

Attachment C

GA 1254-197
Health Care Agency
1241 East Dyer Road
Santa Ana, CA 92705

LEASE SUMMARY

LESSOR

W-GL 1241 OCBC HOLDINGS VIII, L.P., a limited partnership in the State of Delaware

COUNTY

County of Orange

LOCATION

1241 East Dyer Road, Santa Ana, CA, 92705

PREMISES

Approximately 67,412 rentable square feet

The Premises consists of an office space of 59,795 RSF (“Office Premises”), warehouse space of 7,617 RSF (“Warehouse Premises”) and exclusive access and use of the loading dock, collectively the Premises.

PARKING

County shall have the exclusive right, without additional charge, to use two hundred fifty-four (254) parking spaces, of which County may use up to forty (40) as reserved and/or designated visitor parking (“Reserved Parking”), nine (9) of which will be enclosed as a “Secured Parking Area” and six (6) stalls for vehicle inspection designated as “Inspection Stalls.”

USE

County shall use the Premises for general administrative, office and warehouse purposes or any other lawful purpose; provided, however, surgical procedures shall not be conducted within the Premises. County shall not use the Premises or any portion thereof for any illegal or unlawful purpose and will not cause or permit a nuisance to be created or maintained therein.

TERM

15 years, commencing the first day of the first full calendar month following the Final Completion Date of the Work (“Commencement Date”).

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OPTION TO EXTEND

County shall have the option to extend the Term (the “Option(s)”) of this Lease for three (3) five (5) year periods beyond the initial fifteen (15) year Term (each an “Extension Term”). The Fair Market Rental Value, which shall be negotiated at the time of the Option(s) as set forth below, shall not exceed fair market value at the time of the County’s notice to Lessor of its intent to exercise its Option(s) to extend. County shall give Lessor written notice of its Option(s) to extend the Term no sooner than twelve (12) months and no later than nine (9) months prior to the expiration of the initial Term or the then current Extension Term, as applicable.

RENT

Period	Office Premises Annual Rent	Warehouse Premises Annual Rent	Premises Total Annual Rent
1	\$1,476,937	\$119,396	\$1,596,333
2	\$1,521,245	\$122,978	\$1,644,223
3	\$1,566,882	\$126,668	\$1,693,550
4	\$1,613,888	\$130,468	\$1,744,356
5	\$1,662,305	\$134,382	\$1,796,687
6	\$2,162,746	\$174,838	\$2,337,584
7	\$2,227,629	\$180,083	\$2,407,712
8	\$2,294,458	\$185,485	\$2,479,943
9	\$2,363,291	\$191,050	\$2,554,341
10	\$2,434,190	\$196,781	\$2,630,972
11	\$2,507,216	\$202,685	\$2,709,901
12	\$2,582,432	\$208,765	\$2,791,198
13	\$2,659,905	\$215,028	\$2,874,934
14	\$2,739,702	\$221,479	\$2,961,182
15	\$2,821,893	\$228,124	\$3,050,017

TENANT IMPROVEMENT ALLOWANCE

Lessor shall complete the Work and provide the Premises in turn-key condition to the County using the “County Improvement Allowance,” which shall not exceed eighty dollars (\$80.00) per RSF for the Office Premises and ten dollars (\$10.00) per RSF for the Warehouse Premises. Additionally, Lessor shall provide County with an allowance equal to ten dollars (\$10.00) per RSF of the Office Premises to be used at County’s sole discretion toward FF&E, relocation costs, cabling, telecommunications and rent (“County’s FF&E Allowance”). Additionally, if there is any County Improvement Allowance remaining after Lessor has completed the Work, County may use that allowance towards FF&E, relocation, cabling, telecommunications and rent costs.

PAINTING BY LESSOR

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Between years eight (8) and ten (10) of the Term, County has the one-time right to request re-painting of the Premises by providing six (6) months prior written notice to Lessor. Upon receipt of written request from County, Lessor shall repaint, at Lessor's sole expense, all painted surfaces within the Premises.

County shall reimburse the Lessor for the cost of such re-painting by either 1) a lump sum payment with the next month's Rent owed or 2) amortizing the cost of the re-painting into the rental rate over the remaining Term at an interest rate of eight percent (8%).

CARPETING BY LESSOR

Between years eight (8) and ten (10) of the Term, County has the one-time right to request re-carpeting of the Premises by providing six (6) months prior written notice to Lessor. Upon receipt of written request from County, Lessor shall re-carpet, at Lessor's sole expense, all carpeted surfaces within the Premises.

County shall reimburse the Lessor for the cost of such re-carpeting by either (1) a lump sum payment with the next month's Rent owed or (2) amortizing the cost of the re-carpeting into the rental rate over the remaining Term at an interest rate of eight percent (8%).

