoshlock@gmail.com

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.....

Hello,

I'm requesting ALL of the documents, correspondence, applications, licenses, emails, approvals, issues, requests etc. for the dispensary at [8863 Balboa Ave #E, San Diego](#). The permit has been issued to at least four individuals since 2015. One of them was issued to me, Amy Sherlock. I want to see all the documents on how it was changed from my late husband, Michael Sherlock, to me. Then, from me to Bradford Harcourt. Then from Bradford Harcourt to Ninus Malan.

SHERLOCK-DCC-FOIA:0005

Thank you,

Amy Sherlock

Sent from my iPad

From: Neil Sheaffer <nsheaffer@griswoldlawca.com>
Sent: Friday, June 11, 2021 2:29 PM
To: jeharris@saniego.gov; jhauser@saniego.gov; planningcommission@saniego.gov; DSDCannabis@saniego.gov; Do, Timothy@DCA; DCA, BCC@DCA; BCCLicensing@DCA
Cc: Richardson Griswold; Mike
Subject: Balboa Ave Cooperative
Attachments: Griswold Law Mail - Fwd_ Balboa Ave Cooperative.pdf; Balboa Ave - Notice to City and State-2.pdf

Categories: Blue Category

[EXTERNAL]: nsheaffer@griswoldlawca.com

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All,

Our office represents Michael Essary, the court-appointed receiver in control of the Balboa Ave Cooperative entity. Mr. Essary recently received a copy of an email and letter sent to all of those included in this email from a "consultant" who claims to represent Balboa Ave Cooperative (both are attached for your reference).

Mr. Essary does not know this individual and has not retained any consultants. Neither she nor Shaun Chamberlin represent Balboa Ave Cooperative and are not authorized by Mr. Essary, or the Court that appointed Mr. Essary, to act on behalf of Balboa Ave Cooperative.

If you have any questions regarding this entity, then please contact me or Mr. Essary.

Sincerely,
Neil Sheaffer

--
Neil Sheaffer
Attorney/Staff Receiver



t: (858) 481-1300
e: nsheaffer@griswoldlawca.com
www.griswoldlawca.com

Griswold Law, APC
705 N. Vulcan Avenue
Encinitas, CA 92024





Neil Sheaffer <nsheaffer@griswoldlawca.com>

Fwd: Balboa Ave Cooperative

Fri, Jun 11, 2021 at 1:42 PM

Reply-To: [REDACTED]
To: nsheaffer@griswoldlawca.com

From: BCCLicensing@dca.ca.gov
To: [REDACTED]
Sent: 6/11/2021 11:16:50 AM Pacific Standard Time
Subject: FW: Balboa Ave Cooperative

Good morning,

This email serves as notification of receipt for the attached notice.

This notice has been uploaded to the license, no action has been taken.

Thank you,

**Licensing Staff**www.bcc.ca.gov<https://cannabis.ca.gov>

From: Sapphire Blackwood <sapphire@blackwoodconsultingpros.com>
Sent: Thursday, June 10, 2021 10:48 PM
To: jeharris@san Diego.gov; jhauser@san Diego.gov; planningcommission@san Diego.gov; DSDCannabis@san Diego.gov; Do, Timothy@DCA <Timothy.Do@dca.ca.gov>; DCA, BCC@DCA <BCC@dca.ca.gov>; BCCLicensing@DCA <BCCLicensing@dca.ca.gov>
Cc: Shaun Chamberlin <[REDACTED]>
Subject: Balboa Ave Co

[EXTERNAL]: sapphire@blackwoodconsultingpros.com

SHERLOCK-DCC-FOIA:0008

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Hello all,

Attached is a letter concerning a Type 10 Retailer License (dispensary) located in the City of San Diego. Please refer any questions to me or Mr. Chamberlin who is CC'd in this email. Below is the text of the letter.

To Whom It May Concern:

Per the Bureau of Cannabis Control (BCC) Text of Regulations; California Code of Regulation Title 16; Division 42; section 5904 "Reports to the Bureau" license holders are required to alert the state of any changes in ownership or other major changes to the BCC.

I represent Balboa Ave Cooperative (Balboa), a mutual benefit nonprofit corporation. This email also serves as notice to the local jurisdiction, San Diego Development Services Department Cannabis Division, of the change.

The Medical Marijuana Consumer Cooperative (MMCC) located on [8863 Balboa Avenue, 92123](#) is known as Balboa Ave Cooperative (dispensary). The dispensary has a Type 10 Retailer License with the BCC, license #C10-0000180. Balboa is incorporated in the state of California as a nonprofit cooperative - corporate ID #C3963195.

In [2015](#), [Balboa](#) (formerly known as United Patients Consumer Cooperative) obtained a CUP with Ninus Malan as the named officer.

In September 2018, a judge ordered the building and the cannabis business license to a receivership through the Superior Court of California, County of San Diego.

In June 2021, the real property connected to the dispensary, [8863 Balboa Avenue](#), a 999 square foot tenant space within a 4,995 square foot facility, was sold with clear direction from the judge that the buyers did not purchase the cannabis business; the buyer purchased only the real property. Cannabis business licenses are not transferable on a state level as a vetting process must be done of the owners as well as the business.

Moreover, according to the condition of the local CUP:

"6. This Permit is a covenant running with the MMCC and all Of the requirements and conditions Of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest."

My client and I understand this issue is novel and will require more attention moving forward. We are ensuring our due diligence per code. The cannabis business license is still under receivership.

Thank you for your time on this issue,

SHERLOCK-DCC-FOIA:0009

--

Sapphire Blackwood, J.D.

Principal, Blackwood Consulting Professionals

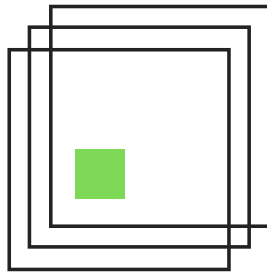
sapphire@blackwoodconsultingpros.com

619-906-9984



Balboa Ave - Notice to City and State-2.pdf

40K



BLACKWOOD CONSULTING

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Moreover, according to the condition of the local CUP:

"6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest."

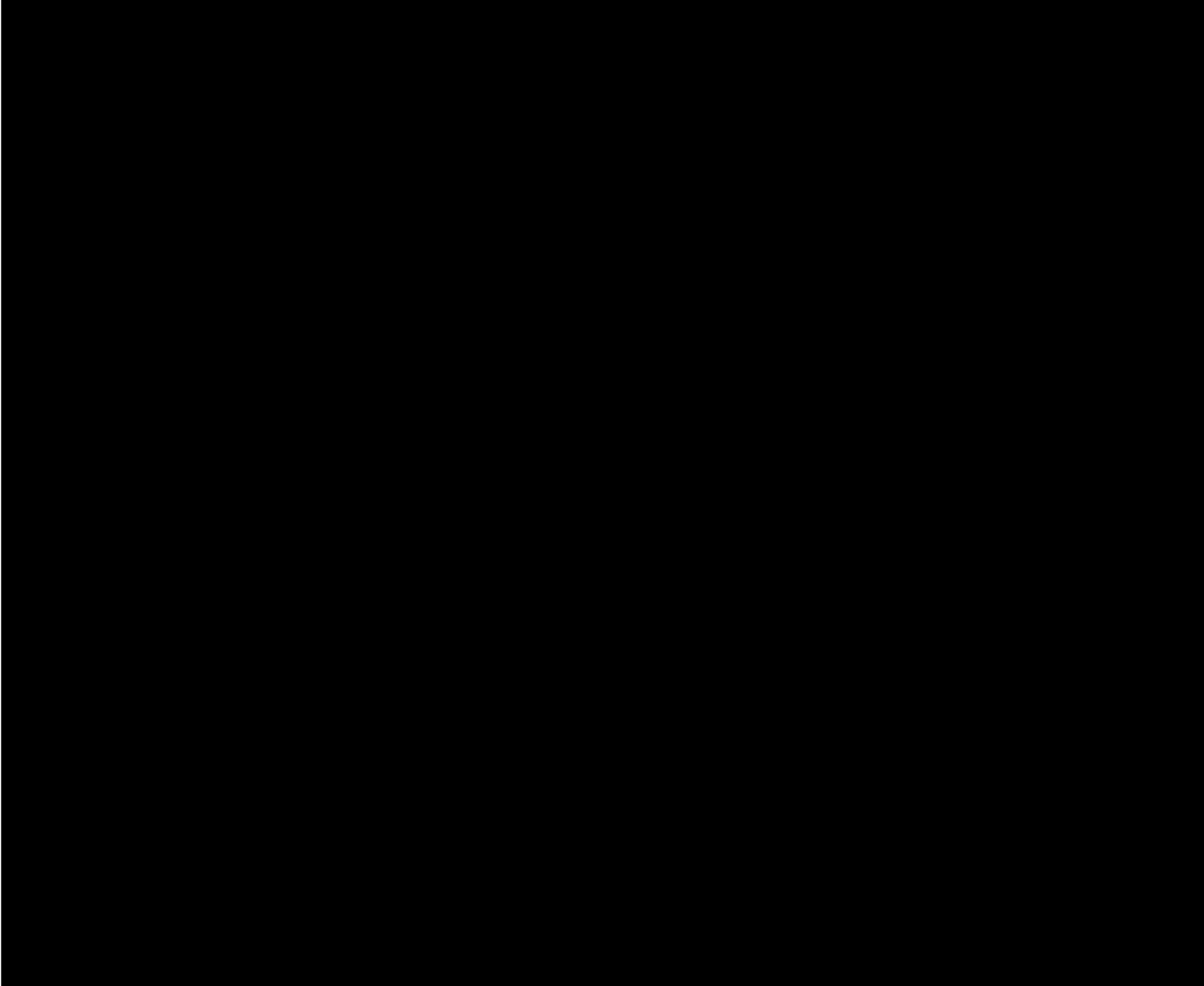
My client and I understand this issue is novel and will require more attention moving forward. We are ensuring our due diligence per code. The cannabis business license is still under receivership.

Thank you for your time on this issue,

Sapphire Blackwood
Principal, Blackwood Consulting

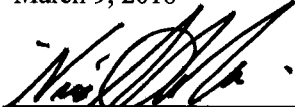
Government Affairs & Legal Compliance **SHERLOCK-DCC-FOIA:0011**
sapphire@blackwoodconsultingpros.com

POWER OF ATTORNEY



IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of the date set forth below.

March 9, 2018



Ninos Malan, President
Balboa Ave Cooperative

From: Brokken, Melissa@DCA
Sent: Tuesday, October 1, 2019 8:27 AM
To: [REDACTED]
Subject: FW: Balboa Co-op Dispensary A10-17-0000134-APP

Good morning Mr. Essary,

Thank you for contacting the Bureau regarding a receivership for Balboa Ave Cooperative. If you are the receiver, then please provide the Bureau's [Notification Form](#) to detail the circumstances. Please also provide supporting documentation (e.g. court order). You may provide these items to me via email as PDF attachments.

In addition, please address the following questions in a response to this email:

- What is your intention with Balboa Ave Cooperative?
- Do you intend to keep, dissolve, or sell the business?
- What is your timeframe for dissolving/selling the business or applying for a new license?

Thank you.



Melissa Brokken
Licensing Analyst
www.bcc.ca.gov
<https://cannabis.ca.gov>



From: Mike [REDACTED]
Sent: Sunday, September 29, 2019 7:54 PM
To: Brokken, Melissa@DCA <Melissa.Brokken@dca.ca.gov>
Subject: Fwd: Balboa Co-op Dispensary

[EXTERNAL]: [REDACTED]

Melissa,

I had previously been working with Derek on license #A10-17-00000134-APP/Balboa Ave Coop Retail and I received his automated email stating that he was no longer working at DCA.

Please see my question below and let me know your thoughts.

Thank you Melissa.

Mike Essary
Receiver

cell

Begin forwarded message:

From: Mike <[REDACTED]>
Date: September 30, 2019 at 04:16:06 GMT+2
To: "Derek@DCA Lee" <Derek.Lee@dca.ca.gov>
Subject: Balboa Co-op Dispensary

Derek,

A quick question - are you my best contact for questions about a potential sale/transfer of this license/store per court order?

Thank you Derek.

Mike Essary
Receiver

cell

From: Mike Essary [REDACTED]
Sent: Wednesday, January 12, 2022 3:54 PM
To: Cordero, Van@Cannabis; Jennifer Peltier; Neil Sheaffer
Subject: Re: BALBOA AVE COOPERATIVE - Cannabis Retailer Application A10-17-0000134-APP

[EXTERNAL]: calsur@aol.com

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Van,

I am the court appointed receiver for this asset/license. I request that this license expire per the courts order to not transfer the license.

My counsel Neil is copied should you need any additional information.

Thank you.

Mike

On Jan 12, 2022, at 15:45, Cordero, Van@Cannabis <Van.Cordero@cannabis.ca.gov> wrote:

In order to withdraw the application, please send a written request, signed and dated by an owner. The owner we have listed is Ninus Malan.

Thank you,

Van Cordero
Licensing Division



From: [REDACTED]
Sent: Wednesday, January 12, 2022 3:19 PM
To: Cordero, Van@Cannabis <Van.Cordero@cannabis.ca.gov>; [REDACTED]
nsheaffer@griswoldlawca.com
Subject: Re: BALBOA AVE COOPERATIVE - Cannabis Retailer Application A10-17-0000134-APP

[EXTERNAL]: calsur@aol.com

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Hi Van,

I have sold the property per court order and have let the license expire intentionally. We have no new location for the license in this receivership case.

Thank you and let me know if you need any additional information.

Mike

In a message dated 1/12/2022 2:42:00 PM Pacific Standard Time, Van.Cordero@cannabis.ca.gov writes:

Hello,

I am the assigned analyst on your cannabis retailer application located at 8863 Balboa Ave, Ste. E, San Diego, CA 92123. License # C10-0000180-LIC.

The license has been expired as of 6/11/2021. Is it in your interest to pursue the annual license or are you requesting to withdraw?

Please feel free to reach out with any questions.

Thank you,

Van Cordero

Associate Governmental Program Analyst

Licensing Division

Desk: 916-251-4520

844-61-CA-DCC (844-612-2322)

www.cannabis.ca.gov



Department of
Cannabis Control
CALIFORNIA

Michael Essary, Receiver

[REDACTED]
Toll Free (877) 581-1158

VIA EMAIL ONLY:

Bureau of Cannabis Control
2920 Kilgore Road
Rancho Cordova, CA 95670
(833) 768-5880
bcc@dea.ca.gov

July 26, 2018

**Re: Notification of Court Appointed Receiver for Balboa Avenue Cooperative
(License Number: A10-18-0000113-TEMP)**

Dear Sir or Madam:

I am writing to inform you that San Diego Superior Court has appointed me to act as a receiver to temporarily oversee and manage Balboa Avenue Cooperative. (*Salam Razuki v. Ninus Malan, et al.*, San Diego Superior Court, Case No. 37-2018-00034229-CU-BC-CTL.) Attached to this email is the court order documenting my appointment to oversee and manage Balboa Avenue Cooperative.

The purpose of this notification is to satisfy Section 5024 of the Readopted Emergency Bureau of Cannabis Control ("BCC") Regulations. As per Section 5024, I am also notifying the BCC that I desire the business to continue operations under Balboa Avenue Cooperative's temporary retail license (License Number: A10-18-0000113-TEMP). I am furnishing the following information per the regulations:

Receiver Name: Michael Essary
Previous Owner: Ninus Malan and all others listed on state applications.
License Number: A10-18-0000113-TEMP
Phone Number of Receiver: [REDACTED]
Mailing Address of Receiver: [REDACTED]
Email Address of Receiver: [REDACTED]

Please contact me with any questions or if the BCC would like any additional materials.

Very truly yours,


Michael Essary, Receiver

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FILED
Clerk of the Superior Court

JUL 17 2018

By: G. Mendoza, Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO, CENTRAL DIVISION

SALAM RAZUKI, an individual,
Plaintiff,

v.

NINUS MALAN, an individual; CHRIS HAKIM, an individual; MONARCH MANAGEMENT CONSULTING, INC. a California corporation; SAN DIEGO UNITED HOLDING GROUP, LLC, a California limited liability company; FLIP MANAGEMENT, LLC, a California limited liability company; MIRA ESTE PROPERTIES, LLC, a California limited liability company; ROSELLE PROPERTIES, LLC, a California limited liability company; BALBOA AVE COOPERATIVE, a California nonprofit mutual benefit corporation; CALIFORNIA CANNABIS GROUP, a California nonprofit mutual benefit corporation; DEVILISH DELIGHTS, INC., a California nonprofit mutual benefit corporation; and DOES 1-100, inclusive,

Defendants.

CASE NO. 37-2018-00034229-CU-BC-CTL

~~PROPOSED~~ ORDER APPOINTING RECEIVER; PRELIMINARY INJUNCTION AND RELATED ORDERS

Date: July 17, 2018
Time: 8:30 a.m.
Dept: C-66
Judge: Hon. Kenneth J. Medel

1 Plaintiff's ex parte application for appointment of a receiver and preliminary injunction or, in
2 the alternative, a temporary restraining order (TRO) and an OSC re appointment of receiver and
3 preliminary injunction.

4 The Court, having considered the pleadings filed in this case, Plaintiff's ex parte application, the
5 Memorandum of Points and Authorities submitted therewith, and any and all supporting documents and
6 declarations filed in support of same, and any opposition filed, and having heard oral argument, and
7 good cause appearing,

8 **[] IT IS HEREBY ORDERED THAT Plaintiff's application is granted, and that:**

9 Michael W. Essary ("Receiver") is appointed Receiver over the following businesses:

- 10 a) RM Properties Holdings, LLC ("RM Holdings");
11 b) San Diego United Property Holdings, LLC ("SD United");
12 c) Flip Management, LLC ("Flip");
13 d) Mira Este Properties, LLC ("Mira Este");
14 e) Roselle Properties, LLC ("Roselle");
15 f) Balboa Ave Cooperative ("Balboa");
16 g) California Cannabis Group ("CCG"); and,
17 h) Devilish Delights, Inc. ("Devilish").

18 Collectively, these entities shall be referred to as the "Marijuana Operations." Pursuant to CCP
19 §§529 and 566, Plaintiff shall be required to post a bond in the amount of \$ 10,000.00, within
20 five (5) days of the issuance of this Order. The Receiver shall file his oath of receiver and bond, in the
21 penal sum of \$ 10,000.00, within five (5) days of entry of this Order. The Order shall be
22 enforceable and effective forthwith pending the filing of said oath and bond.

23 **BUSINESS OPERATIONS AND MANAGEMENT**

24 The Receiver is empowered and directed to take possession and control of all assets of the
25 Marijuana Operations, including without limitation:

- 26 1. All receivables, machines, furniture, fixtures, equipment, vehicles and inventory and
27 stock in trade of every description and nature (the "Marijuana Operations Property"), leases and any
28 other personal property found to be in the name of, held by or under the custody and control of the

1 Marijuana Operations whether tangible or intangible in nature, including, without limitation, business
2 licenses; city, state or county business permits of any nature; service agreements or contracts; and,
3 conditional use permits now known or hereafter discovered. The Receiver is hereby empowered to
4 manage the Marijuana Operations until such time as the Court orders that the Marijuana Operations
5 and/or its assets be sold, liquidated or otherwise disposed of or allocated amongst the
6 shareholders/members of the Marijuana Operations.

7 2. The Receiver shall take possession of all funds held for or arising out of the real property
8 owned by any of the Marijuana Operations, the operation of the Marijuana Operations, the Marijuana
9 Operations Property and/or on deposit in any and all bank and savings demand deposit accounts,
10 including without limitation, money on deposit at any bank, or located elsewhere, certificates of deposit,
11 warrants, Letter(s) of Credit, drafts, notes, deeds of trust and other negotiable instruments, choses in
12 action, chattel paper, accounts receivable, collateral of any kind and otherwise, in the name of, or held
13 for the benefit of the Marijuana Operations. All of the foregoing shall include, without limitation, such
14 accounts and/or instruments held in the name of the Marijuana Operations for which any director, officer
15 or employee of the Marijuana Operations is a signatory or authorized agent of the Marijuana Operations,
16 notwithstanding the actual name under which the account or instrument is held. The Receiver shall
17 exercise full control over said assets and Receiver shall have the right to assume any existing accounts
18 and be allowed to exclude access to other signors or other parties. If there is a third party claim thereto,
19 such claimant shall make said claim to this Court within such time as provided by statute, if any.

20 3. Each and every banking, savings and thrift institution having funds on deposit for, or
21 held for the benefit of the Marijuana Operations, shall deliver all of such funds and accrued interest, if
22 any, and all certificates and/or books, statements and records of account representing said funds, directly
23 to the Receiver without further inquiry or impediment to the exercise of the powers of the Receiver
24 herein. A receipt given by the Receiver shall be full acquittance to each party for funds so delivered.

25 4. The Receiver is empowered to instruct the United States Postmaster, and the Postmaster
26 is directed to hold, reroute and deliver any and all mail addressed to the Marijuana Operations, whether
27 in the name of Ninus Malan ("Malan"), Chris Hakim ("Hakim") and/or the directors, officers, members
28 of the Marijuana Operations and/or the Marijuana Operations, as the Receiver determines necessary and
appropriate. The Postmaster shall not respond to any change of address or instruction by Malan, Hakim

1 or by any person purporting to act on behalf of the Marijuana Operations, in the absence of further Order
2 of Court or express written instruction from the Receiver. All personal mail of Malan, Hakim, and
3 Razuki and any mail not related to the operation of the Marijuana Operations, the Marijuana Operations
4 Property or related to this Order shall be turned over to the named addressee by the Receiver.

5 5. All rents, issues and profits that may accrue from the Marijuana Operations, Marijuana
6 Operations Property, or any part thereof, or which may be received or receivable from any hiring,
7 operating, letting, leasing, sub-hiring, using, subletting, subleasing, renting thereof shall be subject to
8 this Order and controlled by the Receiver. Rents, issues and profits shall include, without limitation,
9 gross receipts from business operations, all rental proceeds of the Marijuana Operations' premises, if
10 any, discounts and rebates of every kind, any right arising from the operation of the Marijuana
11 Operations and/or Marijuana Operations Property and payment for storage, product development and
12 preparation of any kind, equipment rental, delivery, commercial rental of any Marijuana Operations
13 Property and any other service or rental rendered, whether or not yet earned by performance including,
14 but not limited to, accounts arising from the operations of the Marijuana Operations Property, rent,
15 security and advance deposits for use and/or hiring, in any manner, of the Marijuana Operations, and to
16 payment(s) from any consumer, credit/charge card organization or entity (hereinafter collectively called
17 "Rents and Profits").

18 6. The Receiver is authorized to place managers, servants, agents, employees, clerks and
19 accountants to administer collection of the accounts receivable, sale of inventory and stock in trade and
20 any other assets of the parties that are subject to sale under this Order. The reasonable value of said
21 services shall be payable from operating proceeds as incurred. No risk of operation or other obligation
22 undertaken by the Receiver shall be personal to the Receiver; rather, all such obligations shall be at the
23 sole risk of the receivership estate.

24 7. The Receiver shall demand, collect and receive all money, funds, and Rents and Profits
25 of every kind, and/or from any and all investments in which the Marijuana Operations may have an
26 interest, however denoted, and to hold the same pending further Order of Court.

27 8. The Receiver is empowered to execute and prepare all documents and to perform all
28 necessary acts, whether in the name of the Marijuana Operations, Malan, Hakim and/or directors,
officers, or members of the Marijuana Operations or in the Receiver's own name, that are necessary and

1 incidental to demanding, collecting and receiving said money, obligations, funds, licenses, Rents and
2 Profits and payments due the Marijuana Operations and/or Defendants and subject to enforcement under
3 this Order. The Receiver will have the authority and power to bind the Marijuana Operations to the
4 terms of the Management Agreements (a copy of which is attached as **Exhibits A, B, and C**, hereto)
5 with SoCal Building Ventures, LLC.

6 9. The Receiver is authorized to endorse and deposit into his receiver account(s) all of said
7 funds, cash, checks, warrants, drafts and other instruments of payment whatever their form, including
8 insurance refunds and/or claims proceeds payable to the Marijuana Operations, Malan, Hakim, or
9 Razuki and/or the agents of the Marijuana Operations and/or in connection with said Marijuana
10 Operations.

11 10. The Receiver shall duly account monthly for all funds and proceeds collected pursuant
12 to this Order and shall generally perform all of the acts as may be further ordered by this Court. The
13 Receiver, within thirty (30) days of this Order shall file herein an inventory of all property of which he
14 shall have taken possession pursuant to this Order, and shall file such supplemental inventories of
15 additional property that may subsequently come into his possession from time to time other than new
16 Marijuana Operations inventory and/or stock in trade.

17 11. The Receiver is authorized and empowered to compromise debts of the Marijuana
18 Operations; to make, control or modify agreements relating to the Marijuana Operations Property, to
19 fix or modify prices, rentals, sub-rentals, royalties and profits from the Marijuana Operations and
20 Marijuana Operations Property; and, to collect, demand, sue for, attach, levy, evict, recover and receive,
21 compromise and adjust, and execute and deliver receipts and releases for all Rents and Profits of the
22 Marijuana Operations and Marijuana Operations Property.

23 12. The Receiver is further authorized and empowered to demand, sue for, attach, levy,
24 recover and receive any and all assets of the Marijuana Operations, including any licenses issued to the
25 Marijuana Operations, if any, that any of the parties to this matter used to secure any debts of the
26 Marijuana Operations which were later transferred or sold in violation of any Security Agreements.

27 13. Malan, Hakim, and the directors, officers, and members of the Marijuana Operations and
28 their servants, agents, attorneys, accountants, employees, successors-in-interest and assigns, and all
other persons acting under and/or in concert with any of them shall provide, turn over and deliver to the

1 Receiver within forty-eight (48) hours of entry of this Order any and all instruments, profit and loss
2 statements, income and expense statements, documents, ledgers, receipts and disbursements journals,
3 books and records of accounts, including canceled checks and bank statements, for all Marijuana
4 Operations and Marijuana Operations Property, including electronic records consisting of hard and
5 floppy disks, checking and savings records, cash register tapes and sales slips and all check book
6 disbursement registers and memoranda and savings passbooks.

7 14. Malan, Hakim, and/or any of the directors, officers, members of the Marijuana
8 Operations shall notify the Receiver forthwith whether there is sufficient insurance coverage in force
9 on the Marijuana Operations Property, including the Marijuana Operations premises, if any. Said
10 persons shall inform the Receiver of the name, address and telephone number of all insurance agents
11 and shall be responsible for and are ordered to cause the Receiver to be named as an additional insured
12 on such policy(ies) of liability, casualty, property loss and Worker's Compensation for the period the
13 Receiver shall be in possession of the Marijuana Operations and the Marijuana Operations Property, if
14 any such insurance exists.

15 15. If there is insufficient or no insurance, the Receiver shall have thirty (30) business days
16 from entry of this Order within which to procure such insurance, if possible, provided he has funds from
17 the business to do so. During this "procurement" period, the Receiver shall not be personally liable for
18 any and all claims arising from business operations nor for the procurement of said insurance. The cost
19 thereof shall be payable by and become an obligation of the receivership, and not at the personal expense
20 of the Receiver. If there is insufficient operating revenue to pay for such insurance, the Receiver shall
21 apply to the Court for instructions.

22 SALE OF BUSINESS ASSETS

23 16. The Receiver is empowered to sell the Marijuana Operations Assets by private sale in
24 the event the Court deems such sale appropriate and approves such sale. The Receiver is authorized to
25 engage a licensed broker as a business opportunities broker to sell the Marijuana Operations Assets, in
26 the event it is necessary.

27 17. The broker may be engaged under an exclusive listing agreement, not to exceed ninety
28 (90) days at a time, without prior confirmation by the Court of said listing. However, the terms and
conditions of the listing agreement, if not pre-approved by the Court, shall be the subject of review and

1 confirmation or modification at the time of the Receiver's motion for confirmation of a proposed sale
2 of the Marijuana Operations Assets herein. The broker's commission, however, shall not exceed six
3 (6%) percent of each gross sales price.

4 18. The listing prices initially established by the Receiver for the Marijuana Operations
5 Assets, shall be the established listing prices unless the Court orders otherwise following a party's
6 objection(s) filed with the Court and noticed to the Receiver and other party in the following manner.

7 a) The Receiver shall give written notice ("Notice") of the proposed listing terms
8 and sales prices to the parties' counsel by facsimile transmission and by mail. The parties have five (5)
9 calendar days from receipt of facsimile transmission of said Notice within which to deliver to the
10 Receiver, by facsimile transmission or personal delivery, his or her specific objection(s) as to the price
11 and/or terms of the respective listing.

12 b) Within seven (7) calendar days of timely notice of objection(s) to the Receiver,
13 should the objection(s) not be resolved with the Receiver, the objecting party(ies) shall file, within five
14 (5) days thereafter, a noticed motion for hearing on their objections, on ten (10) days notice to the Court,
15 the Receiver and the other party. This Order shall constitute a continuing Order shortening time for
16 hearing of such objections or the matter may be heard ex parte on twenty-four (24) hours notice duly
17 given. In the absence of any such timely objection(s), said objections are deemed waived and the
18 Receiver may proceed with the listing as previously noticed.

19 19. Neither Plaintiffs nor Defendants named in the caption of this instant matter, or any
20 person on their behalf, shall undertake any act or conduct that shall constitute an impediment,
21 obstruction or act of interference with the marketing process by the Receiver, the broker(s) or agents
22 thereof, or act in any manner that may be construed as committing waste or injury upon the Marijuana
23 Operations or the Marijuana Operations Assets.

24 20. The broker for the Marijuana Operations Assets shall be entitled to show the Marijuana
25 Operations Assets to prospective buyers during normal business hours. In regard to the Marijuana
26 Operations Assets, the broker(s), prospective buyers, and their respective agents, shall not interfere with
27 the normal course of operations nor communicate with the Marijuana Operations' employees, if any, or
28 the parties herein. All information regarding the Marijuana Operations Assets that is necessary for the
brokers to be able to market said Marijuana Operations Assets shall be provided forthwith by Plaintiffs,

1 Defendants and/or Intervenor and/or the directors, officers, members of the Marijuana Operations
2 through and as requested by the Receiver.

3 21. Upon confirmation of sale of the Marijuana Operations Assets, the Receiver shall take
4 possession of all net proceeds of sale and shall duly file his report on sale to the Court for instructions
5 regarding disposition of said proceeds and for confirmation and award of the Receiver's then
6 outstanding fees and expenses. Said proceeds shall be held in a segregated interest bearing trust account
7 in a federally insured financial institution pending further Order of Court.

