

LEASE

THIS IS A LEASE AGREEMENT (hereinafter referred to as "Lease") made _______, 2025, ("Effective Date"), by and between ANAHEIM CITY CENTRE PROPERTY, LLC, a Delaware 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"). The Lessor and County may individually be referred to herein as a "Party," or collectively as the "Parties."

1. DEFINITIONS (1.0 SA)

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

- "Board of Supervisors" means the Board of Supervisors of the County of Orange, a political subdivision of the State of California.
- "**Building**" means the building commonly known as 222 South Harbor Boulevard, Anaheim, California, constituting a portion of the Premises.
- "CEO/Office of Risk Management" means the Risk Manager, County Executive Office, Risk Management, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.
- "Chief Real Estate Officer" means the Chief Real Estate Officer, County Executive Office, County of Orange, or upon written notice to Lessor, such other entity as shall be designated by the County Executive Officer.
- "County Counsel" means County Counsel County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.
- "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.
- "Health Care Agency" or "HCA" means the Orange County Health Care Agency, County of Orange, or designee, or upon written notice to Lessor, such other person or entity as shall be designated by the County Executive Officer or the Board of Supervisors.

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

2. PREMISES (1.1 SA)

Lessor leases to County that certain property described in Exhibit A and shown on Exhibit B, which exhibits are attached hereto and by reference made a part hereof, of approximately 37,558 rentable square feet ("RSF") on the second and fourth floors in the building located at 222 S. Harbor Blvd, Anaheim, California, consisting of (a) approximately 18,171 RSF commonly known as Suite 200 on the second floor ("Suite 200") and (b) approximately 19,387 RSF commonly known as Suite 400 on the fourth floor ("Suite 400") (collectively, the "Premises"), together with non-exclusive, in common use of elevators, stairways, washrooms, hallways, driveways for vehicle ingress and egress, pedestrian walkways, parking, parking facilities, other facilities and common areas appurtenant to the Premises.

3. USE (1.2 SA)

County shall use the Premises for governmental purposes, including a public facing facility that provides consensual social, mental or behavioral health services and programs, as well as related general administrative office purposes, or any other lawful governmental purposes. County shall not use the Premises or any portion thereof for any illegal or unlawful purpose and will not cause or permit a nuisance to be created or maintained therein.

4. PARKING (1.3 N)

Throughout the Term of the Lease and including any Extension Term pursuant to Clause 7 (OPTION TO EXTEND TERM), County shall have the non-exclusive right to use unreserved parking at a ratio of four (4) parking stalls per 1,000 RSF, which equates to one hundred fifty (150) parking stalls ("County Parking") within the parking facility as shown on Exhibit B. County shall have the right to convert up to twenty (20) County Parking stalls to reserved, designated and/or overnight parking stalls ("Reserved Parking") in a location mutually agreed to by the Parties within the parking facility. No monthly parking charges shall apply to such County Parking and Reserved Parking. Lessor shall provide County with parking passes for County Parking and Reserved Parking, subject to all reasonable rules and regulations, which are prescribed by Lessor from time to time for the efficient operation of the Building parking facility and provided to County in writing, including any sticker or other identification system established by Lessor. Additionally, Lessor shall provide County with a validation machine for County to validate visitor parking at Lessor's sole cost and expense.

Lessor specifically reserves the right to (i) designate certain areas of the parking facility as reserved for certain occupants or visitors, (ii) configuration, design, layout and all other aspects of the Building parking facility at any time, or (iii) designate the specific area within the Building parking facility wherein County's parking passes may be utilized and, from time to time, close-off or restrict access to the Building parking facility for purposes of permitting or facilitating any such construction, alteration or improvements. Lessor may, from time to time, designate the location of any Reserved Parking to another location in the Building parking facility. Lessor may delegate its responsibilities hereunder to a parking operator or a lessee of the parking facility in which case

such parking operator or lessee shall have all the rights of control attributed hereby to the Lessor. The parking passes are provided to County solely for use by County's own personnel and such passes may not be transferred, assigned, subleased or otherwise alienated by County without Lessor's prior approval.

Lessor shall provide parking within the parking facility for disabled persons ("ADA Spaces") in accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform Building Code and the applicable codes and/or ordinances relating to parking for disabled persons as established by the local jurisdiction in which the Premises is located where the provisions of such local codes and/or ordinances exceed or supersede the State requirements.

5. TERMINATION OF PRIOR AGREEMENTS (1.4 SA) - Intentionally Omitted

6. TERM (1.5 SA)

The Term of this Lease shall be one hundred and eighty (180) months ("Term"), commencing the first day of the first full calendar month following the Final Completion Date of the Work as defined in Clause 13 (CONSTRUCTION) ("Commencement Date").

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

7. OPTION TO EXTEND TERM (1.6 SA)

Provided there is no current County Default under this Lease (as further defined in Clause 28 DEFAULTS AND REMEDIES), either at the time of the exercise of the Option or upon commencement of the Extension Term, County shall have the option to extend the term of this Lease for all or a portion of the Premises (the "Option(s)") of this Lease for three (3) five (5) year periods (each an "Extension Term") exercised by the Chief Real Estate Officer and memorialized in an amendment executed by the Chief Real Estate Officer, on behalf of the County, and Lessor. The Fair Market Rental Value which shall be negotiated at the time of the Option(s) as set forth below and shall not exceed fair market value at the time of the renewal notice. +County shall give Lessor written notice of its intent to exercise its Option(s) to extend the Term no sooner than twelve (12) months and no later than nine (9) months prior to the Lease termination date. Time is of the essence in the exercise of the Option(s). The Option(s) shall be personal to County and shall not be exercised by any assignee or sublessee of County. "Term" as used in this Lease shall mean the initial Term and the Extension Term(s) if the Option(s) are duly exercised.

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

B. Factors for Determining Fair Market Rental Value. The "Fair Market Rental Value" of the Premises (or applicable portion thereof) shall be the amount that a willing, comparable, new (i.e., non-renewal), non-equity tenant would pay, and that a willing landlord of a comparable space in Orange County would accept at arms' length. Appropriate consideration shall be given to (A) the

annual rental rate per rentable square foot; (B) the definition of rentable square feet for purposes of comparing the rate; (C) location, quality and age of the Premises; (D) the financial condition (e.g., creditworthiness) of County; (E) escalation (including type, base year and stop) and abatement provisions reflecting free rent and/or no rent during the period of construction; (F) brokerage commissions, if any; (G) length of the lease Term; (H) size and location (including floor level) of the Premises; (I) building standard work letter and/or tenant improvement allowance, if any (taking into consideration the cost of anticipated tenant improvements as compared to market tenant improvement allowances), provided, however, the Fair Market Rental Value shall not include any tenant improvements or any alterations made by County; (J) condition of space; (K) lease takeover/assumptions; (L) moving expenses and other concessions, including parking and visitor parking validations; (M) extent of services to be provided; (N) distinctions between "gross" and "net" leases; (O) base year figures or expense stops for escalation purposes for both operating costs and ad valorem/real estate taxes (including, taking into account, whether County is paying operating expenses and taxes); (P) the time the particular rental rate under consideration becomes or is to become effective; (Q) applicable caps on the amount of real estate taxes and assessments passed through to tenants; and (R) other generally applicable conditions of tenancy for the space in question. County shall obtain the same rent and other benefits that Lessor would otherwise give to any comparable prospective tenant.

C. Appraisal. If after the expiration of the thirty (30) day period described in the Mutual Agreement section above, the Parties have not mutually agreed on the Fair Market Rental Value for the Extension Term in question, then the Parties shall use the following method to determine the Fair Market Rental Value (the "Three Broker Method"): within ten (10) business days after the expiration of such thirty-day period, each Party shall give written notice to the other setting forth the name and address of a "Broker" (as hereinafter defined) selected by such Party who has agreed to act in such capacity, to determine the Fair Market Rental Value. If either Party has failed to select a Broker as aforesaid, the Fair Market Rental Value shall be determined by the Broker selected by the other Party. Each Broker shall thereupon independently make his or her determinations of the Fair Market Rental Value within twenty (20) days after the appointment of the second Broker. If the two Brokers' determinations are not the same, but the higher of such two values is not more than one hundred five percent (105%) of the lower of them, then the Fair Market Rental Value shall be deemed to be the average of the two values. If the higher of such two values is more than one hundred five percent (105%) of the lower of them, then the two Brokers shall jointly appoint a third Broker within ten (10) days after the second of the two determinations described above has been rendered. The third Broker shall independently make his determination of the Fair Market Rental Value within twenty (20) days after his appointment. The highest and the lowest determinations of value among the three Brokers shall be disregarded and the remaining determination shall be deemed to be the Fair Market Rental Value and the Parties shall execute an amendment.

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

8. OPTION TO TERMINATE LEASE (1.7 SA)

County shall have the option to terminate this Lease effective as of the last day of the one hundred and forty-fourth (144th) month of the Lease Term, upon at least twelve (12) months prior written notice to Lessor of said termination date and a termination fee equal to the remaining unamortized Abated Rent, tenant improvement allowances and broker commissions, calculated at a seven percent (7%) amortization rate, consistent with Exhibit G (TERMINATION FEE SCHEDULE).

