



GA 1213-137-1
SSA/Records and Adult Services
1505 E. Warner Avenue
Santa Ana, CA 92705

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE, ("**First Amendment**") is made _____, 2015 ("**Effective Date**"), by and between LEED WARNER, LLC, a California limited liability company, (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. COUNTY and TENANT may individually be referred to herein as a "**Party**" and collectively as the "**Parties.**"

RECITALS

- I. Pursuant to a lease dated August 8, 2000, ("**Lease**") LESSOR leases to COUNTY approximately 144,792 rentable square feet ("**RSF**") in the building located at 1505 East Warner Avenue, in the City of Santa Ana, California (the "**Building**"), for use by the Social Services Agency which space is more particularly described on Exhibit A and Exhibit B of the Lease. Said space consists of approximately 46,444 RSF of office space and 98,348 RSF of warehouse space ("**Premises**").
- II. The ten-year Lease term commenced on January 1, 2001, and COUNTY exercised its one-time right to under the Lease extend the term for five additional years through December 31, 2015.
- III. COUNTY has determined that it no longer has need of 10,000 RSF of the warehouse space and LESSOR is willing to amend the Lease to take back said space for a total Premises of 134,792 RSF.
- IV. LESSOR has offered to make substantial capital improvements to COUNTY's Premises in the Building and provide COUNTY with a tenant improvement allowance for COUNTY's continued tenancy in the Building.
- V. LESSOR and COUNTY are willing to amend the Lease to reduce the size of the Premises, lower the monthly rental rate, and extend the term for an additional 15 years through December 31, 2030 under the terms and conditions set forth below.

NOW THEREFORE, LESSOR and COUNTY do hereby agree that effective the Effective Date, to amend the Lease as follows:

- A. Clause 2. PREMISES (1.3A N) is hereby deleted from the Lease and the following is substituted:

"2. PREMISES (1.3 N)

LESSOR leases to COUNTY that certain property hereinafter referred to as 'Premises' consisting of 134,792 rentable square feet (46,444 RSF of office space and 88,348 RSF of warehouse space) described in Revised Exhibit A and shown on Revised Exhibit B, which exhibits are attached hereto and by reference made a part hereof, together with non-exclusive, in-common use of LESSOR's, driveways for vehicle ingress and egress, pedestrian walkways, other facilities and common areas appurtenant to COUNTY's Premises created by this Lease."

1 B. Clause 4. USE (2.2 N) is hereby deleted from the Lease and the following is substituted:

3 **“4. USE (1.3 N)**

5 COUNTY may use the Premises for general office, storage and distribution, and any other lawfully
7 permitted use. COUNTY shall provide for its own security and/or guard services at the Premises at
COUNTY’s sole cost and expense.”

9 C. Clause 5. TERM (2.2 N) is hereby deleted from the Lease and the following is substituted:

11 **“5. TERM (2.2 N)**

13 The term of this Lease shall be thirty (30) years commencing January 1, 2001, (**“Commencement
15 Date”**), and terminating on December 31, 2030 (**“Term”**).”

17 D. Clause 6. OPTION TO EXTEND TERM (2.3 N) is hereby deleted from the Lease and the following is
substituted:

19 **“6. OPTION TO EXTEND TERM (2.3 N)**

21 COUNTY shall have the option to extend the Term of this Lease for two (2) additional five (5) year
23 periods on the same terms and conditions and at the Extension Term rental rate shown in Clause 9
(RENT ADJUSTMENT), below. Notification of said exercise of option shall be done in writing not
25 less than twelve (12) months or more than eighteen (18) months prior to the Lease termination date.”

27 E. Clause 7. OPTION TO TERMINATE (2.4A N) is hereby deleted from the Lease and the following is
substituted:

29 **“7. OPTION TO TERMINATE (2.4A N)**

31 COUNTY shall have the option to terminate (**“Termination Option”**) this Lease at any time after
33 December 31, 2027 (**“Early Termination Date”**), upon giving LESSOR written notice at least
twelve (12) months prior to said Termination Date. Should COUNTY exercise said Early
35 Termination Option, LESSOR may within thirty (30) days after the Early Termination Date, make a
claim for reimbursement of the unamortized cost of COUNTY’s portion of the commission and
37 unamortized tenant improvements (**“Claim”**). The amount of said reimbursement shall be
determined in accordance with Exhibit E (**“Termination Fee Amortization Schedule”**), attached
39 hereto and made a part hereof.

41 LESSOR shall provide the actual amount of tenant improvement costs pursuant to Clause 10
(CONSTRUCTION) by June 30, 2016 (**“Cost Due Date”**) which will be amortized at eight percent
43 (8%) interest over the fifteen year period commencing January 1, 2016. The Parties agree to execute
a lease amendment, which may be executed on the behalf of COUNTY by the Chief Real Estate
45 Officer, to finalize the Termination Fee Amortization Schedule after agreement on the tenant
improvement costs. Should LESSOR fail to provide said termination costs by the Cost Due Date, the
47 reimbursement for this part of the Claim will be deemed waived.

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If no Claim is received by COUNTY within the thirty (30) day period after the Early Termination Date, LESSOR's right to reimbursement shall be deemed waived. COUNTY shall have sixty (60) days after receipt of the Claim by LESSOR to pay said Claim."

F. Clause 9. RENT ADJUSTMENT (3.3 S) is hereby deleted from the Lease and the following is substituted:

"9. RENT ADJUSTMENT (3.3 S)

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

Term:	<u>Commencing</u>	<u>Monthly Rent</u>	<u>Per Square Foot</u>¹
	January 1, 2002	\$149,376.06	\$1.24 ²
	January 1, 2003	\$168,345.59	\$1.16
	January 1, 2004	\$170,036.84	\$1.18
	January 1, 2005	\$173,815.91	\$1.20
	January 1, 2006	\$176,686.31	\$1.22
	January 1, 2007	\$179,651.68	\$1.24
	January 1, 2008	\$182,715.84	\$1.26
	January 1, 2009	\$184,882.74	\$1.28
	January 1, 2010	\$189,156.47	\$1.31
	January 1, 2011	\$192,541.32	\$1.33
	January 1, 2012	\$196,041.75	\$1.35
	January 1, 2013	\$199,662.32	\$1.38
	January 1, 2014	\$203,407.91	\$1.40
	January 1, 2015	\$207,283.48	\$1.43
	January 1, 2016	\$146,924.00	\$1.09 ³
	January 1, 2021	\$160,403.00	\$1.19
	January 1, 2026	\$173,882.00	\$1.29

Extension Term:	<u>Commencing</u>	<u>Monthly Rent</u>	<u>Per Square Foot</u>³
	January 1, 2031	\$187,361.00	\$1.39 ³
	January 1, 2036	\$200,840.00	\$1.49

¹ Based on 144,792 RSF through 12/31/2015, except where noted

² Based on 120,000 RSF for the 2002 year only

³ Based on 134,792 RSF commencing 1/1/2016

The Monthly Rent, above, is the amount to be paid by COUNTY. The "Per Square Foot" rate, above, is an estimate for statistical purposes only and for no other purpose."