8 22. The Court acknowledges the professional rates of the Receiver and his employees as
9 follows: Receiver: pursuant to the Receiver's rate sheet and in no event greater than \$250.00 per hour;
10 and, Field Staff: pursuant to the Receiver's rate sheet (See Mr. Essary's rate sheet which is attached as
11 Exhibit D.) Such fees and expenses shall be the subject of interim Court review and approval upon
12 motion by the Receiver and/or in conjunction with the Receiver's report(s) of sales. Receiver shall
13 submit monthly accountings to the Court and the parties to this action disclosing his monthly fees, costs
14 and expenses and, if no objection is received within ten (10) days of the submittal of said monthly
15 accounting, the Receiver shall be authorized to pay the fees, costs and expenses related to his services.
16 Said payments shall also be subject to a final accounting to be submitted and approved by the Court
upon the Receiver's discharge in this matter.

17 23. From the proceeds that shall come into the Receiver's possession, from whatever source,
18 the Receiver shall apply and disburse said monies, from time to time, in the following general Order of
19 priority, subject to change in the Receiver's discretion:

- 20 a) To pay the expenses and charges of the Receiver in the conduct of his office;
- 21 b) To pay all expenses reasonably necessary or incidental to the continued
22 operation, care, preservation and maintenance of the Marijuana Operations Assets to maintain the status
23 quo and providing customers and tenants, if any, with uninterrupted service;
- 24 c) To pay all installments of principal and interest presently due or to become due
25 under the terms of Marijuana Operations notes secured by any Security Agreement, if any, and to pay,
26 as appropriate, all other liens and encumbrances secured by Marijuana Operations Property in the Order
27 of their priorities; and,
28

1 d) To pay for all expenses incurred for repairs, alterations, and improvements to the
2 Marijuana Operations Assets reasonably necessary or incidental to keep the Marijuana Operations
3 Assets in usable and rentable or sellable condition.

4 24. The Receiver shall hold all proceeds derived from the Marijuana Operations Assets and
5 heretofore described, less all costs, expenses and payments.

6 25. The Receiver is authorized and empowered to employ or continue to employ persons or
7 business entities presently employed by the Marijuana Operations on their present basis of employment,
8 should the Receiver determine the same is consistent with his official duties and responsibilities
9 hereunder.

10 26. The Receiver is empowered to establish such accounts as he may deem necessary at such
11 federally insured bank(s) as he may determine appropriate.

12 27. The Receiver shall take over and manage the business and affairs of the Marijuana
13 Operations and to preserve its property pending dissolution. The Receiver shall assist in the winding
14 up of the Marijuana Operations subject to the supervision of the Court and understands that the
15 Marijuana Operations shall cease to carry on business except to the extent necessary for the beneficial
16 winding up thereof. The Receiver shall be responsible for causing written notification of the
17 commencement of the proceeding for involuntary winding up to be given by mail to all shareholders
18 and to all known creditors and claimants whose address appear on the records of the corporation, unless
19 the order for winding up has been stayed by appeal therefrom or otherwise or the proceeding or the
20 execution of the order has been enjoined.

21 28. In addition to all the powers hereinabove set forth, the Receiver is hereby vested with
22 the general powers of receivers in cases of this kind, subject to further direction(s) from this Court.

23 AND IT IS FURTHER ORDERED that:

24 29. Malan, Hakim and/or their respective directors, officers, members, agents, employees,
25 servants, representatives, and persons acting in concert with them or under their direction or control are
26 hereby enjoined and restrained from interfering with or impeding the Receiver, or persons acting on
27 behalf of the Receiver, in the discharge of his duties or from withholding from the Receiver any of the
28 assets, properties, books or records to be delivered to, or as the Receiver may request pursuant to this
Order. Malan, Hakim and/or their respective directors, officers, members, agents, employees, servants,

1 representatives, and persons acting in concert with them or under their direction or control shall not
2 withdraw cash or money from the Marijuana Operations, in any form, or fail to deposit into the
3 Marijuana Operations' bank Account any money received by either of them on behalf of the Marijuana
4 Operations in any manner.

5 30. The Malan, Hakim, and their respective agents, employees, servants, representatives,
6 and all other persons and entities acting in concert with them or under their direction or control, or any
7 of them, shall be, and hereby are, enjoined and restrained from engaging in or performing, directly or
8 indirectly, any of the following acts:

9 a) Expending, disbursing, transferring, assigning, selling, conveying, devising,
10 pledging, mortgaging, creating a security interest in, encumbering, concealing, or in any manner
11 whatsoever disposing of the whole or any part of the Marijuana Operations or Marijuana Operations
12 Property, without the written consent of the Receiver first obtained;

13 b) Doing any act which will, or which will tend to impair, defeat, divert, prevent or
14 prejudice the preservation of the proceeds of the Marijuana Operations or the receivership's interest in
15 the subject Marijuana Operations Property, and/or Investments, in whatever form the interest is held or
16 used as of this date pending further proceedings in this action; and/or that interferes with or impedes the
17 marketing and sale process thereof; and,

18 c) Destroying, concealing, transferring, or failing to preserve any document which
19 evidences, reflects or pertains to any disposition of the Marijuana Operations Property, and/or
20 Investments, or any part thereof.

21 31. The Receiver is authorized to make entry onto any and all business premises utilized by
22 the Marijuana Operations and/or the Marijuana Operations Property. The Receiver shall make
23 peaceable entry onto said property and Malan, Hakim, their employees and representatives shall permit
24 the same forthwith, without excuse or limitation. Malan and Hakim are ordered to cooperate with the
25 Receiver in all respects under this Order. The Receiver is further authorized to change the locks of any
26 and all such premises and to take possession of any and all keys thereto held by Malan, Hakim and their
27 agents in Order to make entry initially, and/or thereafter to preserve and maintain the receivership assets.
28 The employees and agents of Malan and Hakim shall cooperate with the Receiver and his employees

1 and agents and shall assist him in making peaceable entry to the Marijuana Operations as directed by
2 the Receiver. The Receiver may also make entry through locksmiths and/or passkeys.

3 **[]IT IS HEREBY ORDERED THAT:**

4 Malan, Hakim and/or their respective directors, officers, members, agents, employees, servants,
5 representatives, and persons acting in concert with them or under their direction or control are hereby
6 enjoined and restrained from using, modifying, taking, removing and/or converting any and all furniture,
7 fixtures, or other equipment currently located at any of the following parcels of real property: 8863
8 Balboa Ave, San Diego, CA 92123, 8861 Balboa Ave, San Diego, CA 92123, 9212 Mira Este Ct., San
9 Diego, CA 92126, and 10685 Roselle Street, San Diego, CA 92121.

10 **IF THE COURT APPOINTS A RECEIVER AND/OR ISSUES A TRO AT THE HEARING FOR**
11 **RAZUKI'S EX PARTE APPLICATION ON JULY 17, 2018:**

12 **IT IS FURTHER ORDERED** that:

13 The Court will hold a hearing regarding an Order to Show Cause why the Appointment of the
14 Receiver should not be confirmed and/or an Order to Show Cause why a preliminary injunction should
15 not be granted on July 8-10-18, 2018, at 10:30 AM, in Department C-66
16 before the Honorable, Kenneth J. Medel.

17
18 DATED: JUL 17 2018

Kenneth J. Medel

Hon. Kenneth J. Medel

From: Davis, Heather@DCA
Sent: Tuesday, August 14, 2018 7:07 AM
To: Daniel, Veronica@DCA
Cc: Florez, Adrienne@DCA
Subject: FW: California Cannabis Group M11-18-0000167-TEMP/M11-17-0000115-APP -- Time Sensitive
Attachments: Power of Attorney - Austin Legal Group.pdf; 2018-07-31 Minute ORDER vacating receiver.pdf

Good Morning,
I wanted to forward this to you. It is for California Cannabis Group & Balboa Avenue Cooperative.
Thanks,
Heather

From: Michaela Sweatt <michaela@austinlegalgroup.com>
Sent: Monday, August 13, 2018 5:11 PM
To: Davis, Heather@DCA <Heather.Davis@dca.ca.gov>
Subject: California Cannabis Group M11-18-0000167-TEMP/M11-17-0000115-APP -- Time Sensitive

Dear Ms. Davis:

Austin Legal Group represents Mr. Ninus Malan and others in various cannabis businesses per the attached Power of Attorney.

On July 31, 2018 a judge vacated a prior minute order appointing Mr. Michael W. Essary as Receiver and restoring Mr. Ninus Malan and Mr. Chris Hakim's control of California Cannabis Group and Mr. Ninus Malan's control of Balboa Avenue Cooperative. See the attached document *2018-07-31 Minute ORDER vacating receiver.pdf*. Any documents submitted to the BCC earlier than July 31, 2018 showing the appointment of Mr. Essary as the Receiver are no longer accurate or current. Mr. Malan and Mr. Hakim are still the owners of California Cannabis Group. Mr. Malan is still the owner of Balboa Avenue Cooperative. Mr. Essary is no longer the Receiver and has no authority over California Cannabis Group or Balboa Avenue Cooperative.

Pursuant to 16 CCR §5024, we wish to establish that there should be no new cannabis license applications submitted for California Cannabis Group at address 9212 Mira Este Court, San Diego, California 92126 or Balboa Avenue Cooperative at address 8863 Balboa Avenue, Suite E, San Diego, California 92123 in an attempt to change the ownership of any of the temporary licenses listed below or in any way interfere or impede the ongoing licensing activities of Austin Legal Group or the legal operation of the licensed premises.

License Numbers:

Balboa Avenue Cooperative: A & M Retail A10-18-0000113-TEMP (application numbers: M10-17-0000172-APP and A10-17-0000134-APP)
California Cannabis Group: M Distribution M11-18-0000167-TEMP (application number: M11-17-0000115-APP)
California Cannabis Group: M Manufacturing CDPH-T00000229

Please direct questions or inquiries to Ms. Gina Austin or to myself as I will facilitate prompt responses.

Michaela

Michaela Sweatt
Compliance Director

AUSTIN LEGAL GROUP, APC | 3990 Old Town Ave., Ste A112, San Diego, CA 92110 |
Ofc: 619-924-9600 | Cell 619-254-3852 | Fax 619-881-0045

Confidentiality Notice

This message is being sent on behalf of a lawyer. It is intended exclusively for the individual or entity to which it is addressed. This communication may contain information that is proprietary, privileged or confidential or otherwise legally exempt from disclosure. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify the sender immediately by e-mail and delete all copies of the message.

SUPERIOR COURT OF CALIFORNIA,
COUNTY OF SAN DIEGO
CENTRAL

MINUTE ORDER

DATE: 07/31/2018

TIME: 09:00:00 AM

DEPT: C-75

JUDICIAL OFFICER PRESIDING: Richard E. L. Strauss

CLERK: Blanca Delgado

REPORTER/ERM: Paula Rahn CSR# 11510

BAILIFF/COURT ATTENDANT: Paul Darvin

CASE NO: 37-2018-00034229-CU-BC-CTL CASE INIT.DATE: 07/10/2018

CASE TITLE: **Razuki vs Malan [IMAGED]**

CASE CATEGORY: Civil - Unlimited CASE TYPE: Breach of Contract/Warranty

EVENT TYPE: Ex Parte

EVENT TYPE: Ex Parte

APPEARANCES

Steven A Elia, counsel, present for Plaintiff(s).

James Joseph, counsel, present for Plaintiff(s).

Gina M Austin, counsel, present for Defendant(s).

Daniel Watts, specially appearing for Ninus Malan, Defendant.

Tamara M. Leetham, specially appearing for Monarch Management Consulting Inc, Defendant.

Tamara M. Leetham, specially appearing for Mira Este Properties LLC, Defendant.

Tamara M. Leetham, specially appearing for Roselle Properties LLC, Defendant.

Richardson Griswold, counsel, specially appearing for Receiver.

Michael Essary, Receiver, present.

Salvatore J. Zimmitti, counsel, specially appearing for Zachary E. Rothenberg, present for Plaintiff

Miles D. Grant, counsel, present for Plaintiff(s)

THIS BEING THE TIME SET FOR HEARING ON 1.A. DEFENDANT'S EX PARTE APPLICATION TO VACATE RECEIVERSHIP ORDER; 1.B. EX PARTE APPLICATION OF MICHAEL ESSARY, IN HIS CAPACITY AS COURT APPOINTED RECEIVER, FOR ORDER AUTHORIZING RECEIVER TO EMPLOY COUNSEL; 2. PLAINTIFF SALAM RAZUKI'S EX PARTE APPLICATION FOR AN ORDER RESETTING OSC RE CONFIRMATION OF APPOINTMENT OF RECEIVER AND PRELIMINARY INJUNCTION AND ORDER TO RUSH FILE PLAINTIFF'S FAC,

The Court, having read the moving papers filed, now hears argument from counsel.

DATE: 07/31/2018

MINUTE ORDER

Page 1

DEPT: C-75

Calendar No. 2

SHERLOCK-DCC-FOIA:0031

Following lengthy discussions, as more fully set forth in the court reporter's notes, the Court GRANTS the request to vacate the receivership order (Re: 1.A.).

Counsel to prepare a proposed order for the Court's review and approval.

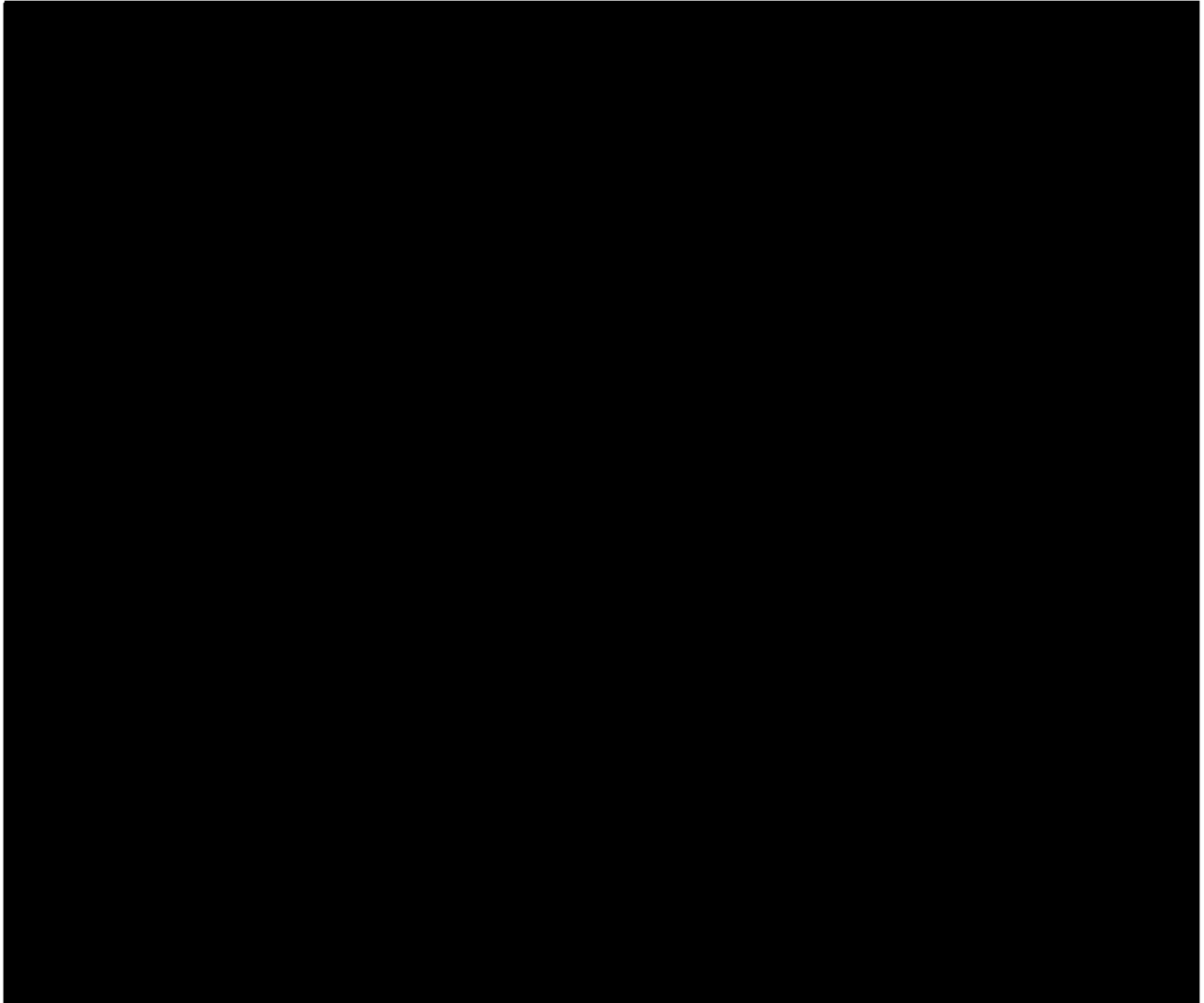
The Court GRANTS Michael Essary's ex parte request authorizing Receiver to employ counsel; counsel is entitled to be compensated for his services.(Re: 1.B.).

As to all other matters; the Court instructs counsel to proceed via a noticed motion for remedies being sought.



Judge Richard E. L. Strauss

POWER OF ATTORNEY



IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of the date set forth below.

March 9, 2018

A handwritten signature in black ink, appearing to read "Ninos Malan", is written over a horizontal line.

Ninos Malan, President
California Cannabis Group

Michael Essary, Receiver



August 31, 2018

VIA EMAIL ONLY:

Bureau of Cannabis Control
2920 Kilgore Road
Rancho Cordova, CA 95670
(833) 768-5880
bcc@dca.ca.gov

Re: Notification of Court Appointed Receiver for Balboa Avenue Cooperative (License Number: A10-18-0000113-TEMP)

Dear Sir or Madam:

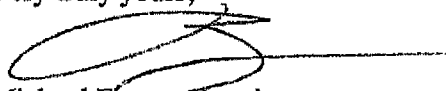
I am writing to inform you that San Diego Superior Court has re-appointed me to act as a receiver to temporarily oversee and manage Balboa Avenue Cooperative. (*Salam Razuki v. Ninus Malan, et al.*, San Diego Superior Court, Case No. 37-2018-00034229-CU-BC-CTL.) Attached to this email is the court order documenting my appointment to oversee and manage Balboa Avenue Cooperative.

The purpose of this notification is to satisfy Section 5024 of the Readopted Emergency Bureau of Cannabis Control ("BCC") Regulations. As per Section 5024, I am also notifying the BCC that I desire the business to continue operations under Balboa Avenue Cooperative's temporary retail license (License Number: A10-18-0000113-TEMP). I am furnishing the following information per the regulations:

Receiver Name: Michael Essary
Previous Owner: Ninus Malan and all others listed on state applications.
License Number: A10-18-0000113-TEMP
Phone Number of Receiver: [REDACTED]
Mailing Address of Receiver: [REDACTED]
Email Address of Receiver: [REDACTED]

Please contact me with any questions or if the BCC would like any additional materials.

Very truly yours,


Michael Essary, Receiver

ELECTRONICALLY FILED
Superior Court of California,
County of San Diego

08/28/2018 at 12:53:00 PM

Clerk of the Superior Court
By Ines Quirarte, Deputy Clerk

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SUPERIOR COURT OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

SALAM RAZUKI, an individual,
Plaintiff,

v.

NINUS MALAN, an individual; CHRIS
HAKIM, an individual; MONARCH
MANAGEMENT CONSULTING, INC. a
California corporation; SAN DIEGO UNITED
HOLDING GROUP, LLC, a California limited
liability company; FLIP MANAGEMENT,
LLC, a California limited liability company;
MIRA ESTE PROPERTIES, LLC, a California
limited liability company; ROSELLE
PROPERTIES, LLC, , a California limited
liability company; **BALBOA AVE**
COOPERATIVE, a California nonprofit mutual
benefit corporation; **CALIFORNIA CANNABIS**
GROUP, a California nonprofit mutual benefit
corporation; DEVILISH DELIGHTS, INC., a
California nonprofit mutual benefit corporation;
and DOES 1-100, inclusive,
Defendants.

CASE NO.: 37-2018-00034229-CU-BC-CTL

**[PROPOSED] ORDER APPOINTING
RECEIVER**

Judge: Hon. Eddie C. Sturgeon
Dept: C-67
Date: August 20, 2018
Time: 2:00 p.m.

This matter came on for hearing on August 20, 2018 at 2:00 p.m. in Department C-67, the
Honorable Judge Eddie C. Sturgeon, presiding. Upon reviewing the papers and records filed in this
matter and taking into account argument by counsel at the hearing, and good cause appearing,

1 NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

2 1. Michael W. Essary is hereby appointed as Receiver in this matter and shall
3 immediately take control and possession of the following business entities:

4 a. San Diego United Holdings Group, LLC;

5 b. Mira Este Properties, LLC;

6 c. Balboa Ave Cooperative;

7 d. California Cannabis Group;

8 e. Devilish Delights, Inc.;

9 f. Flip Management, LLC.

10 Collectively, these business entities will be referred to as the "Marijuana Operations."

11 2. Receiver has already filed his Oath of Receiver and proof of Receiver's Bond, in the
12 previously-ordered amount of \$10,000, with the Court.

13 3. Defendant Roselle Properties, LLC and the property located at 10685 Roselle Street,
14 San Diego, California 92121 ("Roselle Property") will not be under the Receiver's control at this
15 time. Defendant Roselle Properties, LLC and Defendant Chris Hakim are prohibited from
16 transferring or selling any portion of the Roselle Property until further order of this Court.

17 4. Receiver shall maintain and oversee the current management agreement in place with
18 Far West Management, LLC for the marijuana dispensary operations at the property located at 8861
19 Balboa Avenue, Suite B, San Diego, California 92123 and 8863 Balboa Avenue, Suite E, San Diego,
20 California 92123 ("Balboa Ave Dispensary"). The Court permits Receiver to pay the management
21 fee and/or minimum guarantee payments, according to the management agreement, if funds are
22 available.

23 5. Receiver shall maintain and oversee the current management agreement in place with
24 Synergy Management Partners, LLC for the production facility operations at the property located at
25 9212 Mira Este Court, San Diego, California 92126 ("Mira Este Property"). The Court permits
26 Receiver to pay the management fee and/or minimum guarantee payments, according to the
27 management agreement, if funds are available.

28

1 6. Plaintiff-In-Intervention SoCal Building Ventures, LLC's Management Service and
2 Option Agreement for the management of the Balboa Ave Cooperative is stayed until further order
3 of this Court. Plaintiff-In-Intervention SoCal Building Ventures, LLC's Management Service and
4 Option Agreement for the management of the production facility at the Mira Este Property is stayed
5 until further order of this Court. Plaintiff-In-Intervention SoCal Building Ventures, LLC's
6 Management Service and Option Agreement for the management of the Roselle Property is stayed
7 until further order of this Court.

8 7. Receiver shall interview and consider retaining Certified Public Accountant Justus
9 Henkus IV to provide accounting services for the Marijuana Operations, specifically including the
10 active operations at the Balboa Ave Dispensary and the Mira Este Property. In the event Receiver
11 decides against retaining Mr. Henkus, Receiver shall retain Brian Brinig of Brinig Taylor Zimmer,
12 Inc. to provide accounting services for the Balboa Ave Dispensary and the Mira Este Property.

13 8. From the proceeds that shall come into Receiver's possession from the Balboa Ave
14 Dispensary, Receiver shall apply and disburse said monies in the following general order, subject to
15 Receiver's discretion:

- 16 a. To pay the expenses and charges of Receiver, and his counsel Richardson
17 Griswold of Griswold Law, APC, in the carrying out of Receiver's Court-ordered
18 duties and obligations;
- 19 b. To pay all expenses reasonably necessary or incidental to the continued operation,
20 care, preservation and maintenance of the Balboa Ave Dispensary to maintain the
21 status quo;
- 22 c. To pay all installments of principal and interest presently due or to become due
23 pursuant to notes secured against the Balboa Ave Dispensary property.

24 9. From the proceeds that shall come into Receiver's possession from the Mira Este
25 Property, Receiver shall apply and disburse said monies in the following general order, subject to
26 Receiver's discretion:

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- a. To pay the expenses and charges of Receiver, and his counsel Richardson Griswold of Griswold Law, APC, in the carrying out of Receiver's Court-ordered duties and obligations;
- b. To pay all expenses reasonably necessary or incidental to the continued operation, care, preservation and maintenance of the Mira Este Property to maintain the status quo;
- c. To pay all installments of principal and interest presently due or to become due pursuant to notes secured against the Mira Este Property.

10. Receiver shall hold all proceeds derived from the Marijuana Operations, less all costs, expenses and payments outlined above.

11. To the greatest extent reasonably possible, Receiver shall ensure the Marijuana Operations remain operating at status quo until the hearing in this matter on September 7, 2018. All parties to this matter shall cooperate with Receiver and keep the Receiver informed regarding all updates, statuses, notices or otherwise regarding the Marijuana Operations.

12. Receiver shall take possession of all funds held for or arising out of the real property owned by any of the Marijuana Operations, the operation of the Marijuana Operations, and/or on deposit in any and all bank and savings demand deposit accounts, including without limitation, money on deposit at any bank, or located elsewhere, certificates of deposit, warrants, Letter(s) of Credit, drafts, notes, deeds of trust and other negotiable instruments, choses in action, chattel paper, accounts receivable, collateral of any kind and otherwise, in the name of, or held for the benefit of the Marijuana Operations. All of the foregoing shall include, without limitation, such accounts and/or instruments held in the name of the Marijuana Operations for which any director, officer or employee of the Marijuana Operations is a signatory or authorized agent of the Marijuana Operations, notwithstanding the actual name under which the account or instrument is held. The Receiver shall exercise full control over said assets and Receiver shall have the right to assume any existing accounts.

1 13. Each and every banking, savings and thrift institution having funds on deposit for, or
2 held for the benefit of the Marijuana Operations, shall deliver all of such funds and accrued interest,
3 if any, and all certificates and/or books, statements and records of account representing said funds,
4 directly to the Receiver without further inquiry or impediment to the exercise of the powers of the
5 Receiver herein. Receiver shall establish new bank accounts and transfer existing Marijuana
6 Operations account funds from their current account locations into the new bank accounts
7 established by Receiver. Receiver is empowered to establish such accounts as he may deem
8 necessary at such federally insured bank(s) as he may determine appropriate. Specifically, Receiver
9 shall open and maintain one bank account for the operations at the Balboa Ave Dispensary and shall
10 open and maintain one bank account for the operations at the Mira Este Property.

11 14. All rents, issues and profits that may accrue from the Marijuana Operations,
12 Marijuana Operations Property, or any part thereof, or which may be received or receivable from
13 any hiring, operating, letting, leasing, sub-hiring, using, subletting, subleasing, renting thereof shall
14 be subject to this Order and controlled by the Receiver. Rents, issues and profits shall include,
15 without limitation, gross receipts from business operations, all rental proceeds of the Marijuana
16 Operations' premises, if any, discounts and rebates of every kind, any right arising from the
17 operation of the Marijuana Operations and/or Marijuana Operations Property and payment for
18 storage, product development and preparation of any kind, equipment rental, delivery, commercial
19 rental of any Marijuana Operations Property and any other service or rental rendered, whether or not
20 yet earned by performance including, but not limited to, accounts arising from the operations of the
21 Marijuana Operations Property, rent, security and advance deposits for use and/or hiring, in any
22 manner, of the Marijuana Operations, and to payment(s) from any consumer, credit/charge card
23 organization or entity (hereinafter collectively called "Rents and Profits").

24 15. Receiver is empowered to execute and prepare all documents and to perform all
25 necessary acts, whether in the name of the Marijuana Operations, named parties in this matter and/or
26 directors, officers, or members of the Marijuana Operations or in the Receiver's own name, that are
27 necessary and incidental to demanding, collecting and receiving said money, obligations, funds,
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1 licenses, Rents and Profits and payments due the Marijuana Operations and/or named parties in this
2 matter and subject to enforcement under this Order.

3 16. Receiver is authorized to endorse and deposit into his receiver account(s) all of said
4 funds, cash, checks, warrants, drafts and other instruments of payment payable to the Marijuana
5 Operations, named parties in this matter and/or the agents of the Marijuana Operations as such
6 payments relate to the Marijuana Operations.

7 17. Plaintiff, Plaintiff-In-Intervention, Defendants, and members of the Marijuana
8 Operations and their servants, agents, attorneys, accountants, employees, successors-in-interest and
9 assigns, and all other persons acting under and/or in concert with any of them shall provide, turn
10 over and deliver to the Receiver within forty-eight (48) hours of entry of this Order any and all
11 instruments, profit and loss statements, income and expense statements, documents, ledgers, receipts
12 and disbursements journals, books and records of accounts, including canceled checks and bank
13 statements, for all Marijuana Operations and Marijuana Operations Property, including electronic
14 records consisting of hard and floppy disks, checking and savings records, cash register tapes and
15 sales slips and all check book disbursement registers and memoranda and savings passbooks.

16 18. Plaintiff, Plaintiff-In-Intervention, Defendants, and/or any of the directors, officers,
17 members of the Marijuana Operations shall notify the Receiver forthwith whether there is sufficient
18 insurance coverage in force on the Marijuana Operations Property, including the Marijuana
19 Operations premises, if any. Said persons shall inform the Receiver of the name, address and
20 telephone number of all insurance agents and shall be responsible for and are ordered to cause the
21 Receiver to be named as an additional insured on such policy(ies) of liability, casualty, property loss
22 and Worker's Compensation for the period the Receiver shall be in possession of the Marijuana
23 Operations and the Marijuana Operations Property, if any such insurance exists.

24 19. If there is insufficient or no insurance, the Receiver shall have thirty (30) business
25 days from entry of this Order within which to procure such insurance, if possible, provided he has
26 funds from the business to do so. During this "procurement" period, the Receiver shall not be
27 personally liable for any and all claims arising from business operations nor for the procurement of
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1 said insurance. The cost thereof shall be payable by and become an obligation of the receivership,
2 and not at the personal expense of the Receiver. If there is insufficient operating revenue to pay for
3 such insurance, the Receiver shall apply to the Court for instructions.

4 20. Plaintiff, Plaintiff-In-Intervention, Defendants, and their respective agents,
5 employees, servants, representatives, and all other persons and entities acting in concert with them
6 or under their direction or control, or any of them, shall be, and hereby are, enjoined and restrained
7 from engaging in or performing, directly or indirectly, any of the following acts:

8 a) Expending, disbursing, transferring, assigning, selling, conveying, devising,
9 pledging, mortgaging, creating a security interest in, encumbering, concealing, or in any manner
10 whatsoever disposing of the whole or any part of the Marijuana Operations or Marijuana Operations
11 Property, without the written consent of the Receiver first obtained;

12 b) Doing any act which will, or which will tend to impair, defeat, divert, prevent
13 or prejudice the preservation of the proceeds of the Marijuana Operations or the receivership's
14 interest in the subject Marijuana Operations Property in whatever form the interest is held or used;
15 and,

16 c) Destroying, concealing, transferring, or failing to preserve any document
17 which evidences, reflects or pertains to any aspect of the Marijuana Operations or Marijuana
18 Operations Property.