9. **RENT (1.8 SA)**

County agrees to pay to Lessor as rent for the Premises the sum of One Hundred Thirty-One Thousand Four Hundred Fifty-Three and 00/100 Dollars (\$131,453.00) per month commencing on Commencement Date ("**Rent Commencement Date**") and adjusted annually at the rate of three percent (3%) pursuant to the Rent Adjustment schedule in Clause 10 (RENT ADJUSTMENT) below.

Lessor agrees that County has the right to abate Rent for five and a half (5 ½) months of the Lease Term, equating to Seven Hundred Twenty-Two Thousand Nine Hundred Ninety-One and 50/100 Dollars (\$722,991.50), applied to month 2 through 7 ("**Abated Rent**"). County shall, at County's sole discretion, have the ability to convert all or a portion of the Abated Rent towards the costs of the initial tenant improvements furniture, fixtures, equipment ("**FF&E**") costs, and/or utilize as an additional County Improvement Allowance towards the Work and any overages, as outlined in Clause 13 (CONSTRUCTION).

To obtain rent payments, and payment of any amounts hereunder, Lessor (or Lessor's designee) shall submit to County's HCA/Facilities Services Manager, in a form acceptable to said HCA/Facilities Services Manager, herein attached as Exhibit H, a written claim for said rent payments.

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

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

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

County shall pay Additional Rent in accordance with this Clause. "Additional Rent" consists of additional charges under the Clause 13 (CONSTRUCTION), Clause 17 (COUNTY-REQUESED ALTERATIONS), Clause 19 (REPAIR, MAINTENANCE, AND JANITORIAL SERVICES) and Clause 20 (UTILITIES) of this Lease.

10. RENT ADJUSTMENT (1.9 SA)

The monthly rent payable by County for the Premises ("**Rent**") shall be automatically adjusted as follows:

<u>Period</u>	Monthly Rent	Per Square Foot
Month 1 – 12 *	\$131,453.00	\$3.50
Month 13 - 24	\$135,396.59	\$3.61
Month 25 - 36	\$139,458.49	\$3.71
Month 37 - 48	\$143,642.24	\$3.82
Month 49 - 60	\$147,951.51	\$3.94
Month 61 - 72	\$152,390.05	\$4.06
Month 73 - 84	\$156,961.76	\$ 4.18
Month 85 - 96	\$161,670.61	\$4.30
Month 97 - 108	\$166,520.73	\$4.43
Month 109 - 120	\$171,516.35	\$4.57
Month 121 - 132	\$176,661.84	\$4.70
Month 133 - 144	\$181,961.70	\$4.84
Month 145 - 156	\$187,420.55	\$4.99
Month 157 - 168	\$193,043.16	\$5.14
Month 169 - 180	\$198,834.46	\$5.29

^{*}Abated Rent pursuant to Clause 9 (RENT).

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.

11. ADJUSTMENT FOR COST OF LESSOR SERVICES (2.0 SA) - Intentionally Omitted

12. EXPANSION RIGHT

County shall have the one-time right to expand the Premises ("Expansion Right") into all or a portion of the fifth (5th) floor of the Building in a configuration approved by Lessor and County ("Expansion Space"). The County's right to expand into the Expansion Space is conditioned upon the Expansion Space being unleased. County may elect to exercise the Expansion Right, with prior written notice, only during the initial twenty-four (24) months of the Lease Term.

If County elects to exercise its Expansion Right, then County shall deliver written notice ("Expansion Acceptance") to Lessor stating that the County is exercising its Expansion Right and shall designate all or that portion of the Expansion Space being added to the Premises and be subject to all the terms and conditions of the Lease (including the Rent). The Expansion Space

shall be contiguous to the Premises and the term for such space will be adjusted proportionately to permit expiration coterminous with the Term.

The Work necessary for occupancy of the Expansion Space shall be completed consistent (including, on a per square foot basis, with regard to any allowance, which allowance amount shall reflect the difference in the term of the lease with respect to the Expansion Space as compared with the Term with respect to the Premises) with the terms of Clause 13 (CONSTRUCTION) of this Lease. The Expansion Space shall commence upon the first full calendar month following the Final Completion Date of the Expansion Space and Lessor's receipt of the County Work Acceptance Letter for the Expansion Space ("Expansion Space Commencement Date"). Prior to the Expansion Space Commencement Date, the Parties shall execute an amendment confirming the inclusion of the Expansion Space square footage as part of the Premises, adjustment to Rent schedule in Clause 10 (RENT ADJUSTMENT) and other terms and conditions as set forth in this Lease. The Parties acknowledge that exercising the Expansion Right may require approval by the Orange County Board of Supervisors.

13. CONSTRUCTION (2.2 SA)

A. <u>The Work.</u> Lessor hereby agrees to construct the improvements, alterations and other work (the "Work") in accordance with the "Space Plan" (which is attached hereto and by this reference made a part hereof as <u>Exhibit C-3</u>) and in substantial compliance with the "Approved Working Drawings" (which, upon approval, shall be attached hereto as <u>Exhibit C-4</u>). Lessor represents all parts of the Premises and Building, including the structural portions of the Building, the roof of the Building, elevators, parking facilities and all Premises and Building systems are in good working order and comply with all applicable federal, state, local laws and codes. In connection with the Work, Lessor's HVAC contractor shall perform a detailed inspection and shall certify that the existing mechanical equipment, including the rooftop units, are in good working condition.

B. <u>County Allowances</u>. Lessor hereby agrees to complete the Work utilizing a tenant improvement allowance in the amount of One Hundred Thirty and 00/100 Dollars (\$130.00) per RSF (totaling \$4,882,540.00) ("County Improvement Allowance") towards the costs of such Work. The County Improvement Allowance shall cover "hard" and "soft" construction costs and management fees. In addition to the County Improvement Allowance, and Abated Rent (as defined above in Clause 9 (RENT)), Lessor hereby agrees to provide County with a moving allowance in the amount of Twenty-Five and 00/100 Dollars (\$25.00) per RSF (totaling \$938,950.00) to be used at County's sole discretion towards FF&E, relocation costs, cabling, telecommunications, additional County Improvement Allowance, and any other costs associated with the Work ("County Moving Allowance").

In the event that the cost of the Work exceeds the amount of the County Improvement Allowance and County Moving Allowance, the amount by which the Work costs exceed the allowances shall be County's responsibility ("County Overage"). County shall reimburse Lessor in a lump sum for the County Overage, after the application of any converted Abated Rent, upon submittal of a written claim for such reimbursement. Said reimbursement claim shall be due and payable within sixty (60) days following the receipt of Lessor's written claim by the HCA/Facilities Service Manager and payable with the following month's Rent.

C. <u>Lessor Performance of the Work.</u> Lessor shall have at least three (3) contractors provide bids for the Work. The bids shall consist of "apples to apples" line items for the Work. Lessor shall present the three (3) bids to County for written approval within one hundred twenty (120) days of the Effective Date. Lessor shall enter into all contracts associated with the Work, including, but not limited to the contracts with the project manager, construction manager, and general contractor(s), and low voltage vendor(s).

Lessor agrees that any improvement being constructed by, or under the direction of Lessor shall be constructed in substantial compliance with the Approved Working Drawings and if and to the extent applicable, in compliance with the requirements of California Public Contract Code Section 22000 et seq., which requires those improvements to be constructed as if such improvements had been constructed under the direction and supervision, or under the authority, of County. In partial satisfaction of the requirements of Section 22000 et seq., if applicable: (a) Lessor shall be required to secure the faithful performance of construction and completion of construction of the improvement by appropriate contractor's bonds as required by the California Public Contracts Code (if performance or payment bonds are required by Lessor, they shall be paid at Lessor's sole cost and expense, and shall not be charged against any County allowance) and shall require its contractor or contractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 29 (LABOR CODE COMPLIANCE) of this Lease; (b) Lessor shall publicly advertise for bids for such improvements, as provided in Orange County Codified Ordinances 1-8-1 et seq., and shall provide County a list of all bids received for the contract; and (c) thereafter, with the prior written approval of County as to the winning bid, Lessor shall award the contract or contracts for such improvements.

D. <u>Completion Schedule.</u> Lessor agrees to have the Work substantially completed, within one hundred twenty-six (126) days after the date that the City of Anaheim and any other applicable government entities issues building permits to Lessor (the "Scheduled Delivery Date"). The Scheduled Delivery Date shall be extended on a day-for-day basis to the extent Lessor is delayed due to an event of Force Majeure or County Delay, as both are defined below in 13(F) and (G), respectively.

As used in this Lease, "Substantial Completion" or "Substantially Completed" means that the Work shall have been completed in accordance with this Clause 13 and the Work Letter which is attached hereto and by this reference made a part hereof as Exhibit C, and any mutually approved plans and specifications, such that the Premises will be ready for occupancy and operation by County for the intended purposes, as evidenced by issued and signed off permits and final inspections, and any necessary Certificate of Occupancy is obtained by Lessor, in connection with such Work, subject to any "punch list" items, if any.