G. Clause 10 CONSTRUCTION (4.1 N) is hereby deleted from the Lease and the following is substituted:

"10. CONSTRUCTION (4.1 N)

A. **Completion Schedule:** LESSOR hereby agrees to use its best efforts to complete, at LESSOR's sole cost and expense, on or prior to June 30, 2016 (the "**Completion Date**"), the capital improvements, alterations, repairs, and other work (the "**Work**") in accordance with Exhibit C,

1 and the Work Letter attached hereto and made a part hereof as Exhibit F and Scope of Work
2 attached hereto and made a part hereof as Exhibit G, and the items approved by COUNTY as
3 provided in this Clause 10(D). The Work shall include, without limitation any additional
4 improvements, additions, alterations or construction to the Premises to comply with current laws
5 and building codes as required by applicable governmental authorities in connection with the
6 construction of the Work (including, without limitation any work required to comply with ADA
7 laws, seismic laws and health and safety laws). LESSOR represents and warrants to COUNTY
8 that (i) LESSOR has thoroughly reviewed the scope of the Work and (ii) LESSOR will cause the
9 Work to be completed and cause the Final Improvement Date to occur on or prior to the
10 Completion Date. LESSOR further represents and warrants to the COUNTY that the Work will
11 be performed (A) with minimal disruption to COUNTY, (B) only during the hours of 7:00 p.m. to
12 6:00 a.m. Mondays through Fridays and on weekends during the hours of 6:00 p.m. to 7:00 a.m.
13 (collectively, the “**Construction Hours**”), (C) without causing COUNTY to vacate any portion
14 of the Premises during the period of the construction of the Work and (D) with the ability of
15 COUNTY to maintain a safe place of employment at the Premises as provided in Clause 21
16 (BUILDING AND SAFETY REQUIREMENTS) of this Lease. In no event will any construction
17 of the Work at the Premises occur during COUNTY Working Hours as defined in Clause 12,
18 below, without COUNTY’s prior written consent. Without limiting any available remedies to
19 COUNTY, if the Final Improvement Date fails to occur on or prior to the Completion Date,
20 COUNTY shall have the option to complete the Work and deduct the cost thereof, including labor,
21 materials, overhead and an administrative charge (equal to 10% of the cost of the Work completed
22 by COUNTY) from any rent payable hereunder.

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25 **B. Penalty for Delay:** Without limiting any available remedy to COUNTY, if the Final Improvement
26 Date fails to occur on or prior to the Completion Date, COUNTY shall pay as rent fifty percent
27 (50%) of the Monthly Rent to LESSOR for the entire Premises for the period after the Completion
28 Date through the day prior to the Final Improvement Date, as set forth in Clause 8, above.

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31 **C. Termination:** LESSOR fully understands that COUNTY has relied on LESSOR’s assurance to
32 (i) complete the Work and cause the Final Improvement Date to occur on or prior to the
33 Completion Date; (ii) complete the Work without disruption to COUNTY; (iii) complete the Work
34 only during the Construction Hours (and not during any COUNTY Working Hours); (iv) complete
35 the Work without causing COUNTY to vacate any portion of the Premises and (v) complete the
36 Work to maintain a safe place of employment at the Premises as provided in Clause 21
37 (BUILDING AN SAFETY REQUIREMENTS). LESSOR also fully understands that COUNTY
38 has forgone other opportunities in reliance on LESSOR’s promise to perform to the COUNTY’s
39 financial detriment. Therefore, as an alternative to the Monthly Rent reduction stated above in
40 Clause 10(B), if: (a) the Final Improvement Date does not occur on or prior to the Completion
41 Date, (b) LESSOR (or any contractor on LESSOR’s behalf) causes disruption to COUNTY during
42 the construction of the Work (which determination will be made in COUNTY’s sole and absolute
43 discretion); (c) LESSOR (or any contractor on LESSOR’s behalf) causes the Work to occur during
44 any of the COUNTY Working Hours; (d) COUNTY is required to vacate any portion of the
45 Premises as a result of the Work; or, (e) LESSOR (or any contractor on LESSOR’s behalf) is not
46 able to complete the Work in a manner to maintain a safe place of employment at the Premises as
47 provided in Clause 21 of this Lease (which determination will be made in COUNTY’s sole and
48 absolute discretion), COUNTY, at COUNTY’s sole option, upon giving written notice to LESSOR
49 may terminate this Lease by providing written notice thereof to LESSOR. Upon delivery of such
50 termination notice to LESSOR, this Lease shall terminate.

1 Should COUNTY terminate this Lease pursuant to this Clause 10, sub-section C, or pursuant to
3 Clause 21 (BUILDING AN SAFETY REQUIREMENTS), COUNTY may remain in possession
5 (“**Post-Termination Occupancy**”) for the sole purpose of allowing COUNTY time to find an
7 alternate location or reinstate negotiations to lease in another building. COUNTY shall only be
9 obligated to pay LESSOR fifty percent (50%) of the Monthly Rent that would have been otherwise
11 due during the Post-Termination Occupancy for a period not to exceed one (1) year. LESSOR
13 agrees to immediately discontinue any of the Work during Post-Termination Occupancy, and any
15 Work up to and including completion during Post-Termination Occupancy done by LESSOR shall
17 not create any obligation on COUNTY to pay rent nor to accept or reinstate the Lease. If
19 COUNTY occupies the Premises after such one (1) year period, COUNTY will pay LESSOR fifty
21 percent (50%) of the Monthly Rent that would have been otherwise due, but shall not be required
23 to pay any additional rental.

15 D. **Approvals:** All planning and architectural/design costs required to accomplish the Work shall be
17 LESSOR’s responsibility. All plans and working drawings for the Work, the scope and
19 specifications for the Work, the schedule for the Work, all construction contracts related to the
21 Work and all contractors performing the Work shall be subject to the prior approval of the Chief
23 Real Estate Officer or designee, Project Manager (as defined below), or the SSA/Facilities
25 Manager. Such approval by the Chief Real Estate Officer or designee, Project Manager, or
27 SSA/Facilities Manager shall not relieve LESSOR of the responsibility for complying with all
29 applicable codes and construction requirements, nor of obtaining necessary permits or approvals
31 from the authorities of proper jurisdiction.

25 E. **Punch List:** Subsequent to the completion of the Work, and prior to the Completion Date,
27 LESSOR shall obtain the SSA/Facilities Services Manager’s approval and acceptance of the Work.
29 Said approval shall be manifested by letter from the SSA/Facilities Services Manager (the “**SSA
31 Letter**”), and may be subject to completion of items on a “punch list.” Said punch list will be
33 generated by COUNTY. COUNTY shall have the option not to accept the Premises prior to
35 completion of all items on any such punch list. COUNTY shall not be required to send the SSA
37 Letter until COUNTY is satisfied that all of the Work is complete pursuant to this Lease, in
39 COUNTY’s sole and absolute discretion.

33 In the event COUNTY’s approval and acceptance of the Premises is given prior to the completion
35 of a punch list, LESSOR shall complete all remaining work therein within twenty-one (21)
37 working days following receipt of said punch list. Should the items on the punch list not be
39 completed within twenty-one (21) working days, COUNTY shall have the option to complete the
41 Work and deduct the cost thereof, including labor, materials, and overhead from any Monthly Rent
43 payable.

41 F. **Final Improvement Date:** The “**Final Improvement Date**” means LESSOR’s completion of the
43 Work as determined by COUNTY and evidenced by the SSA Letter and completion of the items
45 set forth in the punch list generated by COUNTY. The determination of whether the Final
47 Improvement Date has occurred will be made in COUNTY’s reasonable discretion. If LESSOR
49 and COUNTY do not agree as to whether the Work is complete or the items in the punch list are
complete, the Final Improvement Date shall be deemed not to have occurred until both COUNTY
and LESSOR agree that the Work and the punch list items are complete.

