

West Annex Community Customer Service Center 15496 Magnolia Street

Westminster, CA 92683

LEASE FIRST AMENDMENT TO LEASE

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, 2017

("Effective Date") by and between CHARLES H. MANH and ANH MANH, Co-Trustees of the MANH

FAMILY TRUST, under declaration of trust dated August 15, 2006, (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. LESSOR and COUNTY

may individually be referred to herein as a "Party" and collectively as the "Parties."

THIS IS A LEASE (hereinafter referred to as "Lease"), made July 1, 2016, ("Effective Date") by and between CHARLES H. MANH and ANH MANH, Co-Trustees of the MANH FAMILY TRUST, under declaration of trust dated August 15, 2006 ("LESSOR") and the COUNTY OF ORANGE, a political

subdivision of the State of California ("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.

RECITALS

- I. Pursuant to a lease agreement dated July 1, 2016 ("Lease"), LESSOR leases to COUNTY

 approximately 2,120 rentable square feet of office space ("Premises") in the building located at

 15496 Magnolia Street, in the City of Westminster, California ("Building") for use by the Social

 Services Agency, which Premises is more particularly described on Exhibit A and Exhibit B of the
 Lease.
- II. The original Lease term of one (1) year commenced on July 1, 2016.
- III. LESSOR and COUNTY are willing to amend the Lease to extend the term of the Lease for an additional four (4) years through June 30, 2021 under the terms and conditions set forth below.
- 1. **DEFINITIONS** (1.2 S)

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

"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.

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"CEO Real Estate" means the County Executive Office's Real Estate team, or upon written notice to LESSOR, such other person or entity as shall be designated by the Chief Real Estate Officer, County of Orange, or designee.

"Chief Real Estate Officer" means the Chief Real Estate Officer for the 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 r the Board of Supervisors.

"County Counsel" means the County Counsel, 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.

"Risk Manager" 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.

2. PREMISES (1.3 S)

LESSOR leases to COUNTY that certain property consisting of 2,120 square feet, located at 15496 Magnolia Street, Suite 111, Westminster, CA and described in Exhibit A and shown on Exhibit B, which exhibits are attached hereto and by reference made a part hereof (hereinafter referred to as "**Premises**"), together with non-exclusive, in common use of LESSOR's elevators, stairways, washrooms, hallways, parking areas, driveways for vehicle ingress and egress, pedestrian walkways, other facilities and common areas appurtenant to the Premises created by this Lease.

3. PARKING (1.4 S)

LESSOR, throughout the term of this Lease, shall provide a total of thirteen (13) parking spaces for COUNTY's free and non-exclusive use. Said parking spaces are to be located in the parking areas adjacent to the Premises. LESSOR shall designate three (3) parking spaces adjacent to the Premises to be reserved for use by COUNTY clients. Said parking spaces shall contain signs above the space indicating that the spaces are reserved for COUNTY use.

In addition to said parking spaces, LESSOR shall also provide parking for disabled persons 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.

A. Clause 4. TERM (2.2 N) is hereby deleted in its entirety from the Lease and replaced with the following:

4. TERM (2.2 N)

The term of this Lease commenced on July 1, 2016 ("Commencement Date"), and will terminate on June 30, 2021 ("Term"). "The term of this Lease shall be one (1) year ("Term"), commencing upon the first of the next month following execution of this Lease by the COUNTY Chief Real Estate Officer or upon LESSOR's delivery and COUNTY's acceptance of the Premises, whichever is later ("Commencement Date").

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

B. Clause 5. RENT (3.1 N) is hereby deleted in its entirety from the Lease and replaced with the <u>following:</u>

5. RENT (3.1 N)

COUNTY agrees to pay LESSOR as rent for the Premises the sum of Five Thousand Dollars (\$5,000.00) per month pursuant to the following rent payment schedule ("Rent").

MONTH	MONTHLY RENT	MONTH	MONTHLY RENT
1	\$0.00	7	\$5,000.00
2	\$0.00	8	\$5,000.00
3	\$5,000.00	9	\$5,000.00
4	\$5,000.00	10	\$ 5,000.00
5	\$5,000.00	11	\$ 5,000.00
6	\$5,000.00	12	\$ 5,000.00

The monthly rent payable by COUNTY for the Premises shall be automatically adjusted as follows:

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Commencing	Monthly	Per Square
Atta	Foot	
July 1, 2017	\$6,524	\$3.08
July 1, 2018	<u>\$6,720</u>	\$3.17
July 1, 2019	<u>\$6,921</u>	\$3.26
July 1, 2020	\$7.129	\$3.36

The is the

"Monthly Rent," above, amount to be paid by the

COUNTY. The "Per Square Foot" rate, above, is an estimate for statistical purposes only and for no other purpose.

To obtain rent payments LESSOR (or LESSOR's designee) shall submit to the COUNTY, in a form acceptable to said COUNTY, a written claim for payment of applicable Rent and COUNTY's share of the NNN Expenses, as defined in Section 6, below.

Payment shall be due and payable by direct deposit into a bank account specified by LESSOR 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 COUNTY.

Should COUNTY occupy the Premises before the Commencement Date, LESSOR shall be entitled to pro rata Rent for the period of occupancy occupied prior to the Commencement Date based upon the monthly Rent above. Said Rent shall be included in the rent claim submitted by LESSOR for the first full month of the Term and shall be paid by COUNTY at the time of payment for said month.

6. REIMBURSEMENT OF LESSOR'S OPERATING EXPENSES (6.0 N)

LESSOR and COUNTY agree pursuant to <u>Section 5</u>, above, that COUNTY shall pay the fixed amount of \$657.20 (\$.31/sf/mo.) per month for the term of the lease, as reimbursement for COUNTY's pro rata share of LESSOR's expenses related to the items described in Section 6A, 6B, 6C and 6D of this Lease for the property in which the Premises is located ("**NNN Expenses**"). LESSOR shall submit to COUNTY a separate monthly invoice .in addition to the monthly Rent invoice.

The pro rata share of LESSOR's NNN Expenses as defined above is determined according to the gross leasable area of the Premises as it relates to the total gross leasable area of the building that contains the Premises. The percent of COUNTY's occupancy which LESSOR and COUNTY agree is 12.47% (the "**pro rata share**"): the Premises is 2,120 gross square feet; and the total building area is 17,000 gross square feet.