Upon Substantial Completion of the Work (as defined above), Lessor shall request for HCA/Facilities Services Manager approval and acceptance of such Work, which approval may not be unreasonably withheld or delayed. Lessor shall send County a "Work Acceptance Letter," as attached hereto as Exhibit F. County shall approve and accept the Work by signing the Work Acceptance Letter, which may be subject to completion of items on a punch list, as written and attached to the Work Acceptance Letter by County. County shall not be required to execute such Work Acceptance Letter until County is satisfied that the Work has reached Substantial Completion (except for minor punch list items, if any) pursuant to this Lease, in County's sole and

reasonable discretion. The "**Final Completion Date**" means the date of Lessor's final completion of the Work, as determined by County, as evidenced by the executed Work Acceptance Letter and absolute completion of the items set forth in the punch list (if any). The determination of whether the Final Improvement Date has occurred will be made in County's sole and reasonable discretion.

- **E. Punch List.** In the event County's approval and acceptance of the Work is given along with a punch list, Lessor shall complete all punch list items within twenty-one (21) days following receipt of the Work Acceptance Letter. Should the items on the punch list not be completed within twenty-one (21) days other than as a result of actions (or inactions) of County or events of Force Majeure, Lessor shall be obligated to pay a penalty to County of five hundred dollars (\$500.00) per day for the period from the Scheduled Delivery Date through the Final Completion Date or County shall have the option to complete the Work and deduct the cost thereof, including labor, materials, and overhead from any Rent payable.
- **F.** Force Majeure Delay. The occurrence of an event of Force Majeure (as defined in Clause 49 (FORCE MAJEURE) shall excuse the performance by that Party for a period equal to the prevention, delay or stoppage (except the obligations imposed with regard to the payment of Rent and other sums to be paid by County pursuant to this Lease), provided the affected Party gives the other Party notice within thirty (30) days of the event causing the prevention, delay or stoppage.
- **G.** County Delay. A County delay shall mean any delays caused in whole or in part by or through County and/or County's representatives or contractors, including, without limitation, County's failure to reasonably cooperate with Lessor in the procurement of required licenses and permits, and/or failure to approve any plans and specifications in a timely fashion to the extent County's approval is required under the Lease or by any governmental or quasi-governmental authority [in which event, County's failure to respond within five (5) business days following request by Lessor (together with reasonably complete substantiating documentation, if applicable) shall be deemed a "County Delay", any material interference by any of County's contractor, subcontractors, employees, representatives and/or agents with any obligations to be performed on the part of Lessor, requests for changes or postponements in construction (including postponements required by requested changes), submission of materially inaccurate or incomplete information to Lessor, failure to pay any fees or charges when due, and/or failure to provide any required authorizations in a timely fashion where such authorization is required under the Lease or by any governmental or quasi-governmental authority.
- H. <u>Construction Commencement Contingency</u>. Notwithstanding the foregoing, if Lessor does not commence construction of any portion of the Work within five (5) business days of Lessor's receipt of the necessary permit(s) for the Work, the County shall have the right to terminate this Lease without penalties with fifteen (15) days prior written notice to Lessor; provided, however, if Lessor commences construction of any portion of the Work on or before the expiration of such fifteen (15) day period, the County's previous election to terminate shall be void and of no further force or effect.
- **I.** <u>County Remedies.</u> If Lessor is unable to cause the Work to be Substantially Completed on or prior to the Scheduled Delivery Date, as such date shall be extended day for day as a result of delays due to Force Majeure and/or any County Delays, then:
 - (a) Lessor shall be obligated to pay a penalty to County of five hundred dollars

(\$500.00) per day for the period from the Scheduled Delivery Date through the day prior to the Final Completion Date. The Parties agree that this amount is a reasonable and fair assessment of the County's damages in such a situation. County shall recoup the liquidated damages as rent credit towards the first month's rent owed to Lessor.

- (b) County may terminate this Lease (except for those obligations that expressly survive the expiration or earlier termination of the same) by delivering to Lessor written notice thereof no earlier than thirty (30) days following the Scheduled Delivery Date ("Delivery Termination Date").
- 14. PAINTING BY LESSOR (2.3 SA) Intentionally Omitted
- 15. CARPETING BY LESSOR (2.4 SA) Intentionally Omitted
- 16. ALTERATIONS (2.5 SA)

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 by the County in its discretion, provided any such improvement or change: (i) is of a cosmetic nature (e.g., painting, carpeting or wallpapering) and does not require any governmental permit, approval or other form of consent; (ii) will not detrimentally affect the systems or, structure of the Building and (iii) does not require work to be performed inside the walls or above the ceilings of the Premises (any improvement or change other than those described in (i) through (iii) above shall be referred to as a "Material Alteration"). It is agreed that any such fixtures, partitions, counters, shelving, or equipment attached to or placed upon the Premises by County shall be considered as personal property of County, as defined below in Clause 32 (COUNTY PROPERTY), who shall have the right, but not the obligation, to remove same. County agrees that the Premises shall be left in as good condition as when received, reasonable wear and tear exempted.

17. COUNTY-REQUESTED ALTERATIONS OR ADDITIONAL SERVICES (2.6 SA)

County through the Health Care Agency/Facilities Service Manager, may, during the Term of the Lease, request Lessor to make improvements, changes and Additional Services to the Premises, provided that, to the extent any such improvement or change is a Material Alteration, Lessor shall have the right to approve any such improvement or change in its reasonable discretion (collectively "County-Requested Alterations") and Lessor shall not unreasonably withhold, condition or delay its consent to any such request. "Additional Services" are defined as any services and/or supplies requested by County to be provided by Lessor that are in addition to and outside the scope of the Services completed by Lessor as such are defined in Clause 19 (REPAIR, MAINTENANCE, AND JANITORIAL SERVICES), below, and which Lessor reasonably agrees to provide. If the County Requested Alterations affects the Structural Components and/or Building Systems, then Lessor's prior written consent is needed prior to the commencement of said County Requested Alterations. All plans and working drawings for such County-Requested Alterations, as well as the final work, shall be subject to the written approval of Lessor and the Health Care Agency/Facilities Service Manager before commencement of such alterations.

All such County-Requested Alterations shall be made by Lessor, at Lessor's sole cost, and reimbursed in lump sum as Additional Rent by County upon receipt by County of Lessor's written claim for such reimbursement. County shall have the right to audit said claim and require additional reasonable supporting documentation, including Exhibit H, from Lessor prior to making reimbursement payment. County shall evidence acceptance of such claim by written letter to Lessor. Once Lessor's claim has been accepted by County as complete and adequate, the claim amount shall be reimbursed by County to Lessor at the same time as the next scheduled monthly Rent payment following the date of written acceptance of said claim.

Lessor agrees that any County-Requested Alterations being constructed by, or under the direction of Lessor in accordance with this Clause 17, shall be constructed in substantial compliance with County approved plans and to the extent applicable, in compliance with Federal, California, city and local laws, including but not limited to, the requirement of California Public Contract Code Section 22000, et seq., and shall require, to the extent applicable, its contractor or subcontractors to pay not less than the general prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 29 (LABOR CODE COMPLIANCE) of this Lease.

Following the written approval to let a contract for County-Requested Alterations in accordance with this Clause 17, Lessor shall, to the extent applicable, publicly advertise for bids for such improvements, as provided in Orange County Codified Ordinances 1-8-1 et seq. and shall provide County a list of all bids received for the contract. Thereafter, with the prior written approval of County as to the winning bid, Lessor shall award the contract or contracts for such County-Requested Alterations. County's approval of the bid shall be limited to the dollar value only, to ensure it is within County's budget.

18. ORANGE COUNTY TELECOMMUNICATIONS NETWORK (2.7 SA)

Lessor agrees that County may install, at County's sole cost and expense, telecommunication devices in, on, or around the Premises and Building in accordance with the relevant and applicable County telecommunications network plans and specifications, provided that the provisions of Clause 16 (ALTERATIONS), shall be applicable to such work and any such devices must be compatible with the existing systems of the Building. If required in connection with the installation of such telecommunications equipment, County may install, maintain, replace, remove or use any communications or computer wires and cables (collectively, the "Lines") serving the Premises, provided that (i) County shall provide Lessor with prior written notice, (ii) the Lines therefor (including riser cables) shall be appropriately insulated to prevent excessive electromagnetic fields or radiation, and shall be surrounded by a protective conduit reasonably acceptable to Lessor, and (vi) County shall pay all costs in connection therewith. It shall be County's responsibility to obtain all governmental permits and/or approvals required for such installation; however, Lessor shall reasonably cooperate with County as necessary or appropriate, to obtain said permits and/or approvals. Additionally, County or County's subcontractor has the right to enter the Premises and/or Building to maintain, repair or replace the County telecommunications network consistent with said contract between County and service provider. County may, in its discretion, remove any cabling, conveyance systems or cabling conduit installed by County. When the Lease is terminated, County reserves all rights to remove, in its discretion, any such telecommunication improvements from the Premises and/or Building.