49 G. **Disruption:** If: (i) LESSOR (or any contractor on LESSOR’s behalf) causes disruption to
COUNTY during the construction of the Work (which determination will be made in COUNTY’s

1 sole and absolute discretion); (ii) LESSOR (or any contractor on LESSOR's behalf) performs any
3 Work during the COUNTY Working Hours; (iii) COUNTY is required to vacate any portion of
5 the Premises as a result of the Work; or, (iv) LESSOR (or any contractor on LESSOR's behalf)
7 fails to maintain a safe place of employment for COUNTY's employees as provided in Clause 21
9 (BUILDING AND SAFETY REQUIRMENTS) of the Lease during the process and construction
11 of the Work (which determination will be made in COUNTY's sole and absolute discretion),
13 despite LESSOR's best efforts and COUNTY has not elected to terminate this Lease, as provided
15 herein, without limiting any available remedy to COUNTY, (A) COUNTY shall not be required
17 to pay any rent for the entire Premises during the performance of the Work (including, without
19 limitation Monthly Rent or any additional rental), (B) COUNTY may rent temporary office space
21 while the Work is being performed to relocate employees who would otherwise be working in the
23 Premises and/or (C) LESSOR shall pay COUNTY the amounts COUNTY expends for such
25 temporary office space and relocating to such temporary office space, including without limitation,
27 moving costs, brokerage fees and attorneys' fees, plus and administrative fee of 10% of such costs,
29 within ten (10) days after COUNTY provides a written invoice of such expenses to LESSOR.
31 LESSOR acknowledges and agrees that the costs and expenses COUNTY incurs to relocate any
33 employees may be substantial given the short nature between discovering such disruption and
35 locating such temporary space, the temporary space may be larger than the portion of the Premises
37 that incurs disruption depending on available space within the market and the term of the
39 temporary space may be longer than the term of the disruption. LESSOR shall have no approval
41 rights with respect to such temporary space, including, without limitation, the cost, location or
43 duration of such temporary space. If Lessor fails to pay such amount within such ten (10) day
45 period, COUNTY may deduct such costs and expenses from any Monthly Rent payable hereunder.

25 H. **Project Management Oversight:** COUNTY may select a project manager or construction
27 manager, at COUNTY's sole discretion, to assist in COUNTY's oversight of the Work (the
29 "**Project Manager**"). The Project Manager will represent the COUNTY's best interest during the
31 construction of the Work to confirm that the Work is being performed pursuant to the terms of this
33 Lease and will act as the liaison between LESSOR and COUNTY in reviewing the scope of the
35 Work, the selection of contractors, the schedule for the Work and all other items that are subject
37 to review by COUNTY as provided in Clause 10(D). If COUNTY selects a Project Manager,
39 LESSOR will not perform any work without the direct oversight of the Project Manager.

35 I. **Improvement Allowance:** In addition to the Work, LESSOR hereby agrees to provide a tenant
37 improvement allowance ("**Improvement Allowance**") of Five Hundred Thousand Dollars
39 (\$500,000) toward LESSOR-provided tenant improvements. All Improvement Allowance may
41 be used at COUNTY's sole direction incrementally or in lump sum and the work to be done by
43 LESSOR as directed by COUNTY. The Improvement Allowance shall include the County
45 Improvements in attached Exhibit F, Section 2.

41 J. **Performance of Work:** LESSOR agrees that any improvement being constructed by, or under the
43 direction of, LESSOR shall be constructed in substantial compliance with COUNTY approved
45 plans and in compliance with the requirements of California Public Contract Code Section 22000
47 *et seq.*, which requires those improvements to be constructed as if such improvements had been
49 constructed under the direction and supervision, or under the authority, of COUNTY. In partial
satisfaction of the requirements of Section 22000 *et seq.*, 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 Contracts Code and shall
require its contractor or contractors to pay the prevailing rate of per diem wages for work of a

1 similar character in the locality of the County and not less than the general prevailing rate of per
2 diem wages for holiday and overtime work, as provided in Clause 29 (LABOR CODE
3 COMPLIANCE) of this Lease. LESSOR shall publicly advertise for bids for such improvements,
4 as provided in Orange County Codified Ordinances 1-8-1 *et seq.*, and shall provide COUNTY a
5 list of all bids received for the contract. Thereafter, with the prior written approval of COUNTY
6 as to the winning bid, LESSOR shall award the contract or contracts for such improvements.”

7
8 H. Clause 11. PAINTING BY LESSOR (4.2 N) is hereby deleted from the Lease and the following is
9 substituted:

11 **“11. PAINTING BY LESSOR (4.2 N)**

13 Within ninety (90) days after January 1, 2016 and also after January 1, 2023, LESSOR shall
14 repaint, all painted surfaces within the Premises. Said painting shall be accomplished during hours
15 other than COUNTY Working Hours. LESSOR shall be responsible for the movement and
16 subsequent replacement of all furniture, window coverings, and fixtures necessary to repaint the
17 Premises. COUNTY shall, at its own cost and expense, be responsible for the movement and
18 subsequent replacement of all computer equipment, electronic equipment, any other communication
19 equipment, all otherwise sensitive equipment or files and for the personal effects of the COUNTY’s
20 employees. Said paint shall be of a kind and quality in accordance with Exhibit H (“**Painting and**
21 **Flooring Specifications**”). The cost of said repainting shall be deducted from the Improvement
22 Allowance in accordance with Section I of Clause 10 (CONSTRUCTION).

23
24 Should LESSOR fail to comply with the provisions of this clause, COUNTY shall have the option
25 to complete said repainting, and deduct the cost thereof from any Monthly Rent payable.”

27 I. Clause 12. CARPETING BY LESSOR (4.3 N) is hereby deleted from the Lease and the following is
28 substituted:

29 **“12. FLOORING BY LESSOR (4.3 N)**

31 Within ninety (90) days after January 1, 2016 and also after January 1, 2023, LESSOR shall recarpet
32 all carpeted surfaces and replace all vinyl floors including baseboards (“**Re-Flooring**”) within the
33 Premises. Said Re-Flooring shall be accomplished during hours other than COUNTY Working Hours.
34 LESSOR shall be responsible for the movement and subsequent replacement of all furniture and
35 fixtures necessary to recarpet the Premises. COUNTY shall, at its own cost and expense, be
36 responsible for the movement and subsequent replacement of all computer equipment, electronic
37 equipment, any other communication equipment, and all otherwise sensitive equipment identified by
38 the SSA/Facilities Services Manager. Said carpet and vinyl tiles shall meet the specifications provided
39 in the attached Exhibit H (“**Painting and Flooring Specifications**”) or acceptable equivalent
40 approved by the SSA/Facilities Services Manager. The cost of said Re-Flooring shall be deducted
41 from the Improvement Allowance in accordance with Section I of Clause 10 (CONSTRUCTION).

42
43 Should LESSOR fail to comply with the provisions of this clause, COUNTY shall have the option
44 to complete said recarpeting and deduct the cost thereof including overhead, from any Monthly
45 Rent payable.”

47 J. Clause 16. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 N) is hereby deleted from
48 the Lease and the following is substituted :

1 **“16. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (5.1 N)**

3 LESSOR shall provide at its sole cost and expense any and all necessary repair, maintenance and
5 replacement for the Premises and Building (and systems therein) in good order, condition and repair
7 and in compliance with all applicable laws, including, but not limited to, the replacement, repair and
9 maintenance of the structural portions of the Building, the roof of the Building, the parking facilities
11 and all Building systems including the Heating, Ventilation, Air Conditioning (“HVAC”) system, the
13 plumbing, electrical and mechanical systems, fire/life safety system, elevators, roof, paving, fire
15 extinguishers and pest control, and whether capital or non-capital. Any repairs or replacements
17 performed by LESSOR must be at least equal in quality and workmanship to the original work and be
19 in accordance with all applicable laws. Such repair, maintenance and replacement shall be made
21 promptly to keep the Premises and the Building in the condition described in this Clause 16. If
23 LESSOR fails to cause such repair, maintenance or replacement to occur within fifteen (15) days after
25 COUNTY provides written notice thereof to LESSOR, without limiting any available remedy to
27 COUNTY, COUNTY shall not be required to pay any rent for the entire Premises (including, without
29 limitation, Monthly Rent or any other rent), for the period commencing on the date COUNTY provides
31 such notice until LESSOR causes such repair, maintenance or replacement.

19 Throughout the Term LESSOR agrees to set aside funds to replace building systems and make other
21 capital improvements prior to the end of their useful life expectancy in accordance with industry
23 standards for similar buildings or manufacturer’s specifications.