19 21. Receiver is authorized to make entry onto any and all business premises utilized by
20 the Marijuana Operations and/or the Marijuana Operations Property.

21 22. This Court will hold a hearing regarding an Order To Show Cause why the
22 Appointment of Receiver should not be confirmed and an Order To Show Cause why a preliminary
23 injunction should not be granted on September 7, 2018 at 1:30 p.m. in Department C-67 before the
24 Honorable Judge Eddie C. Sturgeon, presiding.

25 23. The parties, if they choose to, are required to file and serve additional briefing,
26 including briefing on the amount required for Plaintiff's bond in the event this Court grants a
27 preliminary injunction, on or before September 4, 2018.
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24. Receiver shall file and serve his Receiver's Report on or before September 5, 2018.

25. Additional Orders: _____

IT IS SO ORDERED.

Dated: **August 28**, 2018

Eddie C. Sturgeon

Judge Eddie C Sturgeon

Judge of the Superior Court

Michael Essary, Receiver



September 14, 2018

VIA EMAIL TRANSMISSION

Veronica Daniel, Staff Services Manager II
Bureau of Cannabis Control
2920 Kilgore Road Rancho
Cordova, CA 95670

**Re: Balboa Avenue Cooperative
License Number: A10-18-0000113-TEMP**

Dear Ms. Daniel:

I am writing in response to your e-mail dated September 10, 2018 in which you requested that I provide details regarding my future intent for the above referenced business prior to the temporary license expiration date of October 30, 2018. My intent as receiver is for the business to continue operating, pursuant to Title 16, California Code of Regulations, section 5024(c)(3), under its current temporary license and any subsequent extensions. In addition, I would like the Bureau to continue processing the application for annual license that the entity has submitted. The court has ordered that I keep the business in operation while the court proceeding is pending. I would like to avoid a cessation of business operations if possible.

My appointment as receiver over the licensed entity is temporary. The court is actively monitoring the ongoing need for a receivership. On November 16, 2018, the court is holding a hearing on whether to continue or terminate the receivership. I would appreciate if the Bureau preserves the status quo regarding the business and its license until such time as the Court makes a final judgment in this matter. In the meantime, I will inform the Bureau of any developments and court rulings in the case.

Please let me know if you have any questions. I am more than happy to provide any additional information that the Bureau needs in connection with this very important matter.

Very truly yours,


Michael Essary, Receiver

Adjakloe, Lydia@DCA

From: BCCLicensing@DCA
Sent: Wednesday, September 2, 2020 8:07 AM
To: DSDCannabis@sandiego.gov
Subject: State License [BALBOA AVE COOPERATIVE,A10-17-0000134-APP]

Good morning,

The Bureau of Cannabis Control (Bureau) has received an application from **BALBOA AVE COOPERATIVE** for an annual or provisional commercial cannabis **Adult-Use and Medicinal Retailer** license. The applicant's information is provided below.

BALBOA AVE COOPERATIVE

8863 BALBOA AVE, SUITE# E SAN DIEGO, CA 92123

Based on the information provided above, please confirm whether the Bureau may issue an annual or provisional license to the applicant.

- In Compliance:** The local jurisdiction has determined that the applicant is compliant with local ordinances and regulations and that the applicant is authorized to engage in the requested commercial cannabis activity. Please be aware that this response may result in the Bureau's issuance of an annual or provisional license if all other state licensing requirements are met.
- Local Compliance Underway:** The local jurisdiction is working with the applicant; the local jurisdiction authorizes the applicant to continue with the state licensure process. Please be aware that this response may result in the Bureau's issuance of provisional license if all other state licensing requirements are met.
- Not in Compliance:** The local jurisdiction has determined that the applicant entity is not in compliance with local ordinances and regulations. **Please be aware that selecting this response will result in the denial of an application for licensure (BPC 26055(g)(2)(B)).**

If the Bureau does not receive a response **within 60 business days** from the date of this notification, the Bureau may issue an annual or provisional commercial cannabis license to the applicant entity listed above.

Thank you,



Lydia Adjakloe
Licensing Technician
www.bcc.ca.gov
<https://cannabis.ca.gov>





Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: April 01, 2019

Return Type: Original

Period End: June 30, 2019

Due Date: July 31, 2019

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

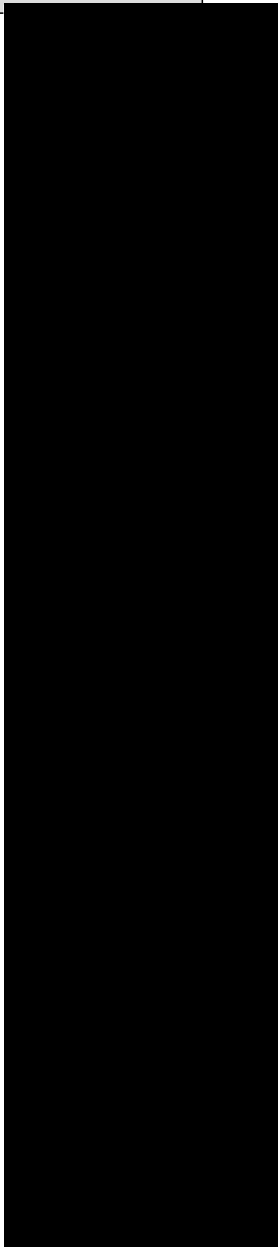
Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable



Account Number: [REDACTED]

Filing Period: June 30, 2019

Schedule A2 - Computation Schedule for District Tax

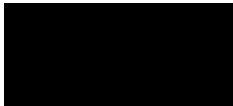
Taxable transactions subject to District Tax [REDACTED]
Transactions subject to only the base state rate [REDACTED]
District Tax Total [REDACTED]

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

Account Number: 103-009445
Filing Period: June 30, 2019

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules



Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547	10000	

Account Number: [REDACTED]
Filing Period: June 30, 2019

Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber

[REDACTED]

Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due

[REDACTED]

Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable

[REDACTED]

**ONLINE SERVICES FILING RECORD:
SALES & USE TAX RETURN**



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: July 01, 2019

Return Type: Original

Period End: September 30, 2019

Submitted: 10/31/2019 4:37:41 PM

Due Date: October 31, 2019

Confirmation #: [REDACTED]

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

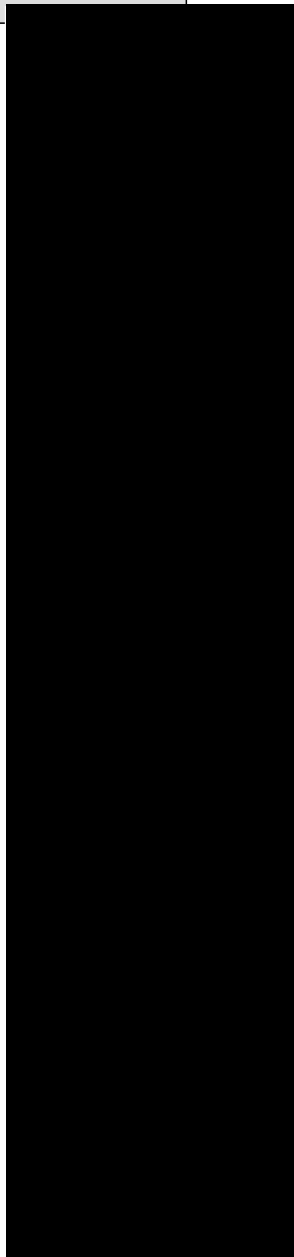
Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable



Account Number:



Filing Period:

September 30, 2019

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax



Transactions subject to only the base state rate

District Tax Total

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013			



Account Number:

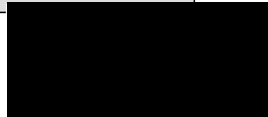


Filing Period:

September 30, 2019

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules



Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547		

Account Number:

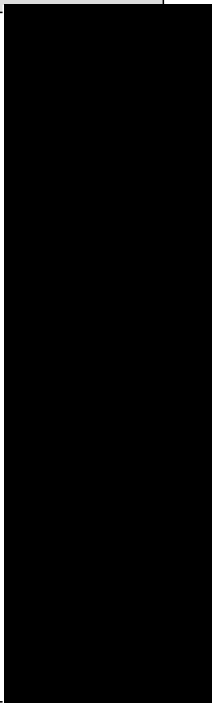


Filing Period:

September 30, 2019

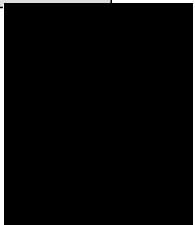
Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



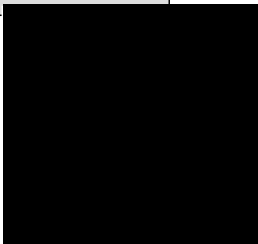
Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable



**ONLINE SERVICES FILING RECORD:
SALES & USE TAX RETURN**



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: July 01, 2019

Return Type: Original

Period End: September 30, 2019

Submitted: 10/31/2019 4:37:41 PM

Due Date: October 31, 2019

Confirmation #: [REDACTED]

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Account Number:

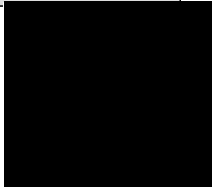


Filing Period:

September 30, 2019

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax



Transactions subject to only the base state rate

District Tax Total

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013			

Account Number:

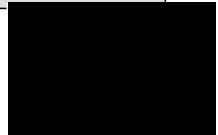


Filing Period:

September 30, 2019

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules



Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547		

Account Number:

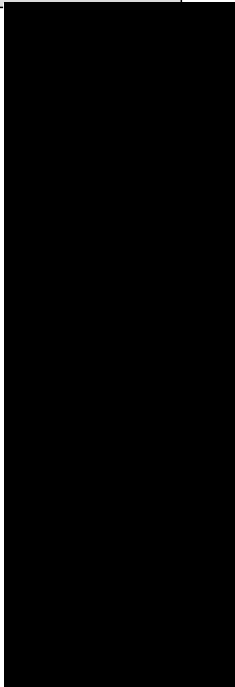


Filing Period:

September 30, 2019

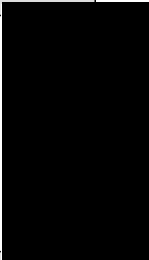
Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



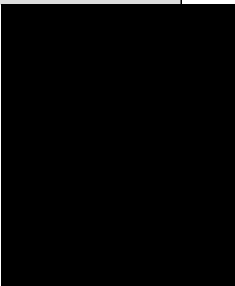
Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable



**ONLINE SERVICES FILING RECORD:
SALES & USE TAX RETURN**



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: October 01, 2019

Return Type: Original

Period End: December 31, 2019

Submitted: 1/31/2020 12:48:18 PM

Due Date: January 31, 2020

Confirmation #: [REDACTED]

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Account Number: [REDACTED]
Filing Period: December 31, 2019

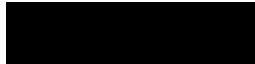
Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax
Transactions subject to only the base state rate
District Tax Total

[REDACTED]

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

Account Number:

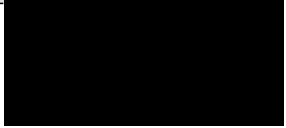


Filing Period:

December 31, 2019

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules



Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547		

Account Number:

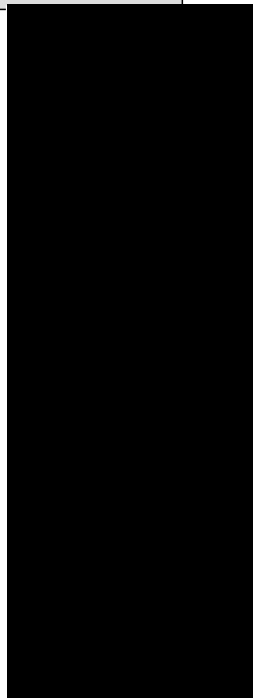


Filing Period:

December 31, 2019

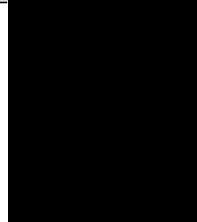
Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



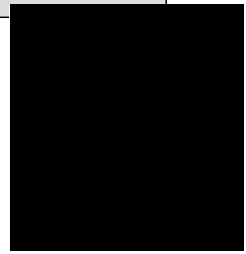
Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable



**ONLINE SERVICES FILING RECORD:
SALES & USE TAX RETURN**



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: January 01, 2020

Return Type: Original

Period End: March 31, 2020

Submitted: 4/30/2020 3:33:45 PM

Due Date: July 31, 2020

Confirmation #: [REDACTED]

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable



Account Number: [REDACTED]
Filing Period: March 31, 2020

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax
Transactions subject to only the base state rate
District Tax Total

[REDACTED]

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

Account Number: [REDACTED]

Filing Period: March 31, 2020

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules [REDACTED]

Total taxable transactions for all registered locations [REDACTED]

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547	[REDACTED]	[REDACTED]

Account Number:

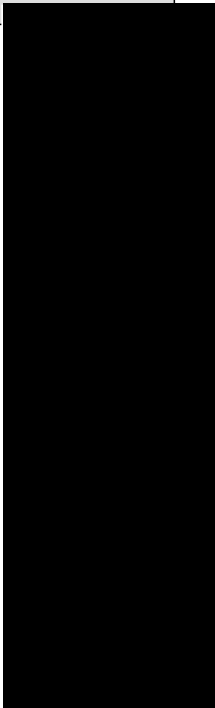


Filing Period:

March 31, 2020

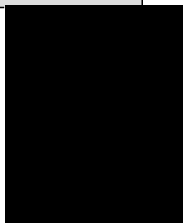
Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



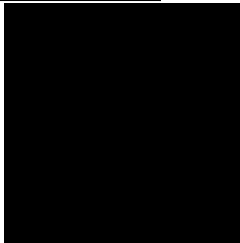
Lumber Assessment

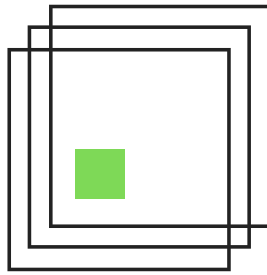
Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable





BLACKWOOD CONSULTING

To Whom It May Concern:

Per the Bureau of Cannabis Control (BCC) Text of Regulations; California Code of Regulation Title 16; Division 42; section 5904 "Reports to the Bureau" license holders are required to alert the state of any changes in ownership or other major changes to the BCC.

I represent Balboa Ave Cooperative (Balboa), a mutual benefit nonprofit corporation. This email also serves as notice to the local jurisdiction, San Diego Development Services Department Cannabis Division, of the change.

The Medical Marijuana Consumer Cooperative (MMCC) located on 8863 Balboa Avenue, 92123 is known as Balboa Ave Cooperative (dispensary). The dispensary has a Type 10 Retailer License with the BCC, license #C10-0000180. Balboa is incorporated in the state of California as a nonprofit cooperative - corporate ID #C3963195.

In 2015, Balboa (formerly known as United Patients Consumer Cooperative) obtained a CUP with Ninus Malan as the named officer.

In September 2018, a judge ordered the building and the cannabis business license to a receivership through the Superior Court of California, County of San Diego.

In June 2021, the real property connected to the dispensary, 8863 Balboa Avenue, a 999 square foot tenant space within a 4,995 square foot facility, was sold with clear direction from the judge that the buyers did not purchase the cannabis business; the buyer purchased only the real property. Cannabis business licenses are not transferable on a state level as a vetting process must be done of the owners as well as the business.

Moreover, according to the condition of the local CUP:

"6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest."

My client and I understand this issue is novel and will require more attention moving forward. We are ensuring our due diligence per code. The cannabis business license is still under receivership.

Thank you for your time on this issue,

Sapphire Blackwood
Principal, Blackwood Consulting

Government Affairs & Legal Compliance **SHERLOCK-DCC-FOIA:0065**
sapphire@blackwoodconsultingpros.com

Do, Timothy@DCA

From: Ma, Sammi <SMa@san Diego.gov> on behalf of DSD Cannabis <DSDCannabis@san Diego.gov>
Sent: Wednesday, September 2, 2020 10:51 AM
To: BCCLicensing@DCA; DSD Cannabis
Subject: RE: State License [BALBOA AVE COOPERATIVE,A10-17-0000134-APP]

[EXTERNAL]: SMa@san Diego.gov

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NEVER: provide credentials on websites via a clicked link in an Email.

Good morning,

Please see our response below.

Best,

Cannabis Division

City of San Diego Development Services Department
1222 First Ave., San Diego, CA 92101
www.sandiego.gov/cannabis

What's the Latest?

Visit sandiego.gov/dsd to keep up-to-date with DSD's operational and program updates. You can also stay informed about the City's response to COVID-19 by visiting the [City's COVID-19 information page](#).

CONFIDENTIAL COMMUNICATION

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From: BCCLicensing@DCA <BCCLicensing@dca.ca.gov>
Sent: Wednesday, September 2, 2020 8:07 AM
To: DSD Cannabis <DSDCannabis@san Diego.gov>
Subject: [EXTERNAL] State License [BALBOA AVE COOPERATIVE,A10-17-0000134-APP]

****This email came from an external source. Be cautious about clicking on any links in this email or opening attachments.****

Good morning,

The Bureau of Cannabis Control (Bureau) has received an application from **BALBOA AVE COOPERATIVE** for an annual or provisional commercial cannabis **Adult-Use and Medicinal Retailer** license. The applicant's information is provided below.

BALBOA AVE COOPERATIVE

8863 BALBOA AVE, SUITE# E SAN DIEGO, CA 92123

Based on the information provided above, please confirm whether the Bureau may issue an annual or provisional license to the applicant.

- In Compliance:** The local jurisdiction has determined that the applicant is compliant with local ordinances and regulations and that the applicant is authorized to engage in the requested commercial cannabis activity. Please be aware that this response may result in the Bureau’s issuance of an annual or provisional license if all other state licensing requirements are met.

- Local Compliance Underway:** The local jurisdiction is working with the applicant; the local jurisdiction authorizes the applicant to continue with the state licensure process. Please be aware that this response may result in the Bureau’s issuance of provisional license if all other state licensing requirements are met.

- Not in Compliance:** The local jurisdiction has determined that the applicant entity is not in compliance with local ordinances and regulations. **Please be aware that selecting this response will result in the denial of an application for licensure (BPC 26055(g)(2)(B)).**

If the Bureau does not receive a response **within 60 business days** from the date of this notification, the Bureau may issue an annual or provisional commercial cannabis license to the applicant entity listed above.

Thank you,



Lydia Adjakloe
Licensing Technician
www.bcc.ca.gov
<https://cannabis.ca.gov>





COMMERCIAL LEASE AGREEMENT
(C.A.R. Form CL, Revised 12/15)

Date (For reference only): _____

San Diego United Holdings Group ("Landlord") and
Balboa Ave Cooperative ("Tenant") agree as follows:

1. **PROPERTY:** Landlord rents to Tenant and Tenant rents from Landlord, the real property and improvements described as: 8863 Balboa Ave Unit E, San Diego CA 92123 and 8861 Balboa Ave Unit B, San Diego CA 92123 ("Premises"), which comprise approximately _____ % of the total square footage of rentable space in the entire property. See exhibit _____ for a further description of the Premises.

2. **TERM:** The term begins on (date) April 1, 2017 ("Commencement Date"), (Check A or B):

A. Lease: and shall terminate on (date) April 1, 2022 at 3 AM PM. Any holding over after the term of this agreement expires, with Landlord's consent, shall create a month-to-month tenancy that either party may terminate as specified in paragraph 2B. Rent shall be at a rate equal to the rent for the immediately preceding month, payable in advance. All other terms and conditions of this agreement shall remain in full force and effect.

B. Month-to-month: and continues as a month-to-month tenancy. Either party may terminate the tenancy by giving written notice to the other at least 30 days prior to the intended termination date, subject to any applicable laws. Such notice may be given on any date.

C. RENEWAL OR EXTENSION TERMS: See attached addendum _____.

3. **BASE RENT:**

A. Tenant agrees to pay Base Rent at the rate of (CHECK ONE ONLY):

(1) \$ _____ per month, for the term of the agreement.

(2) \$ _____ per month, for the first 12 months of the agreement. Commencing with the 13th month, and upon expiration of each 12 months thereafter, rent shall be adjusted according to any increase in the U.S. Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers ("CPI") for _____ (the city nearest the location of the Premises), based on the following formula: Base Rent will be multiplied by the most current CPI preceding the first calendar month during which the adjustment is to take effect, and divided by the most recent CPI preceding the Commencement Date. In no event shall any adjusted Base Rent be less than the Base Rent for the month immediately preceding the adjustment. If the CPI is no longer published, then the adjustment to Base Rent shall be based on an alternate index that most closely reflects the CPI.

(3) \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____ and \$ _____ per month for the period commencing _____ and ending _____.

(4) In accordance with the attached rent schedule.

(5) Other: _____.

B. Base Rent is payable in advance on the 1st (or _____) day of each calendar month, and is delinquent on the next day.

C. If the Commencement Date falls on any day other than the first day of the month, Base Rent for the first calendar month shall be prorated based on a 30-day period. If Tenant has paid one full month's Base Rent in advance of Commencement Date, Base Rent for the second calendar month shall be prorated based on a 30-day period.

4. **RENT:**

A. Definition: ("Rent") shall mean all monetary obligations of Tenant to Landlord under the terms of this agreement, except security deposit.

B. Payment: Rent shall be paid to (Name) San Diego United Holdings Group LLC at (address) 5065 Logan Ave Suite 101, San Diego CA 92113, or at any other location specified by Landlord in writing to Tenant.

C. Timing: Base Rent shall be paid as specified in paragraph 3. All other Rent shall be paid within 30 days after Tenant is billed by Landlord.

5. **EARLY POSSESSION:** Tenant is entitled to possession of the Premises on _____.

If Tenant is in possession prior to the Commencement Date, during this time (i) Tenant is not obligated to pay Base Rent, and (ii) Tenant is is not obligated to pay Rent other than Base Rent. Whether or not Tenant is obligated to pay Rent prior to Commencement Date, Tenant is obligated to comply with all other terms of this agreement.

6. **SECURITY DEPOSIT:**

A. Tenant agrees to pay Landlord \$ _____ as a security deposit. Tenant agrees not to hold Broker responsible for its return. (IF CHECKED:) If Base Rent increases during the term of this agreement, Tenant agrees to increase security deposit by the same proportion as the increase in Base Rent.

B. All or any portion of the security deposit may be used, as reasonably necessary, to: (i) cure Tenant's default in payment of Rent, late charges, non-sufficient funds ("NSF") fees, or other sums due; (ii) repair damage, excluding ordinary wear and tear, caused by Tenant or by a guest or licensee of Tenant; (iii) broom clean the Premises, if necessary, upon termination of tenancy; and (iv) cover any other unfulfilled obligation of Tenant. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If all or any portion of the security deposit is used during tenancy, Tenant agrees to reinstate the total security deposit within 5 days after written notice is delivered to Tenant. Within 30 days after Landlord receives possession of the Premises, Landlord shall: (i) furnish Tenant an itemized statement indicating the amount of any security deposit received and the basis for its disposition, and (ii) return any remaining portion of security deposit to Tenant. However, if the Landlord's only claim upon the security deposit is for unpaid Rent, then the remaining portion of the security deposit, after deduction of unpaid Rent, shall be returned within 14 days after the Landlord receives possession.

C. No interest will be paid on security deposit, unless required by local ordinance.

Landlord's Initials (SM) (_____)

Tenant's Initials (SM) (_____)



7. PAYMENTS:

	TOTAL DUE	PAYMENT RECEIVED	BALANCE DUE	DUE DATE
A. Rent: From <u>04/01/2017</u> To <u>04/01/2022</u> Date Date	\$ [REDACTED]	\$ _____	\$ [REDACTED]	<u>04/01/2017</u>
B. Security Deposit	\$ _____	\$ _____	\$ _____	_____
C. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
D. Other: _____ Category	\$ _____	\$ _____	\$ _____	_____
E. Total:	\$ [REDACTED]	\$ _____	\$ [REDACTED]	_____

8. PARKING: Tenant is entitled to _____ unreserved and _____ reserved vehicle parking spaces. The right to parking is is not included in the Base Rent charged pursuant to paragraph 3. If not included in the Base Rent, the parking rental fee shall be an additional \$ _____ per month. Parking space(s) are to be used for parking operable motor vehicles, except for trailers, boats, campers, buses or trucks (other than pick-up trucks). Tenant shall park in assigned space(s) only. Parking space(s) are to be kept clean. Vehicles leaking oil, gas or other motor vehicle fluids shall not be parked in parking spaces or on the Premises. Mechanical work or storage of inoperable vehicles is not allowed in parking space(s) or elsewhere on the Premises. No overnight parking is permitted.

9. ADDITIONAL STORAGE: Storage is permitted as follows: _____
The right to additional storage space is is not included in the Base Rent charged pursuant to paragraph 3. If not included in Base Rent, storage space shall be an additional \$ _____ per month. Tenant shall store only personal property that Tenant owns, and shall not store property that is claimed by another, or in which another has any right, title, or interest. Tenant shall not store any improperly packaged food or perishable goods, flammable materials, explosives, or other dangerous or hazardous material. Tenant shall pay for, and be responsible for, the clean-up of any contamination caused by Tenant's use of the storage area.

10. LATE CHARGE; INTEREST; NSF CHECKS: Tenant acknowledges that either late payment of Rent or issuance of a NSF check may cause Landlord to incur costs and expenses, the exact amount of which are extremely difficult and impractical to determine. These costs may include, but are not limited to, processing, enforcement and accounting expenses, and late charges imposed on Landlord. If any installment of Rent due from Tenant is not received by Landlord within **5 calendar days** after date due, or if a check is returned NSF, Tenant shall pay to Landlord, respectively, \$ [REDACTED] as late charge, plus [REDACTED] interest per annum on the delinquent amount and [REDACTED] as a NSF fee, any of which shall be deemed additional Rent. Landlord and Tenant agree that these charges represent a fair and reasonable estimate of the costs Landlord may incur by reason of Tenant's late or NSF payment. Any late charge, delinquent interest, or NSF fee due shall be paid with the current installment of Rent. Landlord's acceptance of any late charge or NSF fee shall not constitute a waiver as to any default of Tenant. Landlord's right to collect a Late Charge or NSF fee shall not be deemed an extension of the date Rent is due under paragraph 4, or prevent Landlord from exercising any other rights and remedies under this agreement, and as provided by law.

11. CONDITION OF PREMISES: Tenant has examined the Premises and acknowledges that Premise is clean and in operative condition, with the following exceptions: As is - Landlord Will Make No Repairs
Items listed as exceptions shall be dealt with in the following manner: _____

12. ZONING AND LAND USE: Tenant accepts the Premises subject to all local, state and federal laws, regulations and ordinances ("Laws"). Landlord makes no representation or warranty that Premises are now or in the future will be suitable for Tenant's use. Tenant has made its own investigation regarding all applicable Laws.

13. TENANT OPERATING EXPENSES: Tenant agrees to pay for all utilities and services directly billed to Tenant _____

14. PROPERTY OPERATING EXPENSES:
A. Tenant agrees to pay its proportionate share of Landlord's estimated monthly property operating expenses, including but not limited to, common area maintenance, consolidated utility and service bills, insurance, and real property taxes, based on the ratio of the square footage of the Premises to the total square footage of the rentable space in the entire property. _____

OR B. (If checked) Paragraph 14 does not apply.

15. USE: The Premises are for the sole use as Marijuana Dispensary
No other use is permitted without Landlord's prior written consent. If any use by Tenant causes an increase in the premium on Landlord's existing property insurance, Tenant shall pay for the increased cost. Tenant will comply with all Laws affecting its use of the Premises.

16. RULES/REGULATIONS: Tenant agrees to comply with all rules and regulations of Landlord (and, if applicable, Owner's Association) that are at any time posted on the Premises or delivered to Tenant. Tenant shall not, and shall ensure that guests and licensees of Tenant do not, disturb, annoy, endanger, or interfere with other tenants of the building or neighbors, or use the Premises for any unlawful purposes, including, but not limited to, using, manufacturing, selling, storing, or transporting illicit drugs or other contraband, or violate any law or ordinance, or committing a waste or nuisance on or about the Premises.

17. MAINTENANCE:
A. Tenant **OR** (If checked, Landlord) shall professionally maintain the Premises including heating, air conditioning, electrical, plumbing and water systems, if any, and keep glass, windows and doors in operable and safe condition. Unless Landlord is checked, if Tenant fails to maintain the Premises, Landlord may contract for or perform such maintenance, and charge Tenant for Landlord's cost.
B. Landlord **OR** (If checked, Tenant) shall maintain the roof, foundation, exterior walls, common areas and _____

Landlord's Initials (nm) (_____)

Tenant's Initials (nm) (_____)



Premises: 8863 Balboa Ave Unit E, San Diego CA 92123 and 8861 Balboa Ave Unit B, San Diego CA 92123 Date _____

- 18. ALTERATIONS:** Tenant shall not make any alterations in or about the Premises, including installation of trade fixtures and signs, without Landlord's prior written consent, which shall not be unreasonably withheld. Any alterations to the Premises shall be done according to Law and with required permits. Tenant shall give Landlord advance notice of the commencement date of any planned alteration, so that Landlord, at its option, may post a Notice of Non-Responsibility to prevent potential liens against Landlord's interest in the Premises. Landlord may also require Tenant to provide Landlord with lien releases from any contractor performing work on the Premises.
- 19. GOVERNMENT IMPOSED ALTERATIONS:** Any alterations required by Law as a result of Tenant's use shall be Tenant's responsibility. Landlord shall be responsible for any other alterations required by Law.
- 20. ENTRY:** Tenant shall make Premises available to Landlord or Landlord's agent for the purpose of entering to make inspections, necessary or agreed repairs, alterations, or improvements, or to supply necessary or agreed services, or to show Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers, or contractors. Landlord and Tenant agree that 24 hours notice (oral or written) shall be reasonable and sufficient notice. In an emergency, Landlord or Landlord's representative may enter Premises at any time without prior notice.
- 21. SIGNS:** Tenant authorizes Landlord to place a FOR SALE sign on the Premises at any time, and a FOR LEASE sign on the Premises within the 90 (or _____) day period preceding the termination of the agreement.
- 22. SUBLETTING/ASSIGNMENT:** Tenant shall not sublet or encumber all or any part of Premises, or assign or transfer this agreement or any interest in it, without the prior written consent of Landlord, which shall not be unreasonably withheld. Unless such consent is obtained, any subletting, assignment, transfer, or encumbrance of the Premises, agreement, or tenancy, by voluntary act of Tenant, operation of law, or otherwise, shall be null and void, and, at the option of Landlord, terminate this agreement. Any proposed sublessee, assignee, or transferee shall submit to Landlord an application and credit information for Landlord's approval, and, if approved, sign a separate written agreement with Landlord and Tenant. Landlord's consent to any one sublease, assignment, or transfer, shall not be construed as consent to any subsequent sublease, assignment, or transfer, and does not release Tenant of Tenant's obligation under this agreement.
- 23. POSSESSION:** If Landlord is unable to deliver possession of Premises on Commencement Date, such date shall be extended to the date on which possession is made available to Tenant. However, the expiration date shall remain the same as specified in paragraph 2. If Landlord is unable to deliver possession within 60 (or _____) calendar days after the agreed Commencement Date, Tenant may terminate this agreement by giving written notice to Landlord, and shall be refunded all Rent and security deposit paid.
- 24. TENANT'S OBLIGATIONS UPON VACATING PREMISES:** Upon termination of agreement, Tenant shall: (i) give Landlord all copies of all keys or opening devices to Premises, including any common areas; (ii) vacate Premises and surrender it to Landlord empty of all persons and personal property; (iii) vacate all parking and storage spaces; (iv) deliver Premises to Landlord in the same condition as referenced in paragraph 11; (v) clean Premises; (vi) give written notice to Landlord of Tenant's forwarding address; and (vii) _____

All improvements installed by Tenant, with or without Landlord's consent, become the property of Landlord upon termination. Landlord may nevertheless require Tenant to remove any such improvement that did not exist at the time possession was made available to Tenant.