19. REPAIR, MAINTENANCE, AND JANITORIAL SERVICES (2.8 N)

- A. Lessor Services. Lessor shall, at its sole cost and expense, (except as otherwise provided in this Lease) provide any and all necessary repairs, maintenance and replacements of the Premises and Building (and systems therein), 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 Premises and Building systems including the Heating, Ventilation, Air Conditioning ("HVAC") system, supplemental HVAC, plumbing, electrical and mechanical systems, fire/life safety system and certifications, fire extinguishers, elevators, paving, landscape, pest control, janitorial, day porter and whether capital or non-capital (the "Services") and as may be set forth in Exhibit D, which is attached hereto and by reference made a part hereof. 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 and local permit regulations. The Services shall be made promptly to keep the Premises and the Building in the condition described in this Clause 19. Should Lessor default in its obligations under this clause, the County may exercise those remedies set forth in Clause 19(B) below. Notwithstanding the foregoing, County at its sole cost and expense shall repair any damages to the Premises resulting from gross negligence and/or intentionally willful misconduct which are caused by County or its agents, representatives, employees or invitees.
- B. County Remedies. If a Lessor fails to provide the Services within fifteen (15) days after HCA/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 remedies to County (including, but not limited to, County Remedies as defined in Clause 28 (DEFAULTS AND REMEDIES)), 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 an administrative charge of ten percent (10%) of the cost from any Rent payable without further notice; or in the event that County does not seek to perform such Services and 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 five hundred dollars (\$500.00) per day until such Services are provided by Lessor.
- C. <u>Warranties</u>. Lessor shall initiate at purchase, and keep in force, all manufacturers' warranties including extended warranties for all building equipment. When manufacturers' warranties for the HVAC, roof and elevator expire, Lessor will contract with an industry standard maintenance company ("Vendor") that specializes in the maintenance of such equipment (and for the roof) for regular and scheduled inspections as recommended by the manufacturer, and immediately authorize said Vendor to perform

any and all recommended maintenance to the equipment and roof upon receipt of any inspection report. Lessor shall authorize Vendor(s) to provide County with copies of said report(s) upon County request. Should Lessor fail to comply with the provisions of this clause, County may exercise those remedies set forth in Clause 19(B) above.

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

- D. <u>HVAC System</u>. Air conditioning will be supplied to cause the temperature in the Premises and Building at a temperature consistent with other office buildings in Orange County, California, which are typically not less than **70**° F nor greater than **75**° F, during all Normal Business Hours as defined below in Clause 19(E).
- E. Normal Business Hours. County acknowledges that the HVAC services to the Building shall operate Monday, Tuesday, and Thursday from 8:00 a.m. to 6:00 p.m.; Wednesday from 8:00 a.m. to 8:00 p.m.; Friday from 8:00 a.m. to 5:00 p.m.; and Saturday upon request from 9:00 a.m. to 1:00 p.m., excluding governmental holidays ("Normal Business Hours"). A list of government holidays and Saturday openings shall be provided to Lessor on a yearly basis upon request to County.
- F. <u>Emergency Services</u>. If County requires same day emergency repairs and/or services ("<u>Emergency Services</u>") and Lessor cannot be contacted for such Emergency Services (as determined by the County), or the Emergency 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 provide the necessary Emergency Services, County may have the necessary repairs made and/or provide Emergency Services to remedy the emergency condition, and deduct the cost thereof, including labor, materials, and overhead from any Rent payable without further notice.
- G. <u>Operations Shutdown.</u> Should County be forced to completely shut down its operations within the Premises and/or Building (*i.e.*, it is not commercially reasonable for the Premises and/or Building to be used for the purposes intended under this Lease), due to Lessor's failure to provide Services or Emergency Services required by this Clause 19, which failure is within the reasonable control of Lessor (in each case, an "**Abatement Event**"), then if such Abatement Event continues for a period of two (2) consecutive business days,

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excluding weekends and holidays, then County shall be entitled to receive an abatement of all Rent payable hereunder during the period beginning on the third (3rd) consecutive business day of such failure and ending on the day the Services or Emergency Services have been completed and County may reestablish use of the Premises and/or Building. In addition to the right to abate rent as provided in this Clause, County shall be entitled to pursue all available remedies at law or equity and pursuant to this Lease (as further defined in Clause 29 (DEFAULTS AND REMEDIES)) for an Abatement Event.

20. UTILITIES (2.9 SA)

Lessor shall be responsible for and pay, prior to the delinquency date, all charges for utilities supplied to the Premises, and any other costs, taxes, certification, and/or assessments not provided for in this Clause, except telephone, which shall be the obligation of County. Should Lessor fail to provide, or pay for (prior to delinquency date), utility service to the Premises, County may provide such service and deduct the cost thereof, including overhead, from any Rent payable.

Should County require HVAC services beyond Normal Business Hours as defined in Clause 19(E) above, County shall pay Lessor a reimbursement equal to Sixty-Five Dollars (\$65.00) per hour for each hour HVAC services are used during times other than Normal Business Hours. Lessor shall provide County with a written statement of its monthly usage in the form of an invoice, which shall include a statement showing the date, time, location and duration of such usage, along with a summary of the County's monthly charges. County shall pay Lessor for excess usage with the following month's Rent.

21. INSURANCE (3.0 SA)

<u>Commercial Property Insurance</u>: Lessor shall obtain and keep in force during the term of this Lease a policy or policies of commercial property insurance written on an "All Risks" or "Special Form" basis, covering the loss or damage to the Premises to the full insurable value of the improvements located on the Premises (including the full value of all improvements and fixtures owned by Lessor) at least in the amount of the full replacement cost thereof, and in no event less than the total amount required by any lender holding a security interest.

Lessor agrees to and shall include in the policy or policies of commercial property insurance a standard waiver of the right of subrogation against the *County of Orange*, *its elected and appointed officials*, *officers*, *employees*, *and agents* by the insurance company issuing said policy or policies. Lessor shall provide the County with a Certificate of Insurance as evidence of compliance with these requirements. Lessor shall deposit the Certificate of Insurance with CEO Real Estate, consistent with the Notice clause, through electronic correspondence on or before the Effective Date of this Lease and annually throughout the Term, as necessary to: insurance.ceore@ocgov.com

<u>Commercial General Liability Insurance:</u> Lessor shall obtain and keep in force during the term of this Lease a policy or policies of commercial general liability insurance covering bodily injury, and property damage occurring within the building and the Premises. The policy or policies evidencing such insurance shall provide the following:

A. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a from at least as broad

naming the County of Orange, its elected and appointed officials, officers, employees, and agents as an additional insured, or provide blanket coverage which will state As Required by Written Contract.

- B. A primary and non-contributory endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that the Lessor's insurance is primary, and any insurance or self-insurance maintained by the County shall be excess and non-contributing.
- C. Lessor shall provide thirty (30) days prior written notice to County of any policy cancellation or non-renewal and ten (10) days prior written notice where cancellation is due to the non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation or non-renewal may constitute a material breach of the Lease, upon which the County may suspend or terminate this Lease.
- D. The policy(ies) shall be written on an occurrence basis and shall provide a limit of not less than One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate and shall include broad form contractual liability coverage.
- 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).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, 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.

COUNTY INSURANCE

County shall maintain a program of self-insurance at its own expense for its liability exposures including commercial general liability with minimum limits of \$1,000,000 per occurrence and a \$2,000,000 aggregate, auto liability with a combined single limit of not less than \$1,000,000 per accident, Workers' Compensation with statutory limit and Employers' Liability with a limit \$1,000,000 per accident or disease. Evidence of County's self-insurance shall be provided upon request, with Lessor named as an Indemnified Party on the County's program of self-insurance.

22. INDEMNIFICATION (3.1 N)

Lessor hereby agrees to indemnify, hold harmless, and defend County, its elected and appointed officials, officers, agents, employees, and those special districts and agencies which the Board of Supervisors acts as the governing board, with counsel approved by County, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the Building (including, subject to the terms of Clause 24 (BUILDING AND SAFETY REQUIREMENTS), above, the interior of the Premises), except to the extent of liability arising out of the negligence of County, its elected and appointed officials, officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom. In the event County is named as co-defendant, Lessor shall notify County of such fact and shall represent County, with counsel approved by County, in such legal action unless County undertakes to represent itself as co-defendant in such legal action, in which event Lessor shall pay County's litigation costs, expenses and attorneys' fees.

County hereby agrees to indemnify, hold harmless, and defend Lessor, its officers, agents, and employees (collectively, the "Lessor Parties"), against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the Premises, except to the extent of liability arising out of the negligence of Lessor, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom.