23 LESSOR shall initiate at purchase, and keep in force, all manufacturers’ warranties including extended
25 warranties for all building equipment. When warranties are no longer available LESSOR will contract
27 with an industry standard maintenance company (“Vendor”) that specializes in the maintenance of the
29 equipment for regular and scheduled inspections as recommended by the manufacturer, which Vendor
31 is subject to the prior approval of COUNTY, and if approved by COUNTY, LESSOR shall
33 immediately authorize said Vendor to perform any and all recommended maintenance to the equipment
35 upon receipt of any inspection report. LESSOR shall authorize Vendors to provide COUNTY with
37 copies of said reports. If LESSOR fails to cause a Vendor to maintain building equipment as provided
39 herein, COUNTY may contract with the Vendor directly, and deduct the cost thereof (plus and
41 administrative charge of ten percent (10%) of the cost of the Vendor) from any Monthly Rent payable
43 without further notice.

35 Janitorial supplies and services shall be provided on a five (5) day per week basis in accordance with
37 Revised Exhibit D (JANITORIAL SPECIFICATIONS) attached hereto and made a part hereof. In
39 addition, LESSOR agrees to maintain the services of an on-site day porter, and provide copies of such
41 contracts to COUNTY. LESSOR understands that these services are a material consideration of this
43 Lease to COUNTY.

41 **Code Compliance:** LESSOR shall be 100% responsible throughout the Term for any cost in the
43 Premises, including all parking facilities, walkways, entrances, hallways and other public spaces,
45 restrooms, elevators, stairwells and other devices or pathways for ingress and egress to the Premises
47 regardless of cause including COUNTY required improvements that trigger any code compliance with
49 all the requirements of the Americans with Disabilities Act and all regulations issued by the U. S.
 Attorney General or other agencies under the authorization of the ADA, Title 24, Seismic Code, Fire
 and Life Safety requirements and California Green Building Standard Code. 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

1 alterations, renovations, or accommodations required by the ADA, or any governmental enforcement
3 agency, or any court, any and all fines, civil penalties, and damages awarded against COUNTY
5 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.

7 **HVAC System:** Air conditioning will be supplied to cause the temperature in the interior air conditioned
9 portions of the Premises at a temperature consistent with other office buildings in Orange County,
California, which are typically not less than 70 ° F not greater than 75 ° F during all COUNTY Working
Hours.

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

<u>Hours of Operation</u>	<u>Days of Operation</u>
6:00 a.m. to 7:00 p.m.	Monday through Friday
7:00 a.m. to 5:00 p.m.	Saturday

19 (Except for COUNTY Holidays, which holidays shall be provided to LESSOR on a yearly basis upon
21 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
23 LESSOR and COUNTY.

25 Notwithstanding the utilities provided during COUNTY Working Hours, LESSOR shall provide
27 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
29 COUNTY Working Hours. There shall be no extra utility charges for HVAC services prior to the
beginning of COUNTY Working Hours.

31 In order for the COUNTY to comply with the California Code of Regulations, Title 8, Section 5142
33 ("**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
35 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
37 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
39 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
41 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
43 any rent payable without further notice.

45 **LESSOR Services:** If LESSOR fails to provide satisfactory repair, replacement, maintenance, and/or
47 janitorial services to the Premises or any other obligation of LESSOR as provided herein ("**Services**"),
the SSA/Facilities Services Manager may notify LESSOR in writing; and if LESSOR does not instigate
measures to provide satisfactory Services and/or to remedy the unsatisfactory conditions within three
49 (3) days after COUNTY has placed such notice in the mail to LESSOR directed to the address shown

1 for LESSOR in the Clause 33 (NOTICES), below, or within one (1) day if COUNTY has personally
3 delivered such notice to LESSOR, COUNTY may (a) provide the Services necessary to remedy the
5 unsatisfactory condition and assure satisfactory Services or have others do so, and deduct the cost
7 thereof, including labor, materials, and overhead (plus an administrative charge of ten percent (10%)
of the costs incurred by COUNTY) from any rent payable without further notice or (b) terminate this
Lease by providing written notice thereof to LESSOR.

9 If LESSOR fails to provide satisfactory janitorial supplies to Premises, the SSA/Facilities Services
11 Manager may notify LESSOR either verbally or in writing; and if LESSOR does not provide janitorial
13 supplies within twenty-four (24) hours after LESSOR has received such notice from COUNTY,
COUNTY may provide the janitorial supplies necessary or have others do so, and deduct the cost
thereof, including labor, materials, and overhead, from any rent payable without further notice.

15 If LESSOR or its representative cannot be contacted by COUNTY for emergency repairs (as
17 determined by the COUNTY) and/or Services the same day any emergency repairs and/or services are
19 necessary to remedy the emergency condition, or if LESSOR following such contact by COUNTY is
unable or refuses to make the necessary 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 rent payable without
further notice.

21 In the event any damage to the Premises is caused as a result of willful misconduct from COUNTY
23 employees, repairs are to be made by LESSOR, but the cost of such repairs shall be reimbursed by
COUNTY within sixty (60) days from receipt of an invoice by LESSOR detailing materials and labor.

25 Should COUNTY be forced to shut down its operations within the Premises due to LESSOR's failure
27 to provide Services required by this Clause 16, LESSOR shall be responsible for the actual cost to
COUNTY of such shutdown and for replacement premises as necessary due to such shutdown. Should
29 COUNTY incur cost as a result of a shut down due to LESSOR's failure to provide said Services and
as set forth herein, LESSOR shall reimburse COUNTY for said costs within thirty (30) days of written
31 notice. Should LESSOR fail to reimburse COUNTY within thirty (30) days, COUNTY may deduct
33 the amount of the costs and/or replacement premises from any Monthly Rent payable without further
notice.

35 LESSOR shall provide COUNTY with a complete copy of the janitorial and any other service contract
37 covering the Premises, including the janitorial schedule and any other exhibits upon request."

39 K. Clause 17. UTILITIES (5.2 S) is hereby deleted from the Lease and the following is substituted:

41 **"17. UTILITES (5.2 N)**

43 LESSOR shall be responsible for and pay, prior to the delinquency date, all charges for utilities
45 supplied to the Premises except telephone, which shall be the obligation of COUNTY. Should
LESSOR fail to provide utility service to the Premises, COUNTY may provide such service and
deduct the cost thereof, including overhead, from any rent payable. LESSOR may utilize zoning and
controls on HVAC and utilities to promote efficient use of utilities in Premises."

47 L. Clause 30. COMMISSION (6.11 N) is deleted from the Lease and the following is substituted:

49 **"30. COMMISSION (6.11 N)**

COUNTY's obligations and responsibilities under this Lease are contingent upon the LESSOR paying to COUNTY Three Hundred Thirty-One Thousand Two Hundred Eight Dollars and Twenty-One Cents (\$331,208.21) commission as a result of this lease transaction. Said commission shall be paid to COUNTY within ten (10) working days after execution of this Lease by COUNTY. Said commission payment shall be made payable to the "County of Orange" and delivered COUNTY's Chief Real Estate Officer at 333 W. Santa Ana Boulevard, Third Floor, Santa Ana, California 92703.

In the event COUNTY excises either of its Clause 6 Options to Extend Term, LESSOR shall pay COUNTY as a result of the extension(s) of the Lease as follows:

<u>Extension Term</u>	<u>Commission due County</u>
1st 5 years	One Hundred Sixty-eight Thousand Six Hundred Twenty-four Dollars and Seventy-nine Cents (\$168,624.79)
2nd 5 years	One Hundred Eighty Thousand Seven Hundred Fifty-six Dollars and Seven Cents (\$180,756.07)

Said commission shall be paid to COUNTY within ten (10) working days after the commencement of the corresponding Option to Extend Term. Said commission(s) payment shall be made payable to COUNTY and delivered as provided above.