COUNTY shall reimburse LESSOR for COUNTY's pro rata share of the NNN Expenses only for the items in Section 6A, 6B and 6C and 6D below:

- A. Property Taxes and Property Tax Assessments pursuant to <u>Section 13</u> of this Lease.
- B. Maintenance and repair, and janitorial services for the common area restrooms in the building in which the Premises is located pursuant to Section 9 of this Lease.
- C. Common area maintenance and repair of the building, parking lots, landscaping, lighting, and other common area maintenance and repair costs pursuant to <u>Section 9</u> of this Lease.
- D. Commercial Property Insurance and Commercial General Liability Insurance pursuant to <u>Section</u> 11 of this Lease.

7. ALTERATIONS (4.4 S)

COUNTY may make improvements and changes in the Premises, including but not limited to the installation of fixtures, partitions, counters, shelving, and equipment as deemed necessary or appropriate. 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, who shall have the right to remove same. COUNTY agrees that the Premises shall be left in as good condition as when received, reasonable wear and tear excepted.

8. ORANGE COUNTY INFROMATION TECHNOLOGY SYSTEM S (OCIT) (4.5 N)

LESSOR agrees that COUNTY may install, at COUNTY's sole cost and expense, computer and telecommunication devices in, on, or around the Premises and LESSOR's building in accordance with COUNTY's plans and specifications provided that the provisions of the Clause entitled ALTERATIONS, of this Lease, 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.

9. Clause 9. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 S) is hereby deleted from the Lease and the following is substituted:

"9. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 N)

1. 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 and Building and 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

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with the exception that COUNTY shall reimburse LESSOR for any expense incurred for repairing plumbing defects caused by the introduction of foreign matter into the plumbing fixtures, electrical and mechanical systems, fire/life safety system, elevators, roof, paving, fire extinguishers and pest control, and whether capital or non-capital (collectively, and together with the janitorial services described in Clause 9(D) below, 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. 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. Such repair, maintenance and replacement shall be made promptly to keep the Premises and the Building in the condition described in this Clause 9. Should LESSOR default in its obligations under this clause, the COUNTY may exercise those remedies set forth in Clause 9(B) of this Lease.

- 2. County Remedies. If LESSOR fails to provide the Services within fifteen (15) days after SSA/Facilities Services Manager provides written notice thereof to LESSOR specifying any such default and affording LESSOR such fifteen (15) day period to complete the cure of such default, provided, however, that if the cure cannot reasonably be completed within such time period, LESSOR shall be afforded an additional reasonable amount of time to complete the cure, as long as LESSOR commences the cure within such time period and diligently pursues same to completion, without limiting any available remedy to COUNTY, COUNTY may, upon written notice to LESSOR and LESSOR's lender, to the extent contact information for such lender has been provided in writing to COUNTY, and, at its sole discretion, perform or arrange for the performance of such Services, and deduct the cost thereof plus and administrative charge of ten percent (10%) of the cost from any Monthly Rent payable without further notice. Additionally, in the event that LESSOR fails to provide required Services to the Premises sixty (60) days after the 15-day written notice, above, to LESSOR, LESSOR shall be obligated to pay a penalty to COUNTY of Twenty Five Dollars (\$25) per day until such Services are provided by LESSOR.
- 3. Warranties. LESSOR shall initiate at purchase, and keep in force, all manufacturers' warranties including extended warranties for all building equipment. When manufacturer's 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 upon receipt of any inspection report. LESSOR shall authorize Vendors to provide COUNTY with copies of said reports upon COUNTY request. Should LESSOR fail to comply with the provisions of this clause, COUNTY may exercise those remedies set forth in Clause 9(B).

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- 4. Janitorial Services. Janitorial supplies and services shall be provided to the Premises consistent with the past practices of LESSOR at the Premises during COUNTY's tenancy on a five (5) day- per-week basis in accordance with Exhibit D (JANITORIAL SPECIFICATIONS). In addition, upon request of COUNTY, LESSOR agrees to provide a copy of the contract with janitorial services as described in Exhibit D, to COUNTY. LESSOR understands that these services are a material consideration of this Lease to COUNTY. Should LESSOR fail to comply with the provisions of this Clause, COUNTY may exercise those remedies set forth in Clause 9(B).
- 5. Code Compliance. LESSOR shall be 100% responsible throughout the Term for any cost in the Premises, including all parking facilities, walkways, entrances, hallways and other public spaces, restrooms, and other devices or pathways for ingress and egress to the Premises regardless of cause with all the requirements of the Americans with Disabilities Act ("ADA") and all regulations issued by the U.S. Attorney General or other agencies under the authorization of the ADA, California Building Code, Title 24, Seismic Code, Fire and Life Safety requirements and, if applicable, California Green Building Standard Code. 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 agrees to reimburse and indemnify, and defend COUNTY for any expenses incurred because of the failure of the Premises to conform with the above cited law and regulations, 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 law and regulations, and all reasonable legal expenses incurred in defending claims made under the above-cited law and regulations, including reasonable attorneys' fees. Should LESSOR fail to comply with the provisions of this Clause, the COUNTY may exercise those remedies set forth in Clause 9(B).
- 6. **HVAC System**. Air conditioning will be supplied to cause the temperature in Premises at a temperature consistent with other office buildings in Orange County, California, which are typically not less than 73° F nor greater than °75 F, during all COUNTY Working Hours.

Said temperature requirements shall be maintained during COUNTY's normal business operating hours ("COUNTY Working Hours") which are:

Hours of Operation Days of Operation

8:00 a.m. to 6:00 p.m. Monday through Friday

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Except for COUNTY Holidays, which holidays shall be provided to LESSOR on a yearly basis upon request to COUNTY. Some additional overtime hours may be used from time-to-time on any day, including Sundays, but said overtime hours shall be restricted to a timer or other limiting measures agreed to by LESSOR and COUNTY.

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

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 upon written notice. Should LESSOR fail to reimburse COUNTY within thirty (30) days, COUNTY may deduct the amount of the fine and/or penalty from any Monthly Rent payable without further notice.