In the event judgment is entered against County and Lessor because of the concurrent active negligence of County and Lessor, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

23. TOXIC MATERIALS (3.2 SA)

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

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 Toxic Materials. If the previous, current and future storage, use, and disposal of Toxic Materials on the Premises by Lessor results in contamination or deterioration of water or soil resulting in a level of contamination greater than maximum allowable levels established by any governmental agency having jurisdiction over such contamination (and such violation does not arise out of any acts or

omissions of County, its agents, employees or contractors), Lessor shall promptly take any and all action necessary to clean up such contamination.

24. BUILDING AND SAFETY REQUIREMENTS (3.3 SA)

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

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

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

In the event Lessor neglects, fails, or refuses to maintain said Premises as aforesaid, following fifteen (15) business days after written notice from County to Lessor providing notice of such neglect or failure or refusal County may, notwithstanding any other termination provisions contained herein:

- A. Fifteen (15) business days following a second written notice of such neglect or failure or refusal, County may terminate this Lease with written notice to the Lessor provided however in no event may County terminate this Lease in the event Lessor is diligently seeking to cure such default (which shall include steps taken by Lessor to design, consult, bid or seek permit or other governmental approval in connection with any necessary work)..
- 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 (ten percent (10%)) from the Rent.

Lessor agrees to reimburse, indemnify, and defend County for any expenses incurred because of the failure of the Premises to conform with any and all applicable laws, rules, regulations, building codes, statutes, and orders), 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 by Lessor of the above cited laws, rules, regulations, building codes, statutes, and orders and regulations, and all reasonable legal expenses incurred in defending claims made under the above referenced laws, rules, regulations, building codes, statutes, and orders, including reasonable attorney's fees. Should Lessor fail to comply with the provisions of this Clause, the County may also exercise those remedies set forth in Clause 19(B) (REPAIR MAINTENANCE, AND JANITORIAL SERVICES).

25. ASSIGNMENT AND SUBLETTING (3.4 SA)

- A. General. County shall not assign this Lease or sublet the Premises in whole or in part without Lessor's prior written consent, which consent shall not be unreasonably withheld. Lessor shall respond in writing to County's request to assign this Lease or sublet all or any portion of the Premises within fifteen (15) days of County's request. In the event Lessor withholds consent to any such request by County, Lessor shall provide reasonable details of its reason for such withholding of consent. In any event, County may sublease up to twenty percent (20%) of the Premises without obtaining Lessor's prior written consent. In the event Lessor fails to timely respond to County's request, Lessor shall be deemed to have approved such request. County hereby waives the provisions of Section 1995.310 of the California Civil Code, or any similar or successor Laws, now or hereinafter in effect, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable Laws, on behalf of the proposed transferee.
- B. <u>Justifications for Withholding Consent</u>. By way of example and not limitation, Lessor shall be deemed to have reasonably withheld consent to a proposed assignment or sublease if in Lessor's reasonable opinion (i) the Premises are or may be in any way materially adversely affected thereby; (ii) the business reputation of the proposed assignee or subtenant is unacceptable; or (iii) the financial worth of the proposed assignee or subtenant is insufficient to meet the obligations of the subject sublease or assignment. Notwithstanding anything to the contrary contained herein, in no event shall it be reasonable for Lessor to withhold its consent on the basis that there is vacancy in the Building or based on the fact that the proposed assignee or sublessee currently leases space in the Building or has been or is currently in negotiations with Lessor to lease space at the Building.
- C. Excess Profit. If County shall make any assignment or sublease, with Lessor's consent, for a rental in excess of the rent payable under this Lease, Lessor shall not be entitled to any of such excess which shall be held by County.

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

This Lease and all rights of the County hereunder are subject and subordinate to any mortgage or deed of trust which does now or may hereafter cover the Premises or any interest of Lessor therein, and to any and all advances made on the security thereof, and to any and all increases, renewals, modifications, consolidations, replacements and extensions of any such mortgage or deed of trust 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 of the Premises, including any proceedings brought for foreclosure or in the event of the exercise of the power of sale under any mortgage or deed of trust, or by any other transfer of title covering the Premises, Lessor shall be automatically relieved of any and all obligations and liabilities on the part of Lessor accruing under this Lease from and after the date of such transfer (provided the transferee expressly assumes Lessor's obligations under this Lease), County shall attorn to and recognize any subsequent title holder as the Lessor under all terms, covenants and conditions of this Lease. County's possession of the Premises shall not be disturbed by the Lessor, or its successors in interest, and this Lease shall remain in full force and effect. Said attornment shall be effective and self-operative immediately upon succession of the current title holder, or its successors in interest, to the interest of Lessor under this Lease.

Notwithstanding the above, Lessor shall deliver to County a Subordination, Attornment and Non-Disturbance Agreement from Lessor's Lender and execute (which, upon approval and execution, shall be attached hereto as Exhibit E), within ninety (90) days of the date of full execution of this Lease; provided that Lessor shall not be required to incur any liability or material cost, negotiate with Lessor's Lender or take or threaten legal action against Lessor's Lender. The inability or failure of Lessor to obtain such Subordination, Attornment and Non-Disturbance Agreement shall not constitute a default by Lessor hereunder nor shall the same constitute a condition to the effectiveness of this Lease. Accordingly, notwithstanding anything to the contrary herein, County's obligation to enter into an agreement to subordinate its interest under this Lease to a lien or ground lease not in existence as of the date of this Lease shall be conditioned upon the holder of such lien, or a ground Lessor, as applicable, confirming in writing and substantially in the form of County's standard form Subordination, Attornment and Non-Disturbance Agreement that County's leasehold interest hereunder shall not be disturbed so long as no County Default exists under this Lease.

Foreclosure shall not extinguish this Lease, and any lender or any third party purchasing the Premises at foreclosure sale shall do so subject to this Lease and shall thereafter perform all obligations and be responsible for all liabilities of the Lessor under the terms of this Lease.

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

27. ESTOPPEL CERTIFICATE (3.6 SA)

County agrees that the HCA/Facilities Services Manager shall furnish upon receipt of a written request from Lessor or the holder of any deed of trust or mortgage covering the Premises or any

interest of Lessor therein ("Lessor Representative"), County's standard form *Estoppel Certificate* (consistent with the form attached hereto in <u>Exhibit E</u>) containing information as to the current status of the Lease. Said standard form *Estoppel Certificate* shall be completed by County in a timely manner, shall be approved by Chief Real Estate Officer and County Counsel.

28. DEFAULTS AND REMEDIES (3.7 SA)

A. County Default:

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

B. Lessor Default:

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

C. County Remedies:

If the Lessor Default is a result of a monetary breach by Lessor in the payment of any amounts due hereunder, County may withhold such amount from the next scheduled Rent payment. County's remedies as the result of Lessor Default for monetary or non-monetary breach shall be the right to damages, injunctive relief, and/or any other rights at law or in equity.

D. Lessor Remedies:

If the County Default is a result of a monetary breach by County in the payment of the Rent, pursuant to Clause 9 (RENT), Lessor may declare all rent payments to the end of County's current fiscal year to be due, including any delinquent rent from prior budget years. However, in no event shall Lessor be entitled to a remedy of acceleration of the total rent payments due over the Term of this Lease. Lessor's remedies as the result of County Default for monetary or non-monetary breach shall be the right to damages, injunctive relief, and/or any other rights at law or in equity.

29. LABOR CODE COMPLIANCE (3.8 SA)

Lessor acknowledges and agrees that all improvements or modifications required to be performed as a condition precedent to the Commencement Date of the Term of this Lease or any such future improvements or modifications performed by Lessor at the request of County 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.), as applicable. These provisions may be applicable to improvements or modifications costing more than \$1,000, unless an exception applies, including but not limited to the exception to the definition of public works under § 1720.2.

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

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

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

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

In accordance with the United States Immigration Reform and Control Act of 1986, Lessor shall require its employees that directly or indirectly service the Premises or this Lease, in any manner whatsoever, to verify their identity and eligibility for employment in the United States. 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, shall comply with the prevailing wage and related requirements, as provided for in Clause 29 (LABOR CODE COMPLIANCE) of this Lease.

31. DEBT LIMIT (4.0 SA)

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

32. COUNTY PROPERTY (4.1 SA)

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

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

Upon reasonable verbal notice (which shall not be less than forty-eight (48) hours) to County (except in an emergency [which shall mean immediate risk of injury to person or property] in which case no notice shall be required, provided that Lessor shall first call County) and in the presence of County, Lessor, its agents, employees and contractors and any mortgagee of the Premises shall have the right to enter the Premises during regular business hours (a) to inspect the Premises; (b) to exhibit the Premises to prospective tenants during the last six (6) months of Term or any Extension Term, as applicable, or any time County is in material default hereunder, or

purchasers of the Premises; (c) for any purpose which Lessor shall deem necessary for the operation and maintenance of the Premises; and (d) to abate any condition which constitutes a violation of any covenant or condition of this Lease.