- 25. BREACH OF CONTRACT/EARLY TERMINATION:** In event Tenant, prior to expiration of this agreement, breaches any obligation in this agreement, abandons the premises, or gives notice of tenant's intent to terminate this tenancy prior to its expiration, in addition to any obligations established by paragraph 24, Tenant shall also be responsible for lost rent, rental commissions, advertising expenses, and painting costs necessary to ready Premises for re-rental. Landlord may also recover from Tenant: (i) the worth, at the time of award, of the unpaid Rent that had been earned at the time of termination; (ii) the worth, at the time of award, of the amount by which the unpaid Rent that would have been earned after expiration until the time of award exceeds the amount of such rental loss the Tenant proves could have been reasonably avoided; and (iii) the worth, at the time of award, of the amount by which the unpaid Rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided. Landlord may elect to continue the tenancy in effect for so long as Landlord does not terminate Tenant's right to possession, by either written notice of termination of possession or by reletting the Premises to another who takes possession, and Landlord may enforce all Landlord's rights and remedies under this agreement, including the right to recover the Rent as it becomes due.
- 26. DAMAGE TO PREMISES:** If, by no fault of Tenant, Premises are totally or partially damaged or destroyed by fire, earthquake, accident or other casualty, Landlord shall have the right to restore the Premises by repair or rebuilding. If Landlord elects to repair or rebuild, and is able to complete such restoration within 90 days from the date of damage, subject to the terms of this paragraph, this agreement shall remain in full force and effect. If Landlord is unable to restore the Premises within this time, or if Landlord elects not to restore, then either Landlord or Tenant may terminate this agreement by giving the other written notice. Rent shall be abated as of the date of damage. The abated amount shall be the current monthly Base Rent prorated on a 30-day basis. If this agreement is not terminated, and the damage is not repaired, then Rent shall be reduced based on the extent to which the damage interferes with Tenant's reasonable use of the Premises. If total or partial destruction or damage occurs as a result of an act of Tenant or Tenant's guests, (i) only Landlord shall have the right, at Landlord's sole discretion, within 30 days after such total or partial destruction or damage to treat the lease as terminated by Tenant, and (ii) Landlord shall have the right to recover damages from Tenant.
- 27. HAZARDOUS MATERIALS:** Tenant shall not use, store, generate, release or dispose of any hazardous material on the Premises or the property of which the Premises are part. However, Tenant is permitted to make use of such materials that are required to be used in the normal course of Tenant's business provided that Tenant complies with all applicable Laws related to the hazardous materials. Tenant is responsible for the cost of removal and remediation, or any clean-up of any contamination caused by Tenant.
- 28. CONDEMNATION:** If all or part of the Premises is condemned for public use, either party may terminate this agreement as of the date possession is given to the condemner. All condemnation proceeds, exclusive of those allocated by the condemner to Tenant's relocation costs and trade fixtures, belong to Landlord.
- 29. INSURANCE:** Tenant's personal property, fixtures, equipment, inventory and vehicles are not insured by Landlord against loss or damage due to fire, theft, vandalism, rain, water, criminal or negligent acts of others, or any other cause. Tenant is to carry Tenant's own property insurance to protect Tenant from any such loss. In addition, Tenant shall carry (i) liability insurance in an amount of not less than \$ _____ and (ii) property insurance in an amount sufficient to cover the replacement cost of the property if Tenant is responsible for maintenance under paragraph 17B. Tenant's insurance shall name Landlord and Landlord's agent as additional insured. Tenant, upon Landlord's request, shall provide Landlord with a certificate of insurance establishing Tenant's compliance. Landlord shall maintain liability insurance insuring Landlord, but not Tenant, in an amount of at least \$ _____, plus property insurance in an amount sufficient to cover the replacement cost of the property unless Tenant is responsible for maintenance pursuant to paragraph 17B. Tenant is advised to carry business interruption insurance in an amount at least sufficient to cover Tenant's complete rental obligation to Landlord. Landlord is advised to obtain a policy of rental loss insurance. Both Landlord and Tenant release each other, and waive their respective rights to subrogation against each other, for loss or damage covered by insurance.

Landlord's Initials (MM) (_____)

Tenant's Initials (MM) (_____)

CL REVISED 12/15 (PAGE 3 of 6)

COMMERCIAL LEASE AGREEMENT (CL PAGE 3 OF 6)

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San Diego Unit



SHERLOCK-DCC-FOIA:0070

- 30. **TENANCY STATEMENT (ESTOPPEL CERTIFICATE):** Tenant shall execute and return a tenancy statement (estoppel certificate), delivered to Tenant by Landlord or Landlord's agent, within 3 days after its receipt. The tenancy statement shall acknowledge that this agreement is unmodified and in full force, or in full force as modified, and state the modifications. Failure to comply with this requirement: (i) shall be deemed Tenant's acknowledgment that the tenancy statement is true and correct, and may be relied upon by a prospective lender or purchaser; and (ii) may be treated by Landlord as a material breach of this agreement. Tenant shall also prepare, execute, and deliver to Landlord any financial statement (which will be held in confidence) reasonably requested by a prospective lender or buyer.
- 31. **LANDLORD'S TRANSFER:** Tenant agrees that the transferee of Landlord's interest shall be substituted as Landlord under this agreement. Landlord will be released of any further obligation to Tenant regarding the security deposit, only if the security deposit is returned to Tenant upon such transfer, or if the security deposit is actually transferred to the transferee. For all other obligations under this agreement, Landlord is released of any further liability to Tenant, upon Landlord's transfer.
- 32. **SUBORDINATION:** This agreement shall be subordinate to all existing liens and, at Landlord's option, the lien of any first deed of trust or first mortgage subsequently placed upon the real property of which the Premises are a part, and to any advances made on the security of the Premises, and to all renewals, modifications, consolidations, replacements, and extensions. However, as to the lien of any deed of trust or mortgage entered into after execution of this agreement, Tenant's right to quiet possession of the Premises shall not be disturbed if Tenant is not in default and so long as Tenant pays the Rent and observes and performs all of the provisions of this agreement, unless this agreement is otherwise terminated pursuant to its terms. If any mortgagee, trustee, or ground lessor elects to have this agreement placed in a security position prior to the lien of a mortgage, deed of trust, or ground lease, and gives written notice to Tenant, this agreement shall be deemed prior to that mortgage, deed of trust, or ground lease, or the date of recording.
- 33. **TENANT REPRESENTATIONS; CREDIT:** Tenant warrants that all statements in Tenant's financial documents and rental application are accurate. Tenant authorizes Landlord and Broker(s) to obtain Tenant's credit report at time of application and periodically during tenancy in connection with approval, modification, or enforcement of this agreement. Landlord may cancel this agreement: (i) before occupancy begins, upon disapproval of the credit report(s); or (ii) at any time, upon discovering that information in Tenant's application is false. A negative credit report reflecting on Tenant's record may be submitted to a credit reporting agency, if Tenant fails to pay Rent or comply with any other obligation under this agreement.
- 34. **CONSTRUCTION-RELATED ACCESSIBILITY STANDARDS:** Landlord states that the Premises has, or has not been inspected by a Certified Access Specialist. If so, Landlord states that the Premises has, or has not been determined to meet all applicable construction-related accessibility standards pursuant to Civil Code Section 55.53.

35. **DISPUTE RESOLUTION:**

- A. **MEDIATION:** Tenant and Landlord agree to mediate any dispute or claim arising between them out of this agreement, or any resulting transaction, before resorting to arbitration or court action, subject to paragraph 35B(2) below. Paragraphs 35B(2) and (3) apply whether or not the arbitration provision is initialed. Mediation fees, if any, shall be divided equally among the parties involved. If for any dispute or claim to which this paragraph applies, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.
- B. **ARBITRATION OF DISPUTES:** (1) Tenant and Landlord agree that any dispute or claim in Law or equity arising between them out of this agreement or any resulting transaction, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraphs 35B(2) and (3) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of real estate transactional law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. In all other respects, the arbitration shall be conducted in accordance with Part III, Title 9 of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. The parties shall have the right to discovery in accordance with Code of Civil Procedure §1283.05.
 (2) **EXCLUSIONS FROM MEDIATION AND ARBITRATION:** The following matters are excluded from Mediation and Arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code §2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court; and (v) an action for bodily injury or wrongful death, or for latent or patent defects to which Code of Civil Procedure §337.1 or §337.15 applies. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a violation of the mediation and arbitration provisions.
 (3) **BROKERS:** Tenant and Landlord agree to mediate and arbitrate disputes or claims involving either or both Brokers, provided either or both Brokers shall have agreed to such mediation or arbitration, prior to, or within a reasonable time after the dispute or claim is presented to Brokers. Any election by either or both Brokers to participate in mediation or arbitration shall not result in Brokers being deemed parties to the agreement.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Landlord's Initials NM / _____ Tenant's Initials NM / _____

Landlord's Initials (NM) (_____)

Tenant's Initials (NM) (_____)



Premises: 8863 Balboa Ave Unit E, San Diego CA 92123 and 8861 Balboa Ave Unit B, San Diego CA 92123 Date _____

36. JOINT AND INDIVIDUAL OBLIGATIONS: If there is more than one Tenant, each one shall be individually and completely responsible for the performance of all obligations of Tenant under this agreement, jointly with every other Tenant, and individually, whether or not in possession.

37. NOTICE: Notices may be served by mail, facsimile, or courier at the following address or location, or at any other location subsequently designated:

Landlord: San Diego United Holdings Group

Tenant: Balboa Ave Cooperative

Notice is deemed effective upon the earliest of the following: (i) personal receipt by either party or their agent; (ii) written acknowledgement of notice; or (iii) 5 days after mailing notice to such location by first class mail, postage pre-paid.

38. WAIVER: The waiver of any breach shall not be construed as a continuing waiver of the same breach or a waiver of any subsequent breach.

39. INDEMNIFICATION: Tenant shall indemnify, defend and hold Landlord harmless from all claims, disputes, litigation, judgments and attorney fees arising out of Tenant's use of the Premises.

40. OTHER TERMS AND CONDITIONS/SUPPLEMENTS: _____

The following ATTACHED supplements/exhibits are incorporated in this agreement: Option Agreement (C.A.R. Form OA)

41. ATTORNEY FEES: In any action or proceeding arising out of this agreement, the prevailing party between Landlord and Tenant shall be entitled to reasonable attorney fees and costs from the non-prevailing Landlord or Tenant, except as provided in paragraph 35A.

42. ENTIRE CONTRACT: Time is of the essence. All prior agreements between Landlord and Tenant are incorporated in this agreement, which constitutes the entire contract. It is intended as a final expression of the parties' agreement, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this agreement constitutes the complete and exclusive statement of its terms, and that no extrinsic evidence whatsoever may be introduced in any judicial or other proceeding, if any, involving this agreement. Any provision of this agreement that is held to be invalid shall not affect the validity or enforceability of any other provision in this agreement. This agreement shall be binding upon, and inure to the benefit of, the heirs, assignees and successors to the parties.

43. BROKERAGE: Landlord and Tenant shall each pay to Broker(s) the fee agreed to, if any, in a separate written agreement. Neither Tenant nor Landlord has utilized the services of, or for any other reason owes compensation to, a licensed real estate broker (individual or corporate), agent, finder, or other entity, other than as named in this agreement, in connection with any act relating to the Premises, including, but not limited to, inquiries, introductions, consultations, and negotiations leading to this agreement. Tenant and Landlord each agree to indemnify, defend and hold harmless the other, and the Brokers specified herein, and their agents, from and against any costs, expenses, or liability for compensation claimed inconsistent with the warranty and representation in this paragraph 43.

44. AGENCY CONFIRMATION: The following agency relationships are hereby confirmed for this transaction:

Listing Agent: _____ (Print Firm Name) is the agent of (check one):

the Landlord exclusively; or both the Tenant and Landlord.

Selling Agent: _____ (Print Firm Name) (if not same as Listing Agent) is the agent of (check one):

the Tenant exclusively; or the Landlord exclusively; or both the Tenant and Landlord.

Real Estate Brokers are not parties to the agreement between Tenant and Landlord.

Landlord's Initials (NM) (_____)

Tenant's Initials (NM) (_____)

CL REVISED 12/15 (PAGE 5 of 6)

COMMERCIAL LEASE AGREEMENT (CL PAGE 5 OF 6)

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San Diego Unit



SHERLOCK-DCC-FOIA:0072

Premises: 8863 Balboa Ave Unit E, San Diego CA 92123 and 8861 Balboa Ave Unit B, San Diego CA 92123 Date _____

Landlord and Tenant acknowledge and agree that Brokers: (i) do not guarantee the condition of the Premises; (ii) cannot verify representations made by others; (iii) will not verify zoning and land use restrictions; (iv) cannot provide legal or tax advice; (v) will not provide other advice or information that exceeds the knowledge, education or experience required to obtain a real estate license. Furthermore, if Brokers are not also acting as Landlord in this agreement, Brokers: (vi) do not decide what rental rate a Tenant should pay or Landlord should accept; and (vii) do not decide upon the length or other terms of tenancy. Landlord and Tenant agree that they will seek legal, tax, insurance, and other desired assistance from appropriate professionals.

Tenant [Signature] Date 4/1/17

Balboa Ave Cooperative
(Print name)

Address 8863 Balboa Ave Suite 101 City San Diego State CA Zip 92123

Tenant _____ Date _____

(Print name) _____

Address _____ City _____ State _____ Zip _____

GUARANTEE: In consideration of the execution of this Agreement by and between Landlord and Tenant and for valuable consideration, receipt of which is hereby acknowledged, the undersigned ("Guarantor") does hereby: (i) guarantee unconditionally to Landlord and Landlord's agents, successors and assigns, the prompt payment of Rent or other sums that become due pursuant to this Agreement, including any and all court costs and attorney fees included in enforcing the Agreement; (ii) consent to any changes, modifications or alterations of any term in this Agreement agreed to by Landlord and Tenant; and (iii) waive any right to require Landlord and/or Landlord's agents to proceed against Tenant for any default occurring under this Agreement before seeking to enforce this Guarantee.

Guarantor (Print Name) _____

Guarantor _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Landlord agrees to rent the Premises on the above terms and conditions.

Landlord [Signature] Date 4/1/17

(owner or agent with authority to enter into this agreement) SDUHG

Address [Redacted] City [Redacted] State [Redacted] Zip [Redacted]

Landlord _____ Date _____

(owner or agent with authority to enter into this agreement)

Address _____ City _____ State _____ Zip _____

Agency relationships are confirmed as above. Real estate brokers who are not also Landlord in this agreement are not a party to the agreement between Landlord and Tenant.

Real Estate Broker (Leasing Firm) _____ CalBRE Lic. # _____

By (Agent) _____ CalBRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Listing Firm) _____ CalBRE Lic. # _____

By (Agent) _____ CalBRE Lic. # _____ Date _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



DOC# 2015-0399133



Jul 29, 2015 10:11 AM
OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$51.00

PAGES: 13

13p
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RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION 501

PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

SPACE ABOVE THIS LINE FOR RECORDER'S USE

INTERNAL ORDER NUMBER: 24004643

CONDITONAL USE PERMIT NO. 1296130
8863 BALBOA STE E MMCC - PROJECT NO. 368347
PLANNING COMMISSION

This Conditional Use Permit No. 1296130 is granted by the Planning Commission of the City of San Diego to LEADING EDGE REAL ESTATE, LLC, Owner and UNITED PATIENTS CONSUMER COOPERATIVE, Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 2.51-acre site located at 8863 Balboa Avenue is in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan Area. The project site is legally described as: Lot 9, Industrial Park No. 2, Map No. 4113, March 12, 1959.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Medical Marijuana Consumer Cooperative (MMCC) and subject to the City's land use regulations described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated July 9, 2015, on file in the Development Services Department.

The project shall include:

- a. Operation of a Medical Marijuana Consumer Cooperative (MMCC) in a 999 square-foot tenant space within an existing, 4,995 square-foot, one-story building on a 2.51-acre site;
- b. Existing landscaping (planting, irrigation and landscape related improvements);
- c. Existing off-street parking;

- d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by July 9, 2018.
2. This Conditional Use Permit [CUP] and corresponding use of this MMCC shall expire on July 9, 2020.
3. In addition to the provisions of the law, the MMCC must comply with; Chapter 4, Article 2, Division 15 and Chapter 14, Article 1, Division 6 of the San Diego Municipal Code.
4. No construction, occupancy, or operation of any facility or improvement described herein shall commence, nor shall any activity authorized by this Permit be conducted on the premises until:
 - a. The Owner/Permittee signs and returns the Permit to the Development Services Department.
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
 - c. A MMCC Permit issued by the Development Services Department is approved for all responsible persons in accordance with SDMC, Section 42.1504.
5. While this Permit is in effect, the MMCC shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
7. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

8. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

9. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

10. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

11. All of the conditions contained in this Permit have been considered and were determined-necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

12. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

PLANNING/DESIGN REQUIREMENTS:

13. The use within the 999 square-foot tenant space shall be limited to the MMCC and any use permitted in the IL-3-1 zone.
14. Consultations by medical professionals shall not be a permitted accessory use at the MMCC.
15. Lighting shall be provided to illuminate the interior of the MMCC, facade, and the immediate surrounding area, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented so as to deflect light away from adjacent properties.
16. Security shall include operable cameras and a metal detector to the satisfaction of Development Services Department. This facility shall also include alarms and two armed security guards to the extent the possession of a firearm is not in conflict with 18 U.S.C. § 922(g) and 27 C.F.R § 478.11. Nothing herein shall be interpreted to require or allow a violation of federal firearms laws. The security guards shall be licensed by the State of California. One security guard must be on the premises 24 hours a day, seven days a week, the other must be present during business hours. The security guards should only be engaged in activities related to providing security for the facility, except on an incidental basis. The cameras shall have and use a recording device that maintains the records for a minimum of 30 days.
17. The Owner/Permittee shall install bullet resistant glass, plastic, or laminate shield at the reception area to protect employees.
18. The Owner/Permittee shall install bullet resistant armor panels or solid grouted masonry block walls, designed by a licensed professional, in adjoining walls with other tenants, reception area, and vault room (manager's office).
19. The name and emergency contact phone number of an operator or manager shall be posted in a location visible from outside of the MMCC in character size at least two inches in height.
20. The MMCC shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.
21. The use of vending machines which allow access to medical marijuana except by a responsible person, as defined in San Diego Municipal Code Section 42.1502, is prohibited. For purposes of this section and condition, a vending machine is any device which allows access to medical marijuana without a human intermediary.
22. The Owner/Permittee or operator shall maintain the MMCC, adjacent public sidewalks, and areas under the control of the owner or operator, free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter, and debris. Graffiti shall be removed within 24 hours.

23. Medical marijuana shall not be consumed anywhere within the 2.51-acre site.
24. The Owner/Permittee or operator shall post anti-loitering signs near all entrances of the MMCC.
25. All signs associated with this development shall be consistent with sign criteria established by City-wide sign regulations and shall further be restricted by this permit. Sign colors and typefaces are limited to two. Ground signs shall not be pole signs. A sign is required to be posted on the outside of the MMCC and shall only contain the name of the business.
26. Interior spaces exposed to exterior aircraft noise sources shall be attenuated to achieve an indoor noise level of 50 dB CNEL.

ENGINEERING REQUIREMENTS:

27. Prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the replacement of the two easterly driveways with City standard driveways on Balboa Avenue per Standard Drawings SDG-159, satisfactory to the City Engineer.

TRANSPORTATION REQUIREMENTS:

28. No fewer than 5 parking spaces (including 1 van accessible space) for the proposed 999 square-foot MMCC (with 99 existing surface parking spaces -including 4 accessible spaces on the entire 2.5 acre site) shall be maintained on the property at all times in the approximate locations shown on Exhibit "A". All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the Development Services Department.
29. Prior to any building permit/tenant improvement for 8861 Balboa Avenue Suite #B, the applicant shall demonstrate that the converted portion of the warehouse space to 2-car parking garage at 8861 Balboa Suite #B is to be accessed accessible for minimum turning path for passenger car design vehicle to accommodate ingress/egress of two (2) side-by-side dimensionally acceptable interior garage parking spaces, one of which is to be assigned to this CUP for 8863 Balboa Avenue Suite #E as employee parking while the other to be assigned to 8861 Balboa Avenue Suite #B, which may in turn require its own building permit to convert a portion of Suite #B into a parking garage satisfactory to BDR - Structural Review staff. Improvements to the existing garage space that may be required include, but are not limited to, a wider garage door and improvements required for separation of the parking and warehouse uses in 8863 Balboa Avenue Suite #E, satisfactory to BDR - Structural Review staff.

POLICE DEPARTMENT RECOMMENDATION:

30. The San Diego Police Department recommends that a Crime Prevention Through Environmental Design (CPTED) review be requested by their department and implemented for the MMCC.

INFORMATION ONLY:

- The issuance of this discretionary use permit alone does not allow the immediate commencement or continued operation of the proposed use on site. The operation allowed by this discretionary use permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Planning Commission of the City of San Diego on July 9, 2015 and Resolution No. PC-4716.

Conditional Use Permit No.1296130/PTS No. 368347
Date of Approval: July 9, 2015

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES
DEPARTMENT

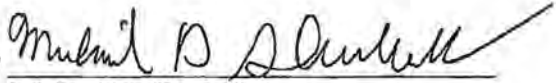


Edith Gutierrez
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

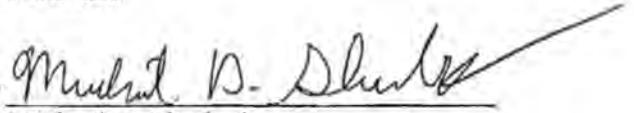
**The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of
this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.**

LEADING EDGE REAL ESTATE, LLC
Owner

By 

Michael D. Sherlock
Managing Member

UNITED PATIENTS CONSUMER
COOPERATIVE
Permittee

By 

Michael D. Sherlock
Permittee

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)

On July 27, 2015 before me, Vivian M. Gies, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared ~~~~~Edith Gutierrez~~~~~
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Vivian M. Gies
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document PTS 368347/8863 Balboa Ste.E MMCC/CUP #1296130
Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)
On July 23rd, 2015 before me, Christine Gasparyan, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Michael DeCarlo Sherlock
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Christine Gasparyan
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Conditional Use Permit #1296130 Document Date: _____
Number of Pages: 7 Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

COMMERCIAL CANNABIS LICENSEE BOND
Business and Professions Code Sections 26051.5 and 26070
California Code of Regulations, Title 16, Section 5008

Bond No: 615247714

KNOW ALL PERSONS BY THESE PRESENTS:

That Balboa Ave Cooperative

whose address for service of process is -

8863 Balboa Ave Ste E, San Diego, CA 92123

as Principal, and United States Fire Insurance Company

a corporate insurer organized under the laws of the State

of Delaware, whose address for service of process is

11490 Westheimer Rd. Suite 300, Houston, TX 77077

and

who is admitted to transact a surety insurance in the State of California, as Surety, are held

firmly bound unto the State of California in the penal sum of Five Thousand and 00/100s

Dollars (\$ 5,000.00**) for the payment of which will be well and truly be made we bind

ourselves, our heirs, administrators, successors and assigns, jointly and severally, firmly by these presents.

The conditions of the above obligation are such that:

WHEREAS, the provisions of the California Business and Professions Code sections 26051.5 and 26070 and California Code of Regulations, title 16, section 5008, require that the Principal post a Bond to cover the costs of destruction of cannabis or cannabis products if necessitated by a violation of licensing requirements in statute or regulations adopted thereunder.

NOW THEREFORE, the Principal, and any and all agents and employees representing the Principal shall faithfully comply with the license provisions of the Medicinal and Adult-Use Cannabis Regulations and Safety Act (MAUCRSA), contained in Division 10 of the California Business and Professions Code (§ 26000 *et seq.*) and properly and legally destroy all cannabis and cannabis products if necessitated by a violation of the requirements of said license.

PROVIDED HOWEVER, this bond is issued subject to the following express provisions:

1. This bond shall be deemed continuous in form and shall remain in full force and effect and shall run concurrently with the license period for which the license is granted and each and every succeeding renewal period or periods, or until the bond is canceled by the surety.
2. By executing this bond, Principal and Surety agree any action on this bond shall be instituted and prosecuted in the counties of the State of California, with service by U.S. mail as prescribed in California Code of Civil Procedure sections 417.10 and 417.20 and this bond shall be governed by the laws of the State of California.
3. This bond is executed by the Surety to comply with the provisions of MAUCRSA, contained in Division 10 of the California Business and Professions Code (§§ 26000 *et seq.*) and said bond shall be subject to all of the terms and provisions thereof.
4. The aggregate liability of the Surety hereunder on all claims whatsoever shall not exceed the penal sum of the bond in any event.
5. This bond shall be subject to the provisions of Chapter 2 (commencing with section 995.010) of Title 14 of Part 2 of the California Code of Civil Procedure.
6. The Surety may cancel this bond at any time by delivering thirty (30) days written notice of its desire to do so to Bureau of Cannabis Control and to the Principal herein. The surety shall

not be liable for any loss or claim based upon transactions occurring subsequent to the effective date of such cancellation, but such cancellation shall not affect the liability of the Surety as to any matters occurring prior to the effective date thereof.

7. This bond shall be effective 04-01-2018 but not prior to its execution. If no date is written, it shall take effect on the later of the two dates of execution set forth below.

DATE: 04-01-2018

United States Fire Insurance Company

NAME OF SURETY

Calt#
By Name



Title

I certify under penalty of perjury, under the laws of the State of California, that I have executed the foregoing bond under an unrevoked power of attorney.

Executed in Raleigh, NC on 04-01-2018

Calt#
Signature of Attorney-in-Fact for Surety

C.Poindexter

Printed or Typed Name of Attorney-in Fact



DATE: _____

NAME OF PRINCIPAL

By Name

Title

ARTICLES OF INCORPORATION
OF
BALBOA AVE COOPERATIVE

FILED
Secretary of State
State of California

AM

100 NOV 15 2016

NA

I.

The name of the corporation is Balboa Ave Cooperative (the "Corporation").

II.

This Corporation is a cooperative corporation organized under the California Consumer Cooperative Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

III.

The name and address in the State of California of the Corporation's initial agent for service of process is:

Ninus Malan
8863 Balboa Ave. Unit E
San Diego, CA 92123

IV.

The initial street address and mailing address of the corporation is:

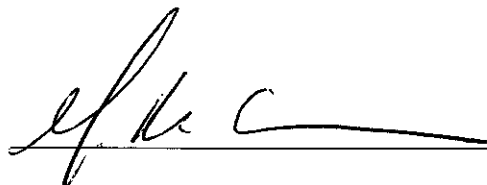
8863 Balboa Ave. Unit E
San Diego, CA 92123

V.

The voting power and proprietary interests of the members of the Corporation are unequal, and the rules by which such voting rights and proprietary interests are determined shall be prescribed in the Bylaws of the Corporation as to each class of membership.

The undersigned incorporator executed these Articles of Incorporation on the date below:

Dated: November 11, 2016

By: 



Ernest J. Dronenburg, Jr.
County of San Diego
Recorder/County Clerk
www.sdarcc.com

FBN# 2017-9029410



Dec 04, 2017 10:11 AM

FILED
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY CLERK
FEES: \$42.00 PAGES: 1
Expires: Dec 04, 2022

FICTITIOUS BUSINESS NAME STATEMENT

FEE SCHEDULE

FILING: \$42.00 (Includes one business name and one business owner on statement)
ADDITIONAL OWNER(S): \$5.00 (Fee is exempt to include the name of a spouse when transacting business as a married couple)
ADD BUSINESS NAME(S): \$5.00 (Fee applies to additional business names on statement at the same location)
ADDITIONAL COPIES: \$2.00 (Additional \$1.00 fee for a certification of copy)

All information on this statement is public information and is required to appear in the newspaper pursuant to Business and Professions Code 17913.

(1) FICTITIOUS BUSINESS NAME(S):

a. The Tree House Balboa
Print Fictitious Business Name(s)

b. _____
Print Fictitious Business Name(s)

(2) LOCATED AT: 8863 Balboa Ave unit E, San Diego, CA, USA, 92123
Physical Business Address (No P.O. Box or Postal Mailbox Facilities) City State County Zip Code

Mailing Address (If different from above) City State Zip Code

(3) REGISTRANT INFORMATION: (Individual, Corp., LLC, Gen. Partner, etc.)

a. Balboa Ave cooperative
Print Full Complete Name (e.g. First, Middle, Last or Corp. /LLC)

8863 Balboa Ave unit E, San Diego, CA, 92123
Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

California
If Corporation of LLC - Print State of Incorporation/Organization

b. /
Print Full Complete Name (e.g. First, Middle, Last or Corp. /LLC)

Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

If Corporation or LLC - Print State of Incorporation/Organization

(4) THIS BUSINESS IS CONDUCTED BY: (Please check one)

- A. Individual
- B. Married Couple
- C. General Partnership
- D. Limited Partnership
- E. Joint Venture
- F. Corporation
- G. Trust
- H. Co-Partners
- I. Limited Liability Company
- J. Limited Liability Partnership
- K. Unincorporated Association-Other than a Partnership
- L. State or Local Registered Domestic Partners

(5) REGISTRANT FIRST COMMENCED TO TRANSACT BUSINESS UNDER THE ABOVE NAME(S) AS OF (MM/DD/YYYY): 4-6-17 (Cannot be a future date)

CHECK HERE IF THE REGISTRANT HAS NOT YET BEGUN TO TRANSACT BUSINESS UNDER THE NAME(S) ABOVE

I declare that all information in this statement is true and correct. (A registrant who declares as true any material matter pursuant to Section 17913 of the Business and Professions code that the registrant knows to be false is guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000).)