ALTERATIONS

County may, at County's sole cost and expense, make improvements and changes in the Premises ("Alterations"), including, but not limited to, the installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or appropriate by the County in its discretion. Notwithstanding the foregoing, County shall not have the right to make any Alterations to the Building or to any Building Systems (as hereinafter defined) that affect or could affect the Building foundation, bearing walls, structural roof (collectively, "Structural Components") or building plumbing, HVAC, mechanical, electrical or life safety systems (collectively, "Building Systems") without Lessor's prior written consent, which may be withheld in Lessor's sole and absolute discretion. County may, without Lessor's prior written consent, make non-structural interior Alterations to the Premises, provided such Alterations do not exceed one hundred thousand dollars (\$100,000.00) per annum in the aggregate.

COUNTY-REQUESTED ALTERATIONS

County through HCA/Facilities Service Manager, may, during the Term of the Lease, request Lessor to make improvements and changes to the Premises ("County Requested Alterations"). If the County Requested Alterations affects the Structural Components and/or Building Systems, then Lessor's prior written consent is needed prior to the commencement of said County Requested Alterations. All plans and working drawings for the County Requested Alterations shall have the written approval of HCA/Facilities Service Manager. All such County Requested Alterations shall be made by Lessor, at Lessor's sole cost, and reimbursed as additional Rent upon receipt by County of Lessor's written claim for reimbursement. County shall include the reimbursement amount in the Rent payment owed

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immediately following receipt of Lessor's claim for reimbursement. At no times shall County Requested Alterations exceed two hundred and fifty thousand dollars (\$250,000.00) per year in the aggregate.

INSURANCE

LESSOR shall provide:

Commercial Property and Fire Insurance: Full Value of Improvements (including the full value of all improvements and fixtures owned by Lessor)

General Comprehensive Liability Insurance:
\$1,000,000 per occurrence with a
\$2,000,000 aggregate.

SERVICES PROVIDED BY LESSOR

Lessor shall provide, at its sole cost and expense (except as otherwise provided in this Lease) any and all necessary repair, maintenance and replacement for the Premises and Building (and systems therein) including, but not limited to:

- Operating Expenses
- Structural portions of the Building /roof
- Parking facilities/paving
- Heating, ventilation, air conditioning ("HVAC") system
- Plumbing, electrical and mechanical systems
- Fire/life safety system
- Elevators
- Interior and exterior maintenance repairs
- Janitorial Services – 5 days per week
- Property/ Fire Insurance and Liability Insurance
- Taxes and Assessment

SERVICES PROVIDED BY COUNTY

County shall be responsible for telephone services.

SIGNAGE

Lessor agrees to allow County to retain its existing signage on the exterior of the Building or replace such signage with comparable or better signage at its sole cost and expense. As part of the Work Landlord shall upgrade the existing directional signage as needed. All such signage shall comply with all applicable laws and zoning and site plan requirements and be consistent with the attached Exhibit I.

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Such rights are personal to County and may not be exercised by any assignee or sublessee of County.

HOLDOVER

In the event County shall continue in possession of the Premises after the Term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease, except that monthly Rent shall be equal to one hundred percent (100%) of the Rent due during the last month of the Term for the first one hundred eighty (180) days of the holdover period [including any holdover under Clause 7 (OPTION TO EXTEND TERM) above] and thereafter be increased to one hundred twenty-five percent (125%) of the monthly Rent.

LESSOR'S LIABILITY

Throughout the Term of this Lease, Lessor (including any and all successors-in-interest to the originally named Lessor under the Lease), shall maintain a net equity in the Premises of not less than Three Million and 00/100 Dollars (\$3,000,000.00) as measured by the difference between the fair market value of the Premises and the total value of all liens, charges or indebtedness placed against the Premises. Upon receipt of County's request, Lessor shall certify such net equity in the Premises no more than once per every twenty-four (24) month period.

To the extent Lessor (and any successor-in-interest) maintains the aforesaid \$3,000,000 net equity during this Lease, no direct or indirect, current or future shareholder, officer, director, member, partner, employee or affiliate of Lessor or of any affiliate of Lessor shall have any liability under this Lease or for any matter relating to or arising out of the occupancy or use of the Premises and/or other areas of the project of which the Building is a part and, accordingly, County's sole recourse (and the sole recourse of any person or entity claiming by, through or under County) for any breach or liability under the terms of this Lease or for any other such matter shall be against Lessor (or any successor-in-interest) and Lessor's interest in the Premises. Further, Lessor shall only be liable for County's actual direct, but not special, consequential or speculative, damages. The provisions of this Clause 59 shall survive the expiration or earlier termination of the Term.