Should COUNTY not receive the above amount within the specified time period, COUNTY, at COUNTY's sole option, may terminate this Lease without further obligation to LESSOR, or at COUNTY's sole option, COUNTY may deduct any unpaid amount from future rent payable to LESSOR by COUNTY.

LESSOR shall pay Jones Lang LaSalle ('JLL') who provided representation to COUNTY on this specific lease transaction a lease commission equivalent to Three Hundred Eighteen Thousand Two Hundred Nineteen Dollars and Sixty-five Cents (\$318,219.65) and pursuant to a separate agreement between LESSOR and JLL."

M. Clause 33. NOTICES (8.1 S) is deleted from the Lease and the following is substituted:

"33. NOTICES (8.1 S)

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 delivered upon personal delivery, delivery by facsimile machine, or seventy-two (72) hours after deposit in the United States Mail. Notwithstanding the above, notices may also be provided by personal delivery, by regular mail, or by electronic mail and any such notice so given shall be deemed to have been given upon receipt.

//

//

TO: LESSOR

TO: COUNTY

County of Orange

1 Leed Warner, LLC
c/o L2 Development
3 9538 Brighton Way, Suite 321
Beverly Hills, California 90210
5 Attention: Elizabeth Leanse
Phone: (310) 428-2952
7 E-mail: elizabeth@L2Development.com

Social Services Agency
500 N. State College Boulevard, 6th Floor
Orange, CA 92868
Attn: Director, Administrative Services
Phone: (714) 541- 7712
Fax: (714) 541-7811
E-mail: An.Tran@ssa.ocgov.com

9 With a copy to:

11 County Executive Office
333 W. Santa Ana Boulevard, 3rd Floor
13 Santa Ana, CA 92701
Attention: Chief Real Estate Officer
15 Phone: (714) 834-3046
Fax: (714) 834-5355
17 E-mail: Scott.Mayer@ocgov.com”

19 N. Clause 34. ATTACHMENTS (8.2 S) is deleted from the Lease and the following is substituted:

21 **“34. ATTACHMENTS (8.2 S)**

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

25 I. GENERAL CONDITIONS

27 II. EXHIBITS

29 Revised Exhibit A.	Description - Premises
Revised Exhibit B.	Plot Plan - Premises
Exhibit C.	Plans and Specifications
Revised Exhibit D.	Janitorial Specifications
Exhibit E.	Termination Cost Amortization
31 Exhibit F.	Work Letter
Exhibit G.	Scope of Work
33 Exhibit H.	Carpet and Flooring Specifications”

35 O. New Clause 35. ADJUSTMENT FOR COST OF LESSOR SERVICES (3.4 N) is hereby added to the
37 Lease as follows:

39 **“35. ADJUSTMENT FOR COST OF LESSOR SERVICES (3.4 N)**

41 For the purposes of this clause, the cost of services provided by LESSOR for the COUNTY
(‘LESSOR Services’) shall include only the following:

- 43 A. Utilities (Electricity, Gas, Water, excluding telephone service); and
45 B. Janitorial Service (in accordance with the attached Janitorial Specifications).

47 Notwithstanding the foregoing, LESSOR Services shall not include expenses for which the LESSOR
49 is reimbursed by a third party (either by an insurer, condemner or otherwise); expenses incurred in the
leasing or procuring of tenants (including, without limitation, lease commissions, advertising expenses,
legal expenses, and expenses of renovating space for tenants); real estate taxes, insurance, property

1 management fees, fees for security services, trash and waste services, landscaping services, cost of
3 compliance with future laws, depreciation, interest or amortization payments on any mortgage or
5 mortgages; wages, salaries or other compensation paid to any employees; common area services, the
7 cost of any work or service performed for or facilities furnished to COUNTY at COUNTY's cost; the
9 cost of correcting building defects (latent or otherwise); costs of capital improvements and depreciation
or amortization cost of maintenance of the Premises; costs for major repairs and/or replacements to the
building that constitute capital improvements or replacements (such as re-roofing, parking lot
replacement, and new heating/ air-conditioning units).

11 In the event the cost of LESSOR Services incurred by LESSOR, during the second and subsequent full
13 years of the Term, are higher or lower than the actual cost of LESSOR Services incurred by LESSOR
15 in calendar year 2016 ("**Base Year**"), and the increase or decrease is reasonable when compared to
industry standards, an adjustment shall be made. Said adjustment shall be paid by COUNTY to
LESSOR in the event of an increase or shall be paid by LESSOR to COUNTY in the event of a
decrease.

17 Within sixty (60) days following each anniversary date of the Commencement Date of the Term of this
19 Lease, LESSOR shall furnish COUNTY with the following specifically applicable to the Premises:

- 21 A. Summary Statement: LESSOR shall furnish a written ("**Summary Statement**") in line
23 itemed form that includes in detail: (1) the cost of each category of LESSOR Services for the
25 Base Year; (2) the cost of LESSOR Services for the previous lease year (the "**Claim Year**");
and (3) any dollar and percentage increase in the cost of LESSOR Services when compared
to the Base Year ("**Claim**").
- 27 B. Supporting Data: LESSOR shall provide supporting data ("**Supporting Data**") that includes
29 copies of invoices and/or work orders for each amount paid by LESSOR for the services
31 provided, and confirmation of payment of said services provided. The Supporting Data, for
33 each of the LESSOR Services defined above, shall be presented in the form of: (1) a
summary/cover statement which summarizes the dates of service, scope of service and
amounts paid; (2) copies of vendor invoices showing with reasonable detail the services
provided and charges to LESSOR for LESSOR Services and (3) some substantial form of
proof of payment (e.g. copy of check, confirmation of payment, etc.).

35 COUNTY shall have the right to audit any Supporting Data provided by LESSOR and used in the
37 preparation of said Claim. In the event COUNTY questions the adequacy of any portion of the
39 Supporting Data provided by LESSOR, and COUNTY requests additional Supporting Data, the due
41 date for payment of the adjustment shall be sixty (60) days from the date that COUNTY receives the
additional Supporting Data required to substantiate LESSOR's Claim. In the event payment is due,
said payment shall be made in a lump-sum within sixty (60) days following receipt of the latest
Summary Statement, Supporting Data and Claim.

43 Should LESSOR fail to provide said Summary Statement, Supporting Data and Claim within sixty (60)
45 days from said anniversary date, or a revised Summary Statement, Supporting Data and Claim within
47 sixty (60) days from COUNTY's written request for additional Supporting Data, any Claim for
reimbursement for the Claim Year pursuant to this clause shall be deemed waived by LESSOR.

49 In no event shall COUNTY be obligated to pay an adjustment pursuant to this clause for increases in
Lessor Services contained in a Claim which exceeds a four percent (4%), increase per annum of the

1 cost of Lessor Services for the Claim Year above the cost of Lessor Services paid by COUNTY
3 during the previous year. Subject to COUNTY's right to audit pursuant to this Lease, all Claims
owed by COUNTY will be deemed final upon payment by COUNTY."

5 P. New Clause 36. STRUCTURAL/LATENT DEFECTS (N) is hereby added to the Lease as follows:

7 **"36. STRUCTURAL/LATENT DEFECTS (N)**

9 LESSOR, at LESSOR's sole cost and expense, shall be one hundred percent (100%) responsible for
11 repair of any and all structural defects including roof and flooring and/or latent defects in the Building
over the Term (including earthquake damage). Further, LESSOR's cost for repair of any and all
13 structural and/or latent defects shall be excluded from any operating expenses which would otherwise
be passed through to COUNTY."

15 Q. "Exhibit A. Description – Premises" is deleted from the Lease and the attached "Revised Exhibit A.
17 Description – Premises" is substituted. All references to "Exhibit A" in the Lease are hereby amended to
refer to "Revised Exhibit A."

