

# Attachment A



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

## LEASE

THIS IS A LEASE AGREEMENT (hereinafter referred to as **"Lease"**) made \_\_\_\_\_, 2020, (**"Effective Date"**), by and between W-GL 1241 OCBC HOLDINGS VIII, L.P., a limited partnership in the State of Delaware (hereinafter referred to as **"Lessor"**), and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as **"County"**) without regard to number and gender. The Lessor and County may individually be referred to herein as a **"Party,"** or collectively as the **"Parties."**

### 1. DEFINITIONS (1.0 SA)

The following words in this Lease shall have the significance attached to them in this Clause 1 (DEFINITIONS), unless otherwise apparent from context:

**"Board of Supervisors"** means the Board of Supervisors of the County of Orange, a political subdivision of the State of California.

**"Building"** means the building located at 1241 East Dyer Road, Santa Ana, CA, 92705 in which the Premises is located.

**"CEO/Office of Risk Management"** means the Risk Manager, County Executive Office, Risk Management, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

**"Chief Real Estate Officer"** means the Chief Real Estate Officer, County Executive Office, County of Orange, or upon written notice to Lessor, such other entity as shall be designated by the County Executive Officer.

**"County Executive Officer"** means the County Executive Officer, County Executive Office, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the Board of Supervisors.

**"County Counsel"** means County Counsel County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

**"Health Care Agency"** or **"HCA"** means the Health Care Agency, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

**"HCA/Facilities Service Manager"** means the Manager, HCA/Facilities Services, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the Director of the Health Care Agency.

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## 2. PREMISES (1.1 SA)

Lessor leases to County that certain property described in Exhibit A and shown on Exhibit B, which exhibits are attached hereto and by reference made a part hereof, of approximately 67,412 rentable square feet (“RSF”) in the building located at 1241 East Dyer Road, Santa Ana, California (the “Premises”), together with non-exclusive, in common use of elevators, stairways, washrooms, hallways, driveways for vehicle ingress and egress, parking, pedestrian walkways, other facilities and common areas appurtenant to the Premises. 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.

## 3. USE (1.2 SA)

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.

## 4. PARKING (1.3 N)

Throughout the Term of the Lease and including any Extension Term pursuant to Clause 7 (OPTION TO EXTEND TERM), 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,” as shown on Exhibit B. County’s use of said parking spaces shall be subject to all reasonable rules and regulations which are prescribed by Lessor from time to time for the efficient operation of the parking areas for the Building and provided to County in writing.

Within County’s two hundred fifty-four (254) allocated parking spaces, Lessor shall also provide parking for disabled persons (“ADA Spaces”) in accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as established by the local jurisdiction in which the Premises is located where the provisions of such local codes and/or ordinances exceed or supersede the State requirements.

## 5. TERMINATION OF PRIOR AGREEMENTS (1.4 AALC - N)

As of the Commencement Date, it is mutually agreed that this Lease shall terminate and supersede any prior agreement between the Parties hereto covering all or any portion of the Premises, as that term is defined in that certain Lease dated July 27, 2004 by and between PS Business Parks, L.P., a California limited partnership, as lessor, (predecessor in interest to Lessor) and County, as lessee, as amended by that certain First Amendment to Lease dated September 30, 2014, by and between PS Business Parks, L.P. and County (the “Existing Lease”), EXCEPT for those terms relating to continuing obligations for events during the term of the Existing Lease, including but not limited to indemnification, and that all personal property and/or equipment (e.g., fixtures, partitions, counters, shelving) attached to and/or placed upon any portion of the Premises (as defined in the Existing Lease) by County pursuant to the terms of any prior agreement between the Parties hereto

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shall remain the personal property of County, who shall have the right to remove same. The Parties hereby acknowledge and agree that County will be required to vacate a certain portion of its currently leased Premises (as defined in the Existing Lease) and relocate to other space in the Premises in which the Work has been Substantially Complete (as those terms are defined below) in order for Lessor to perform the Work. Notwithstanding anything to the contrary in the Existing Lease, nothing therein shall prohibit Lessor from performing the Work in, on and about the Premises in accordance with this Lease and the Work Letter (as defined below) and that County shall continue to abide by all of the covenants set forth in the Existing Lease, including, but not limited to timely paying all Rent and all other charges due and payable under the Existing Lease until the Commencement Date of this Lease.

### 6. TERM (1.5 SA)

The Term of this Lease shall be fifteen (15) years (“**Term**”), commencing the first day of the first full calendar month following the Final Completion Date of the Work as defined in Clause 13 (CONSTRUCTION) below (“**Commencement Date**”).

Parties agree that the Commencement Date of this Lease will be confirmed in writing by either Party upon demand by the other.

### 7. OPTION TO EXTEND TERM (1.6 SA)

A. **County Option.** Provided there is no current County Default under this Lease (as further defined in Clause 28 (DEFAULTS AND REMEDIES)), either at the time of the exercise of the Option or upon commencement of the Extension Term, 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**”), which may be exercised by the Chief Real Estate Officer and shall be memorialized in an amendment with a mutually agreed upon plan for no less than fifty thousand (50,000) RSF of the space then under lease by County in the Building. 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. Time is of the essence in the exercise of the Option(s). The Option(s) shall be personal to County and shall not be exercised by any assignee or sublessee of County. “Term” as used in this Lease shall mean the initial Term and the Extension Term(s) if the Option(s) are duly exercised.

B. **Mutual Agreement.** Lessor and County shall have thirty (30) days after County exercises any Option to extend in which to agree on the Fair Market Rental Value (which will be the monthly rent for the Extension Term), as defined below, for the Extension Term. If Lessor and County are unable to agree on the Fair Market Rental Value for the Extension Term within such thirty (30) days, the provisions of the Appraisal section below shall apply. Once the Parties have determined Fair

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Market Rental Value (as defined below), the Parties shall executed an amendment within a reasonable amount of time.

- C. **Factors for Determining Fair Market Rental Value.** The “**Fair Market Rental Value**” of the Premises (or applicable portion thereof) shall be the amount that a willing, comparable, new (i.e., non-renewal), non-equity tenant would pay, and that a willing landlord of a comparable space in Orange County would accept at arms’ length. Appropriate consideration shall be given to (A) the annual rental rate per rentable square foot; (B) the definition of rentable square feet for purposes of comparing the rate; (C) location, quality and age of the Premises; (D) the financial condition (e.g., creditworthiness) of County; (E) escalation (including type, base year and stop) and abatement provisions reflecting free rent and/or no rent during the period of construction; (F) brokerage commissions, if any; (G) length of the lease Term; (H) size and location (including floor level) of the Premises; (I) building standard work letter and/or tenant improvement allowance, if any (taking into consideration the cost of anticipated tenant improvements as compared to market tenant improvement allowances), provided, however, the Fair Market Rental Value shall not include any tenant improvements or any alterations made and paid for by County; (J) condition of space; (K) lease takeover/assumptions; (L) moving expenses and other concessions; (M) extent of services to be provided; (N) distinctions between “gross” and “net” leases; (O) base year figures or expense stops for escalation purposes for both operating costs and ad valorem/real estate taxes; (P) the time the particular rental rate under consideration becomes or is to become effective; (Q) applicable caps on the amount of real estate taxes and assessments passed through to tenants; and (R) other generally applicable conditions of tenancy for the space in question. County shall obtain the same rent and other benefits that Lessor would otherwise give to any comparable prospective tenant.
- D. **Appraisal.** If after the expiration of the thirty (30) day period described in the Mutual Agreement section above, the Parties have not mutually agreed on the Fair Market Rental Value for the Extension Term in question, then the Parties shall use the following method to determine the Fair Market Rental Value (the “**Three Broker Method**”): within ten (10) business days after the expiration of such thirty-day period, each Party shall give written notice to the other setting forth the name and address of a “Broker” (as hereinafter defined) selected by such Party who has agreed to act in such capacity, to determine the Fair Market Rental Value. If either Party has failed to select a Broker as aforesaid, the Fair Market Rental Value shall be determined by the Broker selected by the other Party. Each Broker shall thereupon independently make his or her determinations of the Fair Market Rental Value within twenty (20) days after the appointment of the second Broker. If the two Brokers’ determinations are not the same, but the higher of such two values is not more than one hundred five percent (105%) of the lower of them, then the Fair Market Rental Value shall be deemed to be the average of the two values. If the higher of such two values is more than one hundred five percent (105%) of the lower of them, then the two Brokers shall jointly appoint a third Broker within ten (10) days after the second of the two determinations described above has been

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rendered. The third Broker shall independently make his determination of the Fair Market Rental Value within twenty (20) days after his appointment. The highest and the lowest determinations of value among the three Brokers shall be disregarded and the remaining determination shall be deemed to be the Fair Market Rental Value. . Said Fair Market Rental Value shall be binding on both Parties and all other terms and conditions of this Lease shall remain in full force and effect.

- E. **Broker.** For the purpose of this Clause 7, “**Broker**” shall mean a real estate broker or salesperson licensed in California, who has been regularly engaged in such capacity in the business of commercial office leasing in the Orange County market for at least ten (10) years immediately preceding such person’s appointment hereunder. Each Party shall pay for the cost of its Broker and one half of the cost of the third Broker.

### 8. OPTION TO TERMINATE LEASE (1.7 SA) – *intentionally omitted*

### 9. RENT (1.8 SA)

County agrees to pay to Lessor at the address set forth in Clause 57(NOTICES) below as Rent for the Premises the total sum of one million five hundred and ninety-six thousand, three hundred and thirty-three and 00/100 dollars (\$1,596,333.00) per year consisting of one million, four hundred and seventy-six thousand, nine hundred and thirty-seven and 00/100 dollars (\$1,476,937.00) per year for the Office Premises and one hundred and nineteen thousand three hundred and ninety-six and 00/100 dollars (\$119,396.00) per year for the Warehouse Premises, with the first payment owed on the Commencement Date and adjusted annually pursuant to the Rent Adjustment schedule in Clause 10 (RENT ADJUSTMENT) below.

To obtain rent payments and payment of any amounts hereunder Lessor (or Lessor’s designee) shall submit to County’s HCA/Facilities Service Manager, in a form acceptable to said HCA/Facilities Service Manager, a written claim for said rent payments.

Payment shall be due and payable within twenty (20) days after the later of the following:

- A. The first day of the month following the month earned; or
- B. Receipt of Lessor’s written claim by the HCA/Facilities Service Manager.

Lessor’s failure to submit the form request for any month shall not be deemed a waiver of County’s rent obligations for that or any other month.

Should County occupy the Premises before the Commencement Date, Lessor shall be entitled to pro rata rent for the period of occupancy and the amount and type of space occupied (i.e., Office Premises or Warehouse Premises) prior to the beginning of the Lease Term based upon the applicable monthly installment for the type of space so occupied by County. Said Rent shall be included in the rent claim submitted by Lessor for the first full month of the Lease Term and shall be paid by County at the time of payment for said month.

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County shall pay Additional Rent in accordance with this clause. “**Additional Rent**” consists of additional utility charges under the Clause 20 (UTILITIES) of this Lease.

## 10. RENT ADJUSTMENT (1.9 SA)

The annual rent payable by County for the Premises (“**Rent**”) shall be automatically adjusted as follows:

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

## 11. ADJUSTMENT FOR COST OF LESSOR SERVICES (2.0 SA) – *intentionally omitted*

## 12. RIGHT OF FIRST OFFER (2.1 SA)

At any time during the Term and Extension Term(s), and provided (i) County is not then in default under the terms of this Lease at the time it exercises the ROFO (as defined below) or at the time it is scheduled to accept possession of the ROFO Space (as defined below) and (ii) there is not less than two (2) years then remaining on the Term or on an Extension Term, County will have a continuing right of first offer (the “**ROFO**”) to lease any space located in the Building (each, a “**ROFO Space**”) that becomes available for lease. If there is more than two (2) years and less than three (3) years left on the Term or Extension Term(s), and County exercises the ROFO, then County shall take the ROFO Space for the remaining Term or Extension Term(s) with a minimum of five (5) years. County may request, by written notice to Lessor, an “**Availability Request**” that Lessor notify County of any ROFO Space then available for lease or that Lessor anticipates will become available for lease in the twelve (12) month period immediately following Lessor’s receipt of the Availability Request. Lessor shall also advise County (the “**ROFO Offer**”) of the terms under which Lessor is prepared to lease such ROFO Space (or will be prepared to lease in the case of a ROFO Space Lessor anticipates will become available in the applicable twelve (12) month

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period); provided, however, at County's option, the term for the ROFO Space will be adjusted proportionately to permit expiration coterminous with the Term or the Extension Term, if applicable. County will have fifteen (15) business days after receipt of the ROFO Offer to notify Lessor that it will exercise its ROFO; provided, however that, if, County and Lessor do not enter into a lease for the applicable ROFO Space, within three (3) months following the date of the ROFO Offer, Lessor has nine (9) months to enter into a deal for the applicable ROFO Space with a third party. If after said nine (9) months, Lessor has not entered into a deal for the applicable ROFO Space, County shall once again have a ROFO with respect to the applicable ROFO Space.

If County exercises a ROFO, effective as of the date Lessor delivers such ROFO Space (the "**Delivery Date**"), the ROFO Space shall automatically be included within the Premises and be subject to all the terms and conditions of this Lease, except as set forth in the ROFO Offer. Prior to the beginning of the term for the ROFO Space, the Parties shall execute an amendment confirming the inclusion of the ROFO Space as part of the Premises, the Rent as increased by the rent for the ROFO Space consistent with the ROFO Offer and the other terms and conditions as set forth in the ROFO Offer. The Parties acknowledge that exercising the ROFO may require the Board of Supervisors' approval.

Notwithstanding anything herein to the contrary, County's ROFO is subject and subordinate only to the expansion, renewal, or similar rights encumbering all or any portion of the ROFO Space granted to any tenant of the Building existing as of the Commencement Date of this Lease.

## 13. CONSTRUCTION (2.2 SA)

- A. **County Improvement Allowance.** Lessor hereby agrees to complete, at Lessor's expense, the alterations, repairs, and other work (the "**Work**") in accordance with the Work Letter attached hereto and made a part hereof as Exhibit C (the "**Work Letter**"). Additionally, County agrees to work with Lessor in facilitating the moves within the Premises to the Existing Lease and the Premises in order to ensure that the Work is timely completed consistent with Exhibit C. Lessor shall reimburse County selected architect for the test-fit/space plan for the Premises. 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. If the total cost of the Work, exceeds the amount of the County Improvement Allowance, the amount by which the total cost of the Work exceeds the County Improvement Allowance shall be approved in writing by HCA/Facilities Service Manager prior to the commencement of said Work and shall be County's responsibility ("**County's Improvement Obligation**"). County will reimburse Lessor in a lump sum for County's Improvement Obligation upon submittal of a written claim for such reimbursement from Lessor. The County Improvement Obligation shall be



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due and payable within twenty (20) days of receipt of Lessor's written claim by the HCA/Facilities Service Manager.