(6) Print Name of Registrant: Balboa Ave cooperative
Signature of Registrant: [Signature] (Print name as it appears above on the statement)

Print Name of Signor: Ninas malan Print Title of Person Signing: president
(If Corporation or LLC) (If Corporation or LLC)

This statement was filed with the San Diego Recorder/County Clerk as indicated by the file stamp above.

NOTICE: IN ACCORDANCE WITH SUBDIVISION (a) OF SECTION 17920, A FICTITIOUS NAME STATEMENT GENERALLY EXPIRES AT THE END OF FIVE YEARS (5) FROM THE DATE ON WHICH IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK, EXCEPT, AS PROVIDED IN SUBDIVISION (b) OF SECTION 17920, WHERE IT EXPIRES 40 DAYS AFTER ANY CHANGE IN THE FACTS SET FORTH IN THE STATEMENT PURSUANT TO SECTION 17913 OTHER THAN A CHANGE IN THE RESIDENCE ADDRESS OF A REGISTERED OWNER, A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THE EXPIRATION. THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE)



This is a true certified copy of the record
if it bears the seal, imprinted in purple ink

ERNEST J. DRONENBURG JR.
Assessor/Recorder/Clerk
San Diego County, California

Deputy

DEC 04 2017

SHERLOCK-DCC-FOIA:0088

Austin Legal Group

LAWYERS
3990 OLD TOWN AVE, STE. A-112
SAN DIEGO, CA 92110

ATTORNEYS LICENSED IN CALIFORNIA, HAWAII, AND ARIZONA
TELEPHONE
(619) 924-9600

FACSIMILE
(619) 881-0045

Writer's Email:
gaustin@austinlegalgroup.com

April 13, 2018

To whom it may concern:

The City of San Diego codified its zoning amendments in section 141.0504 et seq. of the San Diego Municipal Code to allow marijuana outlets with a conditional use permit ("CUP".) The CUP requires discretionary review and approval and runs with the land. The CUP is not tied to the specific licensee or property owner.

The permit issued by the City of San Diego are attached hereto as Exhibit A as required by section 5010 (b)(1) of Title 16 Division 42 of the California Code of Regulations. The CUP was recorded on July 29, 2015.

The permit runs with the land and the name of the Licensee is only for reference purposes. The City of San Diego does not amend CUPs once recorded. Subsequent to the recorded the property was purchased by San Diego United Holdings Group, LLC in March of 2017. (Grant Deed Attached hereto as Exhibit B.) The operator is currently Balboa Ave. Cooperative. Balboa Avenue Cooperative does business as Balboa Treehouse. A fictitious business was filed in the County of San Diego and is attached hereto as Exhibit C.)

Sincerely,



Gina Austin

Exhibit A

DOC# 2015-0399133



Jul 29, 2015 10:11 AM
OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$51.00

PAGES: 13

13p
1c

RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION 501

PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

SPACE ABOVE THIS LINE FOR RECORDER'S USE

INTERNAL ORDER NUMBER: 24004643

CONDITONAL USE PERMIT NO. 1296130
8863 BALBOA STE E MMCC - PROJECT NO. 368347
PLANNING COMMISSION

This Conditional Use Permit No. 1296130 is granted by the Planning Commission of the City of San Diego to LEADING EDGE REAL ESTATE, LLC, Owner and UNITED PATIENTS CONSUMER COOPERATIVE, Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 2.51-acre site located at 8863 Balboa Avenue is in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan Area. The project site is legally described as: Lot 9, Industrial Park No. 2, Map No. 4113, March 12, 1959.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Medical Marijuana Consumer Cooperative (MMCC) and subject to the City's land use regulations described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated July 9, 2015, on file in the Development Services Department.

The project shall include:

- a. Operation of a Medical Marijuana Consumer Cooperative (MMCC) in a 999 square-foot tenant space within an existing, 4,995 square-foot, one-story building on a 2.51-acre site;
- b. Existing landscaping (planting, irrigation and landscape related improvements);
- c. Existing off-street parking;

- d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by July 9, 2018.
2. This Conditional Use Permit [CUP] and corresponding use of this MMCC shall expire on July 9, 2020.
3. In addition to the provisions of the law, the MMCC must comply with; Chapter 4, Article 2, Division 15 and Chapter 14, Article 1, Division 6 of the San Diego Municipal Code.
4. No construction, occupancy, or operation of any facility or improvement described herein shall commence, nor shall any activity authorized by this Permit be conducted on the premises until:
 - a. The Owner/Permittee signs and returns the Permit to the Development Services Department.
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
 - c. A MMCC Permit issued by the Development Services Department is approved for all responsible persons in accordance with SDMC, Section 42.1504.
5. While this Permit is in effect, the MMCC shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
7. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

8. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

9. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

10. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

11. All of the conditions contained in this Permit have been considered and were determined-necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

12. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

PLANNING/DESIGN REQUIREMENTS:

13. The use within the 999 square-foot tenant space shall be limited to the MMCC and any use permitted in the IL-3-1 zone.

14. Consultations by medical professionals shall not be a permitted accessory use at the MMCC.

15. Lighting shall be provided to illuminate the interior of the MMCC, facade, and the immediate surrounding area, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented so as to deflect light away from adjacent properties.

16. Security shall include operable cameras and a metal detector to the satisfaction of Development Services Department. This facility shall also include alarms and two armed security guards to the extent the possession of a firearm is not in conflict with 18 U.S.C. § 922(g) and 27 C.F.R § 478.11. Nothing herein shall be interpreted to require or allow a violation of federal firearms laws. The security guards shall be licensed by the State of California. One security guard must be on the premises 24 hours a day, seven days a week, the other must be present during business hours. The security guards should only be engaged in activities related to providing security for the facility, except on an incidental basis. The cameras shall have and use a recording device that maintains the records for a minimum of 30 days.

17. The Owner/Permittee shall install bullet resistant glass, plastic, or laminate shield at the reception area to protect employees.

18. The Owner/Permittee shall install bullet resistant armor panels or solid grouted masonry block walls, designed by a licensed professional, in adjoining walls with other tenants, reception area, and vault room (manager's office).

19. The name and emergency contact phone number of an operator or manager shall be posted in a location visible from outside of the MMCC in character size at least two inches in height.

20. The MMCC shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.

21. The use of vending machines which allow access to medical marijuana except by a responsible person, as defined in San Diego Municipal Code Section 42.1502, is prohibited. For purposes of this section and condition, a vending machine is any device which allows access to medical marijuana without a human intermediary.

22. The Owner/Permittee or operator shall maintain the MMCC, adjacent public sidewalks, and areas under the control of the owner or operator, free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter, and debris. Graffiti shall be removed within 24 hours.

23. Medical marijuana shall not be consumed anywhere within the 2.51-acre site.
24. The Owner/Permittee or operator shall post anti-loitering signs near all entrances of the MMCC.
25. All signs associated with this development shall be consistent with sign criteria established by City-wide sign regulations and shall further be restricted by this permit. Sign colors and typefaces are limited to two. Ground signs shall not be pole signs. A sign is required to be posted on the outside of the MMCC and shall only contain the name of the business.
26. Interior spaces exposed to exterior aircraft noise sources shall be attenuated to achieve an indoor noise level of 50 dB CNEL.

ENGINEERING REQUIREMENTS:

27. Prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the replacement of the two easterly driveways with City standard driveways on Balboa Avenue per Standard Drawings SDG-159, satisfactory to the City Engineer.

TRANSPORTATION REQUIREMENTS:

28. No fewer than 5 parking spaces (including 1 van accessible space) for the proposed 999 square-foot MMCC (with 99 existing surface parking spaces -including 4 accessible spaces on the entire 2.5 acre site) shall be maintained on the property at all times in the approximate locations shown on Exhibit "A". All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the Development Services Department.
29. Prior to any building permit/tenant improvement for 8861 Balboa Avenue Suite #B, the applicant shall demonstrate that the converted portion of the warehouse space to 2-car parking garage at 8861 Balboa Suite #B is to be accessed accessible for minimum turning path for passenger car design vehicle to accommodate ingress/egress of two (2) side-by-side dimensionally acceptable interior garage parking spaces, one of which is to be assigned to this CUP for 8863 Balboa Avenue Suite #E as employee parking while the other to be assigned to 8861 Balboa Avenue Suite #B, which may in turn require its own building permit to convert a portion of Suite #B into a parking garage satisfactory to BDR - Structural Review staff. Improvements to the existing garage space that may be required include, but are not limited to, a wider garage door and improvements required for separation of the parking and warehouse uses in 8863 Balboa Avenue Suite #E, satisfactory to BDR - Structural Review staff.

POLICE DEPARTMENT RECOMMENDATION:

30. The San Diego Police Department recommends that a Crime Prevention Through Environmental Design (CPTED) review be requested by their department and implemented for the MMCC.

INFORMATION ONLY:

- The issuance of this discretionary use permit alone does not allow the immediate commencement or continued operation of the proposed use on site. The operation allowed by this discretionary use permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Planning Commission of the City of San Diego on July 9, 2015 and Resolution No. PC-4716.

Conditional Use Permit No.1296130/PTS No. 368347
Date of Approval: July 9, 2015

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES
DEPARTMENT

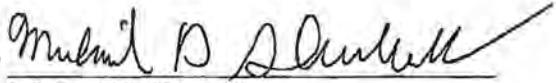


Edith Gutierrez
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

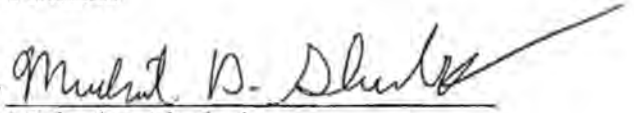
**The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of
this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.**

LEADING EDGE REAL ESTATE, LLC
Owner

By 

Michael D. Sherlock
Managing Member

UNITED PATIENTS CONSUMER
COOPERATIVE
Permittee

By 

Michael D. Sherlock
Permittee

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)
On July 27, 2015 before me, Vivian M. Gies, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared ~~~~~Edith Gutierrez~~~~~
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Vivian M. Gies
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document PTS 368347/8863 Balboa Ste.E MMCC/CUP #1296130
Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)
On July 23rd, 2015 before me, Christine Gasparyan, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Michael DeCarlo Sherlock
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Christine Gasparyan
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Conditional Use Permit #1296130 Document Date: _____
Number of Pages: 7 Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

Exhibit B

Recording requested by

THK365

DOC# 2017-0126556



Mar 20, 2017 04:59 PM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$323.50

PCOR: YES

PAGES: 3

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Name
Street San Diego United Holdings Group, LLC
Address 7977 Broadway Avenue
City Lemon Grove, CA 91954
State
Zip

RECORDERS USE ONLY

ORDER NO. 410-17001140-42

ESCROW NO. 146318S-CG

GRANT DEED

TAX PARCEL NO. 369-150-13-23 and 369-150-13-15

The undersigned grantor declares that the documentary transfer tax is \$302.50 and is

computed on the full value of the interest of the property conveyed, or is

X computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

The land, tenements or realty is located in

unincorporated area X city San Diego and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Razuki Investments, LLC, a California Limited Liability Company
hereby GRANT(S) to

San Diego United Holdings Group, LLC, a California Limited Liability Company

The following described real property in the City of San Diego, County of San Diego, State of California:
AS MORE COMPLETELY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Dated 03/01/2017

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

STATE OF CALIFORNIA)
COUNTY OF San Diego)

On March 2, 2017 before me,
Yancy Diandra Fuentes, Notary Public
personally appeared Salam Razuki

Razuki Investments, LLC, a California Limited Liability Company,

By: Salam Razuki, Member

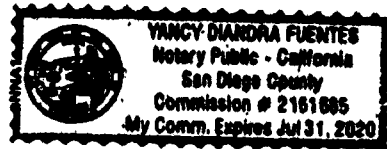
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature Yancy Diandra Fuentes, Notary Public

(Notary Seal)



MAIL TAX STATEMENTS TO PARTY SHOWN BELOW: IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE.

ATTN: Dionis Malan 5065 Logan Ave, Suite 101, San Diego CA 92113

Name

Street Address

City & State

NOTARY SEAL CERTIFICATION

(Government code 27361.7)


I CERTIFY UNDER PENALTY OR PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:

Name of the Notary: Yancy Diandra Fuentes

Commission Number: 2101085 Date Commission Expires: Jul 31, 2020

County Where Bond is Filed: San Diego

Manufacturer or Vendor Number: NNA1
(Located on both sides of the notary seal border)

Signature:  _____

Ariana Serrato, DPS Agent

Place of Execution: San Diego Date: 3-9-17

EXHIBIT A
Legal Description

Parcel 1:

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium Comprised of:

Parcel 1:

An undivided 1/46th interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 of the City of San Diego Industrial Park Unit No.2, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 4113, filed in the Office of the County Recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as File/Page No. 81-242888 of official records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit No. 8863E as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space Nos. E-32 and E-31.

APN: 369-150-13-23

Parcel 2:

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium comprised of:

Parcel 1:

An undivided 1/46ths interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 in the City of San Diego Industrial Park Unit No. 2, in the City of San Diego, County of San Diego, State of California, according to map thereof No. 4113, filed in the Office of the County Recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as Instrument No. 81-242888, of Official Records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces and airplane parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit 8861B as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space No. B48, B47, Airplane Parking Space No. (None).

APN: 369-150-13-15

Legal Description

CA0410-17001140-42/58

Exhibit C



Ernest J. Dronenburg, Jr.
County of San Diego
Recorder/County Clerk
www.sdarcc.com

FBN# 2017-9029410



Dec 04, 2017 10:11 AM

FILED
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY CLERK
FEES: \$42.00 PAGES: 1
Expires: Dec 04, 2022

FICTITIOUS BUSINESS NAME STATEMENT

FEE SCHEDULE

FILING: \$42.00 (Includes one business name and one business owner on statement)
ADDITIONAL OWNER(S): \$5.00 (Fee is exempt to include the name of a spouse when transacting business as a married couple)
ADD BUSINESS NAME(S): \$5.00 (Fee applies to additional business names on statement at the same location)
ADDITIONAL COPIES: \$2.00 (Additional \$1.00 fee for a certification of copy)

All information on this statement is public information and is required to appear in the newspaper pursuant to Business and Professions Code 17913.

(1) FICTITIOUS BUSINESS NAME(S):

a. The Tree House Balboa
Print Fictitious Business Name(s)

b. _____
Print Fictitious Business Name(s)

(2) LOCATED AT: 8863 Balboa Ave unit E, San Diego, CA, USA, 92123
Physical Business Address (No P.O. Box or Postal Mailbox Facilities) City State County Zip Code

Mailing Address (If different from above) City State Zip Code

(3) REGISTRANT INFORMATION: (Individual, Corp., LLC, Gen. Partner, etc.)

a. Balboa Ave cooperative
Print Full Complete Name (e.g. First, Middle, Last or Corp./LLC)

8863 Balboa Ave unit E, San Diego, CA, 92123
Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

California
If Corporation of LLC - Print State of Incorporation/Organization

b. /
Print Full Complete Name (e.g. First, Middle, Last or Corp./LLC)

Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

If Corporation or LLC - Print State of Incorporation/Organization

(4) THIS BUSINESS IS CONDUCTED BY: (Please check one)

- A. Individual
- B. Married Couple
- C. General Partnership
- D. Limited Partnership
- E. Joint Venture
- F. Corporation
- G. Trust
- H. Co-Partners
- I. Limited Liability Company
- J. Limited Liability Partnership
- K. Unincorporated Association-Other than a Partnership
- L. State or Local Registered Domestic Partners

(5) REGISTRANT FIRST COMMENCED TO TRANSACT BUSINESS UNDER THE ABOVE NAME(S) AS OF (MM/DD/YYYY): 4-6-17 (Cannot be a future date)
 CHECK HERE IF THE REGISTRANT HAS NOT YET BEGUN TO TRANSACT BUSINESS UNDER THE NAME(S) ABOVE

I declare that all information in this statement is true and correct. (A registrant who declares as true any material matter pursuant to Section 17913 of the Business and Professions code that the registrant knows to be false is guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000).)

(6) Print Name of Registrant: Balboa Ave cooperative
Signature of Registrant: [Signature] (Print name as it appears above on the statement)

Print Name of Signor: Ninas malan Print Title of Person Signing: president
(If Corporation or LLC) (If Corporation or LLC)

This statement was filed with the San Diego Recorder/County Clerk as indicated by the file stamp above.

NOTICE: IN ACCORDANCE WITH SUBDIVISION (a) OF SECTION 17920, A FICTITIOUS NAME STATEMENT GENERALLY EXPIRES AT THE END OF FIVE YEARS (5) FROM THE DATE ON WHICH IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK, EXCEPT, AS PROVIDED IN SUBDIVISION (b) OF SECTION 17920, WHERE IT EXPIRES 40 DAYS AFTER ANY CHANGE IN THE FACTS SET FORTH IN THE STATEMENT PURSUANT TO SECTION 17913 OTHER THAN A CHANGE IN THE RESIDENCE ADDRESS OF A REGISTERED OWNER, A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THE EXPIRATION. THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE)



This is a true certified copy of the record
if it bears the seal, imprinted in purple ink

ERNEST J. DRONENBURG JR.
Assessor/Recorder/Clerk
San Diego County, California

Deputy

DEC 04 2017

SHERLOCK-DCC-FOIA:0107

Austin Legal Group

LAWYERS
3990 OLD TOWN AVE, STE. A-112
SAN DIEGO, CA 92110

ATTORNEYS LICENSED IN CALIFORNIA, HAWAII, AND ARIZONA
TELEPHONE
(619) 924-9600

FACSIMILE
(619) 881-0045

Writer's Email:
gaustin@austinlegalgroup.com

April 13, 2018

To whom it may concern:

The City of San Diego codified its zoning amendments in section 141.0504 et seq. of the San Diego Municipal Code to allow marijuana outlets with a conditional use permit ("CUP".) The CUP requires discretionary review and approval and runs with the land. The CUP is not tied to the specific licensee or property owner.

The permit issued by the City of San Diego are attached hereto as Exhibit A as required by section 5010 (b)(1) of Title 16 Division 42 of the California Code of Regulations. The CUP was recorded on July 29, 2015.

The permit runs with the land and the name of the Licensee is only for reference purposes. The City of San Diego does not amend CUPs once recorded. Subsequent to the recorded the property was purchased by San Diego United Holdings Group, LLC in March of 2017. (Grant Deed Attached hereto as Exhibit B.) The operator is currently Balboa Ave. Cooperative. Balboa Avenue Cooperative does business as Balboa Treehouse. A fictitious business was filed in the County of San Diego and is attached hereto as Exhibit C.)

Sincerely,



Gina Austin

Exhibit A

DOC# 2015-0399133



Jul 29, 2015 10:11 AM
OFFICIAL RECORDS
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY RECORDER
FEES: \$51.00

PAGES: 13

13p
1c

RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE, MAIL STATION 501

PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

SPACE ABOVE THIS LINE FOR RECORDER'S USE

INTERNAL ORDER NUMBER: 24004643

CONDITONAL USE PERMIT NO. 1296130
8863 BALBOA STE E MMCC - PROJECT NO. 368347
PLANNING COMMISSION

This Conditional Use Permit No. 1296130 is granted by the Planning Commission of the City of San Diego to LEADING EDGE REAL ESTATE, LLC, Owner and UNITED PATIENTS CONSUMER COOPERATIVE, Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 2.51-acre site located at 8863 Balboa Avenue is in the IL-3-1 Zone, the Airport Influence Area (Miramar and Montgomery Field), Montgomery Field Safety Zone 2, 5, and 6, the 60-65 dB CNEL for Montgomery Field, and within the Kearny Mesa Community Plan Area. The project site is legally described as: Lot 9, Industrial Park No. 2, Map No. 4113, March 12, 1959.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee to operate a Medical Marijuana Consumer Cooperative (MMCC) and subject to the City's land use regulations described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated July 9, 2015, on file in the Development Services Department.

The project shall include:

- a. Operation of a Medical Marijuana Consumer Cooperative (MMCC) in a 999 square-foot tenant space within an existing, 4,995 square-foot, one-story building on a 2.51-acre site;
- b. Existing landscaping (planting, irrigation and landscape related improvements);
- c. Existing off-street parking;

- d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by July 9, 2018.
2. This Conditional Use Permit [CUP] and corresponding use of this MMCC shall expire on July 9, 2020.
3. In addition to the provisions of the law, the MMCC must comply with; Chapter 4, Article 2, Division 15 and Chapter 14, Article 1, Division 6 of the San Diego Municipal Code.
4. No construction, occupancy, or operation of any facility or improvement described herein shall commence, nor shall any activity authorized by this Permit be conducted on the premises until:
 - a. The Owner/Permittee signs and returns the Permit to the Development Services Department.
 - b. The Permit is recorded in the Office of the San Diego County Recorder.
 - c. A MMCC Permit issued by the Development Services Department is approved for all responsible persons in accordance with SDMC, Section 42.1504.
5. While this Permit is in effect, the MMCC shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.
6. This Permit is a covenant running with the MMCC and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.
7. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

8. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

9. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

10. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

11. All of the conditions contained in this Permit have been considered and were determined-necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

12. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

PLANNING/DESIGN REQUIREMENTS:

13. The use within the 999 square-foot tenant space shall be limited to the MMCC and any use permitted in the IL-3-1 zone.

14. Consultations by medical professionals shall not be a permitted accessory use at the MMCC.

15. Lighting shall be provided to illuminate the interior of the MMCC, facade, and the immediate surrounding area, including any accessory uses, parking lots, and adjoining sidewalks. Lighting shall be hooded or oriented so as to deflect light away from adjacent properties.

16. Security shall include operable cameras and a metal detector to the satisfaction of Development Services Department. This facility shall also include alarms and two armed security guards to the extent the possession of a firearm is not in conflict with 18 U.S.C. § 922(g) and 27 C.F.R § 478.11. Nothing herein shall be interpreted to require or allow a violation of federal firearms laws. The security guards shall be licensed by the State of California. One security guard must be on the premises 24 hours a day, seven days a week, the other must be present during business hours. The security guards should only be engaged in activities related to providing security for the facility, except on an incidental basis. The cameras shall have and use a recording device that maintains the records for a minimum of 30 days.

17. The Owner/Permittee shall install bullet resistant glass, plastic, or laminate shield at the reception area to protect employees.

18. The Owner/Permittee shall install bullet resistant armor panels or solid grouted masonry block walls, designed by a licensed professional, in adjoining walls with other tenants, reception area, and vault room (manager's office).

19. The name and emergency contact phone number of an operator or manager shall be posted in a location visible from outside of the MMCC in character size at least two inches in height.

20. The MMCC shall operate only between the hours of 7:00 a.m. and 9:00 p.m., seven days a week.

21. The use of vending machines which allow access to medical marijuana except by a responsible person, as defined in San Diego Municipal Code Section 42.1502, is prohibited. For purposes of this section and condition, a vending machine is any device which allows access to medical marijuana without a human intermediary.

22. The Owner/Permittee or operator shall maintain the MMCC, adjacent public sidewalks, and areas under the control of the owner or operator, free of litter and graffiti at all times. The owner or operator shall provide for daily removal of trash, litter, and debris. Graffiti shall be removed within 24 hours.

23. Medical marijuana shall not be consumed anywhere within the 2.51-acre site.
24. The Owner/Permittee or operator shall post anti-loitering signs near all entrances of the MMCC.
25. All signs associated with this development shall be consistent with sign criteria established by City-wide sign regulations and shall further be restricted by this permit. Sign colors and typefaces are limited to two. Ground signs shall not be pole signs. A sign is required to be posted on the outside of the MMCC and shall only contain the name of the business.
26. Interior spaces exposed to exterior aircraft noise sources shall be attenuated to achieve an indoor noise level of 50 dB CNEL.

ENGINEERING REQUIREMENTS:

27. Prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the replacement of the two easterly driveways with City standard driveways on Balboa Avenue per Standard Drawings SDG-159, satisfactory to the City Engineer.

TRANSPORTATION REQUIREMENTS:

28. No fewer than 5 parking spaces (including 1 van accessible space) for the proposed 999 square-foot MMCC (with 99 existing surface parking spaces -including 4 accessible spaces on the entire 2.5 acre site) shall be maintained on the property at all times in the approximate locations shown on Exhibit "A". All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the Development Services Department.
29. Prior to any building permit/tenant improvement for 8861 Balboa Avenue Suite #B, the applicant shall demonstrate that the converted portion of the warehouse space to 2-car parking garage at 8861 Balboa Suite #B is to be accessed accessible for minimum turning path for passenger car design vehicle to accommodate ingress/egress of two (2) side-by-side dimensionally acceptable interior garage parking spaces, one of which is to be assigned to this CUP for 8863 Balboa Avenue Suite #E as employee parking while the other to be assigned to 8861 Balboa Avenue Suite #B, which may in turn require its own building permit to convert a portion of Suite #B into a parking garage satisfactory to BDR - Structural Review staff. Improvements to the existing garage space that may be required include, but are not limited to, a wider garage door and improvements required for separation of the parking and warehouse uses in 8863 Balboa Avenue Suite #E, satisfactory to BDR - Structural Review staff.

POLICE DEPARTMENT RECOMMENDATION:

30. The San Diego Police Department recommends that a Crime Prevention Through Environmental Design (CPTED) review be requested by their department and implemented for the MMCC.

INFORMATION ONLY:

- The issuance of this discretionary use permit alone does not allow the immediate commencement or continued operation of the proposed use on site. The operation allowed by this discretionary use permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Planning Commission of the City of San Diego on July 9, 2015 and Resolution No. PC-4716.

Conditional Use Permit No.1296130/PTS No. 368347
Date of Approval: July 9, 2015

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES
DEPARTMENT

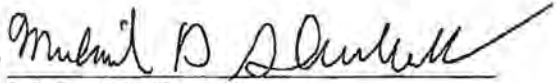


Edith Gutierrez
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

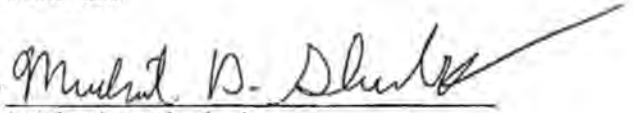
**The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of
this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.**

LEADING EDGE REAL ESTATE, LLC
Owner

By 

Michael D. Sherlock
Managing Member

UNITED PATIENTS CONSUMER
COOPERATIVE
Permittee

By 

Michael D. Sherlock
Permittee

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)
On July 27, 2015 before me, Vivian M. Gies, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Edith Gutierrez
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Vivian M. Gies
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document PTS 368347/8863 Balboa Ste.E MMCC/CUP #1296130
Title or Type of Document: _____ Document Date: _____
Number of Pages: _____ Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

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

State of California)
County of San Diego)
On July 23rd, 2015 before me, Christine Gasparyan, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Michael DeCarlo Sherlock
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.



Signature Christine Gasparyan
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Conditional Use Permit #1296130 Document Date: _____
Number of Pages: 7 Signer(s) Other Than Named Above: N/A

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____
Signer Is Representing: _____

ORIGINAL

Exhibit B

Recording requested by

THK365

DOC# 2017-0126556



Mar 20, 2017 04:59 PM

OFFICIAL RECORDS

Ernest J. Dronenburg, Jr.,

SAN DIEGO COUNTY RECORDER

FEES: \$323.50

PCOR: YES

PAGES: 3

AND WHEN RECORDED MAIL THIS DEED AND, UNLESS OTHERWISE SHOWN BELOW, MAIL TAX STATEMENTS TO:

Name
Street San Diego United Holdings Group, LLC
Address 7977 Broadway Avenue
City Lemon Grove, CA 91954
State
Zip

RECORDERS USE ONLY

ORDER NO. 410-17001140-42

ESCROW NO. 146318S-CG

GRANT DEED

TAX PARCEL NO. 369-150-13-23 and 369-150-13-15

The undersigned grantor declares that the documentary transfer tax is \$302.50 and is

computed on the full value of the interest of the property conveyed, or is

X computed on the full value less the value of liens or encumbrances remaining thereon at the time of sale.

The land, tenements or realty is located in

unincorporated area X city San Diego and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Razuki Investments, LLC, a California Limited Liability Company
hereby GRANT(S) to

San Diego United Holdings Group, LLC, a California Limited Liability Company

The following described real property in the City of San Diego, County of San Diego, State of California:
AS MORE COMPLETELY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Dated 03/01/2017

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

STATE OF CALIFORNIA)
COUNTY OF San Diego)

On March 2, 2017 before me,
Yancy Diandra Fuentes, Notary Public
personally appeared Salam Razuki

Razuki Investments, LLC, a California Limited Liability Company,

By: 
Salam Razuki, Member

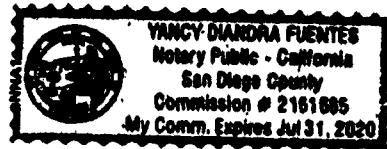
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature , Notary Public

(Notary Seal)



MAIL TAX STATEMENTS TO PARTY SHOWN BELOW: IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE.

ATTN: Dionis Malan 5065 Logan Ave, Suite 101, San Diego CA 92113

Name

Street Address

City & State

NOTARY SEAL CERTIFICATION

(Government code 27361.7)


I CERTIFY UNDER PENALTY OR PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS:

Name of the Notary: Yancy Diandra Fuentes

Commission Number: 2101085 Date Commission Expires: Jul 31, 2020

County Where Bond is Filed: San Diego

Manufacturer or Vendor Number: NNA1
(Located on both sides of the notary seal border)

Signature:  _____

Ariana Serrato, DPS Agent

Place of Execution: San Diego Date: 3-9-17

EXHIBIT A
Legal Description

Parcel 1:

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium Comprised of:

Parcel 1:

An undivided 1/46th interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 of the City of San Diego Industrial Park Unit No.2, in the City of San Diego, County of San Diego, State of California, according to Map thereof No. 4113, filed in the Office of the County Recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as File/Page No. 81-242888 of official records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit No. 8863E as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space Nos. E-32 and E-31.

APN: 369-150-13-23

Parcel 2:

The land hereinafter referred to is situated in the City of San Diego, County of San Diego, State of CA, and is described as follows:

A Condominium comprised of:

Parcel 1:

An undivided 1/46ths interest in and to the Southwesterly 219.55 feet of the Northeasterly 413.55 feet of Lot 9 in the City of San Diego Industrial Park Unit No. 2, in the City of San Diego, County of San Diego, State of California, according to map thereof No. 4113, filed in the Office of the County Recorder of San Diego County, March 12, 1959.

Excepting therefrom all office units and industrial units as shown upon that certain Condominium Plan recorded July 31, 1981 as Instrument No. 81-242888, of Official Records.