19 R. "Exhibit B. Plot Plan – Premises" is deleted from the Lease and the attached "Revised Exhibit B. Plot
21 Plan – Premises" is substituted. All references to "Exhibit B" in the Lease are hereby amended to refer
to "Revised Exhibit B."

23 S. "Exhibit D. Janitorial Specifications" is deleted from the Lease and the attached "Revised Exhibit D.
25 Janitorial Specifications" is substituted. All references to "Exhibit D" in the Lease are hereby amended
to refer to "Revised Exhibit D."

27 T. New "Exhibit E. Termination Cost Amortization" is hereby added to the Lease.

29 U. New "Exhibit F. Work Letter" is hereby added to the Lease.

31 V. New "Exhibit G. Scope of Work" is hereby added to the Lease.

33 W. New "Exhibit H. Painting and Flooring Specifications" is hereby added to the Lease. All references to
35 paint or flooring specifications in the Lease are hereby amended to refer to the specifications in "Exhibit
H."

37 X. Wherever a conflict in the terms or conditions of this First Amendment and the Lease exists, the terms
39 or conditions of this First Amendment shall prevail. In all other respects, the terms and conditions of the
Lease not specifically changed by this First Amendment shall remain in full force and effect.

41 //

43 //

45 //

1 **IN WITNESS WHEREOF**, the parties have executed this First Amendment the day and year first above
written.

3 APPROVED AS TO FORM:

LESSOR

5 OFFICE OF COUNTY COUNSEL
7 ORANGE COUNTY, CALIFORNIA

LEED WARNER, LLC, a California limited liability
company

9
11 By _____
Deputy

By: THE ABDO CORPORATION,
a California corporation,
its Member

13 Date _____

By: _____
Stephen P. Abdo, President

17 RECOMMENDED FOR APPROVAL:

19 Social Service Agency

By: _____
Eleanor Leanse, Trustee of the Nathan J.
Leanse and Eleanor I. Leanse Revocable
Trust, dated June 22, 1984,
Its Member

21 BY: _____
23 Director of Administration

25
27 County Executive Office

29 BY: _____
31 John Beck, Administrative Manager
Real Estate Services

33
35 SIGNED AND CERTIFIED THAT A
37 COPY OF THIS DOCUMENT HAS BEEN
DELIVERED TO THE CHAIR OF THE BOARD
39 PER GC § 25103, RESO. 79-1535

COUNTY

41 Attest:

COUNTY OF ORANGE

43
45 _____
47 ROBIN STIELER
Interim Clerk of the Board of Supervisors
of Orange County, California

Chair of the Board of Supervisors
Orange County, California

1 **REVISED EXHIBIT A**

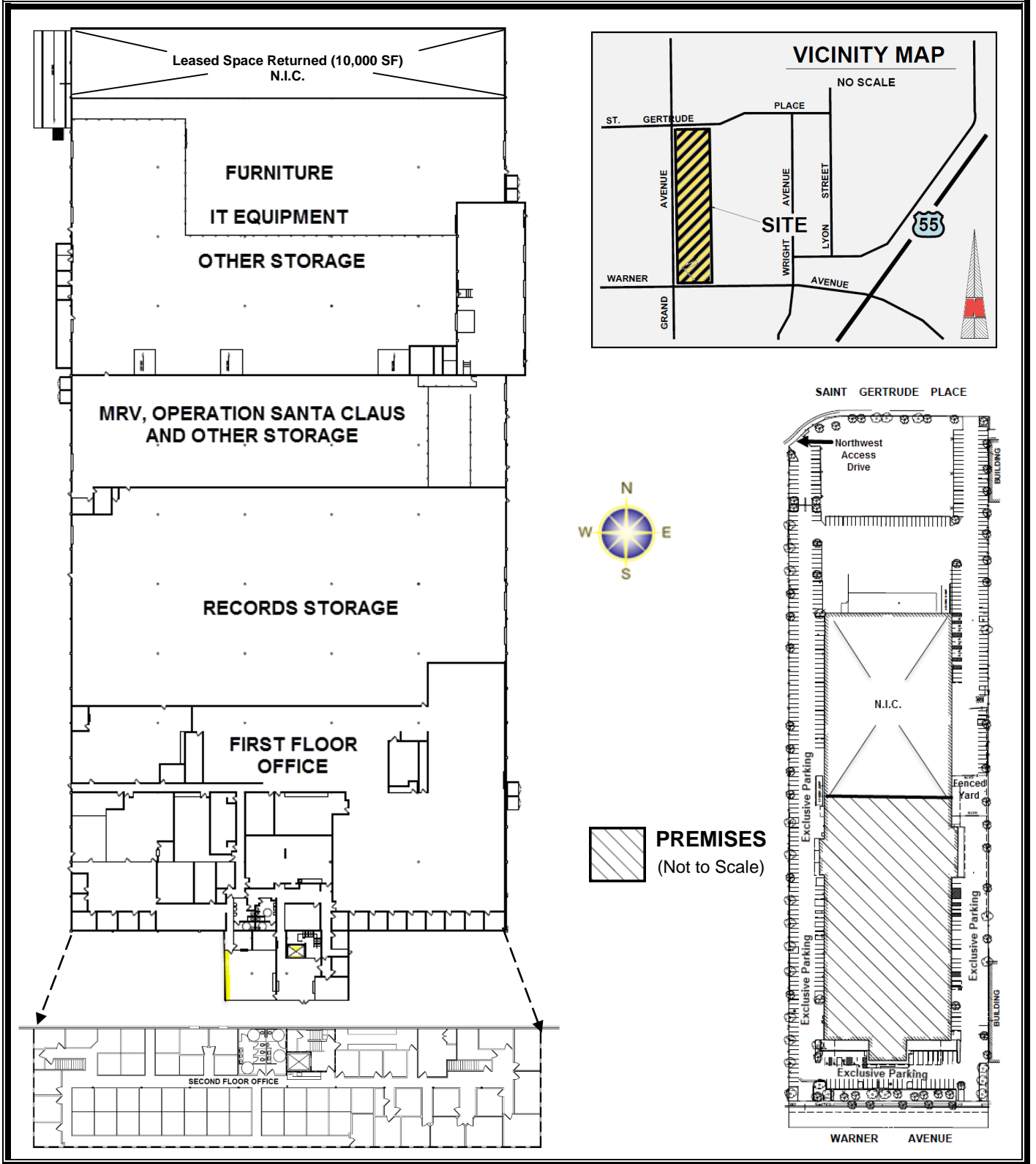
3 **LEASE DESCRIPTION (10.1 S)**


5
7 PROJECT NO: GA 1213-137-1 DATE: November 6, 2015
PROJECT: SSA Records & Adult Services VERIFIED BY: John Beck

9 All the Premises shown crosshatched on a plot plan marked Revised Exhibit B, attached hereto and made a
11 part hereof, being a portion of that certain two-story office/warehouse building located at 1505 East Warner
13 Avenue in the City of Santa Ana, County of Orange, State of California, comprising approximately 134,792
rentable square feet, free and exclusive use of approximately 4,500 square foot fenced yard area on east side
15 of building, together with the free and exclusive use of three hundred five (275) parking spaces in the parking
lot shown on Revised Exhibit B, along with free and non-exclusive right of ingress and egress of pedestrian
17 and vehicle traffic through the west, north/west sections of the property reaching the street of Saint Gertrude
Place.

19
21 **NOT TO BE RECORDED**

REVISED EXHIBIT B



GA 1213-137-1 SSA/Records & Adult Services 1505 E. Warner Avenue Santa Ana, CA 92701	Prepared By: John Beck	 LOCATION MAP
	Checked By: Mike Edmundson	
	Date: 11/6/2015	

REVISED EXHIBIT D

JANITORIAL SPECIFICATIONS (10.4 S)

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.