7. Emergency Services. If LESSOR or its representative cannot be contacted by COUNTY for emergency repairs, as determined by the COUNTY, and/or Services the same day any emergency repairs and/or Services are necessary to remedy the emergency condition or to prevent imminent danger to persons or property, or if LESSOR following such contact by COUNTY is unable or refuses to make the necessary emergency repairs or provide the necessary Services, COUNTY may at its option have the necessary repairs made and/or provide Services to remedy the emergency condition, and deduct the cost thereof, including labor, materials, and overhead from any Monthly Rent payable without further notice.

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- 8. County Misconduct. In the event any damage to the Premises or any systems therein is caused as a result of the negligence or willful misconduct of COUNTY employees or contractors, repairs are to be made by LESSOR, but the cost of such repairs shall be reimbursed by COUNTY, together with an administrative fee of five percent (5%) of such cost, within sixty (60) days from receipt of an invoice by LESSOR detailing materials and labor and paid in accordance with Clause 5 (RENT).
- A. Operations Shutdown.
- B. Should COUNTY be forced to completely shut down its operations within the Premises due to LESSOR's failure to provide Services required by this Clause 9 for a period of three (3) consecutive days, excluding weekends and holidays, and subject to the provisions of Section 4 of the General Conditions to this Lease, LESSOR shall be obligated to pay a penalty to COUNTY of Two Hundred Dollars (\$200) per day. Should LESSOR's obligation to pay a penalty arise as a result of a shut down due to LESSOR's failure to provide said Services as set forth herein, LESSOR shall pay COUNTY within thirty (30) days of written notice. Should LESSOR fail to pay COUNTY within thirty (30) days, COUNTY may deduct the amount of the penalty from any Monthly Rent payable without further notice."

9. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 N)

LESSOR shall keep, maintain, and repair the building and other improvements upon the Premises in good and sanitary order and condition (except as otherwise provided in this Lease) including without limitation, the maintenance and repair of the roof, parking lot, sidewalks, common area restrooms including janitorial supplies and services, landscaping, store front, doors, window casements, glazing, plumbing, pipes, electrical wiring, and conduits, and the heating and air conditioning system including the maintenance of a service contract with a heating and air conditioning contractor, as necessary to maintain the property in which the Premises is located in good and sanitary order, condition, and repair. COUNTY shall reimburse LESSOR for the County's pro rata share of said expenses in accordance with Section 6 of the Lease. Notwithstanding the language in the paragraph above, COUNTY shall provide at its own cost and expense all repair and maintenance and services to the interior of the Premises.

A. Heating, Ventilation and Air Conditioning System (HVAC)

During all operating hours the HVAC system serving the Premises, to be repaired and maintained by the LESSOR, shall be capable of maintaining the Premises at 78° Dry Bulb at a maximum range of 40% to 60% Relative humidity during the summer when the outdoor temperature is 95° Dry Bulb, and at 68° Dry Bulb in the winter when the outside temperature is 35° Dry Bulb.

In order for the COUNTY to comply with the California Code of Regulations, Title 8, Section 5142, and as it may be subsequently amended, LESSOR shall inspect the HVAC system at least once

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annually or on a schedule agreed to in writing by LESSOR and COUNTY, and provide repair and maintenance accordingly. LESSOR's inspections and maintenance of the HVAC system shall be documented in writing. The LESSOR shall at a minimum, maintain a record of: (a) the name of the individual(s) inspecting and/or maintaining the system, (b) the date of the inspection and/or maintenance, and (c) the specific findings and actions taken. The LESSOR shall ensure that such records are retained for at least five (5) years. The 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 from COUNTY. 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, LESSOR shall reimburse COUNTY for said fines and/or penalties within thirty (30) days upon written notice. Should LESSOR fail to reimburse COUNTY within thirty (30) days, COUNTY may deduct the amount of the fine and/or penalty from any rent payable.

B. Janitorial Supplies and Services

LESSOR shall provide janitorial supplies and services on a five day per week basis (Monday through Friday) to the common areas and common area restrooms in accordance with Exhibit D (JANITORIAL SPECIFICATIONS) attached hereto and by reference made a part hereof.

If LESSOR fails to provide satisfactory janitorial supplies to Premises, the Chief Real Estate Officer, or designee may notify LESSOR either verbally or in writing; and if LESSOR does not provide janitorial supplies within twenty-four (24) hours after LESSOR has received such written notice from COUNTY, COUNTY may provide the janitorial supplies necessary or have others do so, and deduct the cost thereof, including labor, materials and COUNTY's administrative costs from any rent payable.

If LESSOR or its representative cannot be contacted by COUNTY for emergency repairs and/or services the same day any emergency repairs and/or services are necessary to remedy the emergency condition, or if LESSOR following such contact by COUNTY is unable or refuses to make the necessary repairs within a reasonable time or provide the necessary services, as determined by the Chief Real Estate Officer, COUNTY may at its option have the necessary repairs made and/or provide services to remedy the emergency condition, and deduct the cost thereof, including labor, materials and COUNTY's administrative costs from any rent payable.

10. ELECTRIC UTILITIES (5.2 N)

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LESSOR shall be responsible for and pay, prior to the delinquency date, all charges for electric utilities supplied to the exterior of the Premises and to the common areas of the property in which the Premises is located.

INSURANCE (5.3 S)

Commercial Property Insurance: LESSOR shall obtain and keep in force during the term of this Lease a policy or policies of commercial property insurance 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 COUNTY by the insurance company issuing said policy or policies. LESSOR shall provide COUNTY 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. Name COUNTY as an additional insured;
- b. Shall be primary, and any insurance or self-insurance maintained by COUNTY 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; 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

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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.

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.

11. INDEMNIFICATION (5.5 A S)

C. Clause 11. INDEMNIFICATION (5.5 A S) is hereby deleted in its entirety from the Lease and replaced with the following:

"Clause 11. INDEMNIFICATION (5.5 A S)

COUNTY shall defend, indemnify and save harmless LESSOR and the LESSOR Parties, from and against any and all claims, demands, losses, or liabilities of any kind or nature which LESSOR or the LESSOR Parties may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the negligence or intentional misconduct of COUNTY or the COUNTY Parties, in connection with the occupancy and use of the Premises by COUNTY or the COUNTY Parties.