34. SIGNAGE (4.3 N)

Lessor agrees to allow County to have the name "County of Orange Health Care Agency" installed in one (1) location on the Building monument sign for County's signage at County's expense and consistent with Exhibit I which is attached hereto and by this reference made a part hereof. County shall be permitted to install interior branding within the Premises as well as on the Premises' windows which shall be visible from the exterior of the Building. However, such window signage shall be placed in mutually acceptable locations agreed upon by the Parties and the Lessor will have the right to approve size, content, etc. in their sole discretion. Such signage shall comply with all applicable laws and zoning and site plan requirements.

35. AUTHORITY (4.4 SA)

The persons executing the Lease below on behalf of County or Lessor warrant that they have the power and authority to bind County or Lessor to this Lease.

36. LEASE ORGANIZATION (4.5 SA)

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

37. SUCCESSORS IN INTEREST (4.6 SA)

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

38. AMENDMENT (4.7 SA)

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

39. PARTIAL INVALIDITY (4.8 SA)

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

40. WAIVER OF RIGHTS (4.9 SA)

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

breach or default of the terms, conditions, and covenants herein contained.

41. HOLDING OVER (5.0 SA)

In the event County shall continue in possession of the Premises after the Term or any Extension Term, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease; except that the Rent during such holdover shall continue in effect for six (6) months after the expiration of the Term or any Extension Term and shall increase to one hundred twenty-five percent (125%) of the Rent thereafter.

42. EARTHQUAKE SAFETY (5.1 SA)

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

43. QUIET ENJOYMENT (5.2 SA)

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

44. ADMINISTRATIVE COSTS (5.3 SA) – Intentionally Omitted

45. GOVERNING LAW AND VENUE (5.4 SA)

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

46. ATTORNEYS' FEES (5.5 SA)

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

47. TIME (5.6 SA)

Time is of the essence of this Lease.

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

In accordance with California Civil Code 1938(e), "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or Lessor

may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Pursuant to California Civil Code 1938, Lessor hereby represents that the Premises has not undergone an inspection by a certified access specialist and no representations are made with respect to compliance with accessibility standards. However, if it is determined that a violation of handicapped access laws (including the Americans with Disabilities Act) existed at the Premises as of the Commencement Date, Lessor shall correct such non-compliance at Lessor's cost.

49. FORCE MAJEURE (5.8 SA)

For purposes of this Lease, the term "Force Majeure" means any of the following events which are beyond the control of either Party: act of God, unavailability of equipment or materials (but only if such equipment and materials were ordered in a timely fashion), enemy or terrorist act, act of war, riot or civil commotion, strike, lockout or other labor disturbance, fire, earthquake, explosion, governmental delays (including nonstandard delays in issuance of any permit or other necessary governmental approval (including delays in issuance of any permits required for Lessor to commence construction of Work) or the scheduling of any inspections or tests), nonstandard delays by third party utility providers, or any other matter of any kind or character beyond the reasonable control of the Party delayed or failing to perform under this Lease despite such Party's commercially reasonable efforts to fulfill the obligation. Force Majeure shall not include inability to obtain financing or other lack of funds. Lessor and County shall be excused for the period of any delay in the performance of any obligation hereunder when such delay is occasioned by Force Majeure.

50. CONDEMNATION (5.9 N)

If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively, "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If all or a material portion of the rentable area of the Premises are taken by Condemnation, County may, at County's option, to be exercised in writing within ten (10) days after Lessor shall have given County written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. Lessor shall also have the right to terminate this Lease if there is a taking by Condemnation of any portion of the Building or property which would have a material adverse effect on Lessor's ability to profitably operate the remainder of the Building. If neither Party terminates this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken or for severance damages. County hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure, or any similar or successor laws.

51. CONSENT OR APPROVAL (6.0 SA)

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

52. UNENFORCEABLE PROVISIONS (6.1 SA)

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

53. CIRCUMSTANCES WHICH EXCUSE PERFORMANCE (6.2 SA)

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

54. STATE AUDIT (6.3 SA)

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

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

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

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

In the event of a Partial Destruction of the Premises, Lessor shall immediately pursue completion of all repairs necessary to restore the Premises to the condition which existed immediately prior to said Partial Destruction. Said restoration work (including any demolition required) shall be completed by Lessor, at Lessor's sole cost, within sixty (60) days of the occurrence of said Partial Destruction or within an extended time frame as may be authorized, in writing, by County. The

Partial Destruction of the Premises shall in no way render this Lease and/or any option to purchase, granted herein, null and void; however, rent payable by County under the Lease shall be abated in proportion to the extent County's use and occupancy of the Premises is adversely affected by said Partial Destruction, demolition, or repair work required thereby. Should Lessor fail to complete necessary repairs, for any reason, within sixty (60) days, or other time frame as may be authorized by County, County may, at County's sole option, terminate the Lease or complete necessary repair work and deduct the cost thereof, including labor, materials, and overhead from any rent thereafter payable.

In the event of Total Destruction of the Premises or the Premises being legally declared unsafe or unfit for occupancy, this Lease and/or any option granted herein shall in no way be rendered null and void and Lessor shall immediately instigate action to rebuild or make repairs, as necessary, to restore the Premises (including replacement of all tenant improvements) to the condition which existed immediately prior to the destruction. All rent payable by County shall be abated until complete restoration of the Premises is accepted by County. 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 and subject to availability, shall provide a suitable, County-approved temporary facility ("Facility") for County's use during the restoration period for the Premises. The Facility may be leased, at market rate, under a short-term lease, for which the County will reimburse Lessor the cost thereof, on a monthly basis.

56. LIABILITY OF LESSOR (N)

Notwithstanding anything to the contrary herein, neither Lessor nor its partners, co-managing directors, agents or employees shall be liable for injury or damage to the person or equipment, goods, wares, products, merchandise or other property of County, County's employees, agents, elected officials, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is accessible or not, except for liabilities for injury or damage to person or equipment, goods, wares, products, merchandise or other property due to, arising out of or relating to Lessor Default. Neither Lessor nor its partners, co-managing directors, agents or employees, shall be liable for any damages arising from any act or neglect of any other tenant of Lessor or of any affiliate of Lessor. In consideration of the benefits accruing under this Lease, County and all successors and assigns agree that, in the event of any Lessor Default: (a) the sole and exclusive remedy shall be against the Lessor's interest in the Building (including, without limitation, proceeds from the sale of the Building, condemnation awards to which Lessor is entitled under the terms of the Lease and proceeds from insurance policies that Lessor is required to maintain under the Lease); (b) no constituent partner, member, or co-managing director of Lessor shall be named as a party in any

suit or proceeding (except as may be necessary to secure jurisdiction of the partnership, if applicable); (c) no constituent partner, member, or co-managing director of Lessor shall be required to answer or otherwise plead to any service of process; (d) no judgment will be taken against any constituent partner, member, or co-managing director of Lessor; (e) no writ of execution will ever be levied against the assets of any constituent partner, member, or co-managing director of Lessor; and (f) the obligations of Lessor under this Lease do not constitute personal obligations of the individual constituent partners, members, or co-managing directors of Lessor, and County shall not seek recourse against the co-managing directors, partners, members, or any of their respective partners, members, directors, officers or shareholders of Lessor or any of their personal assets for satisfaction of any liability in respect to this Lease.

57. SUCCESSORS AND ASSIGNS (N)

Subject to the provisions of Clause 25 (ASSIGNMENT AND SUBLETTING) hereof, all of the covenants, conditions and provisions of this Lease shall be binding upon and shall inure to the benefit of the Parties hereto and their respective heirs, personal representatives, successors and assigns.

58. SURVIVAL OF OBLIGATIONS (N)

Any obligations of County occurring prior to the expiration or earlier termination of this Lease shall survive such expiration or earlier termination.

59. SECURITY SERVICES (6.5 N)

During the Term (as the same may be extended), County shall, at its sole cost and expense, engage its own uniformed security personnel commensurate with the security level needed for the services being offered under Clause 3 (USE) above ("County Security"). County Security shall provide security services to the Premises and to County's employees, personnel, agents, licensees and/or invitees during Normal Business Hours when services are being provided. Such County Security shall be solely for the benefit of County and shall not be relied on by Lessor. County shall indemnify, defend and hold Lessor harmless from any third-party claim (including reasonable legal defense costs) arising from or in connection with County Security being present at the Premises.

60. COMMISSION (6.6 SA)

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

61. NOTICES (6.7 SA)

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

To: Lessor

Anaheim City Centre Property, LLC c/o Harbor Associates 12501 Seal Beach Blvd, Suite 225 Seal Beach, CA 90740 Attention: Richard McEvoy, Jr.

rich@harborassociates.com

To: County

County of Orange Health Care Agency 405 W. 5th Street, Suite 203 Santa Ana, CA 92701

Attn: Chief of Administration and Finance

With a copy to:

County of Orange, CEO Real Estate 400 West Civic Center Drive, 5th Floor

Santa Ana, CA 92701

Attention: Chief Real Estate Officer

In regards to insurance, Lessor shall ensure that any and all insurance related mail includes the Lease number and project name and Lessor shall mail all insurance certificates and insurance related correspondence to: insurance.ceore@ocgov.com.