**B. Completion Schedule.** Lessor agrees to have the Premises substantially completed, within three hundred (300) days of the Effective Date (the "**Scheduled Delivery Date**"). As used in this Lease, "**Substantial Completion**" means that the Work shall have been completed in accordance with the provisions of this Lease, Exhibit C, and the mutually approved plans and specifications, such that the Premises may be fully occupied and ready for operation by County for the intended purposes, evidenced by signed off permits for such Work, which have been issued in connection with such Work, subject to any "punch list" items, if any. Upon Substantial Completion, Lessor shall send County a "**Work Acceptance Letter**", attached hereto as Exhibit D. County shall approve and accept the Work by signing the Work Acceptance Letter, which may be subject to completion of items on a punch list, attached to the Work Acceptance Letter by County. County shall not be required to send back the Work Acceptance Letter until County is satisfied that the Work has reached Substantial Completion (other than punch list items, if any) pursuant to this Lease, in County's sole and commercially reasonable discretion. The "**Final Completion Date**" means Lessor's completion of the Work as determined by County and as evidenced by the Work Acceptance Letter, and completion of the items set forth in the punch list (if any). The determination of whether the Final Completion Date has occurred will be made in County's sole and commercially reasonable discretion.

**C. County Remedies.** In the event County's approval and acceptance of the Work is given along with a punch list, Lessor shall complete all punch list items within twenty-one (21) days following receipt of the Work Acceptance Letter. Should the items on the punch list not be completed within twenty-one (21) days other than as a result of Force Majeure or County Delay, County shall be entitled to one thousand dollars (\$1,000.00) of offset Rent for each day of Lessor delay for the period from the Substantial Completion Date through the Final Completion Date.

If the Final Completion Date fails to occur on or prior to the Scheduled Delivery Date, other than as a result of Force Majeure (as defined in Clause 49 (FORCE MAJEURE) or County Delay (as defined below), County shall be entitled to five hundred dollars (\$500.00) of offset Rent for each day of Lessor delay for the period from the Scheduled Delivery Date through the day prior to the Final Completion Date. Without limiting any available remedies to County, if the Final Completion Date fails to occur on or prior to the Scheduled Delivery Date, other than as a result of Force Majeure (as defined in Clause 49 (FORCE MAJEURE) below) or County Delay, County shall have the option, after notice to Lessor, to complete the Work and deduct the cost thereof, including labor, materials, contractor's overhead and an administrative charge (equal to ten percent (10%) of the cost of the Work completed by County) from any Rent payable hereunder.

Notwithstanding the foregoing, in the event that Lessor's performance of the Work causes the County to be unable to use the Premises under the Existing Lease for its intended purposes, including failing to maintain a safe place of employment or any other circumstances which require the County to vacate any substantial portion of the Premises under the Existing Lease beyond that contemplated by the Parties for the Work and County



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vacates such portion of the Premises under the Existing Lease, County shall be entitled to pursue all available remedies at law or in equity and pursuant to this Lease (as further defined in Clause 28 (DEFAULTS AND REMEDIES)).

D. **County Delay.** For purposes of this Lease, the term “**County Delay(s)**” shall mean any delay in Lessor’s ability to pursue and/or complete the Work caused in whole or in part by or through the failure of County, its employees, representatives, agents or contractors to reasonably cooperate with Lessor, after five (5) business days’ written notice from Lessor, and shall include: (i) County’s failure to timely furnish information to Lessor with respect to the Work; (ii) County’s failure to timely furnish information to Lessor for any requested plans and specifications required for the design or construction of the Premises and/or any revised plans and specifications in the event of objection by Lessor to those previously provided; (iii) County’s delay in timely submitting or approving any other drawings, plans or specifications or providing any required authorizations in a timely manner where such authorization is required under this Lease or by any governmental or quasi-governmental authority [in which event County’s failure to respond within five (5) business days following request by Lessor (together with reasonably complete substantiating documentation, if applicable) shall be deemed a “County Delay”]; (iv) any change by County in plans, specifications, or information furnished by County; (v) any material interference by any of County’s contractors, subcontractors, employees, representatives or agents with any obligations to be performed on the part of Lessor; (vi) any requests for postponements; (vii) any submission of materially inaccurate or incomplete information to Lessor; and (viii) County’s failure to either (a) sign and return the Work Acceptance Letter to Lessor or (b) advise Lessor in writing with reasonable specificity why it is not satisfied that the Work has reached Substantial Completion (other than punch list items, if any).

E. **Approvals.** All planning and architectural/design costs required to accomplish the Work shall be Lessor’s responsibility (and deductible from the County Improvement Allowance) and shall be approved by HCA/Facilities Service Manager. Such approvals will not be unreasonably withheld or delayed and if a written disapproval of any request by Lessor is not received within five (5) business days after submission, such request shall be deemed approved. Such approvals by the HCA/Facilities Service Manager shall not relieve Lessor of the responsibility for complying with all applicable codes and construction requirements, nor of obtaining necessary permits or approvals from the authorities of proper jurisdiction.

F. **Project Management Oversight.** County may, at County’s option, select a project manager or construction manager, at County’s sole discretion, cost and expense (which shall be deducted from the County Improvement Allowance), to assist in County’s oversight of the Work (the “**Project Manager**”). The Project Manager will represent the County’s best interest during the construction of the Work to confirm that the Work is being performed pursuant to the terms of this Lease and will act as the liaison between Lessor and County in all items that are subject to approval by County as provided in this Clause.

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G. **Lessor's Contractor.** Lessor's contractor shall be the contractor selected pursuant to the procedures set forth in this Lease whereby the final plans of the Work are submitted to at least three (3) contractors. County shall have the right to include one contractor to the list of contractors bidding on the Work. Lessor and County, after adjustments for inconsistent assumptions to reflect an "apples to apples" comparison, shall select the most qualified bidder.

H. **Performance of Work.** Lessor agrees that any improvement to the Premises being constructed by, or under the direction of Lessor, as part of the Work, shall be constructed in substantial compliance with County approved plans and if and to the extent applicable, in compliance with the requirements of California Public Contract Code Section 20120 *et seq.* 22002 and 22032 *et seq.*, which requires those improvements to be constructed as if such improvements had been constructed under the direction and supervision, or under the authority, of County. In partial satisfaction of the requirements of Sections 20120 *et seq.* 22002 and 22032 *et seq.*, if applicable: (a) Lessor shall be required to secure the faithful performance of construction and completion of construction of the improvement by appropriate contractor's bonds as required by the California Public Contract Code and shall require its contractor or contractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 29 (LABOR CODE COMPLIANCE) of this Lease; (b) Lessor shall publicly advertise for bids for such improvements, as provided in Orange County Codified Ordinances 1-8-1 *et seq.*, and shall provide County a list of all bids received for the contract; and (c) thereafter, with the prior written approval of County as to the winning bid, Lessor shall award the contract or contracts for such improvements. Lessor shall be responsible for ensuring that the Premises complies with all local, state and federal codes as of the Commencement Date. Additionally, a "**Work Supervision Fee**" equal to one and a half percent (1.5%) of the County Improvement Allowance shall cover any and all costs associated with Lessor's oversight of the performance of the Work and shall be deducted from the County Improvement Allowance.

I. **Force Majeure Delay.** The occurrence of an event of Force Majeure [(as defined in Clause 49 (FORCE MAJEURE))] shall excuse the performance by that Party for a period equal to the prevention, delay or stoppage (except the obligations imposed with regard to the payment of Rent and other sums to be paid by County pursuant to this Lease), provided the affected Party gives the other Party notice within thirty (30) days of the event causing the prevention, delay or stoppage.

### 14. PAINTING BY LESSOR (2.3 SA)

Between years eight (8) and ten (10) of the Term, County has the one-time right to request repainting 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. Said painting shall be accomplished during hours other than County's Normal Business Hours as defined in Clause 19 (REPAIR, MAINTENANCE, AND JANITORIAL SERVICES). Lessor shall be responsible for the movement and subsequent replacement of all furniture, window coverings, and fixtures necessary to repaint the Premises. Lessor shall ensure

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that the painting is completed consistent with industry standards, including, but not limited to, patching and sanding all blemishes, cracks, holes, etc. prior to painting. County shall, at its own cost and expense, be responsible for the movement and subsequent replacement of all computer equipment, electronic equipment, any other communication equipment, all otherwise sensitive equipment or files and for the personal effects of the County's employees. Said paint and preparation shall be consistent with industry standards, the initial improvements to the Premises and said specifications shall be mutually approved by the Parties.

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%). Should Lessor fail to comply with the provisions of this Clause, County may utilize any available remedies under Clause 28 (DEFAULTS AND REMEDIES) as well as any remedies at law and in equity.

### 15. CARPETING BY LESSOR (2.4 SA)

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. Said re-carpeting shall be accomplished during hours other than County's Normal Business Hours. Lessor shall be responsible for the movement and subsequent replacement of all furniture and fixtures necessary to re-carpet the Premises. County shall, at its own cost and expense, be responsible for the movement and subsequent replacement of all computer equipment, electronic equipment, any other communication equipment, and all otherwise sensitive equipment identified by the HCA/Facilities Service Manager. Lessor shall ensure that the carpet is installed consistent with industry standards, consistent with the initial improvements to the Premises and said specifications shall be mutually approved by the Parties.

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%). Should Lessor fail to comply with the provisions of this Clause, County may utilize any available remedies under Clause 28 (DEFAULTS AND REMEDIES) as well as any remedies at law and in equity.

### 16. ALTERATIONS (2.5 N)

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. The Parties agree that the term "Alterations" shall not include the Work. It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached to or placed upon the Premises by County shall be considered as personal property of County, as defined below in Clause 32 (COUNTY PROPERTY), who shall have the right, but not the obligation, to remove same.

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

## Attachment A

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 agrees that the Premises shall be left in as good a condition as when received, reasonable wear and tear exempted.

### 17. COUNTY-REQUESTED ALTERATIONS (2.6 N)

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 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.

County shall have the right to audit said claim and require additional supporting documentation from Lessor prior to making reimbursement payment. County shall evidence acceptance of such claim by written letter to Lessor. Once Lessor’s claim has been accepted by County as complete and adequate, the claim amount shall be reimbursed by County to Lessor at the same time as the next scheduled monthly Rent payment following the date of written acceptance of said claim.

Lessor agrees that any improvements being constructed for County by, or under the direction of Lessor under this Clause, shall be constructed in substantial compliance with city approved plans and to the extent applicable, in compliance with Federal, California and local laws, including by not limited to, the requirement of California Public Contract Code Section 22000 *et seq.*, and shall require, to the extent applicable, its contractor or subcontractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of Orange County and not less than the general prevailing rate of per diem wages for work of a similar character in the locality of Orange County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 29 (LABOR CODE COMPLIANCE) of this Lease.

Following the written approval to let a contract for improvements, Lessor shall, to the extent applicable, publicly advertise for bids for such improvements, as provided in Orange County Codified Ordinances 1-8-1 *et seq.*, and shall provide County a list of all bids received for the contract. Thereafter, with the prior written approval of County as to the winning bid, Lessor shall award the contract or contracts for such improvements. County’s approval of the bid shall be limited to the dollar value only, to ensure it is within County’s budget.

### 18. ORANGE COUNTY TELECOMMUNICATIONS NETWORK (2.7 SA)

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Lessor agrees that County may install, at County's sole cost and expense, telecommunication devices in, on, or around the Premises and Building in accordance with the relevant and applicable County telecommunications network plans and specifications, provided that the provisions of Clause 16 (ALTERATIONS), shall be applicable to such work. It shall be County's responsibility to obtain all governmental permits and/or approvals required for such installation; however, Lessor shall reasonably cooperate with County as necessary or appropriate, to obtain said permits and/or approvals. Additionally, County or County's subcontractor has the right to enter the Premises and/or Building to maintain, repair or replace the County telecommunications network consistent with said contract between County and service provider. County may, in its discretion, remove any cabling, conveyance systems or cabling conduit installed by County. When the Lease is terminated, County reserves all rights to remove, in its discretion, any such telecommunication improvements from the Premises and/or Building.

### 19. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (2.8 SA)

- A. **Lessor Services.** 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, Building and Building Systems therein (as defined above) required in order to keep the Premises, the Building and Building Systems therein in good order, condition and repair and in compliance with all applicable laws, including, but not limited to, the replacement, repair and maintenance of the structural portions of the Building, the roof of the Building, the parking facilities and all Building Systems including the Heating, Ventilation, Air Conditioning ("HVAC") system, the plumbing, electrical and mechanical systems, fire/life safety system, elevators, roof, paving, fire extinguishers, pest control, and whether capital or non-capital, and provision of janitorial services consistent with Exhibit E, which is attached hereto and by reference made a part hereof (the "**Services**"). Upon request, Lessor shall provide County with a complete copy of the janitorial and any other contracts for Services of an ongoing nature. Provided, however, to the extent any such Services are required due to the negligent acts or omissions of any of County's agents, employees, contractors, or licensees (specifically excluding Services necessitated as the result of regular wear and tear), such Services shall be undertaken by Lessor at County's sole cost. All costs and expenses incurred by Lessor in undertaking such Services as a result of County's negligent acts or omissions, shall be reimbursed by County with the Rent payment owed within thirty (30) days after Lessor's delivery to County of written claim for such reimbursement. Any repairs or replacements performed by Lessor must be at least equal in quality and workmanship to the original work and be in accordance with all applicable laws and local permit regulations. The Services shall be made promptly to keep the Premises and the Building in the condition described in this Clause. Should Lessor default in its obligations under this clause, the County may, exercise those remedies set forth below.
- B. **County Remedies.** If Lessor fails to provide the Services as a result of Lessor Default as defined in Clause 28 (DEFAULTS AND REMEDIES) without limiting any available remedy to County at law or in equity, County shall proceed with County Remedies consistent with Clause 28.

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- C. **Warranties.** Lessor shall keep in force, all manufacturers' warranties including extended warranties for all building equipment. When manufacturers' warranties for the HVAC, roof and elevator expire, Lessor will contract with an industry standard maintenance company ("**Vendor**") that specializes in the maintenance of such equipment (and for the roof) for regular and scheduled inspections as recommended by the manufacturer, and immediately authorize said Vendor to perform any and all recommended maintenance to the equipment and roof upon receipt of any inspection report. Lessor shall authorize Vendor(s) to provide County with copies of said report(s) upon County request. Should Lessor fail to comply with the provisions of this clause, County may exercise those remedies set forth in Clause 19B above.

In order for the County to comply with the California Code of Regulations, Title 8, Section 5142 ("**Regulation 5142**"), and as it may be subsequently amended, Lessor shall regularly inspect and maintain the HVAC system as required by Regulation 5142 and provide repair and maintenance accordingly. Inspections and maintenance of the HVAC system shall be documented in writing and Lessor shall retain such records for at least five (5) years. Lessor shall make all HVAC records required by this section available to County for examination and copying, within forty-eight (48) hours of a written request. Lessor acknowledges that County may be subject to fines and/or penalties for failure to provide said records to regulatory agencies within the given timeframes. Should County incur fines and/or penalties as a direct result of Lessor's failure to provide said records to County in a timely manner and as set forth herein, Lessor shall reimburse County for said fines and/or penalties within thirty (30) days after written notice setting forth the amount and a description of the fines and/or penalties incurred by County. Should Lessor fail to reimburse County within thirty (30) days after receipt of such notice, County may deduct the amount of the fine and/or penalty from any Rent payable without further notice.

- D. **HVAC System.** Air conditioning will be supplied to cause the temperature in the Premises and Building at a temperature consistent with other office buildings in Orange County, California, which are typically not less than 70° F nor greater than 75° F, during all Normal Business Hours as defined below in Clause 19.E.
- E. **Normal Business Hours.** County acknowledges that the HVAC services to the Building shall operate only from 6:00 a.m. to 6:00 p.m. Monday through Friday and Saturday from 7:00 a.m. to 12:00 p.m., excluding governmental holidays ("**Normal Business Hours**"). A list of government holidays shall be provided to Lessor on a yearly basis upon request to County.