Likewise LESSOR shall defend, indemnify and save harmless COUNTY and COUNTY Parties from and against any and all claims, demands, losses, or liabilities of any kind or nature which COUNTY or the COUNTY Parties may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the negligence or intentional misconduct of LESSOR or the LESSOR Parties, in connection with the maintenance or use of the Premises by LESSOR or the LESSOR Parties." LESSOR shall defend, indemnify and save harmless COUNTY and COUNTY Parties from and against any and all claims, demands, losses, or liabilities of any kind or nature which COUNTY or the COUNTY Parties may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property as a result of, or arising out of, the negligence or intentional misconduct of LESSOR or the LESSOR Parties, in connection with the maintenance or use of the Premises by LESSOR or the LESSOR Parties.

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12. TAXES AND ASSESSMENTS (5.6 N)

All taxes and assessments which become due and payable upon the Premises shall be the full responsibility of LESSOR, and LESSOR shall cause said taxes and assessments to be paid prior to the due date. COUNTY shall reimburse LESSOR for its proportionate share of Taxes and Assessments pursuant to Section 5 of this Lease.

13. BUILDING AND SAFETY REQUIREMENTS (5.7 S)

During the full term 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.

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.

LESSOR further agrees to 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.

In the event LESSOR neglects, fails, or refuses to maintain said Premises as aforesaid, COUNTY may, notwithstanding any other termination provisions contained herein:

A. Terminate this Lease; or

B. 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 from the rent.

14. TOXIC MATERIALS (5.9 S)

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 defend, 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.

Likewise, LESSOR hereby warrants and represents that LESSOR has in the past and will hereafter 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"). LESSOR shall be responsible for and shall defend, indemnify and hold COUNTY, 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 previous, current and future storage, use and disposal of Toxic Materials on the Premises (or building if the Premises comprises only a portion of said building) by LESSOR. 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 level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination, LESSOR shall promptly take any and all action necessary to clean up such contamination.

15. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE (6.4 S)

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; 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.

In the event of transfer of title to 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, this Lease is contingent upon LESSOR's obtaining a Subordination, Attornment and Non-Disturbance Agreement from LESSOR's lender, within thirty (30) days of LESSOR's execution of this Lease. LESSOR shall require all future lenders on the Premises upon initiation of their interest in the Premises, 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 in the form of COUNTY's standard form Subordination, Attornment and Non-Disturbance Agreement shown on Exhibit E, attached hereto and by reference made a part hereof, or in a form approved by the Chief Real Estate Officer, and County Counsel.

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 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 the 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.

16. ESTOPPEL CERTIFICATE (6.5 S)

COUNTY agrees that the County Executive Officer shall furnish from time to time 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, COUNTY's standard form Estoppel Certificate containing information as to the current status of the Lease. The Estoppel Certificate shall be approved by the Chief Real Estate Officer, and County Counsel.

17. DEFAULTS AND REMEDIES (6.8 S)

The occurrence of any of the following shall constitute an event of default:

• Failure to pay any installment of any monetary amount due and payable hereunder;

• Failure to perform any obligation, agreement or covenant under this Lease.

In the event of any non-monetary breach of this Lease by COUNTY, LESSOR shall notify COUNTY in writing of such breach, and COUNTY shall have fifteen (15) days in which to initiate action to cure said breach.

In the event of any non-monetary breach of this Lease by LESSOR, COUNTY shall notify LESSOR in writing of such breach and LESSOR shall have fifteen (15) days in which to initiate action to cure said breach.

In the event of any monetary breach of this Lease by COUNTY, LESSOR shall notify COUNTY in writing of such breach, and COUNTY shall have fifteen (15) days in which to cure said breach, unless specified otherwise within this Lease.

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 fifteen (15) days in which to cure said breach, unless specified otherwise within this Lease.

18. **DEBT LIMIT (6.9 S)**

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. Such rights or remedies may include a right to continue the COUNTY's right of possession under the Lease and sue for the rent as it becomes past due.

19. LABOR CODE COMPLIANCE (6.10 S)

LESSOR acknowledges and agrees that all improvements or modifications required to be performed as a condition precedent to the commencement of the term of this Lease or any such future improvements or modifications performed by LESSOR at the request of COUNTY 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.). These provisions are applicable to improvements or modifications costing more than \$1,000.

Pursuant to the provisions of Section 1773 of the Labor Code of the State of California, the Orange County Board of Supervisors has obtained 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 from the Director of the State Department of Industrial Relations. Copies of said prevailing wage rates may be obtained from the State of California, Department of Industrial Relations, or the County Executive Officer.

 LESSOR hereby agrees to pay or cause its contractors and/or subcontractors to pay said prevailing wage rates at all times for all improvements or modifications to be completed for COUNTY within the premises, and LESSOR herein agrees that LESSOR shall post, or cause to be posted, a copy of the most current, applicable prevailing wage rates at the site where the improvements or modifications are performed.

Prior to commencement of any improvements or modifications, LESSOR shall provide the County Executive Officer with the applicable certified 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. LESSOR shall provide, the County Executive Officer bi-weekly updated, certified payroll records for all workers that include, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

If LESSOR neglects, fails, or refuses to provide said payroll records to the County Executive Officer, such occurrence shall constitute an event of default of this lease and COUNTY may, notwithstanding any other termination provisions contained herein:

A. Terminate this Lease; or

B. At COUNTY's sole option, COUNTY may deduct future rent payable to LESSOR by COUNTY as a penalty for such non-compliance of paying prevailing wage, which rent deduction would be COUNTY's estimate, in its sole discretion, or such prevailing wage rates not paid by LESSOR.

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.

Clause 20. CHILD SUPPORT ENFORCEMENT REQUIREMENTS (6.12 S) is hereby deleted from the Lease.

20. CHILD SUPPORT ENFORCEMENT REQUIREMENTS (6.12 S)

In order to comply with child support enforcement requirements of the County of Orange, within thirty (30) days after COUNTY's execution of this Lease agreement, LESSOR agrees to furnish the County Executive Officer, COUNTY's standard form, *Child Support Enforcement Certification Requirements*, which includes the following information:

A. In the case where LESSOR is doing business as an individual, LESSOR's name, date of birth, Social Security number, and residence address;

B. In the case where LESSOR is doing business in a form other than as an individual, the name, date of birth, Social Security number, and residence address of each individual who owns an interest of ten (10) percent or more in the contracting entity;

C. A certification that the LESSOR has fully complied with all applicable federal and state reporting requirements regarding its employees; and

D. A certification that the LESSOR has fully complied with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment, and will continue to so comply.