62. RULES AND REGULATIONS (N)

County shall observe, and shall cause its employees, agents, contractors, invitees and licensees to, faithfully and comply strictly with the rules and regulations ("Rules and Regulations") attached to this Lease as Exhibit J and made a part hereof, and such other Rules and Regulations as Lessor may from time to time reasonably adopt for the safety, care and cleanliness of the Building, the facilities thereof, or the preservation of good order therein, provided Lessor sends written notice of such to County. Lessor shall not be liable to County for violation of any such Rules and Regulations, or for the breach of any covenant or condition in any lease by any other tenant in the Building. A waiver by Lessor of any Rule or Regulation for any other tenant shall not constitute nor be deemed a waiver of the Rule or Regulation for County.

6.3. COUNTERPARTS (6.8 S)

This Lease may be executed in one or more electronic or original counterparts, each of which will be deemed an original signature but all of which together will constitute one and the same instrument.

63. ATTACHMENTS (6.9 S)

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

I. EXHIBITS

Exhibit A – Description of Premises

Exhibit B –	Depiction of Premises
Exhibit C-1 –	The Work, County Improvements and Performance Specifications
Exhibit C-2 –	Schedule 1 to Work Letter
Exhibit C-3 –	Space Plan
Exhibit C-4 –	Approved Working Drawings
Exhibit D –	Janitorial Specifications
Exhibit E –	Form of Subordination, Attornment and Non-Disturbance Agreement
	and Estoppel Certificate
Exhibit F –	Work Acceptance Letter
Exhibit G –	Termination Fee Schedule
Exhibit H –	Payment Request Form
Exhibit I –	Signage
Exhibit J –	Rules and Regulations

//

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

APPROVED AS TO FORM:	<u>LESSOR</u>
OFFICE OF COUNTY COUNSEL ORANGE COUNTY, CALIFORNIA	ANAHEIM CITY CENTRE PROPERTY, LLC, a Delaware limited liability company
By: Deputy	By: Name, Title
RECOMMENDED FOR APPROVAL: HEALTH CARE AGENCY	
By: Chief of Administration and Finance	
COUNTY EXECUTIVE OFFICE	
By:Real Estate Manager	

*** Pursuant to the requirements of California

Corporations Code section 313, one of the following two methods must be used by a corporation when it enters into a contract with the County: Two people must sign the document. One of them must be the chairman of the board, the president or any vice president. The other must be the secretary, any assistant secretary, the chief financial officer or any assistant treasurer. One corporate officer may sign the document, providing that written evidence of the officer's authority to bind the corporation with only his or her signature must be provided. This evidence would ideally be a corporate resolution.

COUNTY

COUNTY OF ORANGE

By: Thomas A. Miller, Chief Real Estate Officer County Executive Office Per Minute Order Dated March 25, 2025, of the Board of Supervisors

EXHIBIT A

DESCRIPTION OF PREMISES

PROJECT NO: CEO/ALS/HCA-025-002 DATE: 1/30/2025

PROJECT: 222 S. Harbor Blvd, Suite 200 and Suite 400,

Anaheim, California

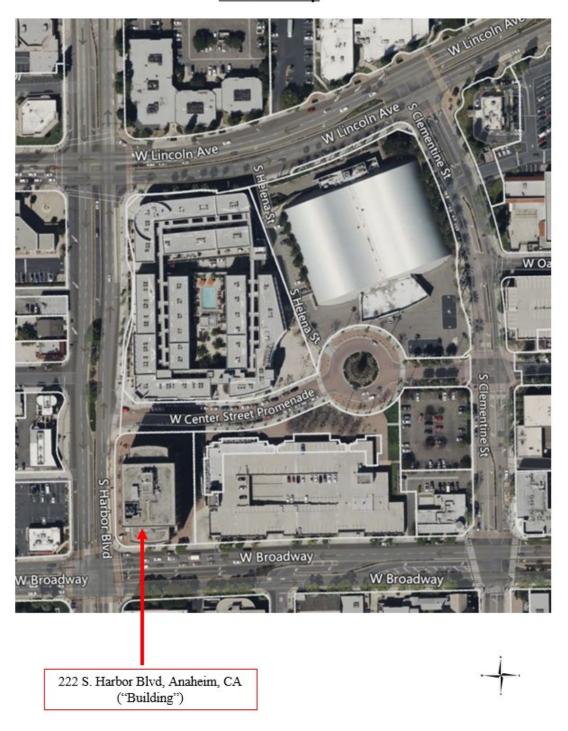
All the Premises shown on a plot plan marked <u>Exhibit B</u>, attached hereto and made a part hereof, being approximately 37,558 rentable square feet, on the second and fourth floors in the building located at 222 S. Harbor Blvd, city of Anaheim, County of Orange, State of California, consisting of (a) approximately 18,171 RSF commonly known as Suite 200 on the second floor ("Suite 200") and (b) approximately 19,387 RSF commonly known as Suite 400 on the fourth floor ("Suite 400"), together with non-exclusive, in common use of elevators, stairways, washrooms, hallways, driveways for vehicle ingress and egress, pedestrian walkways, parking, other facilities and common areas appurtenant to the Premises as shown on <u>Exhibit B</u>.

NOT TO BE RECORDED

Attachment A <u>EXHIBIT B</u>

DEPICTION OF PREMISES

Location Map



EXHIBET B (continued)

DEPICTION OF PREMISES

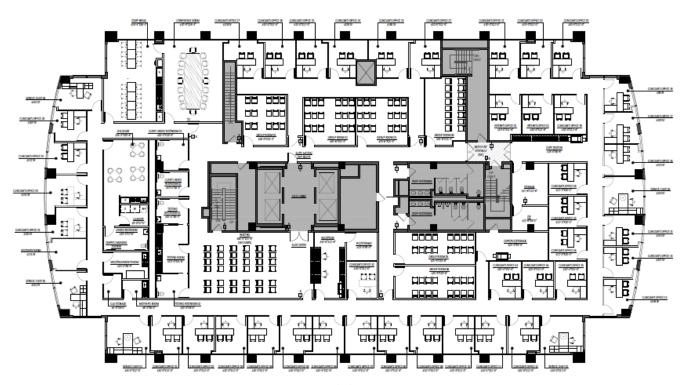


("Building")

EXHIBIT B (continued)

DEPICTION OF PREMISES

(2nd Floor)



DUI/DC/SUD

Attachment A EXHIBIT B (continued)

DEPICTION OF PREMISES

(4th Floor)



EXHIBIT C-1

THE WORK LETTER COUNTY IMPROVEMENTS AND PERFORMANCE SPECIFICATIONS

This Work Letter shall supplement the terms and conditions relating to the construction of the Work in the Premises as set forth in Clause 13 (CONSTRUCTION) of the Lease. If any conflict shall arise between this Exhibit C and the Lease, the terms and conditions of the Lease shall prevail. This Work Letter is essentially organized chronologically and addresses the issues of the construction, in sequence, as such issues will arise during the actual construction of the Premises. All references in this Work Letter to Clauses or Sections of "this Lease" or "the Lease" shall mean the relevant portion of Clauses 1 through 63 of the Lease to which this Work Letter is attached as Exhibit C and of which this Work Letter forms a part, and all references in this Work Letter to Sections of "this Work Letter" shall mean the relevant portion of Sections 1 through 6 of this Work Letter. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

SECTION 1. – THE WORK

Lessor shall independently retain a Contractor, on behalf of County, to construct the Work in accordance with the Approved Working Drawings attached hereto as a part of Exhibit C and Lessor shall supervise the construction by Contractor.

SECTION 2. - CONSTRUCTION DRAWINGS

Space Plan. Lessor and its architect shall prepare the final space plan for construction of the Work within the Premises (collectively, the "Final Space Plan"), and shall deliver the Final Space Plan to County for County's approval, such approval shall not be unreasonably withheld, conditioned or delayed. County shall have five (5) business days to review and approve such Final Space Plan. If County does not approve the Final Space Plan in accordance with this Section, County shall provide reasons for said disapproval and allow Lessor ten (10) business days to provide the revised Final Space Plan taking into account County's reasons for disapproval. Failure of County to reasonably disapprove any draft of the Final Space Plan within said five (5) business day period shall be deemed to constitute County's approval thereof. This process shall be repeated until the Final Space Plan has been approved; it being agreed that County's right to raise objections (following County's initial objections to Lessor's first submission of the Final Space Plan) shall be limited to (a) the revisions made to the previous submission of the Final Space Plan in order to address County's prior objections or changes which are derivative of changes resulting from such prior objections and/or (b) revisions to design elements not previously a part of the Final Space Plan previously submitted to County. The Final Space Plan is attached hereto as Exhibit C-3.