Notwithstanding the utilities provided during Normal Business Hours, Lessor shall provide HVAC services prior to the beginning of Normal Business Hours in order for the temperature parameters required by this Lease, above, to be met and maintained at the beginning and throughout Normal Business Hours. There shall be no extra utility charges for HVAC services prior to the beginning of Normal Business Hours.

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- F. **Emergency Services.** If County requires same day emergency repairs and/or emergency services that are required to be performed by Lessor under this Lease and are necessary to prevent immediate risk of injury to persons or property ("**Emergency Services**") and Lessor cannot be contacted for such Emergency Services (as determined by the County), or if Lessor following such contact by County is unable or refuses to provide the necessary Emergency Services, County may have the necessary Emergency Services performed to the extent required to remedy the emergency condition, and deduct the cost thereof, including labor, materials, and an overhead charge of ten percent (10%) from any Rent payable without further notice. Upon request from Lessor, County shall provide Lessor with a breakdown of the costs paid by County, but said request shall not delay County's ability to deduct said costs from Rent owed.
- G. **Operations Shutdown.** If County is forced to completely shut down its operations within the Premises because of the Lessor's failure to provide Services or Emergency Services (other than as a result of Force Majeure) for a period of twenty-four (24) consecutive hours (excluding weekends and holidays), following Lessor's receipt from County of a written notice regarding such failure, and such failure was not caused by County, then County shall be entitled to abatement of Rent for each consecutive day that County is so prevented from using the Premises and County shall be entitled to deduct any additional costs incurred by County due to such shutdown from any Rent payable.

### 20. UTILITIES (2.9 SA)

Lessor shall be responsible for and pay, prior to the delinquency date, all charges for utilities supplied to the Premises except telephone, which shall be the obligation of County. Should Lessor fail to provide, or pay for (prior to delinquency date), any utility service to the Premises, for which Lessor is responsible, County may pay the applicable utility charge and deduct the cost thereof, including overhead, from any Rent payable. Lessor shall be responsible for payment of any other costs, taxes, and/or assessments related to utility services to the Premises (other than telephone) not provided for in this Clause. County shall not be responsible for any operating expense pass-throughs during the Term or Extension Terms.

Notwithstanding the provisions of Clause 19.E (Normal Business Hours) above, should County require HVAC services at times other than during Normal Business Hours, County shall pay Lessor a reimbursement equal to the actual cost per hour incurred by Lessor for each hour HVAC services are used during times other than Normal Business Hours with a one (1) hour minimum. The estimated per hour cost of said HVAC after hours use is ninety-five dollars (\$95.00). Lessor shall provide County with a written statement of its monthly usage in the form of an invoice, which shall include a statement showing the date, time, location and duration of such usage, along with a summary of the County's monthly charges. County shall pay Lessor for excess usage with the following month's Rent.

### 21. INSURANCE (3.0 SA)



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**Commercial Property Insurance:** Lessor shall obtain and keep in force during the Term of this Lease a policy or policies of commercial property insurance written on ISO form CP 00 10 10 12, or a substitute form providing coverage at least as broad, with all risk or special form coverage, covering the loss or damage to the Premises to the full insurable value of the improvements located on the Premises (including the full value of all improvements and fixtures owned by Lessor) at least in the amount of the full replacement cost thereof, and in no event less than the total amount required by any lender holding a security interest.

Lessor agrees to and shall include in the policy or policies of commercial property insurance a standard waiver of the right of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees by the insurance company issuing said policy or policies. Lessor shall provide the County of Orange with a Certificate of Insurance as evidence of compliance with these requirements.

**Commercial General Liability Insurance:** Lessor shall obtain and keep in force during the Term of this Lease a policy or policies of commercial general liability insurance covering all injuries occurring within the building and the Premises. The policy or policies evidencing such insurance shall provide the following:

- A. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the *County of Orange, its elected and appointed officials, officers, agents and employees* as an additional insured, or provide blanket coverage which will state, ***AS REQUIRED BY WRITTEN AGREEMENT;***
- B. A primary and non-contributory endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Lessor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing;
- C. Lessor shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Lease, upon which the County may suspend or terminate this Lease.
- D. Shall provide a limit of One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate; and
- E. The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings. Prior to the Commencement Date of this Lease and upon renewal of such policies, Lessor shall submit to County a Certificate of Insurance and required endorsements as evidence that the foregoing policy or policies are in effect.

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If Lessor fails to procure and maintain the insurance required to be procured by Lessor under this Lease, County may, but shall not be required to, order such insurance and deduct the cost thereof plus any County administrative charges from the rent thereafter payable.

### 22. INDEMNIFICATION (3.1 SA)

Lessor hereby agrees to indemnify, hold harmless, and defend County, its elected and appointed officials, officers, agents, employees, and those special districts and agencies for which the Board of Supervisors acts as the governing board, with counsel approved by County, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the Premises, except for liability arising out of the negligence of County, its elected and appointed officials, officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event County is named as co-defendant, Lessor shall notify County of such fact and shall represent County, with counsel approved by County, in such legal action unless County undertakes to represent itself as co-defendant in such legal action, in which event Lessor shall pay County's litigation costs, expenses and attorneys' fees. In the event judgment is entered against County and Lessor because of the concurrent negligence of County and Lessor, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

County hereby agrees to indemnify, hold harmless, and defend Lessor, its officers, agents, and employees, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the use of the Premises, except for liability arising out of the negligence of Lessor, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom, including litigation costs, expenses and attorneys' fees.

### 23. TOXIC MATERIALS (3.2 SA)

County hereby warrants and represents that County will comply with all laws and regulations relating to the storage, use and disposal of hydrocarbon substances and hazardous, toxic or radioactive matter, including, but not limited to, those materials identified in Title 26 of the California Code of Regulations (collectively "**Toxic Materials**"). County shall be responsible for and shall indemnify and hold Lessor, its officers, directors, employees, agents, and representatives harmless from and against all claims, costs and liabilities, including attorneys' fees and costs arising out of or in connection with the storage, use, and disposal of Toxic Materials on the Premises by County. If the storage, use, and disposal of Toxic Materials on the Premises by County results in contamination or deterioration of water or soil resulting in a level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination, County shall promptly take any and all action necessary to clean up such contamination. The provisions of this paragraph shall survive the expiration or earlier termination of the Term.

Likewise, Lessor hereby warrants and represents that Lessor has in the past and covenants that it will hereafter comply with all laws and regulations relating to the storage, use and disposal of Toxic Materials. If the previous, current and future storage, use, and disposal of Toxic Materials on the Premises by Lessor results in contamination or deterioration of water or soil resulting in a

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level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination (and such violation does not arise out of any acts or omissions of County, its agents, employees or contractors), Lessor shall promptly take any and all action necessary to clean up such contamination.

### **24. BUILDING AND SAFETY REQUIREMENTS (3.3 SA)**

During the Term and Extension Term(s) of this Lease, Lessor, at Lessor's sole cost, agrees to maintain the Premises in compliance with all applicable laws, rules, regulations, building codes, statutes, and orders as they are applicable on the date of this Lease, and as they may be subsequently amended, including but not limited to the California Building Code, Title 24, Seismic Code, Fire and Life Safety requirements and, if applicable, California Green Building Standard Code.

Included in this provision is compliance with the Americans with Disabilities Act ("ADA") and all other federal, state, and local codes, statutes, and orders relating to disabled access as they are applicable on the dates of this Lease, and as they may be subsequently amended and all regulations issued by the U. S. Attorney General or other agencies under the authorization of the ADA. However, Lessor shall not be responsible for any ADA violations resulting from alterations made by County or the placement of County's furniture, fixtures or equipment by County.

Lessor shall use commercially reasonable efforts to repair and maintain the Premises as a "safe place of employment," as defined in the California Occupational Safety and Health Act (California Labor Code, Division 5, Part 1, Chapter 3, beginning with Section 6400) and the Federal Occupational Safety and Health Act, where the provisions of such Act exceed, or supersede, the California Act, as the provisions of such Act are applicable on the date of this Lease, and as they may be subsequently amended. County agrees to notify Lessor of any repair or maintenance necessary within the Premises or Building to comply with such Act and Lessor agrees to diligently act to repair or maintain appropriately so long as such repair or maintenance of the Premises is a Lessor obligation and expense under Clause 19.A (REPAIR, MAINTENANCE, AND JANITORIAL SERVICES) above. In the event that such repair or maintenance is necessary and is the result of County negligence, provided that County approves a work order with associated expense estimate, Lessor agrees to perform such repair or maintenance and County agrees to reimburse Lessor within thirty (30) days.

In the event Lessor neglects, fails, or refuses to maintain said Premises as aforesaid, following thirty (30) days after written notice from County to Lessor providing notice of such neglect or failure or refusal, County may, at County's sole option, cure any such default by performance of any act, including payment of money, and subtract the cost thereof plus reasonable administrative costs (ten percent (10%)) from the Rent.

Lessor agrees to reimburse and indemnify, and defend County for any expenses incurred because of the Lessor's failure to perform its obligations under this Clause 24 including the costs of making any alterations, renovations, or accommodations required by the ADA, or any governmental enforcement agency, or any court, any and all fines, civil penalties, and damages awarded against County resulting from a violation or violations of the above-cited laws, rules, regulations, building codes, statutes, and orders and regulations, and all reasonable legal expenses incurred in defending

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claims made under the above-referenced laws, rules, regulations, building codes, statutes, and orders, including reasonable attorneys' fees. Should Lessor fail to comply with the provisions of this Clause, the County may also exercise those remedies set forth in Clause 28 (DEFAULTS AND REMEDIES).

## 25. ASSIGNMENT AND SUBLETTING (3.4 SA)

A. **General.** County shall not assign this Lease or sublet the Premises in whole or in part without Lessor's prior written consent, which consent shall not be unreasonably withheld. In the event County desires to assign this Lease or sublease any portion of the Premises, County shall deliver all documents relating to such assignment or subletting to Lessor, and Lessor shall respond in writing to County's request to assign this Lease or sublet all or any portion of the Premises within fifteen (15) days of County's request and receipt by Lessor of all such documents. In the event Lessor withholds consent to any such request by County, Lessor shall provide reasonable details of its reason for such withholding of consent. In the event Lessor fails to timely respond to County's request, Lessor shall be deemed to have approved such request.

B. **Justifications for Withholding Consent.** By way of example and not limitation, Lessor shall be deemed to have reasonably withheld consent to a proposed assignment or sublease if in Lessor's reasonable opinion (i) the Premises are or may be in any way materially adversely affected thereby; (ii) the business reputation of the proposed assignee or subtenant is unacceptable; or (iii) the financial worth of the proposed assignee or subtenant is insufficient to meet the obligations of the subject sublease or assignment. Notwithstanding anything to the contrary contained herein, in no event shall it be reasonable for Lessor to withhold its consent on the basis that there is vacancy in the Building or based on the fact that the proposed assignee or sublessee currently leases space in the Building or has been or is currently in negotiations with Lessor to lease space at the Building.

C. **Excess Profit.** If County shall make any assignment or sublease, with Lessor's consent, for a rental in excess of the rent payable under this Lease, Lessor shall not be entitled to any of such excess which shall be held by County.

## 26. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (3.5 SA)

This Lease and all rights of the County hereunder are subject and subordinate to any mortgage or deed of trust which does now or may hereafter cover the Premises or any interest of Lessor therein, and to any and all advances made on the security thereof, and to any and all increases, renewals, modifications, consolidations, replacements and extensions of any such mortgage or deed of trust and to the terms and conditions of all existing and future covenants, conditions, restrictions and reciprocal easement agreements now or hereafter affecting the Building or the project of which it is a part to the extent that such existing and future covenants, conditions, restrictions and reciprocal easement agreements now or hereafter affecting the Building or the project do not interfere with the County's use and enjoyment of the Premises as contemplated herein, except, insofar as County is meeting its obligations under this Lease, any foreclosure of any mortgage or deed of trust shall not result in the termination of this Lease or the displacement of County.

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In the event of transfer of title of the Premises, including any proceedings brought for foreclosure or in the event of the exercise of the power of sale under any mortgage or deed of trust, or by any other transfer of title covering the Premises, County shall attorn to and recognize any subsequent title holder as the Lessor under all terms, covenants and conditions of this Lease. County's possession of the Premises shall not be disturbed by the Lessor, or its successors in interest, and this Lease shall remain in full force and effect. Said attornment shall be effective and self-operative immediately upon succession of the current title holder, or its successors in interest, to the interest of Lessor under this Lease.

Notwithstanding the above, Lessor has obtained and delivered to County a *Subordination, Attornment and Non-Disturbance Agreement* from Lessor's Lender (attached hereto as Exhibit F). Lessor shall require all future lenders on the Premises, upon initiation of their interest in the Premises or within a reasonable time thereafter, to enter into a *Subordination, Attornment and Non-Disturbance Agreement* with County, thereby insuring County of its leasehold interests in the Premises. Said *Subordination, Attornment and Non-Disturbance Agreement* shall be approved by the Chief Real Estate Officer and County Counsel. Accordingly, notwithstanding anything to the contrary herein, County's obligation to enter into an agreement to subordinate its interest under this Lease to a lien or ground lease not in existence as of the date of this Lease shall be conditioned upon the holder of such lien, or a ground Lessor, as applicable, confirming in writing and substantially in the form of Exhibit F that County's leasehold interest hereunder shall not be disturbed so long as no County Default exists under this Lease.

Foreclosure shall not extinguish this Lease, and any lender or any third party purchasing the Premises at foreclosure sale shall do so subject to this Lease and so long as no County Default exists, shall thereafter perform all obligations and be responsible for all liabilities of the Lessor under the terms of this Lease.

Upon default by Lessor of any note or deed of trust, County may, at its option, make all lease payments directly to Lender, and same shall be applied to the payment of any and all delinquent or future installments due under such note or deed of trust.

## 27. ESTOPPEL CERTIFICATE (3.6 SA)

County agrees that the HCA/Facilities Service Manager shall furnish upon receipt of a written request from Lessor or the holder of any deed of trust or mortgage covering the Premises or any interest of Lessor therein ("**Lessor Representative**"), County's standard form *Estoppel Certificate* (consistent with the form attached hereto in Exhibit G) containing information as to the current status of the Lease. Said standard form *Estoppel Certificate* shall be completed by County, approved by Chief Real Estate Officer and County Counsel and delivered to the party making such request within fifteen (15) days after County's receipt of such request.

## 28. DEFAULTS AND REMEDIES (3.7 SA)

### County Default:

County shall be deemed in default of this Lease if: a) in the event of any monetary breach of this Lease by County, Lessor shall notify County in writing of such breach, and County

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shall have ten (10) days from such notice in which to cure said breach or b) in the event of any non-monetary breach of this Lease, County fails within fifteen (15) days after receipt by County of written notice specifying wherein such obligation of County has not been performed; provided however, that if the nature of County's obligation is such that more than fifteen (15) days after such notice are reasonably required for its performance, then County shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such fifteen (15) day period and thereafter diligently pursued to completion (each, a **"County Default"**).

### **Lessor Default:**

Lessor shall be deemed in breach of this Lease if: a) in the event of any monetary breach of this Lease by Lessor, County shall notify Lessor in writing of such breach, and Lessor shall have ten (10) days from such notice in which to cure said breach or b) in the event of any non-monetary breach of this Lease, Lessor fails within ten (10) days after receipt by Lessor of written notice specifying wherein such obligation of Lessor has not been performed; provided however, that if the nature of Lessor's obligation is such that more than ten (10) days after such notice are reasonably required for its performance, then Lessor shall not be in breach of this Lease if performance is commenced as soon as reasonably possible within such ten (10) day period and thereafter diligently pursued to completion (each, a **"Lessor Default"**).