Failure of LESSOR to timely submit the data and/or certifications required above or to comply with all federal and state reporting requirements for child support enforcement, or to comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment, shall constitute a material breach of this Lease. Failure to cure such breach within sixty (60) calendar days of notice from the County Executive Officer shall constitute grounds for termination of this Lease.

Notwithstanding any other provisions of this Lease, LESSOR shall be given an opportunity to cure as follows:

2.7

Attachment F

- A. A notice of any claimed failure to comply shall be given to LESSOR, in writing, by personal delivery, or facsimile transmission, from the County Executive Officer. The written notice shall state the specific data or certification required, the specific federal or state reporting requirements for child support enforcement that has not been complied with or the specific Wage and Earnings Assignment Order and Notice of Assignment that has not been complied with; and
- B. LESSOR shall have sixty (60) days from the actual receipt of the written notice to cure the failure to comply specified in the notice, provided that LESSOR's performance to cure within sixty (60) days is not hindered, impaired or prevented by federal, state or local agencies. If the claimed failure as set forth in the written notice is failure to perform an act by a certain time, the failure of performance of said certain act by said certain time shall be deemed cured for purposes of this Lease if it is timely performed in accordance with the provisions of this paragraph.

It is expressly understood that this data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders and will not be used for any other purpose.

21.20. RIGHT TO WORK AND MINIMUM WAGE LAWS (6.13 S)

In accordance with the United States Immigration Reform and Control Act of 1986, LESSOR shall require its employees that directly or indirectly service the Premises or terms and conditions of this Lease, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. 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.

Pursuant to the United States of America Fair Labor Standard Act of 1938, as amended, and State of California Labor Code, Section 1178.5, 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.

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.

Notwithstanding the minimum wage requirements provided for in this clause, LESSOR, where applicable, 1 shall comply with the prevailing wage and related requirements, as provided for in the Clause entitled 2 LABOR CODE COMPLIANCE of this Lease. 3 4 5 22.21. _AUTHORITY (N) 6 The Parties to this Lease represent and warrant that this Lease has been duly authorized and executed and 7 constitutes the legally binding obligation of their respective organization or entity, enforceable in 8 accordance with its terms. 9 Clause 23. NOTICES (8.1 S) is hereby deleted in its entirety from the Lease and replaced with the 10 11 following: 23.22. **NOTICES (8.1 S)** 12 13 All notices given pursuant to this Lease shall be in writing (unless otherwise specified herein), 14 addressed as set forth below or as either Party may hereafter designate by notice and shall be deemed 15 delivered (a) upon personal delivery (which shall include delivery by a courier or overnight delivery 16 17 service), or (b) delivery by e-mail transmission (provided that a copy of such notice is concurrently sent by one of the other methods of service) but only if sent during COUNTY Working Hours, or 18 otherwise on the next business day, or (c) seventy-two (72) hours after deposit in the United States 19 Mail. 20 21 22 23 TO: LESSOR TO: COUNTY 24 25 County of Orange Charles Manh and Anh Manh 26 Social Services Agency Manh Family Trust 27 500 N. State College Boulevard, 6th Floor 8990 Westminster Blvd., Second Floor Orange, CA 92868 28 Westminster, CA 92683 Attn: Director, Administrative Services 29 E-mail: CharlieManh@ Hotmail.com Phone: (714) 541-7712 30 E-mail: An.Tran@ssa.ocgov.com 31 32 33 With a copy to: 34 County Executive Office 35 333 W. Santa Ana Boulevard, 3rd Floor 36 37

Santa Ana, CA 92701 1 Attention: Chief Real Estate Officer 2 Phone: (714) 834-3046 3 E-mail: Scott.Mayer@ocgov.com" 4 5 All written notices pursuant to this Lease shall be addressed as set forth below or as either party may 6 hereafter designate by written notice and shall be deemed delivered upon personal delivery, delivery by 7 facsimile machine, or seventy-two (72) hours after deposit in the United States Mail. 8 9 10 TO: **LESSOR** TO: **COUNTY** 11 Charles H. Manh and Anh Manh County of Orange 12 333 Santa Ana Blvd., 3rd Floor 13 **Manh Family Trust** Santa Ana, CA 92701 8990 Westminster Blvd., Second Floor 14 Westminster, CA 92683 Attention: Scott Mayer, Chief Real 15 Estate Officer 16 17 Email: Scott.Mayer@ocgov.com Phone: (714) 834-3046 18 19 20 24.23. **ATTACHMENTS (8.2 S)** 21 This Lease includes the following, which are attached hereto and made a part hereof: 22 23 I. GENERAL CONDITIONS 24 II. EXHIBITS 25 A. Description - Premises 26 B. Plot Plan - Premises 27 C. Plans and Specifications 28 D. Janitorial Specifications 29 E. Subordination, Attornment, and Non-Disturbance Agreement 30 31 25. MISCELLANEOUS (N) 32 33 COUNTY may remove and dispose, and in a manner best suited for such removal and disposition, of any 34 item(s) of furniture ("Furniture Items") off the Premises, which is (are) personal property of the 35 LESSOR, as COUNTY deems appropriate or is of no use for COUNTY. LESSOR hereby waives all 36 claims and recourse against COUNTY including the right of contribution for loss or damage of property 37

arising from, growing out of or in any way connected with or related to the removal and disposition of the Furniture Items except claims arising from the concurrent active negligence of COUNTY, its officers, agents, and employees.

D. Clause 26. OPTION TO EXTEND TERM (2.3 N) is hereby added to the Lease:

"Clause 26. OPTION TO EXTEND TERM (2.3 N)

COUNTY's Chief Real Estate Officer or designee, shall have the option to extend the term of this Lease for one (1) four (4) year period ("Extension Period") beyond June 30, 2021, which shall be memorialized in an amendment to the Lease executed by the Chief Real Estate Officer, on the same terms and conditions of this Lease except for (a) the base rent ("Extension Option Base Rent"), which shall be negotiated at the time of the option as set forth below and shall not result in a base rent higher than fair market value at the time of the extension option, and (b) the base year for operating expenses, which will be reset to the calendar year prior to the year in which the option is exercised. The Extension Period shall not contain an option for COUNTY to terminate the Lease during the term of the Extension Period. COUNTY shall give to LESSOR written notice of its intent to exercise its option to extend the term of this Lease for one (1) four (4) year period no sooner than twelve (12) months or later than four (4) months prior to the Lease termination date.