Also excepting therefrom the exclusive right to use and possession of all those exclusive use areas designated as parking spaces and airplane parking spaces as shown upon the Condominium Plan above referred to.

Parcel 2:

Unit 8861B as shown on the Condominium Plan referred to in Parcel 1 above.

Parcel 3:

The exclusive right to use and possession of those portions of said land described in Parcel 1 above, designated as Parking Space No. B48, B47, Airplane Parking Space No. (None).

APN: 369-150-13-15

Legal Description

CA0410-17001140-42/58

Exhibit C



Ernest J. Dronenburg, Jr.
County of San Diego
Recorder/County Clerk
www.sdarcc.com

FBN# 2017-9029410



Dec 04, 2017 10:11 AM

FILED
Ernest J. Dronenburg, Jr.,
SAN DIEGO COUNTY CLERK
FEES: \$42.00 PAGES: 1
Expires: Dec 04, 2022

FICTITIOUS BUSINESS NAME STATEMENT

FEE SCHEDULE

FILING: \$42.00 (Includes one business name and one business owner on statement)
ADDITIONAL OWNER(S): \$5.00 (Fee is exempt to include the name of a spouse when transacting business as a married couple)
ADD BUSINESS NAME(S): \$5.00 (Fee applies to additional business names on statement at the same location)
ADDITIONAL COPIES: \$2.00 (Additional \$1.00 fee for a certification of copy)

All information on this statement is public information and is required to appear in the newspaper pursuant to Business and Professions Code 17913.

(1) FICTITIOUS BUSINESS NAME(S):

a. The Tree House Balboa
Print Fictitious Business Name(s)

b. _____
Print Fictitious Business Name(s)

(2) LOCATED AT: 8863 Balboa Ave unit E, San Diego, CA, San Diego, 92123
Physical Business Address (No P.O. Box or Postal Mailbox Facilities) City State County Zip Code

Mailing Address (If different from above) City State Zip Code

(3) REGISTRANT INFORMATION: (Individual, Corp., LLC, Gen. Partner, etc.)

a. Balboa Ave cooperative
Print Full Complete Name (e.g. First, Middle, Last or Corp. /LLC)

8863 Balboa Ave unit E, San Diego, CA, 92123
Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

California
If Corporation of LLC - Print State of Incorporation/Organization

b. /
Print Full Complete Name (e.g. First, Middle, Last or Corp. /LLC)

Residence Address, if Corp. or LLC enter physical address (No P.O. Box or Postal Mailbox Facilities) City State Zip Code

If Corporation or LLC - Print State of Incorporation/Organization

(4) THIS BUSINESS IS CONDUCTED BY: (Please check one)

- A. Individual
- B. Married Couple
- C. General Partnership
- D. Limited Partnership
- E. Joint Venture
- F. Corporation
- G. Trust
- H. Co-Partners
- I. Limited Liability Company
- J. Limited Liability Partnership
- K. Unincorporated Association-Other than a Partnership
- L. State or Local Registered Domestic Partners

(5) REGISTRANT FIRST COMMENCED TO TRANSACT BUSINESS UNDER THE ABOVE NAME(S) AS OF (MM/DD/YYYY): 4-6-17 (Cannot be a future date)

CHECK HERE IF THE REGISTRANT HAS NOT YET BEGUN TO TRANSACT BUSINESS UNDER THE NAME(S) ABOVE

I declare that all information in this statement is true and correct. (A registrant who declares as true any material matter pursuant to Section 17913 of the Business and Professions code that the registrant knows to be false is guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000).)

(6) Print Name of Registrant: Balboa Ave cooperative
(Print name as it appears above on the statement)

Signature of Registrant: [Signature]

Print Name of Signor: Ninas malan Print Title of Person Signing: president
(If Corporation or LLC) (If Corporation or LLC)

This statement was filed with the San Diego Recorder/County Clerk as indicated by the file stamp above.

NOTICE: IN ACCORDANCE WITH SUBDIVISION (a) OF SECTION 17920, A FICTITIOUS NAME STATEMENT GENERALLY EXPIRES AT THE END OF FIVE YEARS (5) FROM THE DATE ON WHICH IT WAS FILED IN THE OFFICE OF THE COUNTY CLERK, EXCEPT, AS PROVIDED IN SUBDIVISION (b) OF SECTION 17920, WHERE IT EXPIRES 40 DAYS AFTER ANY CHANGE IN THE FACTS SET FORTH IN THE STATEMENT PURSUANT TO SECTION 17913 OTHER THAN A CHANGE IN THE RESIDENCE ADDRESS OF A REGISTERED OWNER, A NEW FICTITIOUS BUSINESS NAME STATEMENT MUST BE FILED BEFORE THE EXPIRATION. THE FILING OF THIS STATEMENT DOES NOT OF ITSELF AUTHORIZE THE USE IN THIS STATE OF A FICTITIOUS BUSINESS NAME IN VIOLATION OF THE RIGHTS OF ANOTHER UNDER FEDERAL, STATE, OR COMMON LAW (SEE SECTION 14411 ET SEQ., BUSINESS AND PROFESSIONS CODE)



This is a true certified copy of the record
if it bears the seal, imprinted in purple ink

ERNEST J. DRONENBURG JR.
Assessor/Recorder/Clerk
San Diego County, California

Deputy

DEC 04 2017

SHERLOCK-DCC-FOIA:0125

Balboa Ave Coop

FINANCIAL INFORMATION FORM

Instructions: You must complete every section on the form for each item that is listed. Forms that are incomplete will be returned.

FINANCIAL HISTORY - Attach additional copies if needed

Section A - List all investments made into the applicant's commercial cannabis business

1. Name of Investor [REDACTED]	Address	Phone Number
Term(s) of Investment	Date of Investment	Amount \$
2. Name of Investor	Address	Phone Number
Term(s) of Investment	Date of Investment	Amount \$
3. Name of Investor	Address	Phone Number
Term(s) of Investment	Date of Investment	Amount \$
4. Name of Investor	Address	Phone Number
Term(s) of Investment	Date of Investment	Amount \$

SECTION B - List all loans made to the applicant's commercial cannabis business

1. Name of Lender [REDACTED]	Address	Phone Number
Term(s) of Loan	Security Provided For Loan	Date of Loan
		Amount \$
2. Name of Lender	Address	Phone Number
Term(s) of Loan	Security Provided For Loan	Date of Loan
		Amount \$
3. Name of Lender	Address	Phone Number
Term(s) of Loan	Security Provided For Loan	Date of Loan
		Amount \$

SECTION C - List all funds belonging to the applicant

Financial Institution Name <i>None</i>	Address	Account Type	Account Number	Amount \$
Financial Institution Name	Address	Account Type	Account Number	Amount \$
Financial Institution Name	Address	Account Type	Account Number	Amount \$
Financial Institution Name	Address	Account Type	Account Number	Amount \$

SECTION D - List all gifts of any kind given to the applicant for use in conducting commercial cannabis activity

Name of Provider <i>None</i>	Address	Phone Number	Value/Description of Gift
Name of Provider	Address	Phone Number	Value/Description of Gift
Name of Provider	Address	Phone Number	Value/Description of Gift



**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY * GAVIN NEWSOM, GOVERNOR

Bureau of Cannabis Control

PO Box 419106, Rancho Cordova, CA 95741-9106

P (833) 768-5880 | www.bcc.ca.gov



June 11, 2021

Ninus Malan
Officer
BALBOA AVE COOPERATIVE
8865 Balboa Avenue, Suite A
San Diego CA 92123

Dear Ms./Mr. Malan

Your license number C10-0000180-LIC has expired on 6/11/2021.

You are no longer licensed to conduct business using this license and must cease all operations immediately.

To resume operating you must submit a completed license renewal application and pay the appropriate renewal fee, including late penalties, to the Bureau within 30 days. After 30 days, you will be required to re-apply for your license.

If you have any questions, please contact the Bureau at bcc.ca.gov or (833) 768-5880.

Thank you,

Bureau of Cannabis Control

SHERLOCK-DCC-FOIA:0127



**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY * GAVIN NEWSOM, GOVERNOR

Bureau of Cannabis Control

PO Box 419106, Rancho Cordova, CA 95741-9106

P (833) 768-5880 | www.bcc.ca.gov



April 12, 2020

Ninus Malan
Officer
BALBOA AVE COOPERATIVE
8865 Balboa Avenue, Suite A
San Diego CA 92123

Dear Ms./Mr. Malan

Your license number C10-0000180-LIC will expire on 6/11/2020. To continue operating you must submit a completed license renewal application and appropriate renewal fee to the Bureau before your license expires. If a completed renewal, including renewal fee(s), is not received by the Bureau, you must cease all operations immediately following the expiration of your license.

If you have any questions, please contact the Bureau at bcc.ca.gov or (833) 768-5880.

Thank you,

Bureau of Cannabis Control



**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY * GAVIN NEWSOM, GOVERNOR

Bureau of Cannabis Control

PO Box 419106, Rancho Cordova, CA 95741-9106

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April 12, 2021

Ninus Malan
Officer
BALBOA AVE COOPERATIVE
8865 Balboa Avenue, Suite A
San Diego CA 92123

Dear Ms./Mr. Malan

Your license number C10-0000180-LIC will expire on 6/11/2021. To continue operating you must submit a completed license renewal application and appropriate renewal fee to the Bureau before your license expires. If a completed renewal, including renewal fee(s), is not received by the Bureau, you must cease all operations immediately following the expiration of your license.

If you have any questions, please contact the Bureau at bcc.ca.gov or (833) 768-5880.

Thank you,

Bureau of Cannabis Control



**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

Bureau of Cannabis Control
(833) 768-5880

**Adult-Use and Medicinal - Retailer License
Provisional
Storefront**

**LICENSE NO:
C10-0000180-LIC**

**LEGAL BUSINESS NAME:
BALBOA AVE COOPERATIVE**

**PREMISES:
8863 BALBOA AVE, SUITE E
SAN DIEGO, CA 92123**



**VALID:
6/12/2019**

**EXPIRES:
6/11/2020**



Non-Transferable

*Prominently display this license
as required by Title 16 CCR § 5039*

Scan to verify this license.



Valid:
6/12/2019

Expires:
6/11/2020

License No:
C10-0000180-LIC

Legal Business Name:
BALBOA AVE COOPERATIVE

Premises Address:
8863 BALBOA AVE, SUITE E SAN
DIEGO, CA 92123

1. Use your smartphone camera to scan the QR code for licensing information.
2. If your camera doesn't have scanning functionality, you can look up a location at CApotcheck.com using license number C10-0000180-LIC.





**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

Bureau of Cannabis Control
(833) 768-5880

**Adult-Use and Medicinal - Retailer License
Provisional
Storefront**

**LICENSE NO:
C10-0000180-LIC**

**LEGAL BUSINESS NAME:
BALBOA AVE COOPERATIVE**

**PREMISES:
8863 BALBOA AVE, SUITE E
SAN DIEGO, CA 92123**



**VALID:
6/12/2019**

**EXPIRES:
6/11/2021**



Non-Transferable

*Prominently display this license
as required by Title 16 CCR § 5039*

Scan to verify this license.



Valid:
6/12/2019

Expires:
6/11/2021

License No:
C10-0000180-LIC

Legal Business Name:
BALBOA AVE COOPERATIVE

Premises Address:
8863 BALBOA AVE, SUITE E SAN
DIEGO, CA 92123

1. Use your smartphone camera to scan the QR code for licensing information.
2. If your camera doesn't have scanning functionality, you can look up a location at CApotcheck.com using license number C10-0000180-LIC.





**BUREAU OF
CANNABIS
CONTROL**
CALIFORNIA

BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY * GOVERNOR EDMUND G. BROWN JR.

Bureau of Cannabis Control

PO Box 419106, Rancho Cordova, CA 95741-9106

P (833) 768-5880 | www.bcc.ca.gov



Application #: A10-17-0000134-APP
Type of Application: Retailer

April 17, 2018

Ninus Malan
Balboa Avenue Cooperative
8863 Balboa Ave
San Diego, CA 92123

Dear Ms./Mr. Malan:

The Bureau of Cannabis Control is unable to process your application for a Adult-Use - Retailer Application because it is incomplete. The Bureau needs the following information to complete the review and process of your application.

GENERAL COMMENTS

No Results

If you have any questions regarding your license application, I can be reached by email at Natosha.Tamantini@dca.ca.gov or by telephone at (833)768-5880.

Sincerely,

CN=Tamantini\, Natosha@DCA,OU=Users,OU=BCC,OU=BOARD,DC=dca,DC=ca,DC=gov
BCC Licensing Administration
Bureau of Cannabis Control

cc: Ninus Malan

SHERLOCK-DCC-FOIA:0134



December 26, 2017

Ninus Malan
Officer
Balboa Avenue Cooperative
8863 BALBOA AVE
SAN DIEGO CA 92123

Dear Ms./Mr. Malan

An application has been submitted with the Bureau of Cannabis Control (BCC) to obtain a Adult-Use - Retailer Application. You have been identified as a business owner on this application. You must complete an owner submittal form in one of the following ways:

1. Complete an owner submittal form by signing into the Bureau's online licensing system, selecting the owner submittal form button, and entering the application ID, which is **A10-17-0000134-APP**; or
2. Complete a paper owner submittal form, which is available on the Bureau's website and at the Bureau office.

In addition to the completed owner submittal form, you will be required to provide the following documents:

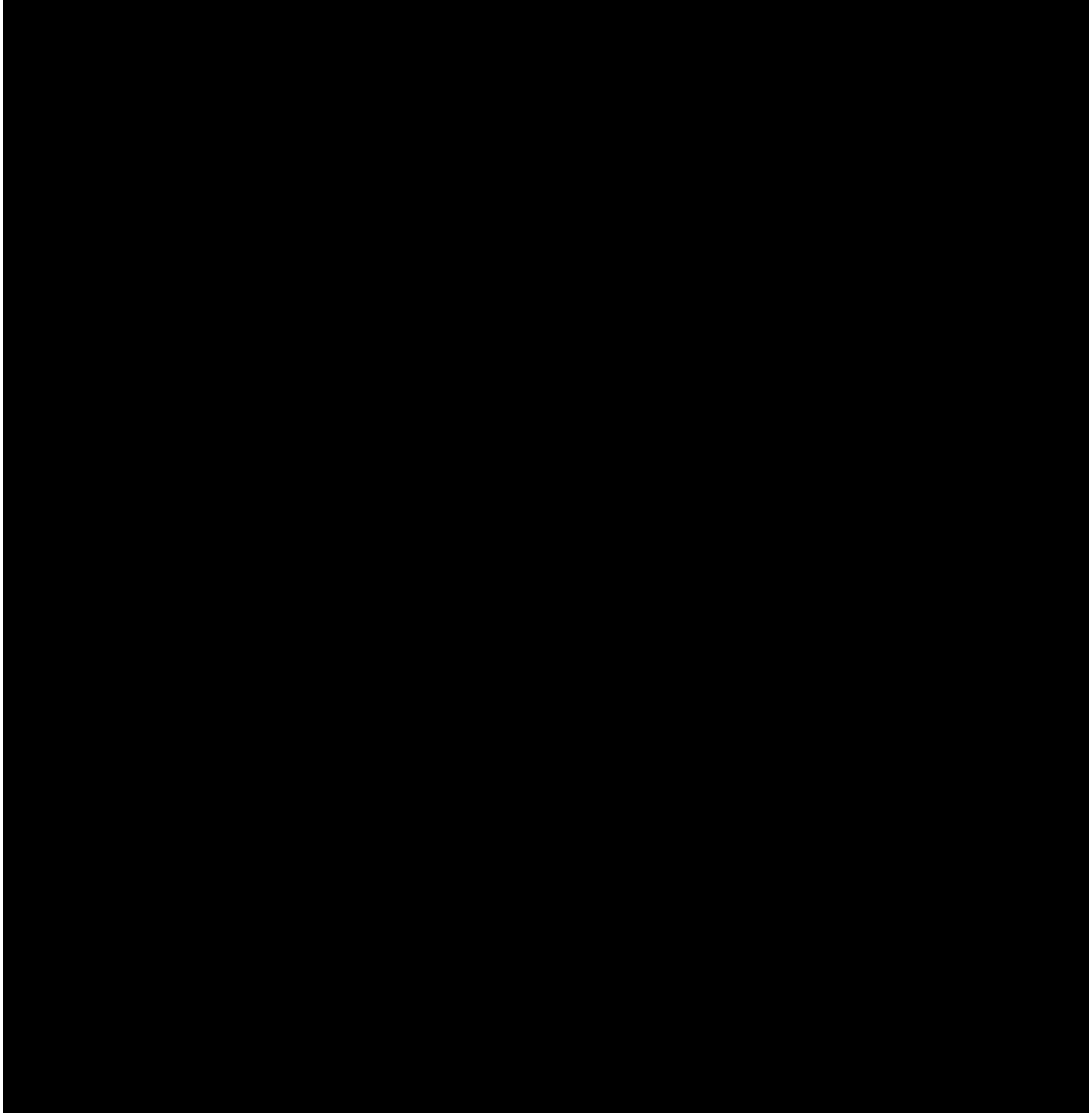
- Copy of a government-issued identification. Acceptable forms of identification are documents issued by the federal, state, county, or municipal government that include the name, date of birth, physical description, and your picture, such as a driver's license.
- A live scan form for fingerprint imaging must be submitted through a live scan operator to the Department of Justice. Please fill out the live scan form located here http://www.bcc.ca.gov/clear/live_scan.pdf. Take the live scan form with you to the live scan operator for fingerprint submissions to the DOJ and FBI. Keep a copy of the Live Scan form. The following is a link to the State of California Department of Justice's website to find live scan operator's. <https://oag.ca.gov/fingerprints/locations>.

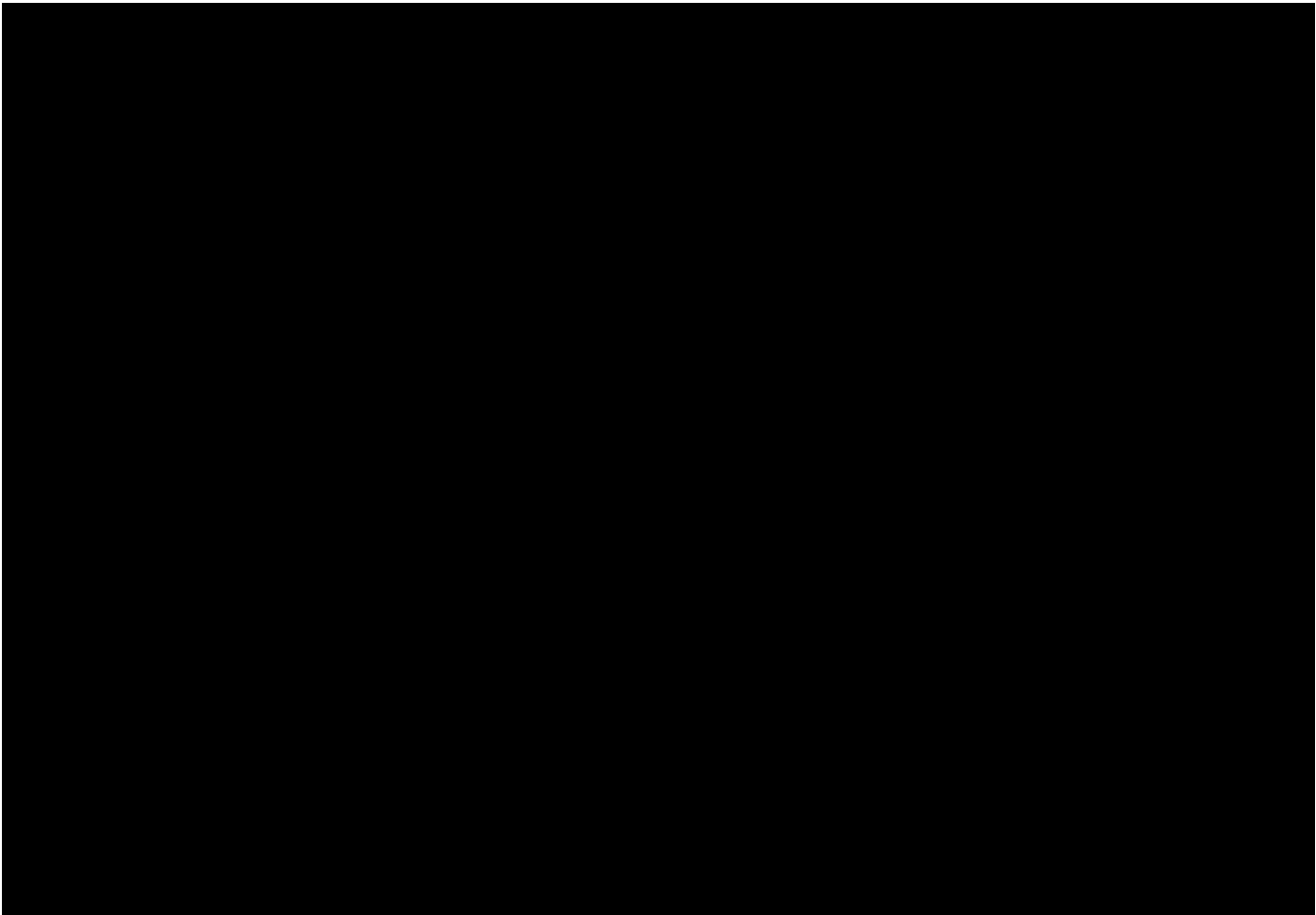
For any questions, please contact the Bureau at (833) 768-5880.

Thank you,

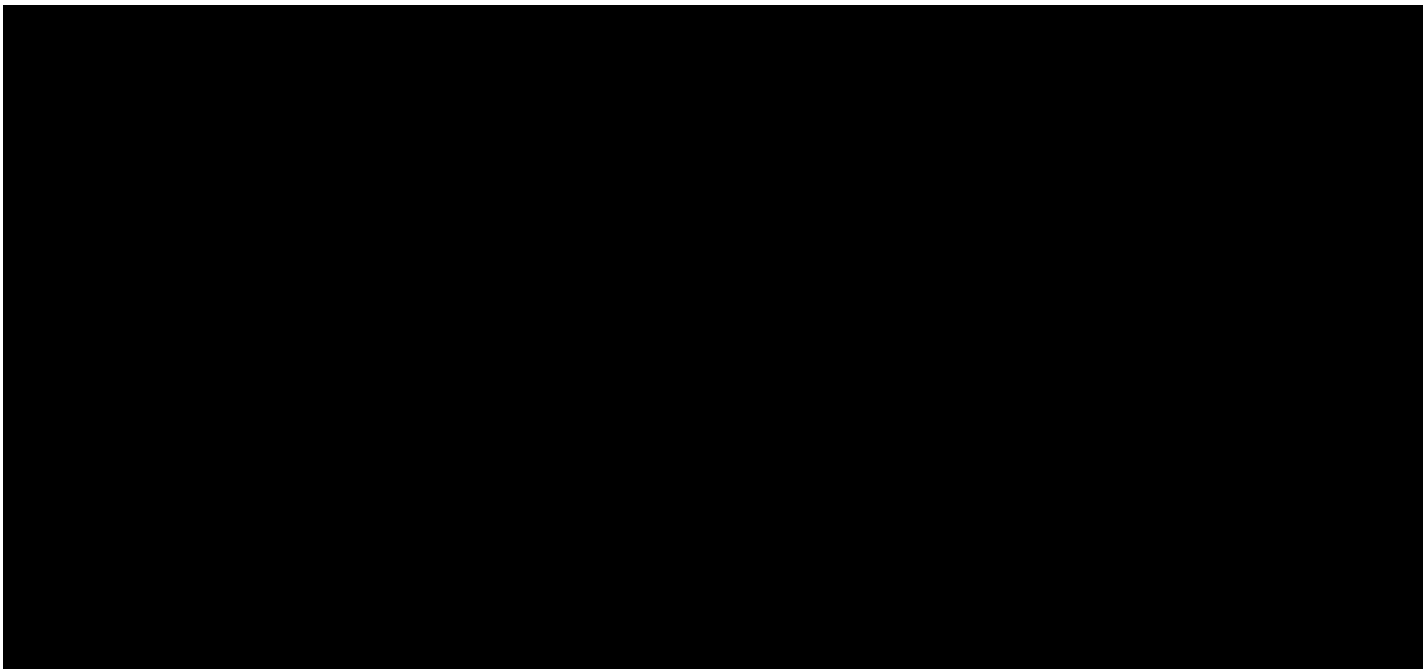
Bureau of Cannabis Control

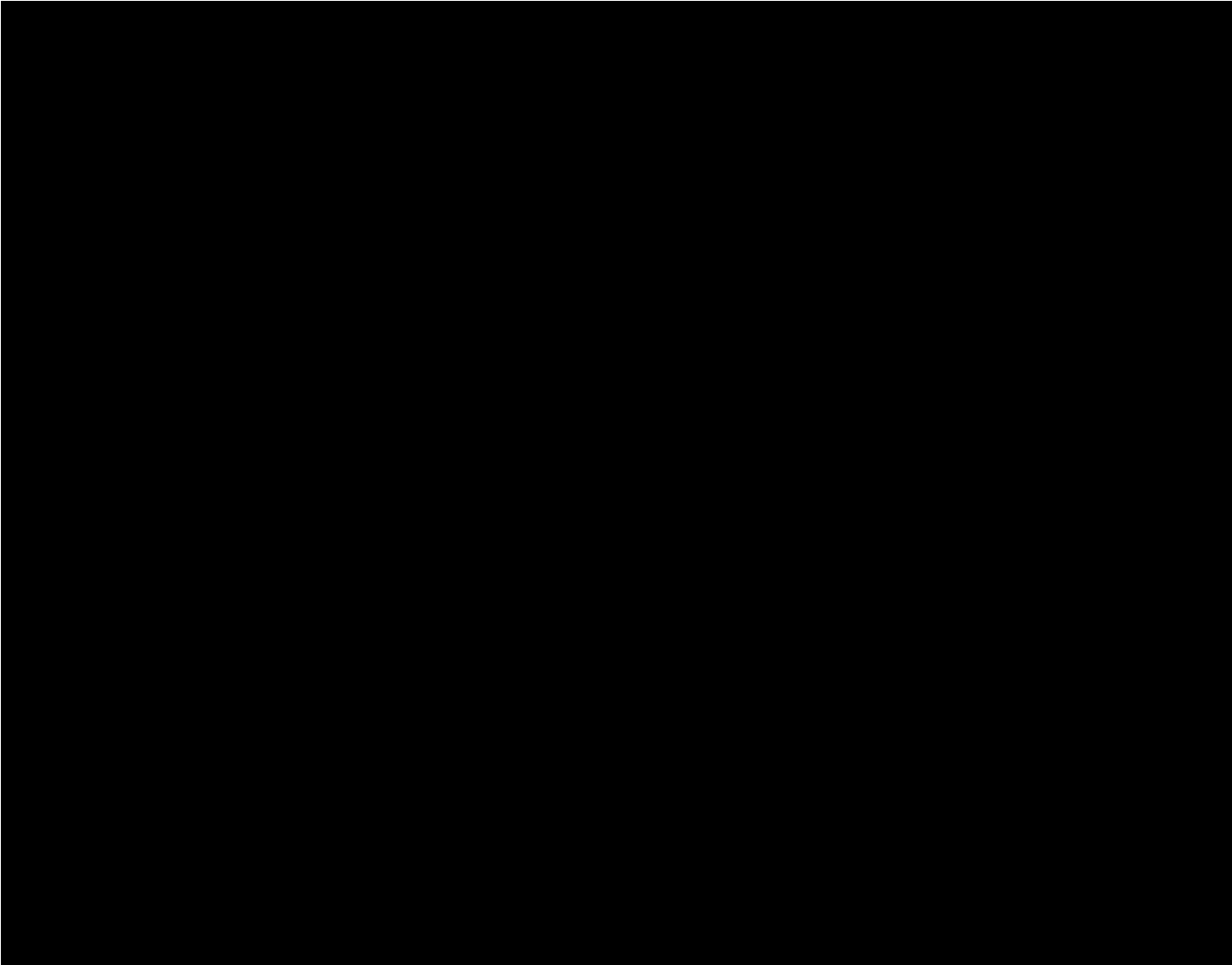
Balboa Ave Cooperative
Retail Storefront and Delivery
Inventory Management





Premises Management





DECLARATION AND AGREEMENT TO ENTER INTO A LABOR PEACE AGREEMENT

Balboa Ave Cooperative, a California Corporation, as applicant (the "**Applicant**"), enters into this declaration as of April 12, 2018 (the "**Effective Date**").

RECITALS

WHEREAS, under Section 26051.5(a)(5) of the California Business and Professions Code a prospective applicant with 20 or more employees for a State license to operate a business conducting Commercial Cannabis Activity is required to provide a statement that the applicant will enter into, or demonstrate that it has already entered into, and abide by the terms of a labor peace agreement;

NOW, THEREFORE, the Applicant declares and agrees as follows:

ARTICLE I – LABOR PEACE AGREEMENT

1.1. **Labor Peace Agreement.** The Applicant agrees to enter into and abide by the terms of a labor peace agreement if at any point during the Applicant's operation of a business engaged in Commercial Cannabis Activity, the Applicant has 20 or more employees regardless of whether or not those 20 or more employees are employed at the business engaged in the Commercial Cannabis Activity.

1.2. **Declaration of Number of Employees.** The Applicant agrees to enter into and abide by the terms of a labor peace agreement if at any point during the Applicant's operation of business engaged in Commercial Cannabis Activity the Applicant has 20 or more employees.

1.3. **Definitions.** For the purposes of this Agreement, the following definitions shall apply:

(a) "**Employee**" does not include a supervisor.

(b) "**Labor peace agreement**" means an agreement between the Applicant and any bona fide labor organization that, at a minimum, protects the State's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the Applicant's business. The Applicant shall provide a bona fide labor organization access at reasonable times to areas in which the Applicant's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under State law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

(c) **“Supervisor”** means an individual having authority, in the interest of the Applicant, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of that authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

(d) **“Commercial Cannabis Activity”** has the same definition as Business and Professions Code Section 26001(k).

ARTICLE II – GENERAL PROVISIONS

2.1. **Agreement Construed as a Whole.** The language in all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning.

2.2. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

2.3. **Governing Law.** This Agreement shall be construed according to and governed by the internal laws (without regard to conflict of laws principles) of the State of California (the **“State”**).

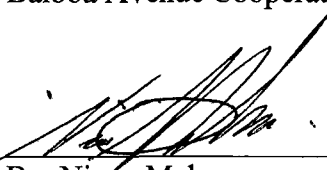
[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO DECLARATION

IN WITNESS WHEREOF, the Applicant and its Principals have caused this Agreement to be executed and delivered under penalty of perjury as of the Effective Date.