### **County Remedies:**

Unless a remedy is otherwise stated in this Lease, if a Lessor Default is a result of a monetary breach by Lessor in the payment of any amounts due hereunder, County may withhold such amount from the next scheduled Rent payment. If a Lessor Default is a result of a non-monetary breach by Lessor, County may, in its sole discretion, perform any activities necessary to cure a Lessor Default and County shall deduct County's cost of fixing said Lessor Default plus an administrative charge of ten percent (10%) of such cost, from the next scheduled Rent payment. Prior to County taking action to cure a Lessor Default, County shall provide Lessor and its lender (to the extent contact information for such lender has been previously provided in writing to County) five (5) business days' notice that County plans to take action to fix Lessor's Default if Lessor does not do so within five (5) business days after the date of said notice. Upon Lessor's request, County shall provide Lessor with a receipt documenting the costs incurred by County to fix the Lessor Default. County's remedies as the result of Lessor Default for monetary or non-monetary breach shall also be the right to damages, injunctive relief, and/or any other rights at law or in equity or under this Lease.

### **Lessor Remedies:**

If the County Default is a result of a monetary breach by County in the payment of the Rent, pursuant to Clause 9 (RENT), Lessor may declare all rent payments to the end of County's current fiscal year to be due, including any delinquent rent from prior budget years. However, in no event shall Lessor be entitled to a remedy of acceleration of the total rent payments due over the Term of this Lease. Lessor's remedies as the result of County

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Default for monetary or non-monetary breach shall be the right to damages, injunctive relief, and/or any other rights at law or in equity or under this Lease.

### **29. LABOR CODE COMPLIANCE (3.8 SA)**

Lessor acknowledges and agrees that all improvements or modifications required to be performed as a condition precedent to the Commencement Date of the Term of this Lease or any such future improvements or modifications performed by Lessor at the request of County pursuant to the Lease shall be governed by, and performed in accordance with, the provisions of Article 2 of Chapter 1, Part 7, Division 2 of the Labor Code of the State of California (Sections 1770, *et seq.*) to the extent applicable to the performance of such improvements or modifications. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, Lessor shall comply with the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality applicable to this Lease for each craft, classification, or type of workman needed to execute the aforesaid improvements or modifications to the extent applicable thereto. The rates are available at the following website: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm> from the Director of the State Department of Industrial Relations. To the extent applicable to Lessor, Lessor shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates at all times for all improvements or modifications to be completed for County within the Premises. Lessor shall comply with the provisions of Sections 1775 and 1813 of the Labor Code to the extent applicable to Lessor.

If required by law applicable to Lessor, Lessor shall maintain payroll records for all workers that will be assigned to the improvements or modifications. Said payroll records shall contain, but not be limited to, the complete name, address, telephone number, social security number, job classification, and prevailing wage rate for each worker. Upon request, Lessor shall provide the HCA/Facilities Service Manager updated, certified payroll records for all workers that shall include, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

Except as expressly set forth in this Lease, nothing herein is intended to grant authority for Lessor to perform improvements or modifications on space currently leased by County or for which County has entered into a lease or lease amendment.

### **30. RIGHT TO WORK AND MINIMUM WAGE LAWS (3.9 SA)**

In accordance with the United States Immigration Reform and Control Act of 1986, to the extent applicable to Lessor, Lessor shall require its employees that directly or indirectly service the Premises or this Lease, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. To the extent required by laws applicable to Lessor, Lessor shall also require and verify that its contractors or any other persons servicing the Premises or terms and conditions of this Lease, in any manner whatsoever, verify the identity of their employees and their eligibility for employment in the United States.



# Attachment A

Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5, to the extent required by law applicable to Lessor, Lessor shall pay no less than the greater of the Federal or California Minimum Wage to all its employees that directly or indirectly service the Premises, in any manner whatsoever. Lessor shall require and verify that all its contractors or other persons servicing the Premises on behalf of the Lessor also pay their employees no less than the greater of the Federal or California Minimum Wage, to the extent required by laws applicable to its contractors or such other persons.

To the extent applicable, Lessor shall comply and verify that its contractors comply with all other Federal and State of California laws for minimum wage, overtime pay, record keeping, and child labor standards pursuant to the servicing of the Premises or terms and conditions of this Lease.

To the extent applicable, notwithstanding the minimum wage requirements provided for in this clause, Lessor, where applicable, shall comply with the prevailing wage and related requirements, as provided for in Clause 29 (LABOR CODE COMPLIANCE) of this Lease.

## **31. DEBT LIMIT (4.0 SA)**

Lessor acknowledges and agrees that the obligation of the County to pay rent under this Lease is contingent upon the availability of County funds which are appropriated or allocated by the County's Board of Supervisors for the payment of Rent hereunder. In this regard, in the event that this Lease is terminated due to an uncured default of the County hereunder, Lessor may declare all Rent payments to the end of County's current fiscal year to be due, including any delinquent Rent from prior budget years. In no event shall Lessor be entitled to a remedy of acceleration of the total Rent payments due over the Term of the Lease. The Parties acknowledge and agree that the limitations set forth above are required by Article 16, section 18, of the California Constitution. Lessor acknowledges and agrees that said Article 16, section 18, of the California Constitution supersedes any law, rule, regulation or statute, which conflicts with the provisions of this paragraph. Notwithstanding the foregoing, Lessor may have other rights or civil remedies to seek relief due to the County's Default under the Lease.

## **32. COUNTY PROPERTY (4.1 SA)**

All trade fixtures, merchandise, inventory, telecommunications equipment, supplemental air conditioning equipment and all personal property placed in or about the Premises by, at the direction of or with the consent (express or implied) of the County, its employees, agents, licensees or invitees, shall be at the sole risk of the County, and Lessor shall not be liable for any loss of or damage to said property resulting from any cause whatsoever unless such loss or damage is the result of Lessor's negligence or willful misconduct and not otherwise waived pursuant to Clause 33 (LESSOR'S RIGHT OF ENTRY) below. Lessor hereby waives any and all lien rights, whether statutory or common law or established pursuant to this Lease, that Lessor may have as "landlord" with respect to any and all goods, wares, equipment, fixtures, furniture, improvements and other personal property of County presently or which may hereafter be situated within the Premises.

# **Attachment A**

## **33. LESSOR'S RIGHT OF ENTRY (4.2 SA)**

Upon reasonable verbal notice (which shall not be less than forty-eight (48) hours) to County (except in an emergency [which shall mean immediate risk of injury to person or property] in which case no notice shall be required, provided that Lessor shall first call County) and in the presence of County, Lessor, its agents, employees and contractors and any mortgagee of the Premises shall have the right to enter the Premises during regular business hours (a) to inspect the Premises; (b) to exhibit the Premises to (i) prospective tenants during the last six (6) months of the Term or any Extension Term, as applicable, (ii) prospective lenders, purchasers and investors of or in the Building or Lessor at any time during the Term or any Extension Term, as applicable, or (iii) any time County is in material default hereunder; (c) for any purpose which Lessor shall deem necessary for the operation and maintenance of the Premises; (d) to abate any condition which constitutes a violation of any covenant or condition of this Lease and (e) to perform any of Lessor's obligations under this Lease.

## **34. SIGNAGE (4.3 SA)**

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

## **35. AUTHORITY (4.4 SA)**

The County and Lessor each represents and warrants that the person or persons executing this Lease below on behalf of County or Lessor have the power and authority to bind County or Lessor, as applicable, to this Lease.

## **36. LEASE ORGANIZATION (4.5 SA)**

The various headings in this Lease, the numbers thereof, and the organization of the Lease into separate sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.

## **37. SUCCESSORS IN INTEREST (4.6 SA)**

Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators, and assigns of all the Parties hereto, all of whom shall be jointly and severally liable hereunder.

## **38. AMENDMENT (4.7 SA)**

This Lease sets forth the entire agreement between Lessor and County and any modification must be in the form of a written amendment.

# **Attachment A**

## **39. PARTIAL INVALIDITY (4.8 SA)**

If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

## **40. WAIVER OF RIGHTS (4.9 SA)**

The failure of Lessor or County to insist upon strict performance of any of the terms, conditions, and covenants in this Lease shall not be deemed a waiver of any right or remedy that Lessor or County may have, and shall not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions, and covenants herein contained.

## **41. HOLDING OVER (5.0 SA)**

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.

## **42. EARTHQUAKE SAFETY (5.1 SA)**

Lessor hereby confirms that to the best of Lessor's knowledge, the Premises was in compliance with all applicable seismic safety regulations and building codes at the time of construction.

## **43. QUIET ENJOYMENT (5.2 SA)**

Lessor agrees that, subject to the terms, covenants and conditions of this Lease, County may, upon observing and complying with all terms, covenants and conditions of this Lease, peaceably and quietly occupy the Premises.

## **44. ADMINISTRATIVE COSTS (5.3 SA)**

Lessor shall compensate County for the administrative costs absorbed by County which occur as a result of negotiating and administering documents (*i.e.*, Non-Disturbance and Attornment Agreements and Estoppel Certificates) ninety (90) days after the commencement of this Lease if required to satisfy Lessor's Lender whether or not said Lender decides to grant a loan to Lessor. Said compensation amount shall be no more than two thousand dollars (\$2,000) and shall be determined by multiplying the hourly rate of the HCA/Facilities Service Manager staff by the number of hours spent to negotiate, prepare and execute said documents and shall be paid to County within thirty (30) days of Lessor's receipt of County's invoice for said administrative services. Should Lessor fail to compensate County within said thirty (30) days, County has the option to deduct the amount from Rent payable.

# Attachment A

## 45. GOVERNING LAW AND VENUE (5.4 SA)

This agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure section 394.

## 46. ATTORNEYS' FEES (5.5 SA)

In the event of a dispute between Lessor and County concerning claims arising out of this Lease, or in any action or proceeding brought to enforce or interpret any provision of this Lease or where any provision hereof is validly asserted as a defense, each Party shall bear its own attorneys' fees and costs.

## 47. TIME (5.6 SA)

Time is of the essence of this Lease.

## 48. INSPECTION OF PREMISES BY A CERTIFIED ACCESS SPECIALIST (5.7 SA)

In accordance with California Civil Code 1938(e), "A Certified Access Specialist (CASP) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

Pursuant to California Civil Code 1938, Lessor hereby represents that the Premises has not undergone an inspection by a certified access specialist and no representations are made with respect to compliance with accessibility standards. However, if it is determined that a violation of handicapped access laws (including the Americans with Disabilities Act) existed at the Premises as of the Commencement Date, Lessor shall correct such non-compliance at Lessor's cost.

## 49. FORCE MAJEURE (5.8 SA)

For purposes of this Lease, the term "**Force Majeure**" means any of the following events which are beyond the control of either Party: act of God, unavailability of equipment or materials (but only if such equipment and materials were ordered in a timely fashion), enemy or terrorist act, act of war, riot or civil commotion, strike, lockout or other labor disturbance, fire, earthquake, explosion, governmental delays (including nonstandard delays in issuance of any permit or other necessary governmental approval or the scheduling of any inspections or tests), nonstandard delays by third party utility providers, or any other matter of any kind or character beyond the reasonable control of the Party delayed or failing to perform under this Lease despite such Party's Best Efforts to fulfill the obligation. "**Best Efforts**" includes anticipating any potential force majeure event

## Attachment A

and addressing the effects of any such event (a) as it is occurring and (b) after it has occurred, to prevent or minimize any resulting delay to the greatest extent possible. Force Majeure shall not include the inability to obtain financing or other lack of funds. Lessor and County shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by Force Majeure.

### **50. CONDEMNATION (5.9 SA)**

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively, "**Condemnation**"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If all or a material portion of the rentable area of the Premises are taken by Condemnation, County may, at County's option, to be exercised in writing within ten (10) days after Lessor shall have given County written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. Lessor shall also have the right to terminate this Lease if there is a taking by Condemnation of any portion of the Building or property which would have a material adverse effect on Lessor's ability to profitably operate the remainder of the Building. If neither Party terminates this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Rent shall be reduced in proportion to the reduction in utility of the remaining Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken or for severance damages.

### **51. CONSENT OR APPROVAL (6.0 SA)**

Unless expressly stated otherwise, where the consent or approval of a Party is required, such consent or approval will not be unreasonably withheld, conditioned or delayed.

### **52. UNENFORCEABLE PROVISIONS (6.1 SA)**

If any paragraph or clause hereof shall be determined illegal, invalid or unenforceable, it is the express intention of the Parties hereto that the remainder of the Lease shall not be affected thereby, and it is also the express intentions of the Parties hereto that in lieu of each paragraph or clause of this Lease which may be determined to be illegal, invalid or unenforceable, there may be added as a part of this Lease a paragraph or clause as similar in terms to such illegal or invalid or unenforceable paragraph or clause as may be possible and may be legal, valid and enforceable.

### **53. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (6.2 SA)**

If either Party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of Force Majeure as defined above in Clause 49 (FORCE MAJEURE), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Financial inability shall not be considered a circumstance excusing performance under this Lease.

### **54. STATE AUDIT (6.3 SA)**

## Attachment A

Pursuant to and in accordance with Section 8546.7 of the California Government Code, in the event that this Lease involves expenditures and/or potential expenditures of State funds aggregating in excess of ten thousand dollars (\$10,000), Lessor shall be subject to the examination and audit of the Auditor General of the State of California for a period of three years after final payment by County to Lessor under this Lease. The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the contract.

### **55. DESTRUCTION OF OR DAMAGE TO PREMISES (6.4 SA)**

**“Partial Destruction”** of the Premises shall mean damage or destruction to the Premises, for which the repair cost is less than twenty-five percent (25%) of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.

**“Total Destruction”** of the Premises shall mean damage or destruction to the Premises, for which the repair cost is twenty-five percent (25%) or more of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.

In the event of a Partial Destruction of the Premises, Lessor shall immediately pursue completion of all repairs necessary to restore the Premises to the condition which existed immediately prior to said Partial Destruction. Said restoration work (including any demolition required) shall be completed by Lessor, at Lessor's sole cost, within sixty (60) days of the occurrence of said Partial Destruction or within an extended time frame as may be authorized, in writing, by County. The Partial Destruction of the Premises shall in no way render this Lease and/or any option to purchase, granted herein, null and void; however, Rent payable by County under the Lease shall be abated in proportion to the extent County's use and occupancy of the Premises is adversely affected by said Partial Destruction, demolition, or repair work required thereby. Should Lessor fail to complete necessary repairs, for any reason, within sixty (60) days, or other time frame as may be authorized by County, County may, at County's sole option, terminate the Lease or complete necessary repair work and deduct the cost thereof, including labor, materials, and overhead from any Rent thereafter payable.