LESSOR shall provide "five-day-per-week" janitorial service as required in Clause 16 (REPAIR, MAINTENANCE AND JANITORIAL SERVICE), of this Lease, shall be inclusive of, but not limited to, the services as detailed below:

A. DAY PORTER

(Services to be provided during COUNTY's normal business hours Monday through Friday)

Provide one full-time janitorial staff from 8:00 a.m. to 5 p.m. to:

1. Periodically clean and stock restrooms, as needed;
2. Continuously monitor and clean, as necessary, all public areas and parking areas adjacent to building;
3. Attend to emergency situations such as: toilet overflows, spills, etc; and
4. Perform other janitorial functions as requested by on-site COUNTY designated manager.

B. OFFICE AREAS

NIGHTLY: Monday through Friday, inclusive. (Holidays of the County of Orange 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;
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.

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. Detail sweep all sidewalks, ramps, and internal and external staircases; and
6. Detail vacuum all areas which nightly vacuuming does not reach.

MONTHLY:

1. Dust all mini-blinds within the Premises;
2. Clean carpet (in accordance with the carpet manufacturer's directions) in high traffic areas (corridors, near lunchroom, etc.) and other areas as needed;
3. Scrub and wax uncarpeted floors.
4. Vacuum all HVAC vents, high moldings and other areas not reached by nightly or weekly cleaning; and

5. Power wash the sidewalks and ramps by the Building entrances.

QUARTERLY:

1. Clean carpet throughout premises using high temperature deep extraction method in accordance with the carpet manufacture's recommendations.
2. Wash all exterior windows.

SEMI-ANNUALLY:

1. Clean ceiling light diffusers;
2. Clean carpet in high traffic areas (corridors, near lunchroom, etc.) and other areas as needed;
3. Clean interior walls, as needed;
4. Strip and wax uncarpeted floors.

C. 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, towel, seat cover, sanitary napkin, and soap dispensers.

MONTHLY:

1. Machine strip restroom floors and apply finish/sealer where applicable;
2. Wash all partitions, tile walls, and enamel surfaces;
3. Vacuum all louvers, vents, and dust light fixtures.

D. 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. All interior and exterior windows of the building are to be cleaned quarterly; and
4. Maintain all toilets and urinals to meet established environmental health standards.

E. 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

EXHIBIT E

Termination Fee Amortization Schedule

Termination Effective End of Month	Tenant Improvements	Leasing Commissions	Landlord Work	Total
Initial Amount	\$500,000	\$974,142	\$0	\$1,474,142
144	\$152,483	\$297,080	\$0	\$449,563
145	\$148,721	\$289,751	\$0	\$438,472
146	\$144,934	\$282,373	\$0	\$427,308
147	\$141,122	\$274,946	\$0	\$416,069
148	\$137,285	\$267,470	\$0	\$404,755
149	\$133,422	\$259,944	\$0	\$393,366
150	\$129,533	\$252,367	\$0	\$381,900
151	\$125,618	\$244,740	\$0	\$370,359
152	\$121,678	\$237,063	\$0	\$358,740
153	\$117,711	\$229,334	\$0	\$347,044
154	\$113,717	\$221,553	\$0	\$335,270
155	\$109,697	\$213,721	\$0	\$323,418
156	\$105,650	\$205,836	\$0	\$311,486
157	\$101,576	\$197,899	\$0	\$299,475
158	\$97,475	\$189,909	\$0	\$287,384
159	\$93,346	\$181,865	\$0	\$275,212
160	\$89,191	\$173,768	\$0	\$262,959
161	\$85,007	\$165,618	\$0	\$250,624
162	\$80,795	\$157,412	\$0	\$238,208
163	\$76,556	\$149,152	\$0	\$225,708
164	\$72,288	\$140,837	\$0	\$213,125
165	\$67,991	\$132,467	\$0	\$200,458
166	\$63,666	\$124,040	\$0	\$187,707
167	\$59,313	\$115,558	\$0	\$174,871
168	\$54,930	\$107,019	\$0	\$161,949
169	\$50,518	\$98,423	\$0	\$148,941
170	\$46,076	\$89,770	\$0	\$135,846
171	\$41,605	\$81,059	\$0	\$122,664
172	\$37,104	\$72,290	\$0	\$109,394
173	\$32,573	\$63,462	\$0	\$96,036
174	\$28,012	\$54,576	\$0	\$82,588
175	\$23,421	\$45,630	\$0	\$69,051
176	\$18,799	\$36,625	\$0	\$55,424
177	\$14,146	\$27,560	\$0	\$41,706
178	\$9,462	\$18,434	\$0	\$27,896
179	\$4,747	\$9,248	\$0	\$13,994
180	(\$0)	\$0	\$0	(\$0)

EXHIBIT F

WORK LETTER

This Work Letter Agreement (“**Work Letter**”) is related to the Premises at the building commonly known as 1505 East Warner Avenue, in the City of Santa Ana, California. Capitalized terms used herein, unless otherwise defined in this Work Letter, shall have the respective meanings ascribed to them in the Lease.

Landlord shall make the following improvements to the Building (“**Building Improvements**”) and to the Premises (“**County Improvements**”) in no event later than June 30, 2016, per a mutually agreed upon schedule of work and per the Scope of Work attached herein as Exhibit G:

Section 1 BUILDING IMPROVEMENTS.

- 1.1. The entire Premises and Building shall meet new Title 24 codes effective as of July 1, 2014, at LESSOR’s sole cost and expense, including, but not limited to any and all upgrades and improvements as specified in the attached Exhibit G.
- 1.2. Install hand railing at the front entrance ramp and remove trip hazard at the west side of the building in front of the ramp, per COUNTY reasonable specifications.
- 1.3. Complete Arc Flash hazard assessment on the building’s electrical system to comply with OSHA/NFPA, per Landlords reasonable approval of the cost.
- 1.4. Replace all HVAC roof-top package units servicing the Premises as specified in the attached Exhibit G.
- 1.5. Install a new state of the art roof membrane over the entire Premises and repair areas surrounding the parapets and skylights as specified in the attached Exhibit G.
- 1.6. The asphalt parking lot shall be repaired re-surfaced and re-striped as specified in the attached Exhibit G.
- 1.7. Install OSHA required fall protection at the roof hatch opening per COUNTY reasonable specifications.
- 1.8. Replace copper waste drain located above the large doorway leading from the main warehouse due to leaking and corrosion per COUNTY reasonable specifications.

Section 2 COUNTY IMPROVEMENTS.

- 2.1. LESSOR shall paint and re-floor the office portion of the Premises and LESSOR’s cost of painting and carpeting pursuant to Clauses 11 (PAINTING BY LESSOR) and 12 (FLOORING BY LESSOR) shall be deducted from the Improvement Allowance, and said deduction shall not exceed \$400,000;
- 2.2. All costs associated with demising the Premises to remove 10,000 square feet from the north side of the Premises;
- 2.3. At COUNTY’s option, LESSOR shall construct a break room in the warehouse in a location and size to be determined by the SSA Facilities Manager and constructed in accordance with Exhibit C and Exhibit H;
- 2.4. COUNTY shall have the right to direct LESSOR to use the value of up to thirty percent (30%) of the Improvement Allowance to purchase furniture, fixtures and equipment;
- 2.5. COUNTY shall pay any Improvement Allowance overage for the work in 2.1 through 2.4 above, in lump sum to LESSOR as Additional Rent; and
- 2.6. COUNTY may use any unused balance of the Improvement Allowance to offset future rent due under the Lease.

All Building Improvements and County Improvements shall all be constructed with new materials of a commercial grade as mutually agreed upon by LESSOR and COUNTY. LESSOR's obligation is fulfilled when this work is substantially completed in a good and workmanlike manner, meaning the work has been performed to the point which is approved in writing by COUNTY, notwithstanding any hidden or latent defects.