Subject to other provisions contained in this Lease, COUNTY shall accept the Premises during the Extension Period in the Premises' "as-is, where-is" condition. The Extension Option Base Rent shall be defined as Fair Market Rental Rate, defined and determined as set forth below in this Clause.

Following COUNTY's notice to LESSOR of its intent to extend the Lease for the Extension Period, COUNTY and LESSOR shall work in good faith and with commercially diligent and good faith efforts for sixty (60) days (the "Initial Negotiation Period") in an effort to agree upon the Fair Market Rental Rate. When the Parties agree that negotiations are concluded, or by the expiration of the Initial Negotiation Period, LESSOR will provide COUNTY written notification of either the agreed upon Fair Market Rental Rate or LESSOR's last best offer (the "Last Best Offer").

In the event that within or at the expiration of the Initial Negotiation Period COUNTY and LESSOR cannot agree upon the Fair Market Rental Rate, COUNTY and LESSOR by the end of the following thirty (30) days (the "Second Negotiation Period") shall attempt to determine the Fair Market Rental Rate by surveying and compiling rents for Class A office building properties similar in character, condition and quality to the subject property and located within a five (5) mile radius of the Building ("Qualified Buildings"), using industry standard sources and databases which contain lease information, lease comps, building specifications and space availabilities. The "Fair Market Rental Rate" shall be determined as follows: LESSOR and COUNTY shall independently survey Qualified Buildings that (i) contain at least 5,000 rentable square feet; (ii) offer a similar quantity of parking as the subject property; (iii) are otherwise similar in quality and function as the subject property; and (iv)

which have either entered into an arms-length transaction with an unaffiliated tenant of at least 2,000 rentable square feet within the past twelve (12) months or which have at least 5,000 rentable square feet of space available for lease (collectively, the "Criteria"). LESSOR and COUNTY shall each submit a list of up to five (5) Qualified Buildings. The two lists shall be consolidated into one master list. In the event of a discrepancy involving the same Qualified Building, COUNTY and LESSOR shall use best efforts to reconcile the difference. If either the highest or lowest quoted rates deviate by more than ten percent (10%) from the next closest rate, that building will be eliminated from the final master list ("Final Master List"). The per square foot rental rate ("Rental Rate") from each building shall be the monthly full service gross base rent per rentable square foot received or quoted by each Qualified Building, the Rental Rate shall exclude rent abatement concessions, but such Rental Rate shall include market tenant improvement allowances for renewing tenants, taking into account the cost to LESSOR to make periodic improvements to the Premises as provided in this Lease. The Rental Rate shall be compiled to the Final Master List and shall be summed and the summation divided by the number of Qualified Buildings (less any omitted Qualified Buildings) as follows:

Total Rental Rate of Considered Bldgs. + Number of Considered Bldgs. = Fair Market Rental Rate

The Extension Option Base Rent for the Option Period will be calculated as follows:

Extension Option Base Rent = Fair Market Rental Rate

In no event shall the Extension Option Base Rent for the Option Period be greater than LESSOR's Last Best Offer and the final determination will be binding on both Parties. There shall be no abatement of rent or Tenant Improvements, unless the Parties agree to such terms; the Extension Option Base Rent shall increase by three percent (3%) per annum during the Extension Period; and no other terms of the Lease shall change. COUNTY and LESSOR agree to then enter into a Lease amendment to consummate the transaction within a reasonable time period following determination of the Extension Option Base Rent, with time being of the essence."

E. The INSURANCE Clause is hereby deleted in its entirety from the Lease and replaced with the following:

"27. INSURANCE

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

1 || 2 || 3 || 4 || 5 || 6 || 7 || 8 || 9 ||

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:

- f. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a from 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;
- g. 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;
- h. 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.
- i. Shall provide a limit of One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate; and
- j. 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.

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.

F. Wherever a conflict in the terms or conditions of this Third Amendment and the Lease as previously amended by the First Amendment and Second Amendment exists, the terms and conditions of this Third Amendment shall prevail. In all other respects, the terms and conditions of the Lease, as previously amended and not specifically changed by this Third Amendment, shall remain in full force and effect.

1	IN WITNESS WHEREOF, the parties have e	executed this Lease the day and year first above written.
2		
3		
4		
5	<u>LESSOR</u>	
6		
7	CHARLES H. MANH and ANH MANH,	
8	Co-Trustees of the MANH FAMILY TRUST, date	ed August 15, 2006
9		
10		
11	By:	May, 2016
12	CHARLES H. MANH, Co-Trustee	
13		
14	By:	May, 2016
15	ANH MANH, Co-Trustee	
16		
17	A DDD OVED AG TO FORM	
18	APPROVED AS TO FORM:	
19	OFFICE OF COLINTY COLINGEL	
20	OFFICE OF COUNTY COUNSEL	
21	ORANGE COUNTY, CALIFORNIA	COLINTY
22		COUNTY
23 24	By	COUNTY OF ORANGE
25		Chief Real Estate Officer
26	Deputy County Counsel	Chief Real Estate Officer
27	RECOMMENDED FOR APPROVAL:	
28	ALCONING TORRANGE TOR	
29	Social Service Agency	By: Scott D. Mayer Per Ordinance
30		No. 15-009 of the Board of
31		Supervisors and Minute Order dated June 9, 2015
32	BY:	
33	Carol Wiseman, Deputy Director	
34		COUNTY
35		
36	County Executive Office	COUNTY OF ORANGE
37		