In the event of Total Destruction of the Premises or the Premises being legally declared unsafe or unfit for occupancy, this Lease and/or any option granted herein shall in no way be rendered null and void and Lessor shall immediately instigate action to rebuild or make repairs, as necessary, to restore the Premises (including replacement of all tenant improvements) to the condition which existed immediately prior to the destruction. All rent payable by County shall be abated until complete restoration of the Premises is accepted by County. Lessor shall cause its contractor to deliver a written estimate of the time required to complete such restoration work within sixty (60) days following such Total Destruction (the **"Restoration Notice"**). In the event Lessor refuses to commence and diligently pursue to restore the Premises to an occupiable condition (including replacement of all tenant improvements) within 180 days of the occurrence of said destruction, or is unable to restore the Premises to an occupiable condition (including replacement of all tenant improvements) within 360 days of the occurrence of said destruction or within an extended time frame as may be authorized, in writing, by County, County may, at County's sole option, terminate this Lease or complete the restoration and deduct the entire cost thereof, including labor, materials, and overhead from any rent payable thereafter. In addition, if the Restoration Notice identifies

## Attachment A

that the restoration work cannot be completed within 360 days of the occurrence of the Total Destruction, then Lessor and County shall each have the right to terminate the Lease within sixty (60) days following receipt of the Restoration Notice.

Further, Lessor, at County's request and subject to availability, shall provide a suitable, County-approved temporary facility ("Facility") for County's use during the restoration period for the Premises. The Facility may be leased, at market rate, under a short-term lease, for which the County will reimburse Lessor the cost thereof, on a monthly basis.

### **56. SECURITY SERVICES (6.5 N)**

Lessor shall provide security services for the Building, which security services shall be substantially similar to the security services provided in similar office buildings in the surrounding area where the Building is located and otherwise reasonably acceptable to County. In addition, during the Term (as the same may be extended), County may, at its sole cost and expense, engage its own security personnel to provide security to the Premises and to County's employees, personnel, agents, licensees and/or invitees going to and from the Premises. Such security personnel shall be solely for the benefit of County and shall not be relied on by Lessor. Without limiting the generality of the foregoing, notwithstanding anything to the contrary contained in this Lease, if County elects to engage its own security personnel, in no event shall County be directly or indirectly liable to Lessor or any other person and Lessor hereby waives any and all claims against and releases County, its employees, agents, licensees and invitees from any and all claims arising as a consequence of or related to the same, except for the negligence or willful misconduct of County or any other County Parties.

### **57. COMMISSION (6.6 SA)**

County's obligations and responsibilities under this Lease are contingent upon the Lessor paying to County's broker, Jones Lang LaSalle ("JLL") the agreed upon commission as a result of this lease transaction. Said commission shall be paid to JLL within thirty (30) working days after the Effective Date consistent with a separate agreement between Lessor and JLL.

Should JLL not receive the commission amount within the specified time period, County may terminate this Lease without further obligation to Lessor or County may deduct any unpaid amount from future Rent.

County represents that no party other than Jones Lang LaSalle is entitled to any commission in connection with this Lease.

No commission shall be payable for any holdover period. Lessor will pay a market commission for any Extension Term to the then broker of record for the County.

### **58. NOTICES (6.7 SA)**

All written notices pursuant to this Lease shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed received upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.



## Attachment A

<p>To: Lessor</p> <p>W-GL 1241 OCBC Holdings VIII, L.P. c/o Greenlaw Management 18301 Von Karman, Suite 250 Irvine, California 92612</p> <p>With a copy to:</p> <p>W-GL 1241 OCBC Holdings VIII, L.P. c/o Walton Street Capital, L.L.C. 900 N. Michigan Avenue, 19th Floor Chicago, Illinois 60611 Attn: Brian Kelly, Douglas Welker and Angela Lang, Esq.</p> <p>For Rent:</p> <p>W-GL 1241 OCBC Holdings VIII, L.P. P.O. Box 743508 Los Angeles, California 90074-3508</p>	<p>To: County</p> <p>County of Orange Health Care Agency 405 W. 5<sup>th</sup> Street, Suite 203 Santa Ana, CA 92701 Attn: Director, Administrative Services</p> <p>With a copy to:</p> <p>County Executive Office 333 W. Santa Ana Boulevard, 3rd Floor Santa Ana, CA 92701 Attention: Thomas A. Miller, Chief Real Estate Officer</p>
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### 59. LESSOR'S LIABILITY (N)

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.

# Attachment A

## 60. LESSOR'S TRANSFER (N)

Lessor may transfer all or any portion of the Building and any of its rights under this Lease, in the Building and in any other property referred to herein. If Lessor assigns its rights under this Lease, then Lessor shall thereby be released from any further obligations hereunder arising after the date of transfer, provided that the assignee assumes Lessor's full and complete obligations hereunder arising from and after the transfer date. Lessor shall send County written notice of said transfer at least thirty (30) days prior to the transfer date.

## 61. RULES AND REGULATIONS (N)

The use and occupancy by County of the Premises shall be subject to such reasonable, non-discriminatory rules and regulations concerning the property of which the Premises is a part as may be established by Lessor from time to time, including the Rules and Regulations attached hereto as Exhibit H. County agrees to promptly comply with all such rules and regulations and any reasonable, non-discriminatory amendments thereto, upon receipt of written notice from Lessor. To the extent of a conflict between the terms of the Rules and Regulations and the terms of this Lease, the terms of this Lease shall prevail.

## 62. ATTACHMENTS (6.8 S)

This Lease includes the following, which are attached hereto and made a part hereof:

### I. EXHIBITS

- Exhibit A – Description of Premises
- Exhibit B – Depiction of Premises
- Exhibit C – Work Letter
- Exhibit D – Work Acceptance Letter
- Exhibit E – Janitorial Specifications
- Exhibit F – Subordination, Attornment and Nondisturbance Agreement
- Exhibit G - Estoppel Certificate Form
- Exhibit H – Rules and Regulations
- Exhibit I – Signage

## Attachment A

IN WITNESS WHEREOF, the Parties have executed this Lease the day and year first above written.


APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By:   
Deputy

RECOMMENDED FOR APPROVAL:

HEALTH CARE AGENCY

By:   
Director of Administration

COUNTY EXECUTIVE OFFICE

By:   
Real Estate Manager

# Attachment A

[Lessor Signature Page to Lease between W-GL 1241 OCBC Holdings VIII, L.P., a Delaware limited partnership and The County of Orange, a political subdivision of the State of California]

## LESSOR

**W-GL 1241 OCBC HOLDINGS VIII, L.P.,**  
a Delaware limited partnership

By: W-GL OCBC GP VIII, L.L.C.,  
a Delaware limited liability company,  
its General Partner

By: W-GL OCBC JV VIII, L.L.C.,  
a Delaware limited liability company,  
its Sole Member

By: W-GL OCBC Investors VIII, L.L.C.,  
a Delaware limited liability company,  
its Member

By: Walton Acquisition Holdings VIII, L.L.C.,  
a Delaware limited liability company,  
its Sole Member

By: Walton Street Real Estate Fund VIII, L.P.,  
a Delaware limited partnership,  
its Managing Member

By: Walton Street Managers VIII, L.P.,  
a Delaware limited partnership,  
its General Partner

By: WSC Managers VIII, Inc.,  
a Delaware corporation,  
its General Partner

By:   
Name: Brian T. Kelly  
Title: Vice President

## Attachment A

SIGNED AND CERTIFIED THAT A  
COPY OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIR OF THE BOARD  
PER GC § 25103, RESO. 79-1535

Attest:

COUNTY

COUNTY OF ORANGE

---

ROBIN STIELER  
Clerk of the Board of Supervisors  
of Orange County, California

---

Chairwoman of the Board of Supervisors  
Orange County, California

# **Attachment A**

## **EXHIBIT A**

### **DESCRIPTION OF PREMISES**

PROJECT NO: GA 1254-197

DATE: December 6, 2019

PROJECT: 1241 East Dyer Road, Santa Ana, CA– HCA Lease    VERIFIED BY: Thania Trujillo

All the Premises shown crosshatched on a plot plan marked Exhibit B, attached hereto and made a part hereof, being the portion of the first (1<sup>st</sup>) floor of that certain two-story building located at 1241 East Dyer Road in the City of Santa Ana, County of Orange, State of California, comprising approximately 67,412 rentable square feet, together with exclusive use of surface parking spaces onsite, which consists of approximately two hundred fifty-four parking spaces in the parking lot area as shown on Exhibit B.

**NOT TO BE RECORDED**

# Attachment A

## EXHIBIT B

### DEPICTION OF PREMISES AND BUILDING

#### Location Map



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

Prepared By:  
Thania Trujillo

Date: November 20, 2019



**COUNTY OF ORANGE**  
COUNTY EXECUTIVE OFFICE  
REAL ESTATE



# Attachment A

## Aerial Map



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

Prepared By:  
Thania Trujillo  
  
Date: November 20, 2019



**COUNTY OF ORANGE**  
COUNTY EXECUTIVE OFFICE  
REAL ESTATE

# Attachment A

## Parking Plan



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

Prepared By:  
Thania Trujillo  
Date: November 20, 2019



**COUNTY OF ORANGE**  
COUNTY EXECUTIVE OFFICE  
REAL ESTATE



## Attachment A

### Crosshatched Plot Plan



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

Prepared By:  
Thania Trujillo

Date: November 20, 2019



**COUNTY OF ORANGE**  
**COUNTY EXECUTIVE OFFICE**  
**REAL ESTATE**

# Attachment A

## EXHIBIT C

### WORK LETTER

This Exhibit C shall supplement the terms and conditions relating to the construction of the Work in the Premises as set forth in Clause 13 (CONSTRUCTION) of the Lease. If any conflict shall arise between this Exhibit C and the Lease, the terms and conditions of the Lease shall prevail.

The Work shall be completed at Lessor's expense, in accordance with this Exhibit C using the County Improvement Allowance where applicable. This Exhibit C is organized chronologically and addresses the issues of the construction, in sequence, as such issues will arise during the actual construction of the Premises.

### SECTION 1 – CONSTRUCTION DRAWINGS FOR THE PREMISES

Space Plan. Lessor and County have approved that certain space plan for construction of the Work attached hereto as Schedule 2 (the "**Final Space Plan**"). Lessor shall be entitled to rely upon all plans, drawings and information supplied by or for County in preparing the Final Space Plan. The depiction of cubicles, modules, furniture and equipment in the Final Space Plan is for illustrative purposes only, and Lessor is not required to provide, install or construct any such items.

Final Working Drawings. Lessor and its architect and engineers shall complete the architectural and engineering drawings for the Premises. The final architectural work drawings shall be in a completed form allowing subcontractors to bid on the Work and obtain all applicable Permits (as defined below) (collectively, the "**Final Working Drawings**") and shall submit the same to County for County's approval, such approval not to be unreasonably withheld, conditioned or delayed. County shall approve or reasonably disapprove any draft of the Final Working Drawings within five (5) business days after County's receipt thereof; provided, however, that (i) County shall not be entitled to disapprove any portion, component or aspect of the Final Working Drawings which are consistent with the Final Space Plan unless County agrees to pay for the additional cost (if any) resulting from such change in the Final Space Plan as part of the County's Improvement Obligation pursuant to Clause 13A of the Lease or Section 2 below and County acknowledges that any delay resulting therefrom shall be a delay caused by County, and (ii) any disapproval of the Final Working Drawings by County shall be accompanied by a detailed written explanation of the reasons for County's disapproval. Failure of County to reasonably disapprove any draft of the Final Working Drawings within said five (5) business day period shall be deemed to constitute County's approval thereof. This process shall be repeated until the Final Working Drawings have been approved; it being agreed that County's right to raise objections (following County's initial objections to Lessor, first submission of the Final Working Drawings) shall be limited to (a) the revisions made to the previous submission of the Final Working Drawings in order to address County's prior objections or changes which are derivative of changes resulting from such prior objections and/or (b) revisions to design elements not previously a part of the Final Working Drawings previously submitted to County. The Final Working Drawings, as approved by Lessor and County, may be referred to herein as the "**Approved Working Drawings**." County shall make no changes or modifications to the Final Space Plan or the Approved Working Drawings without the prior written consent of Lessor, which consent may be withheld in Lessor's sole discretion if

# Attachment A

such change or modification would directly or indirectly delay the Substantial Completion of the Premises or increase the cost of designing or constructing the Work.

Lessor shall promptly submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits (“**Permits**”) necessary to allow Contractor as that term is defined in Section 4, below, to commence and fully complete the construction of the Work. County shall cooperate with Lessor in promptly executing permit applications and performing other ministerial acts reasonably necessary to enable Lessor to obtain any such Permits or certificate of occupancy.

## **SECTION 2 – TIME DEADLINES (AS DEFINED IN SCHEDULE 1)**

County shall use its good faith efforts and due diligence to cooperate with the Lessor, its architect, and the engineers to complete all phases of the construction drawings and the permitting process and to receive the Permits, and with Contractor (as defined below in Section 4) as soon as possible after the execution of the Lease, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by Lessor to discuss the progress in connection with the same. The applicable dates for approval of items, plans and drawings as described in this Section I, above, and in this Exhibit C are set forth and further elaborated upon in Schedule I (the “**Time Deadlines**”), attached hereto. County agrees to comply with the Time Deadlines.

## **SECTION 3 – OVER-ALLOWANCE AMOUNT**

In the event that after County's execution of this Lease, any revisions, changes, or substitutions shall be made to (i) the Final Space Plan, (ii) the Approved Working Drawings (once the same are completed), (iii) the Work, or in the event that County requests revisions, changes, or substitutions which cause the Approved Working Drawings to not be a logical extension of the Final Space Plan, then any additional costs which arise in connection with such revisions, changes or substitutions shall be paid by County to Lessor as County's Improvement Obligation upon receipt of Lessor's written request therefor or as otherwise provided in the Lease.

## **SECTION 4 – MISCELLANEOUS**

Freight Elevators. Lessor shall, make the freight elevator reasonably available to County in connection with initial decorating, furnishing and moving into the Premises, if applicable.

County's Representative. County has designated the HCA/Facilities Service Manager as its sole representative with respect to the matters set forth in this Exhibit C, who shall have full authority and responsibility to act on behalf of the County as required in this Exhibit C.

Time of the Essence in This Work Letter. Unless otherwise indicated, all references herein to a number of days shall mean and refer to calendar days. In all instances where County is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Lessor's sole option, at the end of such period the item shall

# Attachment A

automatically be deemed approved or delivered by County and the next succeeding time period shall commence.

Cooperation by County. County acknowledges that the timing of the completion of the Approved Working Drawings and the Work is of the utmost importance to Lessor. Accordingly, County hereby agrees to fully and diligently cooperate with all reasonable requests by Lessor in connection with or related to the design and construction of the Work, and in connection therewith, shall respond to Lessor's requests for information and/or approvals, except as specifically set forth herein to the contrary, within ten (10) business days following request by Lessor.

Work Specifications- Materials and Finishes. Lessor hereby agrees that the materials for the Work shall be consistent with minimum commercial-grade quality. Finishes and colors shall be selected by County and/or HCA/Facilities Service Manager prior to commencement of the Work.

## **SECTION 5 – ADDITIONAL LESSOR OBLIGATIONS**

In addition to the initial Work, Lessor shall warrant the following items will be repaired and/or replaced:

Reserved Parking – Lessor shall repaint and restripe the parking area and/or stalls to ensure that the Reserved Parking and Inspection Stalls are consistent with the requirements described in Clause 4 (PARKING) and shown on Exhibit B.

Secured Parking Area Relocation – Lessor shall repaint and restripe the parking area and/or stalls to ensure that the Secured Parking Area is consistent with the requirements described in Clause 4 (PARKING) and shown on Exhibit B.

Signage – Lessor shall upgrade the existing directional signage consistent with Clause 34 (SIGNAGE) as needed. Such signage shall comply with all applicable laws and zoning and site plan requirements.