EXHIBIT G
SCOPE OF WORK

**All work pursuant to this Exhibit G shall be done only at the time allowed pursuant to Clause 10
(Construction)**

1. Title 24 Electrical Work

PRUDENTIAL ELECTRIC

25602 Alicia Parkway, Unit 313, Laguna Hills, Ca. 92653
Phone 949-837-1199/Fax 949-837-1191/CSLB #680295

Electrical Proposal / Work Specifications

SUBMITTED TO: Leed Warner LLC ADDRESS: 2251 Bowmont Drive, Beverly Hills, Ca. 90210	ATTENTION: Elizabeth Leanse / John Waybill PHONE: 310-428-2852 CELL:	DATE: September 1, 2015 JOB NAME: 1505 E. Warner, Santa Ana
Title 24	FAX: EMAIL: john@l2development.com	JOB ADDRESS: 1505 E. Warner, Santa Ana

If a permit is pulled for a remodel, brining the current building up to Title 24 standards / compliance would be a large undertaking.

Our original proposal was to get the lighting in the building to meet T24 compliance, with no alterations, however, if a remodel is on the horizon that completely changes what needs to be done.

The electrical engineer we are consulting with now (second one) is recommending the following:

- Changing all lighting fixtures in the warehouse / storage / RV storage / filing areas.
- Changing all lighting fixtures in the restrooms.
- Changing all lighting fixtures at the exterior and parking areas and controlled by astronomical time clocks.
- Interior areas, where needed, must have dimming ceiling modules and dimming wall controls to control lighting, however, there are detailed calculations that go into determining these quantities, as primary and secondary natural daylight considerations need to be made / figured in.
- For areas larger than 10,000 square feet, (warehouse/ filing, etc.), a demand responsive control device(s) need to be installed to reduce usage / demand upon receipt of a demand response signal by utility company.
- Whole building electrical energy metering is required, meaning, lighting loads must be separated for future metering from HVAC, etc.

EXHIBIT G

SCOPE OF WORK

2. Roofing System



E-5489

COOL ROOFING SYSTEMS, INC.

SCOPE OF WORK

SIKA-SARNAFIL 60 mil feltback reinforced PVC membrane mechanically attached.

- **PRE-JOB:** We will perform a pre-job meeting to determine jobsite logistics and safety requirements. We will furnish a construction schedule if required.
- **SAFETY:** We will install all necessary safety lines in regards to ground related roofing activities. We will store materials with weight evenly distributed throughout the roofing area in accordance with good roofing practices.
- **SURFACE PREP:** We will clean and prepare the existing roof as necessary to facilitate installation of new roofing system.
- **PVC APPLICATION:** We will install 60 mil fleecebacked PVC by SIKA-SARNAFIL. This system will mechanically attached in seam and heat welded. All seams will be probed and test cuts taken to ensure lack of voids.
- **HVAC, CURBS:** We will install membrane a minimum of 8" up curb and or install 24 ga counterflashing where applicable.
- **PARAPET WALLS:** We will install membrane up and over parapet walls and or install counterflashing at base of coping cap where applicable.
- **PIPES, VENTS STACKS:** We will install pre-fabricated pipe boots wherever feasible with stainless steel clamping rings in compressed sealant. Field fabricated pipe boots will be utilized where necessary.
- **SHEET METAL:** We will re-use the existing 24 Ga kynar pre-finished coping due to fair condition. We will install new clad metal drip edge.
- **DAILY HOUSEKEEPING & TIE-INS:** Work will be performed in a professional manner according to COOL ROOFING SYSTEMS POLICY and nightly water stops will be constructed during construction to protect building interior. All work areas will also be cleaned on a daily basis and at the end of the project.
- **PUNCHLIST:** A post-job walk will be performed and any items shall be corrected with building owner or representative.
- **WARRANTY:** Will issue a 20 year NDL manufacturer's warranty on materials and labor.

EXHIBIT G
SCOPE OF WORK

3. New HVAC Units

PROPOSAL

Air Technical Services, Inc.
12408 Carson St.
Hawaiian Gardens, CA 90716
Phone: 562-429-9404
Fax: 562-429-9847

No: 2015-3821
Date: 6/19/15
Sheet No: 1 of 1

Proposal Submitted To:

- . Attn: Elizabeth Leanse/John Waybill
- . Leed Warner, LLC
- . 2251 Bowmont Dr.
- . Beverly Hills, CA 90210

Work To Be Performed At:

County of Orange
1505 E. Warner Ave.
HVAC Units
Santa Ana, CA

We hereby propose to furnish the materials and perform the labor necessary for the completion of: * Remove and replace (37) HVAC package units.

1. (30) units on lower roof Carrier heat-pump 2-7.5 ton down shot with OSA intakes.
2. (7) units on upper roof Carrier heat-pump 2-5 ton side discharge with OSA intakes.
3. Perform start-up on all new units and verify proper operation.
4. Special crane for reaching center units on lower roof.

- *All work done during normal business hours*
- *Permits and related work not included*
- *No work below roofline*

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of:

Three hundred seventy five thousand and No/100-----Dollars (\$375,000.00)
with payments to be made as follows:

Net on completion

Any alteration deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owners to carry fire, tornado and other necessary insurance upon above work. Workers Compensation and Public Liability Insurance on above work to be taken out by

Respectfully Submitted: Air Technical Services, Inc.

Per: Sam Canzone
Sam Canzone, President

Note: This proposal may be withdrawn by us if not accepted within 60 days.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date _____ Signature _____

EXHIBIT H

PAINTING AND FLOORING SPECIFICATIONS

Paint

- Acrylic latex base with Eggshell finish (except for semi-gloss in restrooms, janitor closets, above sinks in lunchrooms and at coffee bars).
- Maximum VOC content of 50 grams per liter (g/l)
- One primary color with up to three (3) different accent wall colors. All colors to be approved by SSA/Facilities Services
- Dunn-Edwards SUPREMA ultra-low VOC acrylic latex is preferred but may be replaced with County approved substitute or equivalent

Carpet:

- Modular carpet tile, no broadloom
- 100% Antron 6,6 continuous filament nylon, solution dyed, with permanent static control, soil and bleach resistant technology.
- Minimum yarn weight: 20 ounces, minimum density: 6,000.
- Minimum stitches per inch: 9
- Construction to be tufted or woven, level or multi-level loop pile with maximum pile height variation of 1/32 inch.
- Closed cell non-aqueous polymer backing, with lifetime warranty against wick back of stains, edge ravel, zippering and delamination.
- Tile size shall be a minimum of 18" to a maximum of 24"
- To be installed using manufacturer's recommended processes and adhesives.
- Must meet NSF-140 specification.
- SSA/Facilities Services has final approval of carpet selected

Luxury Vinyl Tile (LVT)

- Slip resistant that meets or exceeds American Society for Testing and Materials (ASTM) F141-12 minimum standards
- Meets or exceeds all ASTM standards regarding resistance to light, heat, flexibility, stability, and chemicals
- Solid vinyl backing
- Minimum wear thickness of 0.5 mm
- UV cured polyurethane finish to protect product from sun damage and chemical cleaners
- Tile size shall be a minimum of 12" to a maximum of 24"
- To be installed using manufacturer's recommended processes and adhesives
- SSA/Facilities Services has final approval of LVT selected

Vinyl Composition Tile (VCT)

- Slip resistant that meets or exceeds ASTM F141-12 minimum standards
- Meets or exceeds all ASTM standards regarding resistance to light, heat, flexibility, stability, and chemicals
- Shall be a minimum of 3/32" thick with color and pattern dispersed uniformly throughout tile thickness
- Tile size shall be a minimum of 12"
- To be installed using manufacturer's recommended processes and adhesives
- SSA/Facilities Services has final approval of VCT selected

Baseboard

- Factory molded
- Minimum 4" with a Coved base
- Minimum product thickness: 1/8"

SSA/Facilities Services has final approval of baseboard selected