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2		
3	BY:	Chairwoman of the Board of Supervisors
4	Gail Dennis, Administrative Manager	Orange County, California
5	Real Estate Services	
6		
7		
8		
9	SIGNED AND CERTIFIED THAT A	
10	COPY OF THIS DOCUMENT HAS BEEN	
11	DELIVERED TO THE CHAIRWOMAN OF	
12	THE BOARD PER GC § 25103, RESO. 79-	
13	<u>1535</u>	
14		
15	Attest:	
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19		
20	ROBIN STIELER	
21	Clerk of the Board of Supervisors of	
22	Orange County, California	
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1	GENERAL CONDITIONS (9.1-9.17 S)
2	
3	1. LEASE ORGANIZATION (9.1 S)
4	
5	The various headings in this Lease, the numbers thereof, and the organization of the Lease into separate
6	sections and paragraphs are for purposes of convenience only and shall not be considered otherwise.
7	
8	2. INSPECTION (9.2 N)
9	
10	LESSOR or his authorized representative shall have the right at all reasonable times and upon reasonable
11	advance notice to COUNTY, which authorization shall not be unreasonably withheld, to inspect the
12	Premises to determine, if COUNTY is complying with all the provisions of this Lease.
13	
14	3. SUCCESSORS IN INTEREST (9.3 S)
15	
16	Unless otherwise provided in this Lease, the terms, covenants, and conditions contained herein shall apply
17	to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto, all of
18	whom shall be jointly and severally liable hereunder.
19	
20	4. DESTRUCTION OF OR DAMAGE TO PREMISES (9.4 S)
21	"Portial Destruction! of the Drawiese shall mean demand an destruction to the Drawiese for which the
22	"Partial Destruction" of the Premises shall mean damage or destruction to the Premises, for which the
23	repair cost is less than 25% of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.
24 25	excluding the value of the fand.
23 26	"Total Destruction" of the Premises shall mean damage or destruction to the Premises, for which the
20 27	repair cost is 25% or more of the then replacement cost of the Premises (including tenant improvements),
28	excluding the value of the land.
29	
30	In the event of a Partial Destruction of the Premises, LESSOR shall immediately pursue completion of all
31	repairs necessary to restore the Premises to the condition which existed immediately prior to said Partial
32	Destruction. Said restoration work (including any demolition required) shall be completed by LESSOR
33	at LESSOR's sole cost, within sixty (60) days of the occurrence of said Partial Destruction or within ar
34	extended time frame as may be authorized, in writing, by COUNTY. The Partial Destruction of the
35	Premises shall in no way render this Lease and/or any option to purchase null and void; however, ren
36	payable by COUNTY under the Lease shall be abated in proportion to the extent COUNTY's use and
27	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 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. In the event LESSOR refuses to diligently pursue or is unable to restore the Premises to an occupiable condition (including replacement of all tenant improvements) within 180 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.

 Further, LESSOR, at COUNTY's request, 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.

5. AMENDMENT (9.5 S)

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

6. PARTIAL INVALIDITY (9.6 S)

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.

7. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (9.7 S)

If either Party hereto shall be delayed or prevented from the performance of any act required hereunder by reason of acts of God, 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. 1 2 8. WAIVER OF RIGHTS (9.9 S) 3 4 The failure of LESSOR or COUNTY to insist upon strict performance of any of the terms, conditions, and 5 covenants in this Lease shall not be deemed a waiver of any right or remedy that LESSOR or COUNTY 6 may have, and shall not be deemed a waiver of any right or remedy for a subsequent breach or default of 7 the terms, conditions, and covenants herein contained. 8 9 9. HOLDING OVER (9.10 S) 10 11 In the event COUNTY shall continue in possession of the Premises after the term of this Lease, such 12 possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall 13 be governed by the conditions and covenants contained in this Lease. 14 15 0. HAZARDOUS MATERIALS (9.11 S) 16 17 LESSOR warrants that the Premises is free and clear of all hazardous materials or substances. 18 19 11. EARTHQUAKE SAFETY (9.12 N) 20 21 LESSOR is informed and believes that the Premises is not in violation of any applicable seismic safety 22 23 regulations and building codes. 24 12. QUIET ENJOYMENT (9.13 S) 25 26 LESSOR agrees that, subject to the terms, covenants and conditions of this Lease, COUNTY may, upon 27 observing and complying with all terms, covenants and conditions of this Lease, peaceably and quietly 28 occupy the Premises. 29 30 13. WAIVER OF JURY TRIAL (9.15 S) 31 32 Each Party acknowledges that it is aware of and has had the advice of Counsel of its choice with respect 33 to its rights to trial by jury, and each party, for itself and its successors and assigns, does hereby expressly 34 and knowingly waive and release all such rights to trial by jury in any action, proceeding or counterclaim 35

brought by any party hereto against the other (and/or against its officers, directors, employees, agents, or

subsidiary or affiliated entities) on or with regard to any matters whatsoever arising out of or in any way

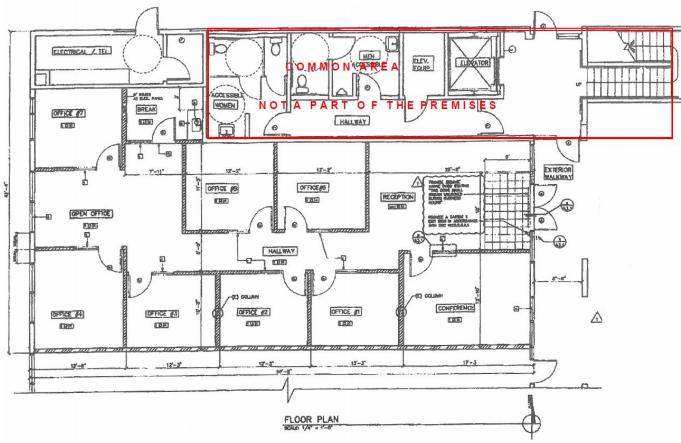
36

connected with this agreement and/or any claim of injury or damage. 14. GOVERNING LAW AND VENUE. (9.16 S) 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. 15. TIME (9.17 S) Time is of the essence of this Lease. //

1	EXHIBIT A
2	DESCRIPTION OF PREMISES (10.1 N)
3	
4	PROJECT: Community Customer Service Annex
5	All the Premises shown as the floor plan marked Exhibit B, attached hereto and made a part hereof, being
6	a portion of the first floor of that certain two (2) story building located at 15496 Magnolia Street, Suite
7	111, in the City of Westminster, County of Orange, State of California, together with non-exclusive use
8	of common area restrooms and thirteen (13) parking spaces in the parking areas shown on Exhibit B.
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28	NOT TO BE RECORDED
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EXHIBIT B FLOOR PLAN OF PREMISES