# Attachment A

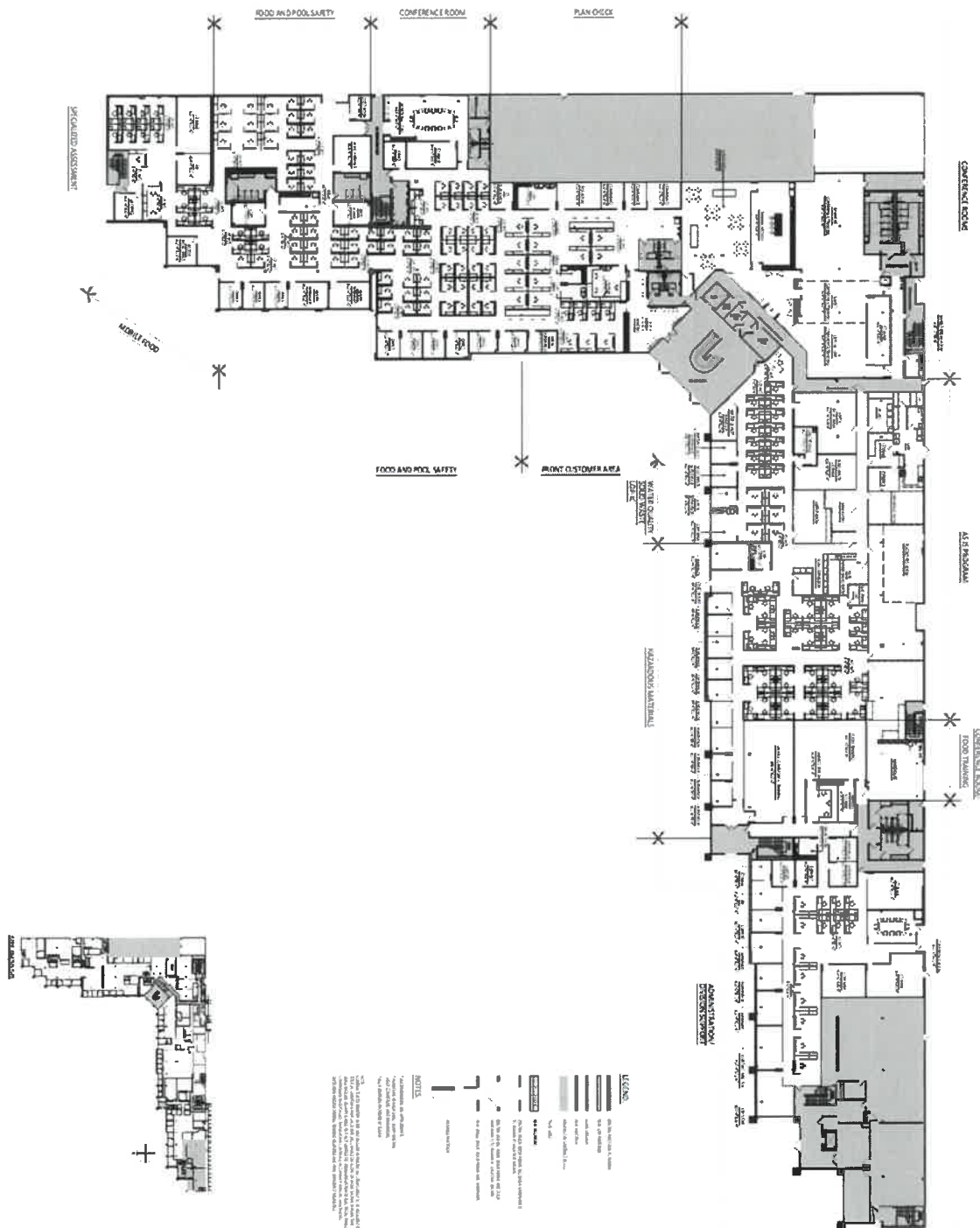
## SCHEDULE 1 TO EXHIBIT C

### Time Deadlines

Mutual Lease Execution	Date of Approval at Board of Supervisors Meeting (Anticipated on or about January 14, 2020)
Final Space Plan	January 31, 2020
Final Working Drawings	6 Weeks (March 13, 2020)
Plan Check/Permit Approval	10 Weeks (May 22, 2020)
Start Construction	May 22, 2020 Duration: 5 Months
Phase 1 Construction: <ul style="list-style-type: none"> <li>• Lessor to build out Phase 1 portion of Premises per plan</li> <li>• Lessor to paint and carpet area</li> <li>• County approved third-party vendor to install new furniture, fixtures, equipment</li> <li>• Upon Substantial Completion of Phase 1, County to vacate applicable portion of County's existing occupancy of the Phase 2 portion of the Premises &amp; relocate into Phase 1 portion of the Premises</li> </ul>	
Phase 2 Construction: <ul style="list-style-type: none"> <li>• Lessor to demolish prior plan check counter location</li> <li>• Lessor to build out Premises per Approved Working Drawing.</li> <li>• Lessor to paint and carpet area</li> <li>• County approved third-party vendor to install new furniture, fixtures, equipment</li> <li>• County to relocate remaining 2<sup>nd</sup> floor occupancy to 1<sup>st</sup> floor Premises</li> </ul>	
County approved third-party vendor to install Tenant FF&E/Security/IT Installation	2 weeks (October 22, 2020)
Move-In/Occupancy	November 5, 2020
Completion of Punch list (if any)	21 days (November 26, 2020)

[illegible]



**SCHEDULE 2 TO EXHIBIT C**

# Attachment A

## EXHIBIT D

### WORK ACCEPTANCE LETTER

RE: Premises Located at 1241 East Dyer Road, Santa Ana, CA, 92705.

Lessor and County, without limiting any of County's rights and remedies expressly set forth in Exhibit C and this Lease or Lessor's obligations thereunder regarding completion of Lessor's Work in accordance with Clause 13 (CONSTRUCTION), agree and acknowledge that:

***Check all that apply:***

- ☐ **LESSOR WORK IS COMPLETE, COUNTY ACCEPTS POSSESSION OF THE PREMISES ( WITH NO PUNCH LIST ITEMS):**
- The Work to the Premises constructed by Lessor has been completed and accepted by County without any outstanding punch list items. The Premises are in acceptable condition and Lessor delivered in compliance with all of the requirements contained in Exhibit C and Clause 13 (CONSTRUCTION) of the Lease.
- ☐ **LESSOR WORK IS COMPLETE WITH PUNCH LIST ITEMS OUTSTANDING, COUNTY ACCEPTS POSSESSION OF THE PREMISES:**
- The Work to the Premises constructed by Lessor has been SUBSTANTIALLY COMPLETED and accepted by County WITH THE EXCEPTION OF THE FOLLOWING OUTSTANDING PUNCH LIST ITEMS (see itemized list below).
- Lessor has twenty-one (21) days following receipt of this Work Acceptance Letter to complete all punch list items.
- Punch List Items Remaining of The Work:**  
**(Attach additional pages if necessary)**
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- Anticipated Punch List Completion Date:** \_\_\_\_\_
- ☐ **LESSOR WORK IS NOT COMPLETE, COUNTY REJECTS POSSESSION OF THE PREMISES:**
- Lessor has not completed the Work per the requirements defined in the Lease specifically in Clause 13 (CONSTRUCTION) and Exhibit C.

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The information set forth in this Acknowledgment is true and correct as of the date hereof. This Acknowledgment shall be binding on the Parties and upon the successors and assigns of County.

**Lessor:**

**County/ HCA Facilities Service Manager:**

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# Attachment A

## EXHIBIT E

### JANITORIAL SPECIFICATIONS

It is the intent of this Exhibit to provide general guidelines for minimum janitorial service. Any absence of a specific janitorial service from this Exhibit does not relieve Lessor of the obligation to provide such service should it become necessary.

Janitorial service as required in Clause 19.A (Lessor Services) (REPAIR, MAINTENANCE AND JANITORIAL SERVICES), of this Lease, shall be inclusive of, but not limited to, the services as detailed below:

#### OFFICE AREAS

NIGHTLY: Sunday through Thursday (County Holidays excepted).

1. Empty and clean all waste receptacles, supply liners for waste receptacles, replace light bulbs and fluorescent tubes, remove waste materials from the Premises and wash receptacles as necessary;
2. Mop all uncarpeted areas;
3. Vacuum all carpeted areas in offices, lobby and corridors;
4. Hand-dust all office furniture, fixtures and all other horizontal surfaces (no more than twice per week);
5. Remove all finger marks and smudges from doors, door frames, around light switches, private entry glass and partitions;
6. Wash, clean and polish water fountain;
7. Spot clean carpet as necessary;
8. Clean sink and wipe down tables and counter areas in all break areas and coffee bars and fill all soap and paper towel dispensers.

WEEKLY:

1. Wipe clean and polish all metal and bright work;
2. Mop and polish all resilient flooring;
3. Dust in place all picture frames, charts, graphs, and similar wall hangings;
4. Spot-clean all wall marks;
5. Sweep all sidewalks and ramps.

MONTHLY:

1. Dust all mini-blinds within the Premises;
2. Vacuum high moldings and other areas not reached by nightly or weekly cleaning.

QUARTERLY:

1. Scrub and buff uncarpeted floors.

SEMI-ANNUALLY:

## Attachment A

1. Clean ceiling light diffusers;
2. Clean interior walls, as needed;
3. All interior windows of the building are to be cleaned once per annum and all exterior windows of the building are to be cleaned semi-annually.

### RESTROOMS

#### NIGHTLY:

1. Clean and damp-mop floors;
2. Wash all mirrors, bright work and enameled surfaces;
3. Wash and sanitize all basins, bowls, urinals, and toilet seats;
4. Dust, clean, and wash where necessary, all partitions, tile walls, dispensers, and receptacles;
5. Empty and sanitize all receptacles and sanitary napkin disposals;
6. Provide materials and fill all toilet tissue, towels, seat covers, sanitary napkin, and soap dispensers.

#### MONTHLY:

1. Machine strip restroom floors and apply finish/sealer where applicable (quarterly, not monthly);
2. Wash all partitions, tile walls, and enamel surfaces;
3. Vacuum all louvers, vents, and dust light fixtures.

### MISCELLANEOUS SERVICES

1. Maintain building lobby, corridors, and other public areas in a clean condition;
2. Parking lot is to be cleaned on a monthly basis;
3. Scrub and buff uncarpeted floors as needed (estimated one time per quarter).

### SUSTAINABILITY

County seeks to promote sustainability principles into its business operation by promoting responsible use of materials and equipment and encourages Lessor to adopt a similar business philosophy in maintaining the Premises. Some possible sustainability concepts and practices Lessor may promote in its sustainability plan include, but is not limited to the following:

1. Utilizing green suppliers/vendors
2. Recycling and resource recovery
3. Identify and utilize energy efficient products
4. Cost and value appropriately sustainability options

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## SUBORDINATION, NONDISTURBANCE, AND ATTORNMENMENT AGREEMENT

**NOTICE:** THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMENMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY AGREEMENT.

**NOTICE:** THIS AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR LEASE AS LANDLORD TO OBTAIN A LOAN, SOME OR ALL OF WHICH MAY BE EXPENDED FOR PURPOSES OTHER THAN ACQUISITION OR IMPROVEMENT OF THE PROPERTY.

This SUBORDINATION, NONDISTURBANCE, AND ATTORNMENMENT AGREEMENT (this "Agreement") is entered into as of \_\_\_\_\_, 20\_\_ (the "Effective Date"), between BANK OF AMERICA, N.A., a national banking association, whose address is 135 South LaSalle Street, Suite 630, Chicago, Illinois 60603, Attention: Commercial Real Estate Banking, as administrative agent (in such capacity, with its successors and assigns, "Administrative Agent") on behalf the lenders (collectively, "Lenders") from time to time party to the Loan Agreement (as hereinafter defined), and the COUNTY OF ORANGE, a political subdivision of the State of California, whose address is c/o Health Care Agency, 405 W. 5th Street, Suite 203, Santa Ana, CA 92701, Attn: Director, Administrative Services ("Tenant"), with reference to the following facts:

A. W-GL 1241 OCBC HOLDINGS VIII, L.P., a Delaware limited partnership, whose address is c/o Walton Street Capital, L.L.C., 900 N. Michigan Ave, Suite 1900, Chicago, Illinois 60611 ("Landlord"), owns the real property located at 1241 East Dyer Road, Santa Ana, California (such real property, including all buildings, improvements, structures and fixtures located thereon, "Landlord's Premises"), as more particularly described in Schedule A.

B. Lenders have made a loan to Landlord and certain other co-borrowers (collectively, the "Borrowers") in the maximum principal amount of \$61,490,000.00 (the "Loan"), all as provided in and subject to the terms and conditions set forth in the Loan Documents (as hereinafter defined).

C. To secure the Loan, Landlord has encumbered Landlord's Premises by entering into that certain Deed of Trust, Assignment of Rents and Leases, Security Agreement and Fixture Filing dated as of April 18, 2018, in favor of PRLAP, Inc., as Trustee for the benefit of Administrative Agent as beneficiary (as amended, increased, renewed, extended, spread, consolidated, severed, restated, or otherwise changed from time to time, the "Mortgage"), recorded in the Official Records of Orange County, California (the "Official Records") as Document No. 2018000139017.

D. Tenant and Administrative Agent desire to agree upon the relative priorities of their interests in Landlord's Premises and their rights and obligations if certain events occur.

**NOW, THEREFORE,** for good and sufficient consideration and intending to be legally bound hereby, Tenant and Administrative Agent agree:

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1. Definitions. The following terms shall have the following meanings for purposes of this Agreement.

1.1 “Civil Asset Forfeiture Reform Act” means the Civil Asset Forfeiture Reform Act of 2000 (18 U.S.C. Sections 983 et seq.), as amended from time to time, and any successor statute.

1.2 “Construction-Related Obligation(s)” means any obligation of Landlord under the Lease to make, pay for, or reimburse Tenant for any alterations, demolition, or other improvements or work at Landlord’s Premises, including Tenant’s Premises. Construction-Related Obligations shall not include: (a) reconstruction or repair following fire, casualty or condemnation; or (b) day-to-day maintenance and repairs.

1.3 “Controlled Substances Act” means the Controlled Substances Act (21 U.S.C. Sections 801 et seq.), as amended from time to time, and any successor statute.

1.4 “Foreclosure Event” means: (a) foreclosure under the Mortgage, whether by judicial action or pursuant to nonjudicial proceedings; (b) any other exercise by Administrative Agent of rights and remedies (whether under the Mortgage or under applicable law, including bankruptcy law) as holder of the Loan and/or as beneficiary under the Mortgage, as a result of which any Successor Landlord becomes owner of Landlord’s Premises; or (c) delivery by Landlord to Administrative Agent (or its designee or nominee) of a deed or other conveyance of Landlord’s interest in Landlord’s Premises in lieu of any of the foregoing.

1.5 “Former Landlord” means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.

1.6 “Loan Agreement” means the Loan Agreement entered into on April 18, 2018 by and among Borrowers, Administrative Agent and Lenders.

1.7 “Loan Documents” mean the Loan Agreement, the Mortgage and any other document now or hereafter evidencing, governing or securing the Loan, including any promissory note and/or loan agreement, pertaining to the repayment or use of the Loan proceeds or to any of the real or personal property, or interests therein, securing the Loan, as such documents or any of them may have been or may be from time to time hereafter renewed, extended, supplemented, increased or modified. This Agreement is a Loan Document.

1.8 “Offset Right” means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction, or abatement against Tenant’s payment of Rent or performance of Tenant’s other obligations under the Lease, arising (whether under the Lease or other applicable law) from Landlord’s breach or default under the Lease.