THE APPLICANT, as applicant:

Balboa Avenue Cooperative, a California Corporation



By: Ninus Malan

Its: President

ACKNOWLEDGMENT

State of California
County of San Diego

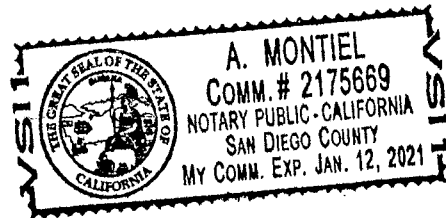
On 4/13/18 before me, A. Montiel
(insert name and title of the officer)

personally appeared Ninus Malan,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same
in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument
the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

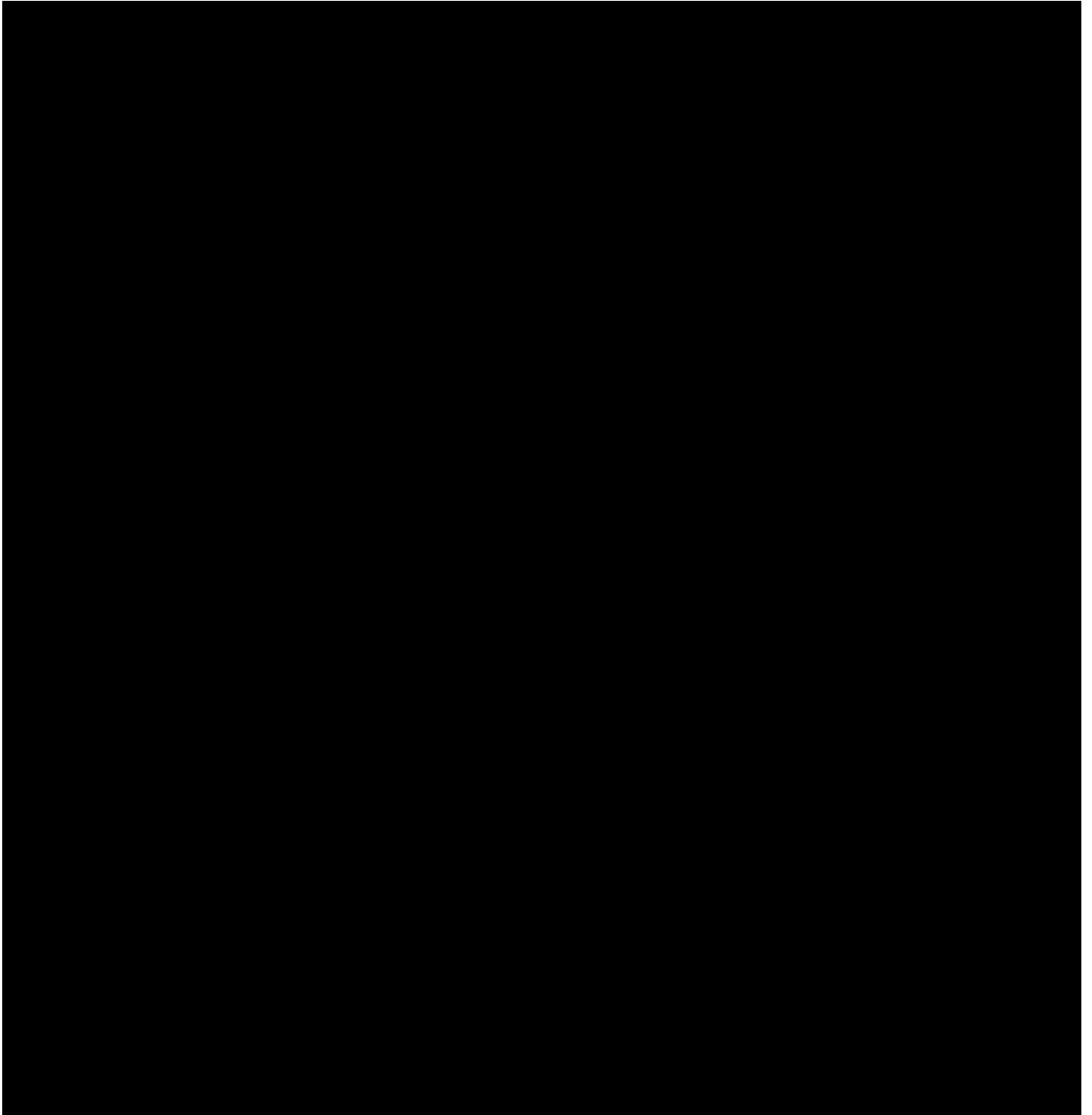
WITNESS my hand and official seal.

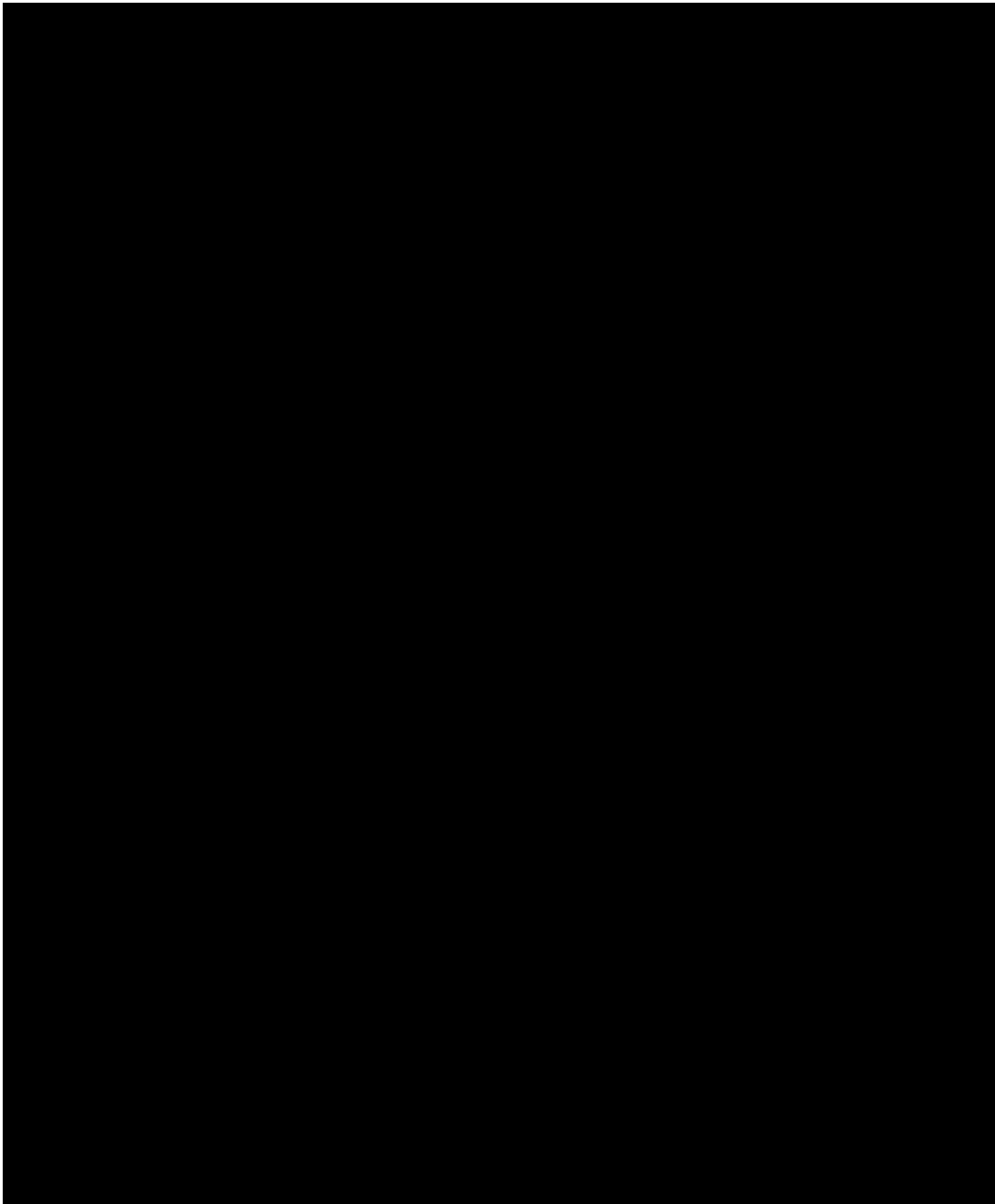
Signature  (Seal)

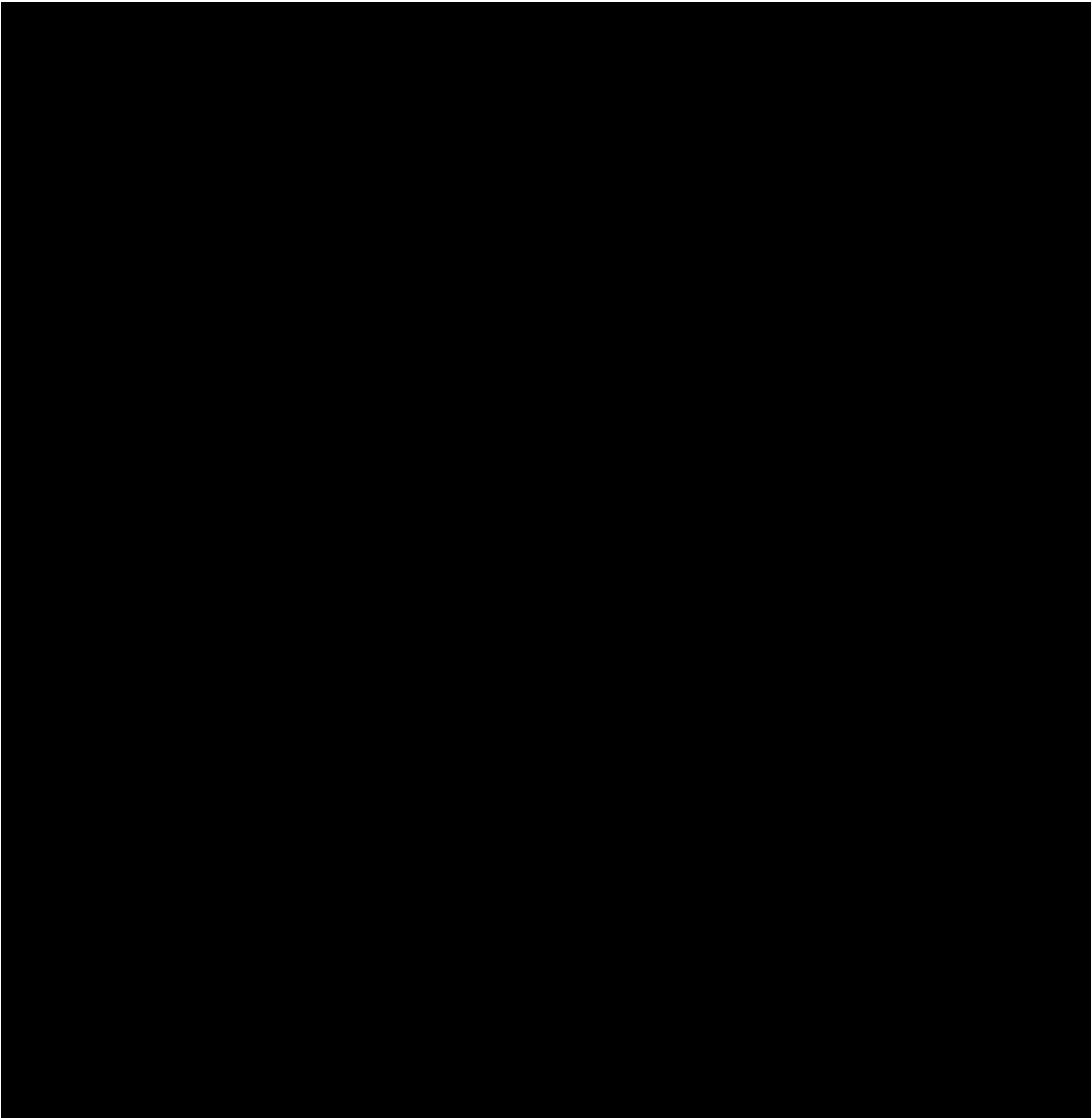


Balboa Ave Cooperative
Retail Storefront and Delivery

Non-Laboratory Quality Control Procedures







ONLINE SERVICES FILING RECORD:



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: April 01, 2020

Return Type: Original

Period End: June 30, 2020

Due Date: July 31, 2020

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

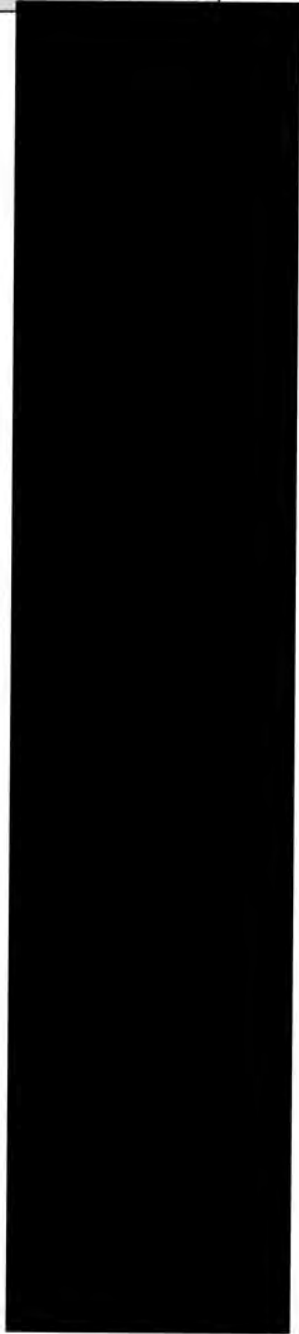
Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Total Sales and Purchases made at state-designated fair or fairgrounds



Account Number: [REDACTED]

Filing Period:

June 30, 2020

Summary

Total tax

Credit for partial exemptions

Sales or use tax paid to other states

Credit for tax recovery

Credit for aircraft common carrier partial exemption

Sales tax prepaid to fuel suppliers

Tax due

Sales Tax Paid to DMV

Penalty Paid to DMV

Total tax prepayments

Remaining tax

Penalty

Interest

Total due before lumber

Lumber Assessment

Total lumber assessment

Penalty

Interest

Total lumber assessment due

Total Amount Due

Total Tax/Assessment Due

Total Penalty

Total Interest

Total Amount Due and Payable

Account Number: [REDACTED]

Filing Period:

June 30, 2020

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax

Transactions subject to only the base state rate

District Tax Total

[REDACTED]

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

Account Number: 103-009445
Filing Period: June 30, 2020

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules

Total taxable transactions for all registered locations

<u>Street</u>	<u>City</u>	<u>Zip Code</u>	<u>Sub-Outlet No.</u>	<u>Taxable Transactions</u>
8863 BALBOA AVE STE E	SAN DIEGO	921231547	[REDACTED]	[REDACTED]



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: July 01, 2020

Return Type: Original

Period End: September 30, 2020

Due Date: November 02, 2020

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

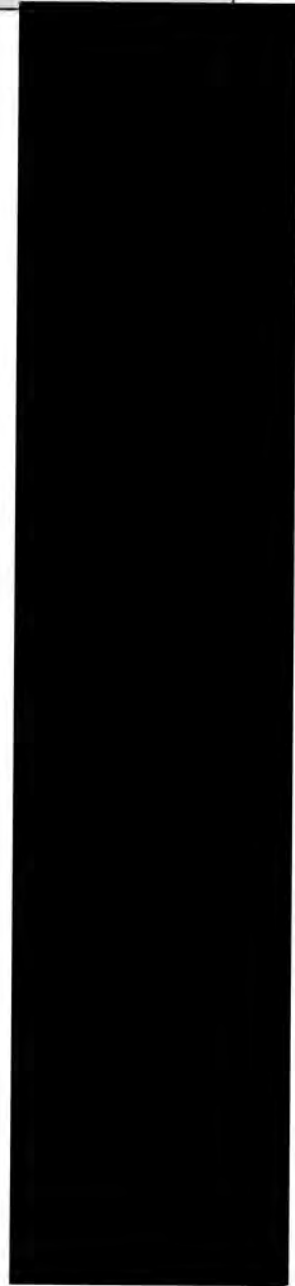
Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Total Sales and Purchases made at state-designated fair or fairgrounds



Account Number: [REDACTED]

Filing Period: September 30, 2020

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax [REDACTED]

Transactions subject to only the base state rate [REDACTED]

District Tax Total [REDACTED]

County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

Account Number:



Filing Period:

September 30, 2020

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules



Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
--------	------	----------	----------------	----------------------

8863 BALBOA AVE STE E

SAN DIEGO

921231547

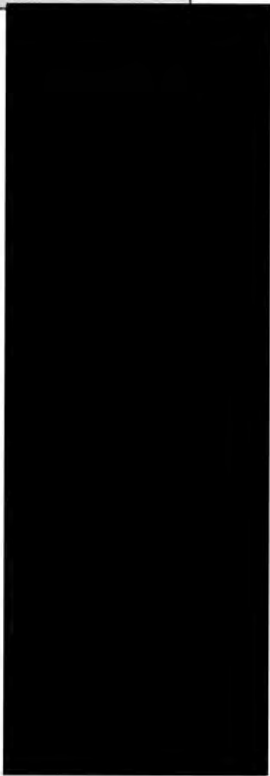


Account Number: [REDACTED]

Filing Period: September 30, 2020

Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Sales Tax Paid to DMV
Penalty Paid to DMV
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable





Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: October 01, 2020

Return Type: Original

Period End: December 31, 2020

Due Date: February 01, 2021

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Total Sales and Purchases made at state-designated fair or fairgrounds

Account Number: 103-009445
Filing Period: December 31, 2020

Schedule A2 - Computation Schedule for District Tax

Taxable transactions subject to District Tax

Transactions subject to only the base state rate

District Tax Total



<u>County</u>	<u>City</u>	<u>Tax Area</u>	<u>Amount</u>	<u>Adjustments</u>	<u>District Tax Due</u>
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013			

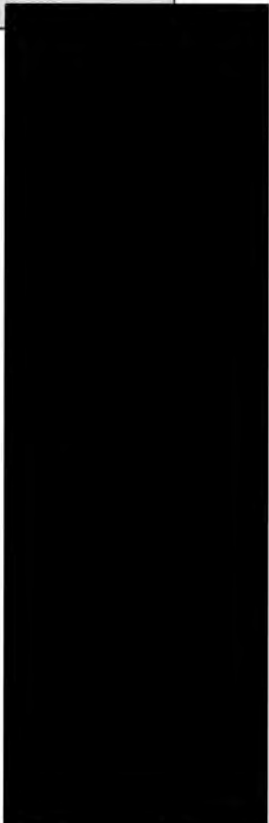


Account Number: [REDACTED]

Filing Period: December 31, 2020

Summary

Total tax
Credit for partial exemptions
Sales or use tax paid to other states
Credit for tax recovery
Credit for aircraft common carrier partial exemption
Sales tax prepaid to fuel suppliers
Tax due
Sales Tax Paid to DMV
Penalty Paid to DMV
Total tax prepayments
Remaining tax
Penalty
Interest
Total due before lumber



Lumber Assessment

Total lumber assessment
Penalty
Interest
Total lumber assessment due



Total Amount Due

Total Tax/Assessment Due
Total Penalty
Total Interest
Total Amount Due and Payable



Account Number: [REDACTED]

Filing Period: December 31, 2020

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules

Total taxable transactions for all registered locations

Street	City	Zip Code	Sub-Outlet No.	Taxable Transactions
8863 BALBOA AVE STE E	SAN DIEGO	921231547	[REDACTED]	[REDACTED]

ONLINE SERVICES FILING RECORD:



Taxpayer Name: BALBOA AVE COOPERATIVE

Account Number: [REDACTED]

Account Type: Sales and Use Tax

Period Begin: January 01, 2021

Return Type: Original

Period End: March 31, 2021

Due Date: April 30, 2021

Remaining Due: [REDACTED]

Sales & Use Tax: 401-EZ

Total (gross) Sales

Purchases subject to Use Tax

Sales of Fixtures and Equipment

Total Sales and Purchases

Sales to other retailers for purposes of resales

Nontaxable sales of food products

Nontaxable labor (repair and installation)

Sales to the United States government

Sales in interstate or foreign commerce

Sales Tax (if any) included in Gross Sales

Other Deductions

Total Nontaxable Transactions

Transactions subject to State Tax

Total Sales and Use Tax

Excess Tax Collected

Net Tax

1st Prepayment

2nd Prepayment

Less Tax Prepayments

Remaining Tax

Penalty

Interest

Total Amount Due and Payable

Total Sales and Purchases made at state-designated fair or fairgrounds



Account Number: [REDACTED]

Filing Period:

March 31, 2021

Summary

Total tax

Credit for partial exemptions

Sales or use tax paid to other states

Credit for tax recovery

Credit for aircraft common carrier partial exemption

Sales tax prepaid to fuel suppliers

Tax due

Sales Tax Paid to DMV

Penalty Paid to DMV

Total tax prepayments

Remaining tax

Penalty

Interest

Total due before lumber

Lumber Assessment

Total lumber assessment

Penalty

Interest

Total lumber assessment due

Total Amount Due

Total Tax/Assessment Due

Total Penalty

Total Interest

Total Amount Due and Payable

Account Number: 103-009445
Filing Period: March 31, 2021

Schedule C - Detailed Allocation by Location of Sales and Use Tax Transactions

Total taxable transactions to be allocated on local tax schedules

Total taxable transactions for all registered locations

<u>Street</u>	<u>City</u>	<u>Zip Code</u>	<u>Sub-Outlet No.</u>	<u>Taxable Transactions</u>
8863 BALBOA AVE STE E	SAN DIEGO	921231547	[REDACTED]	[REDACTED]

Account Number: [REDACTED]

Filing Period: March 31, 2021

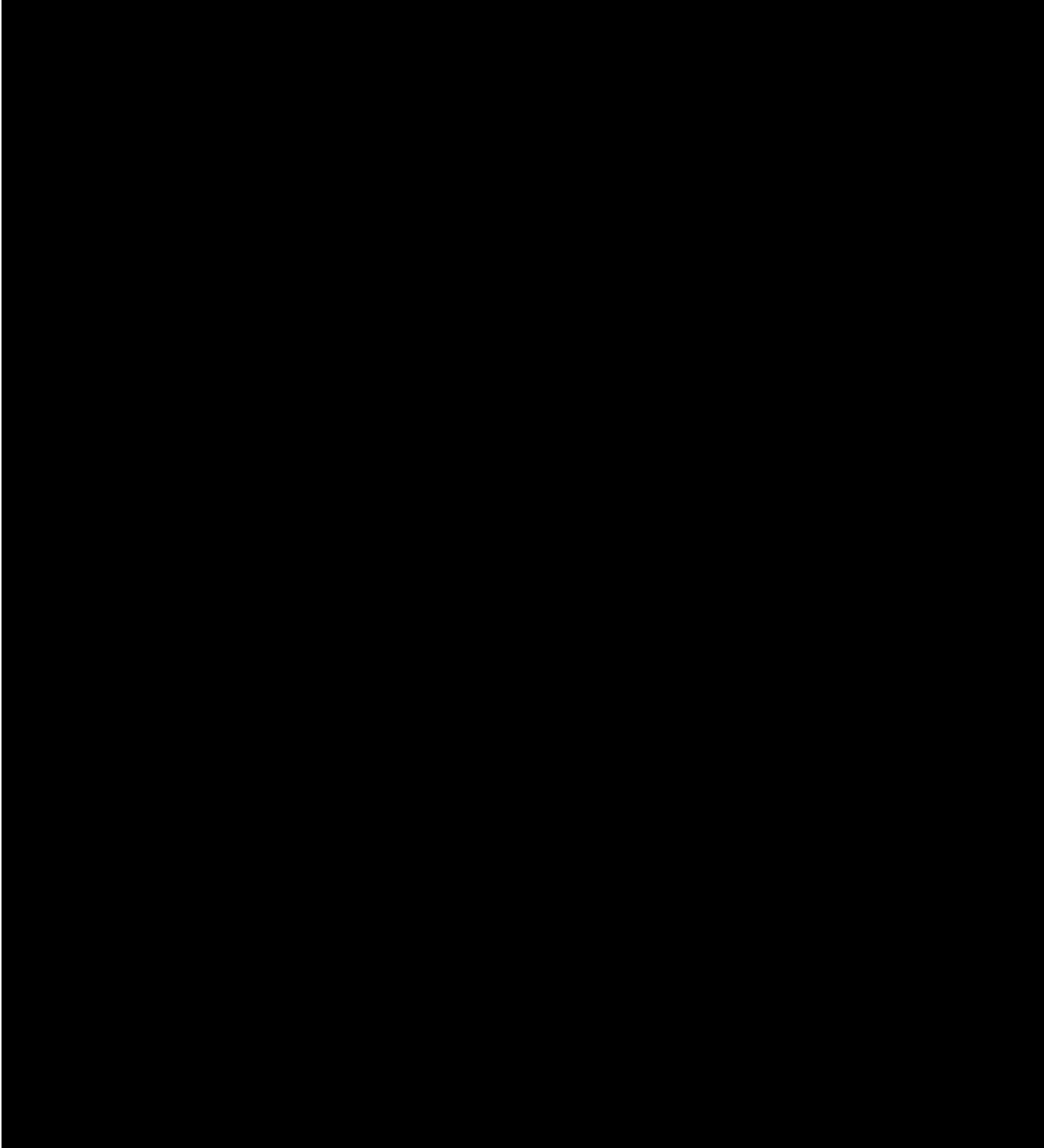
Schedule A2 - Computation Schedule for District Tax

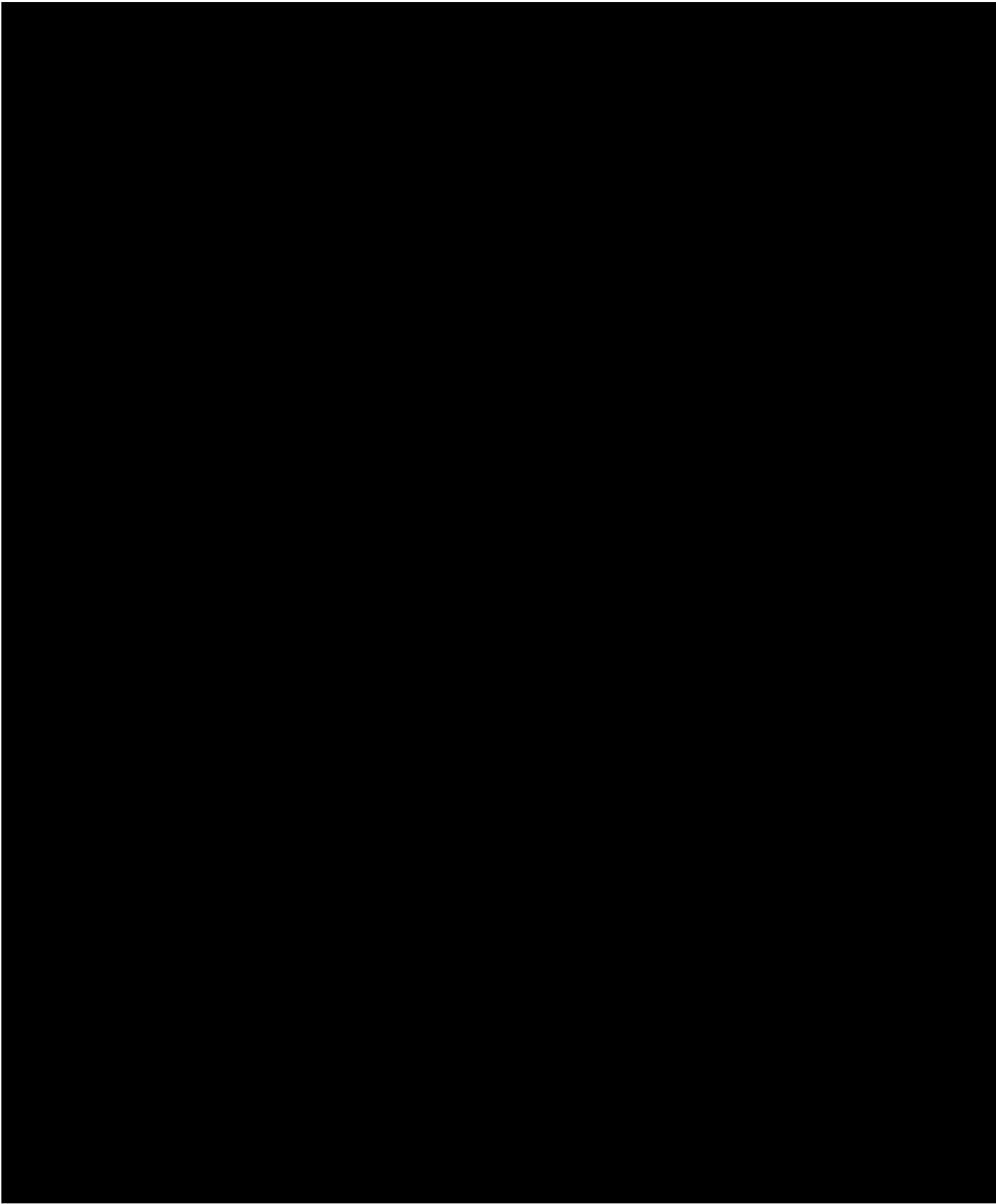
Taxable transactions subject to District Tax [REDACTED]
Transactions subject to only the base state rate [REDACTED]
District Tax Total [REDACTED]

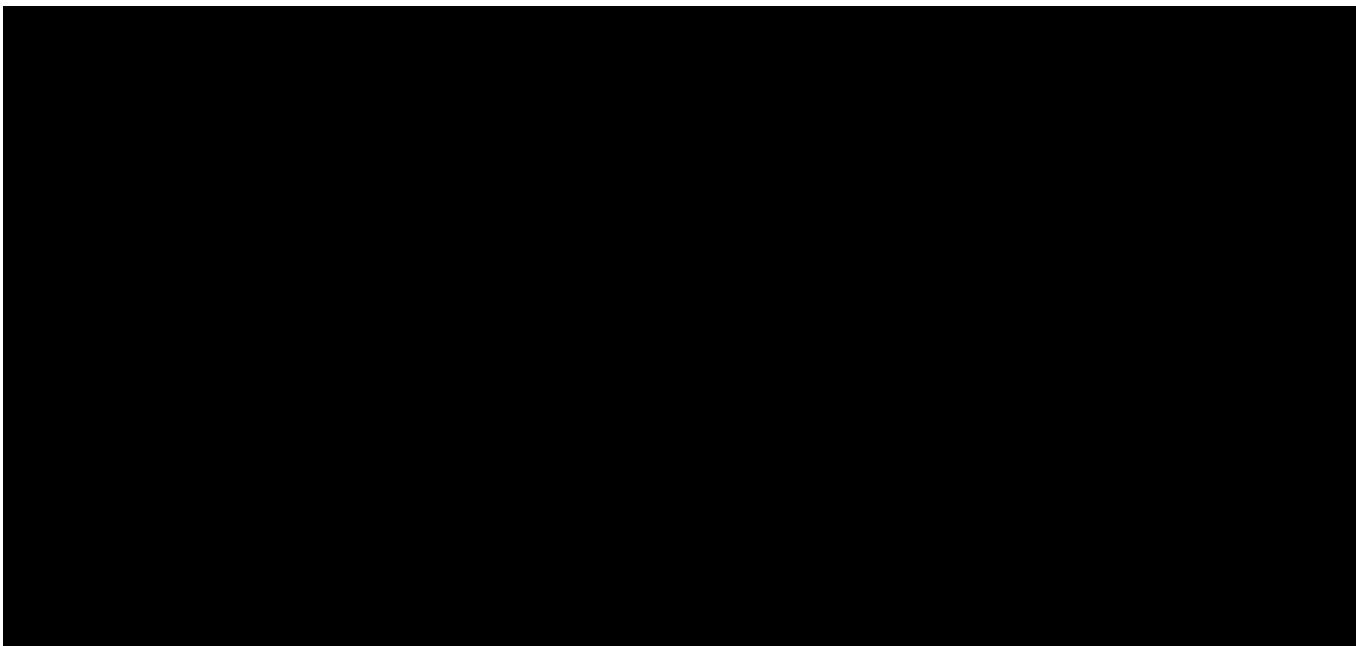
County	City	Tax Area	Amount	Adjustments	District Tax Due
San Diego County	San Diego County - Unincorporated (Effective Date: 04-01-88) - 013	013	[REDACTED]	[REDACTED]	[REDACTED]

Balboa Ave Cooperative
Retail Storefront and Delivery

Security







CALIFORNIA STATE BOARD OF EQUALIZATION

SELLER'S PERMIT



ACCOUNT NUMBER

11/29/2016 SR FH 103-009445

BALBOA AVE COOPERATIVE
8863 BALBOA AVE STE E
SAN DIEGO, CA 92123-1547

*NOTICE TO PERMITTEE:
You are required to obey all
Federal and State laws that
regulate or control your
business. This permit does
not allow you to do
otherwise.*

IS HEREBY AUTHORIZED PURSUANT TO **SALES AND USE TAX LAW** TO ENGAGE IN THE BUSINESS OF SELLING TANGIBLE PERSONAL PROPERTY AT THE ABOVE LOCATION. THIS PERMIT IS VALID ONLY AT THE ABOVE ADDRESS.