15496 MAGNOLIA STREET, SUITE 111, WESTMINSTER, CA



Gross Leasable Area: 2,120 Square Feet

1	EXHIBIT C
2	
3	PERFORMANCE SPECIFICATIONS (10.3N) LESSOR shall perform the following Work prior to
4	the Commencement Date of this Lease and according to the Tenant Improvement Performance
5	Specifications that follow:
6	Specific locations to be identified by COUNTY prior to lease execution
7	1. Repair or replace door closer.
8	2. Replace stained ceiling tiles.
9	3. Repair or replace door closer.
10	4. Remove any signage from previous tenant that exists inside or outside of the Premises
11	5. Re-key front door and any internal door locks.
12	6. Provide the security code for existing alarm system.
13	7. Deliver the Premises with all electrical, plumbing and HVAC systems in proper working order.
14	8. Repair or replace any HVAC components resulting from findings of COUNTY's inspection of the
15	HVAC system.
16	
17	1. HEAT, VENT & AIR CONDITION ("HVAC")
18	
19	A. Heating & air conditioning equipment shall have the capability of maintaining all occupied
20	indoor areas at the room temperatures shown when outdoor temperatures are as follows:
21	<u>OUTDOORS</u> <u>MAINTAIN INDOORS</u>
22	Summer – 95° Dry Bulb 78° Dry Bulb at a maximum range of 40% to 60% Relative
23	humidity
24	
25	Winter – 35° Dry Bulb 68° Dry Bulb
26	B. All HVAC controls pertinent to the Premises are to be located within the Premises.
27	
28	C. All HVAC thermostats shall be concealed by a clear plastic tamper proof lock box.
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34	2. ELECTRICAL & COMMUNICATIONS
35	
36	A. Provide and install fluorescent lighting at all interior spaces that meet code and provide the
37	following minimum lighting intensities at desk level:

Attachment F **LOCATION MINIMUM FOOT CANDLES:** Public Areas30 Parking Lot......1 B. All Lighting controls pertinent to the Premises shall be located within the Premises. COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT ("ADA") LESSOR shall assure that the Premises and Property are in compliance with current standards of the Americans with Disabilities Act for ingress and egress to the Premises and Property.

EXHIBIT D 1 **JANITORIAL SPECIFICATIONS** (10.4 N) 2 3 It is the intent of this Exhibit to provide general guidelines for minimum janitorial service. Any absence 4 of a specific janitorial service from this Exhibit does not relieve LESSOR of the obligation to provide 5 such service should it become necessary. 6 7 Janitorial service as required in the clause entitled (REPAIR, MAINTENANCE AND JANITORIAL 8 SERVICE) of this Lease, shall be inclusive of, but not limited to, the services as detailed below: 9 **RESTROOMS** 10 A. **NIGHTLY**: 11 1. Clean and damp-mop floors; 12 2. Wash all mirrors, bright work and enameled surfaces; 13 3. Wash and sanitize all basins, bowls, urinals, and toilet seats; 14 4. Dust, clean, and wash where necessary, all partitions, tile walls, dispensers, and receptacles; 15 5. Empty and sanitize all receptacles and sanitary napkin disposals; 16 6. Provide materials and fill all toilet tissue, towel, seat cover, sanitary napkin, and soap 17 dispensers. 18 19 B. MONTHLY: 20 1. Machine strip restroom floors and apply finish/sealer where applicable; 21 2. Wash all partitions, tile walls, and enamel surfaces; 22 23 3. Vacuum all louvers, vents, and dust light fixtures. 24 **MISCELLANEOUS SERVICES** 25 26 Maintain building common/shared areas, corridors, and other public areas in a clean condition; 27 Surface parking lot is to be cleaned on a monthly or more frequent basis; 28 All interior and exterior windows of the building are to be cleaned quarterly. 29 // 30 // 31 32 // 33 34 // 35 36 37

1	EXHIBIT E
2	SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT
3	
4	THIS IS A SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT,
5	made, 20, by and between the County of Orange ("COUNTY") and
6	("LENDER").
7	
8	A. By lease dated, ("Lease"), ("LESSOR") leased to
9	COUNTY and COUNTY leased from LESSOR those certain Premises described as:
10	·
11	
12	B. LENDER is the holder or about to become the holder of a mortgage or Deed of Trust ("Note")
13	which constitutes or will constitute a lien against the Premises leased by COUNTY pursuant to the
14	aforesaid Lease.
15	
16	C. LENDER has requested that execute a Subordination,
17	Attornment and Non-Disturbance Agreement in accordance with the terms of the Lease.
18	
19	NOW, THEREFORE, the parties hereto do hereby agree as follows:
20	
21	1. Subject to the terms and conditions of the Lease, all rights of COUNTY thereunder are or shall
22	become subordinate to the Note and to any and all advances made on the security thereof, and to any and
23	all increases, renewals, modifications, consolidations, replacements and extensions thereof.
24	
25	2. In the event that LENDER succeeds to the interest of LESSOR under the Lease, by reason of
26	foreclosure of the Note, by other proceedings brought to enforce any rights of LENDER under the Note,
27	by deed in lieu of foreclosure, or by any other method, COUNTY shall promptly attorn to LENDER
28	under all of the terms, covenants, and conditions of the Lease for the balance of the then-current term
29	(and any extension or renewals thereof which may be effective in accordance with any option therefore contained in the Lease), with the same force and effect as if LENDER were the Lessor under the Lease.
30	So long as COUNTY is not in default under the Lease, LENDER or its successors in interest shall not
31	disturb the interests of COUNTY under said Lease, but shall allow said interests to continue in full force
32	and effect for the balance of the then-current term and any extension available to COUNTY which may
33 34	be provided in accordance with the Lease. Said attornment shall be effective and self-operative
35	immediately upon LENDER'S succession to the interest of LESSOR under the Lease.
36	/// LESSOR under the Lease.
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1	3. This agreement may not be modified orally or in a	ny manner other than by written agreement	
2	signed by the parties hereto or their respective successors or assigns. All of the terms, covenants,		
3	and conditions herein shall run with the land and shall be binding upon and inure to the benefit of		
4	the parties hereto and their respective successors and a	ssigns.	
5			
6	COUNTY:	<u>LENDER</u> :	
7	COUNTY OF ORANGE		
8			
9			
10	By:	By:	
11	_		
12	County Chief Real Estate Officer	Print	
13	Name:		
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15		Title:	
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18	ADDDOVAL AS TO FORM.		
19	APPROVAL AS TO FORM: OFFICE OF THE COUNTY COUNSEL		
20	ORANGE COUNTY, CALIFORNIA		
21 22	ORANGE COUNTT, CALIFORNIA		
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24	By:		
25	Deputy County Counsel		
26	Date:		
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