1.9 “Rent” means any fixed rent, base rent or additional rent under the Lease.

1.10 “Successor Landlord” means any party that becomes owner of Landlord’s Premises as the result of a Foreclosure Event.

# Attachment A

1.11 “Termination Right” means any right of Tenant to cancel or terminate the Lease or to claim a partial or total eviction arising (whether under the Lease or under applicable law) from Landlord’s breach or default under the Lease.

2. Subordination. The Lease, including all rights of first refusal, purchase options and other rights of purchase, shall be, and shall at all times remain, subject and subordinate to the Mortgage, the lien and security interest imposed by the Mortgage and the right to enforce such lien or security interest, and all advances made under or secured by the Loan Documents. Tenant hereby intentionally and unconditionally subordinates the Lease and all of Tenant’s right, title and interest thereunder and in and to Landlord’s Premises (including Tenant’s right, title and interest in connection with any insurance proceeds or eminent domain awards or compensation relating to Landlord’s Premises and Tenant’s right to receive and retain any rentals or payments made under any sublease or concession agreement of or relating to any portion of Tenant’s Premises), to the lien of the Mortgage and all of Administrative Agent’s rights and remedies thereunder, and agrees that the Mortgage shall unconditionally be and shall at all times remain a lien on Landlord’s Premises prior and superior to the Lease.

3. Nondisturbance; Recognition; and Attornment.

3.1 No Exercise of Mortgage Remedies Against Tenant. So long as the Lease has not been terminated on account of Tenant’s default that has continued beyond applicable cure periods (an “Event of Default”), Administrative Agent shall not name or join Tenant as a defendant in any judicial action or proceeding that is commenced pursuant to the exercise of Administrative Agent’s rights and remedies arising during the continuance of a “Default” (as defined in the Mortgage) by Landlord under the Mortgage (a “Mortgage Event of Default”) unless (a) applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or in order to prosecute or otherwise fully enforce such rights and remedies; or (b) such joinder of Tenant is required for the recovery by Administrative Agent of any Rent at any time owing by Tenant under the Lease, whether pursuant to the assignment of rents set forth in the Mortgage or otherwise; or (c) such joinder is required in order to enforce any right of Administrative Agent to enter Landlord’s Premises for the purpose of making any inspection or assessment, or in order to protect the value of Administrative Agent’s security provided by the Mortgage. In any instance in which Administrative Agent is permitted to join Tenant as a defendant as provided above, Administrative Agent agrees not to terminate the Lease or otherwise adversely affect Tenant’s rights under the Lease or this Agreement in or pursuant to such action or proceeding, unless an Event of Default by Tenant has occurred and is continuing. The foregoing provisions of this Section shall not be construed in any manner that would prevent Administrative Agent from (i) carrying out any nonjudicial foreclosure proceeding under the Mortgage, (ii) obtaining the appointment of a receiver for the Landlord’s Premises as and when permitted under applicable law, or (iii) exercising Administrative Agent’s rights under the provisions of California Civil Code Section 2938 with respect to the enforcement against Tenant of any assignment of rents made by Landlord to Administrative Agent in connection with the Loan.

3.2 Nondisturbance and Attornment. If the Lease has not been terminated on account of an Event of Default by Tenant, then, when Successor Landlord takes title to Landlord’s Premises: (a) Successor Landlord shall not terminate or disturb Tenant’s possession of Tenant’s



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Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (b) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (c) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (d) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant.

3.3 Use of Proceeds. Administrative Agent and Lenders, in making any advances of the Loan pursuant to any of the Loan Documents, shall be under no obligation or duty to, nor has Administrative Agent represented to Tenant that it will, see to the application of such proceeds by the person or persons to whom Administrative Agent disburses such advances, and any application or use of such proceeds for purposes other than those provided for in any Loan Document shall not defeat Tenant's agreement to subordinate the Lease in whole or in part as set forth in this Agreement.

3.4 Further Documentation. The provisions of this Article shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this Article in writing upon request by either of them.

3.5 Default Under Mortgage. In the event that Administrative Agent notifies Tenant in writing of a Mortgage Event of Default continuing under the Mortgage and demands that Tenant pay its rent and all other sums due under the Lease directly to Administrative Agent, Tenant shall honor such demand and pay the full amount of its rent and all other sums due under the Lease directly to Administrative Agent, without offset, or as otherwise required pursuant to such notice beginning with the payment next due after such notice of default, without inquiry as to whether a Mortgage Event of Default actually exists under the Mortgage and notwithstanding any contrary instructions of or demands from Landlord. Landlord's execution of the Landlord's Consent attached to this Agreement shall constitute an express authorization from Landlord for Tenant to make such payments to Administrative Agent and a release and discharge of all liability of Tenant to Landlord for any such payments made to Administrative Agent in compliance with Administrative Agent's written demand delivered pursuant to this Section 3.5.

4. Protection of Successor Landlord. Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

4.1 Claims Against Former Landlord. Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment. (The foregoing shall not limit either (a) Tenant's right to exercise against Successor Landlord any Offset Right otherwise available to Tenant because of events occurring after the date of attornment, or (b) Successor Landlord's obligation to correct any conditions that existed as of the date of attornment and violate Successor Landlord's obligations as landlord under the Lease.)

# Attachment A

4.2 Acts or Omissions of Former Landlord. Any act, omission, default, misrepresentation, or breach of warranty, of any previous landlord (including Former Landlord) or obligations accruing prior to Successor Landlord's actual ownership of the Property.

4.3 Prepayments. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such Rent was first due and payable under the Lease with respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment, except to the extent actually delivered to Administrative Agent.

4.4 Payment; Security Deposit. Any obligation (a) to pay Tenant any sum(s) that any Former Landlord owed to Tenant, or (b) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Administrative Agent. This Section is not intended to apply to Landlord's obligation to make any payment that constitutes a Construction-Related Obligation.

4.5 Modification; Amendment; or Waiver. Any modification or amendment of the Lease, or any waiver of any terms of the Lease, made without Administrative Agent's written consent.

4.6 Surrender; Etc. Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of the Lease.

4.7 Construction-Related Obligations. Any Construction-Related Obligation of Landlord under the Lease. Notwithstanding the foregoing or anything to the contrary contained herein, Successor Landlord shall make the County Improvement Allowance and County's FF&E Allowance (as such terms are defined in the Lease) (collectively, the "Allowance") available to Tenant in accordance with and subject to the terms and conditions of the Lease for the work described therein (the "T.I. Work") to the extent that (i) Successor Landlord (or its predecessor) shall have not already made an advance or disbursement to Landlord or any other party in respect of such amounts for the specific T.I. Work covered by Tenant's draw request, (ii) such amounts would otherwise be available to Tenant in accordance with the Lease (i.e., all conditions under the Lease have been met), and (iii) Tenant has complied with the draw requirements set in the Lease for the specific T.I. Work covered by the draw request. However, if Tenant is entitled to the Allowance or any portion thereof in accordance with this Section 4.7 and if Successor Landlord does not make such funds available to Tenant, then Tenant shall be entitled, as its sole remedy, to recover the cost thereof by offsetting the applicable Allowance amount against monthly Rent (as defined in the Lease) due by Tenant under the Lease, provided any such offset right shall not be subject to any late charge, default rate and/or other fee. In addition, if Successor Landlord does not perform all other Construction Related Obligations under and in accordance with Exhibit C to the Lease (collectively, the "Landlord Work") to the extent that Successor Landlord (or its predecessor) shall have not already performed such Landlord Work, then Tenant shall be entitled, as its sole remedy, to perform such Landlord Work and recover the cost thereof by offsetting Tenant's costs in so performing such Landlord Work against monthly Rent due by Tenant under the Lease, provided any such offset right shall not be subject to any late charge, default rate and/or other fee.

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5. Exculpation of Successor Landlord. Notwithstanding anything to the contrary in this Agreement or the Lease, upon any attornment pursuant to this Agreement the Lease shall be deemed to have been automatically amended to provide that Successor Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in Landlord's Premises from time to time, including insurance and condemnation proceeds, Successor Landlord's interest in the Lease, and the proceeds from any sale or other disposition of Landlord's Premises by Successor Landlord (collectively, "Successor Landlord's Interest"). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligations of Successor Landlord under the Lease as affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord. In addition to any limitation of liability set forth in this Agreement, Administrative Agent, Lenders and their respective successors and assigns shall under no circumstances be liable for any incidental, consequential, punitive, or exemplary damages.

6. Administrative Agent's Right to Cure.

6.1 Notice to Administrative Agent. Notwithstanding anything to the contrary in the Lease or this Agreement, before exercising any Termination Right, Tenant shall provide Administrative Agent with notice of the breach or default by Landlord giving rise to same (the "Default Notice") and, thereafter, the opportunity to cure such breach or default as provided for below.

6.2 Administrative Agent's Cure Period. After Administrative Agent receives a Default Notice, Administrative Agent shall have a period of thirty (30) days beyond the time available to Landlord under the Lease in which to cure the breach or default by Landlord. Administrative Agent shall have no obligation to cure (and shall have no liability or obligation for not curing) any breach or default by Landlord, except to the extent that Administrative Agent agrees or undertakes otherwise in writing.

6.3 Extended Cure Period. In addition, as to any breach or default by Landlord the cure of which requires possession and control of Landlord's Premises, provided only that Administrative Agent undertakes to Tenant by written notice to Tenant within thirty (30) days after receipt of the Default Notice to exercise reasonable efforts to cure or cause to be cured by a receiver such breach or default within the period permitted by this Section, Administrative Agent's cure period shall continue for such additional time (the "Extended Cure Period") as Administrative Agent may reasonably require to either (a) obtain possession and control of Landlord's Premises and thereafter cure the breach or default with reasonable diligence and continuity, or (b) obtain the appointment of a receiver and give such receiver a reasonable period of time in which to cure the default.

7. Confirmation of Facts. Tenant represents to Administrative Agent and Lenders and to any Successor Landlord, in each case as of the Effective Date:

# Attachment A

7.1 Due Authorization. Tenant has full authority to enter into this Agreement, which has been duly authorized by all necessary actions.

7.2 No Violations of Laws. Tenant has not violated, and shall not violate, any laws affecting Tenant's Premises, including the Controlled Substances Act, or which could otherwise result in the commencement of a judicial or nonjudicial forfeiture or seizure proceeding by a governmental authority (including the commencement of any proceedings under the Civil Asset Forfeiture Reform Act) on the grounds that Tenant's Premises or any part thereof has been used to commit or facilitate the commission of a criminal offense by any person, including Tenant, pursuant to any law, including the Controlled Substances Act, regardless of whether or not Tenant's Premises is or shall become subject to forfeiture or seizure in connection therewith.

## 8. Miscellaneous.

8.1 Notices. All notices or other communications required or permitted under this Agreement shall be in writing and given by certified mail (return receipt requested) or by nationally recognized overnight courier service that regularly maintains records of items delivered. Each party's address is as set forth in the opening paragraph of this Agreement, subject to change by notice under this Section. Notices shall be effective the next business day after being sent by overnight courier service, and five (5) business days after being sent by certified mail (return receipt requested).

8.2 Successors and Assigns. This Agreement shall bind and benefit the parties, their successors and assigns, any Successor Landlord, and its successors and assigns. If Administrative Agent assigns the Mortgage, then upon delivery to Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Agreement, all liability of the assignor shall terminate.

8.3 Entire Agreement. This Agreement constitutes the entire agreement between Administrative Agent and Tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of Tenant and Administrative Agent as to the subject matter of this Agreement.

8.4 Interaction with Lease and with Mortgage; Severability. If this Agreement conflicts with the Lease, then this Agreement shall govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in the Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the beneficiary of, the Mortgage. Administrative Agent confirms that Administrative Agent has consented to Landlord's entering into the Lease. If any provision of this Agreement is determined to be invalid, illegal or unenforceable, such provision shall be considered severed from the rest of this Agreement and the remaining provisions shall continue in full force and effect as if such provision had not been included.

8.5 Administrative Agent's Rights and Obligations. Except as expressly provided for in this Agreement, Administrative Agent shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of

## Attachment A

Administrative Agent under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provided for in this Agreement.

8.6 Interpretation; Governing Law. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State of California, excluding its principles of conflict of laws.

8.7 Amendments. This Agreement may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.

8.8 Execution. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

8.9 Administrative Agent's Representation. Administrative Agent represents that Administrative Agent has full authority to enter into this Agreement, and Administrative Agent's entry into this Agreement has been duly authorized by all necessary actions.

8.10 Reliance by Administrative Agent and Lenders. Tenant acknowledges the right of Administrative Agent and Lenders, as well as any Successor Landlord, to rely upon the certifications and agreements in this Agreement in making the Loan to Landlord.

*[Signature Pages Follow]*

## Attachment A

IN WITNESS WHEREOF, this Agreement has been duly executed by Administrative Agent and Tenant as of the Effective Date.

ADMINISTRATIVE AGENT:

BANK OF AMERICA, N.A.,  
a national banking association

By: \_\_\_\_\_

Name:

Title:

STATE OF ILLINOIS                    )  
  ) ss.  
COUNTY OF COOK                    )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the undersigned notary public, personally appeared \_\_\_\_\_, as \_\_\_\_\_ of Bank of America, N.A., proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose.

Given under my hand and official seal, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

# Attachment A

TENANT:

APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By: \_\_\_\_\_  
Deputy

RECOMMENDED FOR APPROVAL:

HEALTH CARE AGENCY

By: \_\_\_\_\_  
Director of Administration

COUNTY EXECUTIVE OFFICE

By: \_\_\_\_\_  
Real Estate Manager

SIGNED AND CERTIFIED THAT A  
COPY OF THIS DOCUMENT HAS BEEN  
DELIVERED TO THE CHAIR OF THE BOARD  
PER GC § 25103, RESO. 79-1535

Attest:

COUNTY

COUNTY OF ORANGE

\_\_\_\_\_  
ROBIN STIELER  
Clerk of the Board of Supervisors  
of Orange County, California

\_\_\_\_\_  
Chairwoman of the Board of Supervisors  
Orange County, California

# Attachment A

## LANDLORD'S CONSENT

Landlord consents and agrees to the provisions of Section 3.5 of the foregoing Agreement, which Agreement was entered into at Landlord's request. The foregoing Agreement shall not alter, waive or diminish any of Landlord's obligations under the Mortgage or the Lease. The above Agreement, once fully-executed, satisfies any obligations of Administrative Agent under the Mortgage and related Loan Documents to enter into a nondisturbance agreement with Tenant. Landlord is not a party to the above Agreement.

LANDLORD:

W-GL 1241 OCBC HOLDINGS VIII, L.P., a  
Delaware limited partnership

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

STATE OF ILLINOIS                    )  
  ) ss.  
COUNTY OF COOK                    )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me, the undersigned notary public, personally appeared \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that she signed it voluntarily for its stated purpose.

Given under my hand and official seal, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.



# Attachment A

## SCHEDULE A

### Description of Landlord's Premises

Real property in the City of Santa Ana, County of Orange, State of California, described as follows:

PARCEL B: (1241 Dyer Rd.)