THIS PERMIT IS VALID UNTIL REVOKED OR CANCELED AND IS NOT TRANSFERABLE. IF YOU SELL YOUR BUSINESS OR DROP OUT OF A PARTNERSHIP, NOTIFY US OR YOU COULD BE RESPONSIBLE FOR SALES AND USE TAXES OWED BY THE NEW OPERATOR OF THE BUSINESS.

Not valid at any other address

**For general tax questions, please call our Customer Service Center at 1-800-400-7115 (TTY:711).
For information on your rights, contact the Taxpayers' Rights Advocate office at 1-888-324-2798 or 1-916-324-2798.**

BOE-442-R REV. 16 (11-14)

A MESSAGE TO OUR NEW PERMIT HOLDER

As a seller, you have rights and responsibilities under the Sales and Use Tax Law. In order to assist you in your endeavor and to better understand the law, we offer the following sources of help:

- Visiting our website at *www.boe.ca.gov*
- Visiting a field office
- Attending a Basic Sales and Use Tax Law class offered at one of our field offices
- Sending your questions in writing to any one of our offices
- Calling our toll-free Customer Service Center at 1-800-400-7115 (TTY:711)

As a seller, you have the right to issue resale certificates for merchandise that you intend to resell. You also have the responsibility of not misusing resale certificates. While the sales tax is imposed upon the retailer,

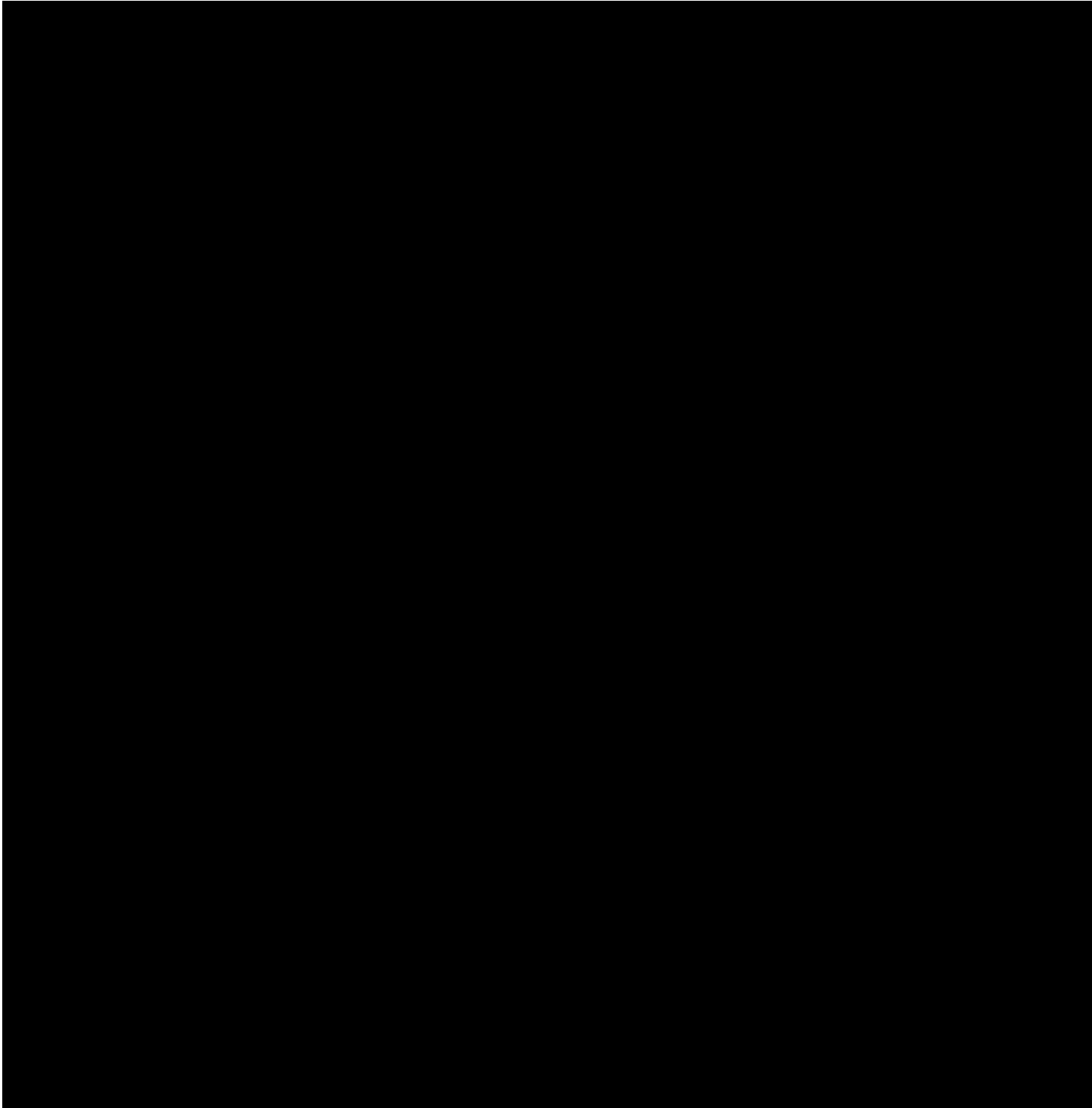
- You have the right to seek reimbursement of the tax from your customer
- You are responsible for filing and paying your sales and use tax returns timely
- You have the right to be treated in a fair and equitable manner by the employees of the California State Board of Equalization (BOE)
- You are responsible for following the regulations set forth by the BOE

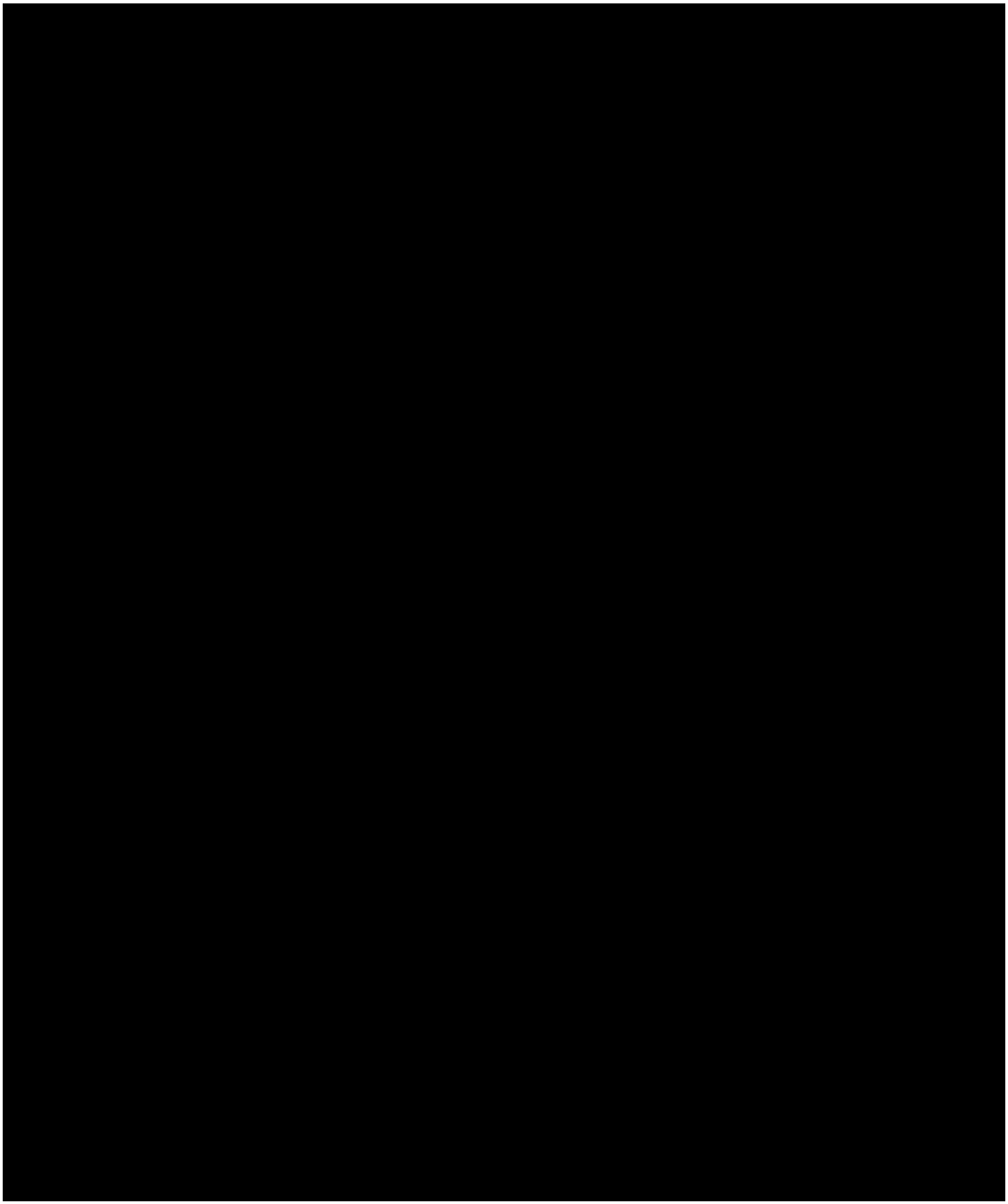
As a seller, you are expected to maintain the normal books and records of a prudent businessperson. You are required to maintain these books and records for no less than four years, and make them available for inspection by a BOE representative when requested. You are also expected to notify us if you are buying, selling, adding a location, or discontinuing your business, adding or dropping a partner, officer, or member, or when you are moving any or all of your business locations. If it becomes necessary to surrender this permit, you should only do so by mailing it to a BOE office, or giving it to a BOE representative.

If you would like to know more about your rights as a taxpayer, or if you are unable to resolve an issue with the BOE, please contact the Taxpayers' Rights Advocate office for help by calling toll-free, 1-888-324-2798 or 1-916-324-2798. Their fax number is 1-916-323-3319.

Please post this permit at the address for which it was issued and at a location visible to your customers.

Balboa Ave Cooperative
Retail Storefront and Delivery
Transportation Procedures





From: Malan Licensing <malanlicensing@gmail.com>
Sent: Wednesday, June 3, 2020 12:25 PM
To: Helzer, Kelli@DCA
Cc: [REDACTED]
Subject: Re: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE
Attachments: 2020-03-31-Sales-Tax Balboa Ave.pdf; 2019-12-31-Sales-Tax Balboa Ave.pdf; 2019-09-30-SalexTax Balboa Ave.pdf

[EXTERNAL]: malanlicensing@gmail.com

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DO NOT: click links or open attachments unless you know the content is safe.
NEVER: provide credentials on websites via a clicked link in an Email.

Hi Kelli

There was only the ability to upload 1 file online so I do apologize for that.

Please see attached Sales Tax Reports to CDTFA for Balboa Cooperative. [REDACTED]

[REDACTED] The only one we don't have yet is for the quarter ending in June, since it isn't over yet.

Please advise if this is sufficient?

thank you

Jennifer Peltier
[REDACTED]

On Wed, Jun 3, 2020 at 10:54 AM Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov> wrote:

Good morning,

I am currently reviewing your renewal submission for license number C10-0000180-LIC - BALBOA AVE COOPERATIVE.

The document you have provided to support your gross revenue for the 2019-2020 license period only contains one quarter worth of revenue (Q3 2019). We need a year's worth of gross revenue documentation (tax filings) to complete the renewal review. Please submit your CDTFA tax returns for Q2 2019, Q4 2019 and Q1 2020.

The documents can be emailed directly to me in response to this email and should be submitted as soon as possible.

Feel free to contact me if you have any questions.

Thank you,



Kelli Helzer

Licensing Analyst

2920 Kilgore Road

Rancho Cordova, CA 95670

kelli.helzer@dca.ca.gov

www.bcc.ca.gov

From: Helzer, Kelli@DCA
Sent: Wednesday, June 3, 2020 1:03 PM
To: Malan Licensing
Subject: RE: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

Hi Jennifer,

We need one more quarter of revenue. Thus far you have provided Q3 2019, Q4 2019, and Q1 2020. Please provide Q2 2019.

Thank you,



Kelli Helzer
Licensing Analyst
2920 Kilgore Road
Rancho Cordova, CA 95670
kelli.helzer@dca.ca.gov
www.bcc.ca.gov

From: Malan Licensing <malanlicensing@gmail.com>
Sent: Wednesday, June 3, 2020 12:25 PM
To: Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov>
Cc: [REDACTED]
Subject: Re: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

[EXTERNAL]: malanlicensing@gmail.com

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[REDACTED] The only one we don't have yet is for the quarter ending in June, since it isn't over yet.

Please advise if this is sufficient?

thank you

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[REDACTED]

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The documents can be emailed directly to me in response to this email and should be submitted as soon as possible.

Feel free to contact me if you have any questions.

Thank you,



Kelli Helzer

Licensing Analyst

2920 Kilgore Road

Rancho Cordova, CA 95670

kelli.helzer@dca.ca.gov

www.bcc.ca.gov

From: Helzer, Kelli@DCA
Sent: Thursday, June 4, 2020 2:12 PM
To: Malan Licensing
Subject: RE: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

Good afternoon Jennifer,

The Bureau's definition of gross revenue does not differ from the normal definition: the total amount of sales recognized for a reporting period, prior to any deductions.

Per 16 CCR § 5015(c), if the Bureau determines that the licensee paid an amount less than the appropriate licensing fee, then the licensee will be required to pay the balance of the appropriate fee and a penalty fee of 50 percent of the appropriate licensing fee. The Bureau has waived the 50 percent penalty fee in its discretion.

Please email bcc@dca.ca.gov if you have any further questions regarding licensing fees.

Thank you,



Kelli Helzer
Licensing Analyst
2920 Kilgore Road
Rancho Cordova, CA 95670
kelli.helzer@dca.ca.gov
www.bcc.ca.gov

From: Malan Licensing <malanlicensing@gmail.com>
Sent: Thursday, June 4, 2020 12:07 PM
To: Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov>
Subject: Re: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

[EXTERNAL]: malanlicensing@gmail.com

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Hi Kelli

We received the renewal amount of [REDACTED]. Can you please confirm why it is not [REDACTED] as our projected revenue is only [REDACTED] for June 2020 - June 2021. The CDTFA documents included Excise Tax in the totals and thus that [REDACTED] tax should be deducted from the Revenue Amount. Please confirm you were aware [REDACTED]

Thank you for any insight you can provide. The renewal amount comes as a shock as we only anticipated [REDACTED]

Thank you very much for all your help with this matter.

Jennifer Peltier
[REDACTED]

On Wed, Jun 3, 2020 at 2:09 PM Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov> wrote:

Received. Thank you!



Kelli Helzer

Licensing Analyst

2920 Kilgore Road

Rancho Cordova, CA 95670

kelli.helzer@dca.ca.gov

www.bcc.ca.gov

From: Malan Licensing <malanlicensing@gmail.com>

Sent: Wednesday, June 3, 2020 1:59 PM

To: Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov>

Subject: Re: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

[EXTERNAL]: malanlicensing@gmail.com

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Found it - thank you for your patience

Jennifer Peltier

On Wed, Jun 3, 2020 at 1:03 PM Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov> wrote:

Hi Jennifer,

We need one more quarter of revenue. Thus far you have provided Q3 2019, Q4 2019, and Q1 2020. Please provide Q2 2019.

Thank you,



Kelli Helzer

Licensing Analyst

2920 Kilgore Road

Rancho Cordova, CA 95670

kelli.helzer@dca.ca.gov

www.bcc.ca.gov

From: Malan Licensing <malanlicensing@gmail.com>

Sent: Wednesday, June 3, 2020 12:25 PM

To: Helzer, Kelli@DCA <Kelli.Helzer@dca.ca.gov>

Cc: [REDACTED]

Subject: Re: C10-20-0000273-REN - BALBOA AVENUE COOPERATIVE

[EXTERNAL]: malanlicensing@gmail.com

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[REDACTED]

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The documents can be emailed directly to me in response to this email and should be submitted as soon as possible.

Feel free to contact me if you have any questions.

Thank you,



Kelli Helzer

Licensing Analyst

2920 Kilgore Road

Rancho Cordova, CA 95670

kelli.helzer@dca.ca.gov

www.bcc.ca.gov

From: Adjakloe, Lydia@DCA
Sent: Thursday, October 24, 2019 11:02 AM
To: [REDACTED]
Cc: Brokken, Melissa@DCA; Crist, Dean@DCA
Subject: RE: A10-17-0000134-APP - BALBOA AVE COOPERATIVE-Public Records Request - Balboa

Attachments: Balboa Certified Copy of APP.pdf; Balboa Certified Copy of Attestation (ATT).pdf; Business Formation Documents.05.31.18.pdf; CEQA Letter.05.31.18.pdf; Diagram Premises Site.05.31.18 (1).pdf; Diagram Premises.05.31.18.pdf; Documentation of Local Authorization (Balboa CUP).pdf; Documentation of Local Authorization (Local.Authorization.60-day.M.05.02.18.msg).pdf; Evidence of Legal Right to Occupy (Balboa Ave Cooperative Lease).pdf; Financial Information Form.05.31.18.pdf; Inventory Management SOPs FINAL.pdf; Labor Peace Agreement Cert Notarized_Balboa Ave Coop.pdf; Non Laboratory Quality Control SOPs Final 2.pdf; Power of Attorney.05.31.18.pdf; Primary Contact.Update.08.16.18.pdf; Receivership Information.08.13.18.pdf; Security SOPs FINAL.pdf; Sellers Permit _Balboa Ave Coop.pdf; Surety Bond . A.10.03.18.pdf; Surety Bond .M.10.03.18.pdf; Transportation SOPs FINAL.pdf

Greetings Mr. Essary,

Please see attached per your request below.

Thank You,



Lydia Adjakloe
Licensing Technician
www.bcc.ca.gov
<https://cannabis.ca.gov>



From: Brokken, Melissa@DCA
Sent: Wednesday, October 23, 2019 10:23 AM
To: Adjakloe, Lydia@DCA <Lydia.Adjakloe@dca.ca.gov>
Cc: Crist, Dean@DCA <Dean.Crist@dca.ca.gov>
Subject: A10-17-0000134-APP - BALBOA AVE COOPERATIVE

Hi Lydia,

Please see Mr. Essary's request below regarding Balboa Avenue Cooperative.

Please let me know if you have any questions.



Melissa Brokken
Licensing Analyst
www.bcc.ca.gov
<https://cannabis.ca.gov>



[EXTERNAL]: [REDACTED]

Thank you Melissa!

Yes please, could you forward me the unredacted copy for my files and disclosure to CBDCA. Also any other documents related to the license application would be greatly appreciated since almost none were turned over to me during the receivership.

Mike Essary
Receiver
[REDACTED]

In a message dated 10/22/2019 11:08:46 AM Pacific Standard Time, Melissa.Brokken@dca.ca.gov writes:

Good morning Mr. Essary,

The Bureau of Cannabis Control (Bureau) received the Public Records request below from a representative of CBDCA, the company that will purchase the assets of Balboa Avenue Cooperative.

CBDCA specifically requested an unredacted copy of the application documents provided by Balboa. In response to the request received, the Bureau will provide a redacted copy of the application to CBDCA.

An unredacted copy of the application can be made available to the primary contact or owner(s) listed on the application for Balboa Avenue Cooperative. If you would like to request an unredacted copy of the application on behalf of CBDCA, please let me know.

Thank you,



Melissa Brokken

Licensing Analyst

www.bcc.ca.gov

<https://cannabis.ca.gov>



From: Adjakloe, Lydia@DCA
Sent: Thursday, October 24, 2019 11:27 AM
To: Mike
Subject: RE: A10-17-0000134-APP - BALBOA AVE COOPERATIVE-Public Records Request - Balboa

Of course, anytime!

Best regards,



Lydia Adjakloe
Licensing Technician
www.bcc.ca.gov
<https://cannabis.ca.gov>



From: Mike [REDACTED]
Sent: Thursday, October 24, 2019 11:25 AM
To: Adjakloe, Lydia@DCA <Lydia.Adjakloe@dca.ca.gov>
Cc: Brokken, Melissa@DCA <Melissa.Brokken@dca.ca.gov>; Crist, Dean@DCA <Dean.Crist@dca.ca.gov>
Subject: Re: A10-17-0000134-APP - BALBOA AVE COOPERATIVE-Public Records Request - Balboa

[EXTERNAL]: [REDACTED]

Excellent! Thank you so much Lydia!

Mike

On Oct 24, 2019, at 11:04, Adjakloe, Lydia@DCA <Lydia.Adjakloe@dca.ca.gov> wrote:

Greetings Mr. Essary,

Please see attached per your request below.

Thank You,

<image001.jpg>

Lydia Adjakloe
Licensing Technician
www.bcc.ca.gov
<https://cannabis.ca.gov>

<image002.png>

<image003.png>

<image004.jpg>

From: Brokken, Melissa@DCA
Sent: Wednesday, October 23, 2019 10:23 AM
To: Adjakloe, Lydia@DCA <Lydia.Adjakloe@dca.ca.gov>
Cc: Crist, Dean@DCA <Dean.Crist@dca.ca.gov>
Subject: A10-17-0000134-APP - BALBOA AVE COOPERATIVE

Hi Lydia,

Please see Mr. Essary's request below regarding Balboa Avenue Cooperative.

Please let me know if you have any questions.

Melissa Brokken
Licensing Analyst
www.bcc.ca.gov
<https://cannabis.ca.gov>

<image001.jpg>

<image002.png>

<image003.png>

<image004.jpg>

[EXTERNAL]: [REDACTED]

Thank you Melissa!

Yes please, could you forward me the unredacted copy for my files and disclosure to CBDCA. Also any other documents related to the license application would be greatly appreciated since almost none were turned over to me during the receivership.

Mike Essary
Receiver
[REDACTED]

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Thank you,

Melissa Brokken

Licensing Analyst

www.bcc.ca.gov

<image001.jpg>

<https://cannabis.ca.gov>

<image002.png>

<image003.png>

<image004.jpg>

<Balboa Certified Copy of APP.pdf>

<Balboa Certified Copy of Attestation (ATT).pdf>

<Business Formation Documents.05.31.18.pdf>

<CEQA Letter.05.31.18.pdf>

<Diagram Premises Site.05.31.18 (1).pdf>

<Diagram Premises.05.31.18.pdf>

<Documentation of Local Authorization (Balboa CUP).pdf>

<Documentation of Local Authorization (Local.Authorization.60-day.M.05.02.18.msg).pdf>

<Evidence of Legal Right to Occupy (Balboa Ave Cooperative Lease).pdf>

<Financial Information Form.05.31.18.pdf>

<Inventory Management SOPs FINAL.pdf>

<Labor Peace Agreement Cert Notarized_Balboa Ave Coop.pdf>

<Non Laboratory Quality Control SOPs Final 2.pdf>

<Power of Attorney.05.31.18.pdf>
<Primary Contact.Update.08.16.18.pdf>
<Receivership Information.08.13.18.pdf>
<Security SOPs FINAL.pdf>
<Sellers Permit _Balboa Ave Coop.pdf>
<Surety Bond . A.10.03.18.pdf>
<Surety Bond .M.10.03.18.pdf>
<Transportation SOPs FINAL.pdf>

From: Cordero, Van@DCA
Sent: Tuesday, April 20, 2021 2:28 PM
To: [REDACTED]
Subject: RE: Status Update - A10-17-0000134-APP - BALBOA AVE COOPERATIVE

Hi Mike,

No worries. Let me know if you have any other questions.

Thank you,
Van

From: [REDACTED]
Sent: Tuesday, April 20, 2021 2:23 PM
To: Cordero, Van@DCA <Van.Cordero@dca.ca.gov>; [REDACTED]
Subject: Re: Status Update - A10-17-0000134-APP - BALBOA AVE COOPERATIVE

[EXTERNAL]: [REDACTED]

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Van,

Thank you for that clarification and Jennifer is copied. She also explained the process to me - sorry for my misunderstanding.

We are winding down the receivership and selling assets and have not decided whether to renew/apply for permanent status on the license just yet. It depends on the court's orders and future use of the license.

Jennifer and I will update you as our legal process proceeds.

Mike

In a message dated 4/20/2021 2:10:44 PM Pacific Standard Time, Van.Cordero@dca.ca.gov writes:

Hi Mike,

You were assigned as the receivership by the courts as of 9/2018. License #C10-0000180-LIC.

The Fictitious Business name is listed as The Tree House Balboa.

I received an email from Jennifer but am unable to reply since she's not listed as an owner or contact on the application. Provisional license gets bumped to an annual license once we have completed the review. This is the current process we are trying to complete.

Have you received the email regarding the renewal of the provisional license that will be expiring in June?

Thank you,

Van

From: [REDACTED]
Sent: Tuesday, April 20, 2021 12:45 PM
To: Cordero, Van@DCA <Van.Cordero@dca.ca.gov>; [REDACTED]
Subject: Re: Status Update - A10-17-0000134-APP - BALBOA AVE COOPERATIVE

[EXTERNAL]: [REDACTED]

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Hey Van,

Sorry, I'm still confused. I have a full license for Balboa Coop and have not submitted a new application. Do you have the license number for this Provision License so I can research and find out how it relates to my receivership?

Jennifer, my associate, and I will review and confirm if it's under my control.

Thank you Van!

Mike

In a message dated 4/19/2021 4:34:01 PM Pacific Standard Time, Van.Cordero@dca.ca.gov writes:

Hi Mike,

This is in regards to the same application. The business currently holds a Provisional License while working towards an Annual License with the Bureau. Let me know if you have further questions.

Thank you,

Van Cordero

From: [REDACTED]
Sent: Monday, April 19, 2021 4:00 PM
To: Cordero, Van@DCA <Van.Cordero@dca.ca.gov>; [REDACTED]
Subject: Re: Status Update - A10-17-0000134-APP - BALBOA AVE COOPERATIVE

[EXTERNAL]: [REDACTED]

CAUTION: THIS EMAIL ORIGINATED OUTSIDE THE DEPARTMENT OF CONSUMER AFFAIRS!
DO NOT: click links or open attachments unless you know the content is safe.
NEVER: provide credentials on websites via a clicked link in an Email.

Hi Van,

This is Mike Essary, I'm the receiver on a couple of cannabis licenses including Balboa Coop.

I don't know what this is about? I know our license is up for renewal in June 2021 but this looks like a "new" application?

Appreciate your feedback - thank you.

Mike Essary

Receiver

In a message dated 4/19/2021 3:54:07 PM Pacific Standard Time, noreply@bcc.ca.gov writes:

Good afternoon,

Your application will be reviewed in three phases. I have completed a review of the first phase of your annual application. The following requirements must to be satisfied in order to continue processing your application for annual licensure:

Premises Diagram

- Please provide an updated diagram that includes the following additional information (16 CCR §5006):
 - o A brief statement or description of the principal activity to be conducted therein and show and identify ALL commercial cannabis activities that will take place in each area of the premises: (i.e., records storage, product storage, cannabis waste storage, video surveillance storage area, administration, sales, packaging, lobby, retail area, batch sampling, loading/unloading of shipments, packaging/labeling, customer sales, loading for deliveries, extraction, infusion, cultivation, and processing), if applicable.
 - Customer Sales
 - Loading/unloading

Labor Peace Agreement - Less than 20 Employees

- You have indicated that you have less than 20 employees. Recent legislation requires you to provide a notarized statement indicating that you will enter into and abide by the terms of a labor peace agreement within 60 days of employing your 20th employee.
 - o Must include verbiage stated above.

Verify # of Employees

- Reported as "0" – Has this changed?

Surety Bond

- You must provide proof of a surety bond of at least \$5,000 payable to the State of California issued by a corporate surety licensed to transact surety business in the State of California. (16 CCR §5008)
 - o Must be notarized.

You must provide the items identified by 5/19/2021.

Either submit the items requested by uploading them to the portal or emailing them to me at van.cordero@dca.ca.gov.

Instructions for uploading documents

- The owner applicant logs into their online user account:
 - o Go to “My Records.”
 - o Select the application record ID that you want to add attachments to. A new page should open.
 - o Select the “Record Info” dropdown.
 - o Select “Attachments.”
 - o When the page loads, select the “Add” button. A new window will open.
 - o Select the files you wish to upload to the application record.

Sincerely,

Van Cordero

Licensing Analyst