PARCEL 2 AS SHOWN ON LOT LINE ADJUSTMENT LLA 97-021, AS EVIDENCED BY DOCUMENT RECORDED MAY 12, 1998 AS INSTRUMENT NO. 19980292173 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 3 OF PARCEL MAP NO. 84-882, IN THE CITY OF SANTA ANA, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON THE MAP FILED IN BOOK 206, PAGES 22 THROUGH 31, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF SAID PARCEL 3 DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHERLY TERMINUS OF THAT CERTAIN COURSE IN THE EASTERLY LINE OF PARCEL 4 OF SAID PARCEL MAP, SHOWN AS HAVING A BEARING AND DISTANCE OF "NORTH 0° 29' 45" EAST 288.39 FEET" ON SAID PARCEL MAP; THENCE NORTH 0° 29' 45" EAST 92.51 FEET ALONG SAID EASTERLY LINE TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EASTERLY LINE NORTH 0° 29' 45" EAST 89.19 FEET; THENCE LEAVING SAID EASTERLY LINE SOUTH 59° 26' 17" EAST 44.68 FEET; THENCE SOUTH 30° 33' 43" WEST 77.19 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL C:

A NON-EXCLUSIVE EASEMENT FOR ROAD AND ACCESS PURPOSES OVER THAT PORTION OF PARCEL 4 AND LOT A OF PARCEL MAP NO. 79-908, AS SHOWN ON A MAP FILED IN BOOK 151, PAGES 26, 27 AND 28 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY, CALIFORNIA, AS CREATED BY RESTATED AND AMENDED EASEMENT AND MAINTENANCE AGREEMENT RECORDED MARCH 30, 1988 AS INSTRUMENT NO. 88-145016, OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT A; THENCE NORTH 0° 34' 20" EAST 246.96 FEET ALONG THE WESTERLY LINE OF SAID LOT A AND PARCEL 4; THENCE SOUTH 89° 05' 26" EAST 80.93 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT A, SAID EASTERLY LINE BEING A CURVE CONCAVE SOUTHEASTERLY HAVING A RADIUS OF 243.70 FEET, A RADIAL LINE TO SAID POINT BEARS NORTH 79° 04' 43" WEST; THENCE ALONG SAID EASTERLY LINE AND THE SOUTHERLY LINE OF SAID LOT A, THE FOLLOWING COURSES:

## Attachment A

SOUTHWESTERLY 44.06 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10° 21' 28" TO THE BEGINNING OF A COMPOUND CURVE CONCAVE EASTERLY HAVING A RADIUS OF 231.11 FEET, SOUTHERLY 77.34 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19° 10' 25" TO THE BEGINNING OF A REVERSE CURVE CONCAVE WESTERLY HAVING A RADIUS OF 208.81 FEET, SOUTHERLY 69.88 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 19° 10' 25", SOUTH 0° 33' 49" WEST 31.95 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 27.00 FEET SOUTHEASTERLY 42.25 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 89° 39' 15" TO A POINT OF CUSP WITH SAID SOUTHERLY LINE, AND NORTH 89° 05' 26" WEST 128.23 FEET TO THE POINT OF BEGINNING.

### PARCEL D:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS CREATED IN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENT FOR ORANGE COUNTY BUSINESS CENTER RECORDED JUNE 11, 2003 AS INSTRUMENT NO. 2003000683272 OF OFFICIAL RECORDS.

### PARCEL G:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS AS CREATED IN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT OF EASEMENT FOR ORANGE COUNTY BUSINESS CENTER RECORDED JUNE 11, 2003 AS INSTRUMENT NO. 2003000683272 OF OFFICIAL RECORDS.

# Attachment A

## EXHIBIT G

Project/Parcel No.:

Project Name:

### ESTOPPEL CERTIFICATE

TO:

As of the date of this Estoppel Certificate the undersigned, as a "tenant" under that lease dated \_\_\_\_\_, between \_\_\_\_\_ ("Lessor") and the County of Orange, a political subdivision of the State of California ("County"), does hereby acknowledge the following:

1. The aforesaid lease, subject to article 2 below, constitutes the entire agreement between Lessor and County and is in full force and effect.

2. (Check One)

☐ The aforesaid lease has not been modified, altered, or amended.

☐ The aforesaid lease has been modified pursuant to that document(s) attached

hereto.

3. The term of the lease is \_\_\_\_\_ years. The lease commenced on \_\_\_\_\_ and will expire on \_\_\_\_\_.
4. The term of the lease is subject to County's option to terminate/extend as follows:  
\_\_\_\_\_  
\_\_\_\_\_

5. The lease rental rate is \$ \_\_\_\_\_ per month, no rent has been paid in advance except as set forth in the lease, and County (in its capacity as "tenant," and not as a governmental agency) has received no notice of a prior assignment, hypothecation, or pledge of the lease from Lessor.

6. County has accepted and is now in possession of the leased premises.

7. The addresses for notices to be sent to County are set forth in Clause \_\_\_\_ (\_\_\_\_\_) of the lease.

8. County has no charge, lien, or claim of offset under this lease against rents or other charges due or to become due and, to the actual knowledge of County, Lessor is not now in default under the lease.

## Attachment A

APPROVED AS TO FORM  
OFFICE OF COUNTY COUNSEL

COUNTY  
COUNTY OF ORANGE

By \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Thomas A. Miller, Chief Real Estate Officer  
County Executive Office/Real Estate

Certificate Date: \_\_\_\_\_

# Attachment A

## EXHIBIT H

### **RULES AND REGULATIONS**

1. Intentionally omitted.
2. If Lessor objects in writing to any curtains, blinds, shades, screens or hanging plants or other similar objects attached to or used in connection with any window or door of the Premises, or placed on any windowsill that are visible from the exterior of the Premises, County shall immediately discontinue such use. County shall not place anything against or near glass partitions or doors or windows which may appear unsightly from outside the Premises.
3. County shall not obstruct any sidewalks, halls, passages, exits, entrances, elevators, escalators or stairways of the Project. The halls, passages, exits, entrances, elevators, escalators and stairways are not open to the general public, but are open, subject to reasonable regulations, to County's business invitees. Lessor shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Lessor would be prejudicial to the safety, character, reputation and interest of the Project and its tenants; provided that nothing herein contained shall be construed to prevent such access to persons with whom any tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal or unlawful activities. No tenant and no employee or invitee of any tenant shall go upon the roof(s) of any building in the Project.
4. The directory of the Building or the Project will be provided exclusively for the display of the name and location of tenants only and Lessor reserves the right to exclude any other names therefrom and to limit the amount of space thereon dedicated to County's name.
5. All cleaning and janitorial services for the Building and the Premises shall be provided exclusively through Lessor, and except with the written consent of Lessor, no person or persons other than those approved by Lessor shall be employed by County or permitted to enter the Project for the purpose of cleaning the same. County shall not cause any unnecessary labor by carelessness or indifference to the good order and cleanliness of the Premises. Lessor shall not in any way be responsible to County for any loss of property on the Premises, however occurring, or for any damage to any of County's property by the janitor or any other employee or any other persons.
6. Lessor will furnish County, free of charge, with two keys or access cards to each door lock in the Premises. Lessor may impose a reasonable charge for any additional keys. County shall not make or have made additional keys, and County shall not alter any lock or install any new additional lock or bolt on any door of the Premises. If County loses any keys, Lessor may change the lock at County's expense. County, upon the termination of its tenancy, shall deliver to Lessor the keys to all doors which have been furnished to County, and in the event of loss of any keys so furnished, shall pay Lessor therefor and for the cost of replacing the lock.
7. If County requires telegraphic, telephonic, burglar alarm, satellite dishes, antennae or similar services, it shall first obtain, and comply with, Lessor's instructions in their installation.

## Attachment A

8. Freight elevator(s) shall be available for use by all tenants in the Building, subject to such reasonable scheduling as Lessor, in its discretion, shall deem appropriate. No equipment, materials, furniture, packages, supplies, merchandise or other property will be received in the Building or carried in the elevators except between such hours and in such elevators as may be designated by Lessor. All loading, unloading, receiving or delivery of goods, supplies, furniture or other items will be made only through entryways provided for such purposes. County's initial move in and subsequent deliveries of bulky items, such as furniture, safes and similar items shall unless otherwise agreed in writing by Lessor, be made during the hours of 6 p.m. to 6 a.m. or on Saturday or Sunday. Deliveries during Building Hours shall be limited to normal office supplies and other small items. No deliveries shall be made which impede or interfere with other tenants or the operation of the Building. County will be responsible for all claims arising from any injuries sustained by any person resulting from the delivery or moving of any articles by or for County.

9. County shall not place a load upon any floor of the Premises which exceeds the load per square foot which such floor was designed to carry and which is allowed by Law. Lessor shall have the right to prescribe the weight, size and position of all equipment, materials, furniture or other property brought into the Building. Heavy objects shall, if considered necessary by Lessor, stand on such platforms as determined by Lessor to be necessary to properly distribute the weight, which platforms shall be provided at County's expense. Business machines and mechanical equipment belonging to County, which cause noise or vibration that may be transmitted to the structure of the Building or to any space therein to such a degree as to be objectionable to Lessor or to any tenants in the Building, shall be placed and maintained by County, at County's expense, on vibration eliminators or other devices sufficient to eliminate noise or vibration. The persons employed to move such equipment in or out of the Building must be acceptable to Lessor. Lessor will not be responsible for loss of, or damage to, any such equipment or other property from any cause, and all damage to, any such equipment or other property from any cause, and all damage done to the Building by maintaining or moving such equipment or other property shall be repaired at the expense of County.

10. County shall not use or keep in the Premises any kerosene, gasoline or inflammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment. County shall not use or permit to be used in the Premises any foul or noxious gas or substance, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Lessor or other occupants of the Building by reason of noise, odors or vibrations.

11. Intentionally omitted.

12. County shall not waste electricity, water or air conditioning and agrees to cooperate fully with Lessor to assure the most effective operation of the Building's heating and air conditioning and to comply with any governmental energy saving rules, laws or regulations of which County has actual notice, and shall refrain from attempting to adjust controls. County shall keep corridor doors closed. County will not overload any utilities serving the Premises.

13. Lessor reserves the right, exercisable without notice and without liability to County, to change the name and street address of the Building, and/or install, replace or change any signs in, on or about the Common Areas, the Building or the Project.

## Attachment A

14. Persons may enter the Building only in accordance with such regulations as Lessor may from time to time establish. Persons entering or departing from the Building may be questioned as to their business in the Building, and Lessor may require the use of an identification card or other access device or procedures, and/or the registration of persons as to the hour of entry and departure, nature of visit, and other information deemed necessary for the protection of the Building. All entries into and departures from the Building will be through one or more entrances as Lessor from time to time designates. Lessor may elect not to enforce some or all of the foregoing during Business Hours or other times, but reserves the right to do so at Lessor's discretion. Lessor may also, at its discretion, utilize other procedures (including, without limitation, screening devices, physical inspections and/or other means) reasonably designed to prevent weapons or dangerous items from being brought into the Building. County will cooperate with all such procedures.

15. Lessor reserves the right to exclude from the Building between the hours of 7 p.m. and 7 a.m. the following day, or such other hours as may be established from time to time by Lessor, and on Sundays and legal holidays, any person unless that person is known to the person or employee in charge of the Building or has a pass or is properly identified. County shall be responsible for all persons for whom it requests passes and shall be liable to Lessor for all acts of such persons. Lessor shall not be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. Lessor reserves the right to prevent access to the Building in case of invasion, mob, riot, public excitement or other commotion by closing the doors or by other appropriate action.

16. County shall close and lock the doors of its Premises and entirely shut off all water faucets or other water apparatus, and electrical appliances, gas or air outlets before County and its employees leave the Premises. County shall be responsible for any damage or injuries sustained by other tenants or occupants of the Building or by Lessor for noncompliance with this rule.

17. Intentionally omitted.

18. The toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the County who, or whose employees or invitees, shall have caused it.

19. Intentionally omitted.

20. Except as expressly provided in the Lease to which these rules and regulations are attached, County shall not install any radio or television antenna, loudspeaker, satellite dishes or other devices on the roof(s) or exterior walls of the Building or the Project. County shall not interfere with radio or television broadcasting or reception from or in the Project or elsewhere.

21. County shall not mark, drive nails, screw or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof, except in accordance with the provisions of this Lease pertaining to Alterations. Lessor reserves the right to direct electricians as to where and how telephone and telegraph wires are to be introduced to the Premises. County

## Attachment A

shall not drill or bore holes for wires. County shall not affix any floor covering to the floor of the Premises in any manner except as approved by Lessor. County shall repair any damage resulting from noncompliance with this rule. County may not place floor mats (including chair mats) on carpeted areas of the floor in the Premises, unless the mats are breathable and approved by Lessor in advance of use.

22. County shall not install, maintain or operate upon the Premises any vending machines without the prior written consent of Lessor.

23. Canvassing, soliciting and distribution of handbills or any other written material, and peddling in the Project are prohibited, and County shall cooperate with Lessor to prevent such activities.

24. Lessor reserves the right to exclude or expel from the Project any person who, in Lessor's judgment, is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Rules and Regulations of the Building.

25. County shall store all its trash and garbage within its Premises or in other facilities provided by Lessor. County shall not place in any trash box or receptacle any material which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All garbage and refuse disposal shall be made in accordance with directions issued from time to time by Lessor. County will cooperate with any recycling program at the Project.

26. The Premises shall not be used for the storage of merchandise held for sale to the general public, or for lodging or for manufacturing of any kind, nor shall the Premises be used for any improper, immoral or objectionable purpose. No cooking shall be done or permitted on the Premises without Lessor's consent, except the use by County of Lessor-approved equipment for brewing coffee, tea, hot chocolate and similar beverages shall be permitted, and the use of a microwave oven for employees' use shall be permitted, provided that such equipment and use is in accordance with all applicable Laws.

27. Intentionally omitted.

28. Without the written consent of Lessor, County shall not use the name of the Building, the Project, Lessor or any entity that comprises Lessor in connection with or in promoting or advertising the business of County except as County's address.

29. County shall comply with all safety, fire protection and evacuation procedures and regulations established by Lessor or any governmental agency. County shall provide Lessor with the name of a designated responsible employee to represent County in all matters pertaining to such fire or security regulations.

30. County assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.



## Attachment A

31. To the extent Lessor reasonably deems it necessary to exercise exclusive control over any portions of the Project common areas for the mutual benefit of the tenants in the Project, Lessor may do so subject to nondiscriminatory additional Rules and Regulations.

32. Intentionally omitted.

33. Intentionally omitted.

34. These Rules and Regulations are in addition to, and shall not be construed in any way to modify or amend, in whole or in part, the terms, covenants, agreements and conditions of this Lease.

35. Lessor reserves the right to make such other and reasonable Rules and Regulations as, in its judgment, may from time to time be needed for safety and security, for care and cleanliness of the Project and for the preservation of good order therein. County agrees to abide by all such Rules and Regulations herein above stated and any additional rules and regulations which are adopted.

36. County shall be responsible for the observance of all of the foregoing rules by County's employees, agents, clients, customers, invitees and guests.

37. County will not bring any bicycles or other vehicles or any kind into the Building, except for appropriate vehicles necessary for assisting the disabled.

38. If any carpeting or other flooring is installed by County using an adhesive, such adhesive will be odorless releasable adhesive.

39. Smoking is not permitted anywhere upon the Project, except in such areas (if any) located outside of the Building as may be expressly designated as permitted smoking areas in writing from time to time by Lessor in its sole and absolute discretion. County will not allow any smoking anywhere within the Building. All smoking materials must be disposed of in ashtrays or other appropriate receptacles provided for that purpose.

40. No dog or other animal is allowed in the Building, except for animals assisting the disabled.

# Attachment A

## EXHIBIT I

### SIGNAGE