<u>Final Working Drawings</u>. Lessor and its architect and engineers shall complete the architectural and engineering drawings for the Work within the Premises. The final architectural working drawings shall be in a form which is complete to allow subcontractors to bid on the Work and to obtain all applicable permits (collectively, the "**Final Working Drawings**") and shall submit the same to County for County's approval, such approval not to be unreasonably withheld, conditioned or delayed. County shall approve or reasonably disapprove any draft of the Final Working Drawings within seven (7) business days after County's receipt thereof; provided, however, that (i) County shall not be entitled to disapprove any portion, component or aspect of the Final Working Drawings which are consistent with the Final Space Plan unless (a) County agrees to pay for the additional cost (if any) resulting from such change in the Final Space Plan and (b) County agrees that any such delays caused by such change(s) shall be deemed a County Delay for all purposes of this Work Letter,

Schedule 1 attached hereto and the Lease, and (ii) any disapproval of the Final Working Drawings by County shall be accompanied by a detailed written explanation of the reasons for County's disapproval. Failure of County to reasonably disapprove any draft of the Final Working Drawings within said seven (7) business day period shall be deemed to constitute County's approval thereof. This process shall be repeated until the Final Working Drawings have been approved; it being agreed that County's right to raise objections (following County's initial objections to Lessor's first submission of the Final Working Drawings) shall be limited to (a) the revisions made to the previous submission of the Final Working Drawings in order to address County's prior objections or changes which are derivative of changes resulting from such prior objections and/or (b) revisions to design elements not previously a part of the Final Working Drawings previously submitted to County.

Working Drawings." County shall make no changes or modifications to the Final Space Plan or the Approved Working Drawings without the prior written consent of Lessor, which consent may be withheld in Lessor's sole discretion if such change or modification would directly or indirectly delay the Substantial Completion of the Work or increase the cost of designing or constructing the Work. Lessor shall promptly submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to allow Contractor as that term is defined in Section 4, below, to commence and fully complete the construction of the Work (the "Permits"). County shall cooperate with Lessor in promptly executing permit applications and performing other ministerial acts reasonably necessary to enable Lessor to obtain any such permit or certificate of occupancy. No changes, modifications or alterations in the Approved Working Drawings may be made without the prior written consent of Lessor, provided that Lessor may withhold its consent, in its sole discretion, to any change in the Approved Working Drawings if such change would directly or indirectly delay the Substantial Completion of the Premises Work. The Approved Working Drawings are attached hereto as Exhibit C-4

<u>SECTION 3.</u> - TIME DEADLINES (AS DEFINED IN SCHEDULE 1 ATTACHED HERETO AS EXHIBIT C-2)

County shall use its good faith efforts and due diligence to cooperate with the Lessor, its architect, and the engineers to complete all phases of the construction drawings and the permitting process and to receive the Permits, and with Contractor (as defined below) as soon as possible after the execution of the Lease, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by Lessor, to discuss the progress in connection with the same. The applicable dates for approval of items, plans and drawings as described in this in this Work Letter are set forth and further elaborated upon in <u>Schedule 1</u> attached hereto. County agrees to comply with the timeline in <u>Schedule 1</u>.

SECTION 4. - CONTRACTOR'S WARRANTIES AND GUARANTIES

Lessor shall assign to County (on a non-exclusive basis) all warranties and guaranties by the Contractor who constructs the Work (the "Contractor") relating to the Work and pursuant to said assignment, County hereby waives all claims against Lessor relating to, or arising out of the construction of, the Work.

SECTION 5. - COUNTY'S COVENANTS

County hereby indemnifies, defends and holds harmless Lessor for any loss, claims, damages or delays arising from the negligence, acts or omissions of County, its agents, including, but not limited to any space planner, architect or engineer hired by County in connection with the Work.

SECTION 6. – REPRESENTATIVES

- 7.1 <u>County's Representative</u>. County will designate a sole representative with respect to the matters set forth in this Work Letter, who, until further notice to Lessor, shall have full authority and responsibility to act on behalf of the County as required in this Work Letter.
- 7.2 <u>Project Management Oversight</u>. County may, at County's option, select a project manager or construction manager, at County's sole discretion, cost and expense, to assist in County's oversight of the Work (the "**Project Manager**"). The Project Manager will represent the County's best interest during the construction of the Work to confirm that the Work is being performed pursuant to the terms of this Lease and will act as the liaison between Lessor and County in all Work items that are subject to approval by County.
- 7.3 <u>Lessor's Representative</u>. Lessor has designated Clayton McFadden as its sole representative with respect to the matters set forth in this Work Letter, who, until further notice to County, shall have full authority and responsibility to act on behalf of the Lessor as required in this Work Letter.

EXHIBIT C-2

SCHEDULE 1 TO WORK LETTER

Estimated Schedule

Mutual Lease Execution	3/25/25
Design and Construction Drawings	3/31/25 - 5/20/25
Plan Check/Permit Approval	5/21/25 - 8/8/25
Construction Commencement Premises and Building Work	8/11/25
Substantial Completion Date	12/12/25

EXHIBIT C-3

SPACE PLAN

2nd Floor



DUI/DC/SUD

EXHIBIT C-3 (Cont'd)

SPACE PLAN

4th Floor

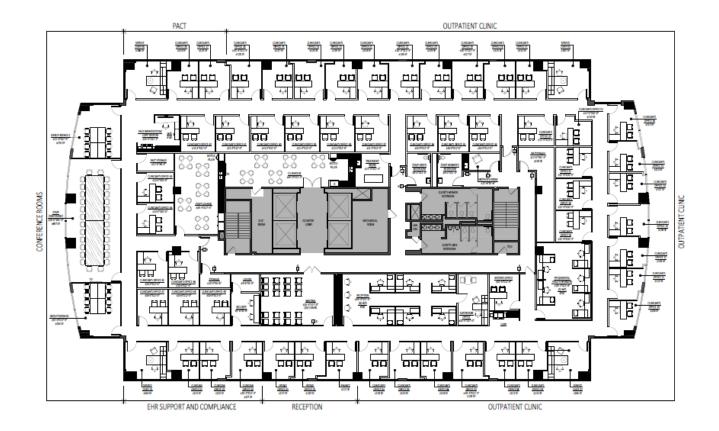


EXHIBIT C-4

APPROVED WORKING DRAWINGS

Approved Working Drawings to be completed consistent with Exhibit C and to be attached upon completion and approval

EXHIBIT D

JANITORIAL SPECIFICATIONS

It is the intent of this Exhibit to provide general guidelines for minimum janitorial service. Any absence of a specific janitorial service from this Exhibit does not relieve Lessor of the obligation to provide such service should it become necessary. Janitorial service as required in Clause 19.A (Lessor Services) (REPAIR, MAINTENANCE AND JANITORIAL SERVICES), of this Lease, shall be inclusive of, but not limited to, the services as detailed below:

OFFICE AREAS

NIGHTLY: Sunday through Thursday (County Holidays excepted).

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

WEEKLY:

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

MONTHLY:

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

QUARTERLY:

1. Scrub and buff uncarpeted floors.

SEMI-ANNUALLY:

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

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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, supply and fill all toilet tissue, towels, seat covers, sanitary napkin, and soap dispensers.

MONTHLY:

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

MISCELLANEOUS SERVICES

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

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

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

EXHIBIT E

Project Nar	ne:					
TO:	ESTOPPE	CL CERTIFICATE				
		igned, as a "tenant" under that lease dated ("LESSOR") and the County of rnia ("COUNTY"), does hereby acknowledge the following:				
Orange, a p	official subdivision of the State of Camor	ma (COONTT), does hereby acknowledge the following:				
1.	The aforesaid lease, subject to article 2 COUNTY and is in full force and effect	below, constitutes the entire agreement between LESSOR and				
2. ((Check One)					
	☐ The aforesaid lease has not been m	odified, altered, or amended.				
	☐ The aforesaid lease has been modifi	ied pursuant to that document(s) attached hereto.				
3.	The term of the lease isy will expire on	ears. The lease commenced on and				
4.	The term of the lease is subject to COU	NTY's option to terminate/extend as follows:				
5.	the lease, and COUNTY (in its capacity	per month, no rent has been paid in advance except as set forth in as "tenant," and not as a governmental agency) has received no tion, or pledge of the lease from LESSOR.				
6.	COUNTY has accepted and is now in p	ossession of the leased premises.				
7.	The addresses for notices to be sent to COUNTY are set forth in Clause () of the lease.					
8.		of offset under this lease against rents or other charges due or to ge of COUNTY, LESSOR is not now in default under the lease.				
AF	PPROVED AS TO FORM	COUNTY				
	FFICE OF COUNTY COUNSEL	COUNTY OF ORANGE				
Ву	Deputy	By: Thomas A. Miller, Chief Real Estate Officer				
		Thomas A. Miller, Chief Real Estate Officer County Executive Office/Real Estate				
Da	te:	Certificate Date:				

EXHIBIT F

WORK ACCEPTANCE LETTER

RE:	RE: Premises Located at	·				
this	Lessor and County, without limiting any of County's rights and remedies express this Lease or Lessor's obligations thereunder regarding completion of the Work (CONSTRUCTION), agree and acknowledge that:					
Chec	Check all that apply:					
	LESSOR WORK <u>IS</u> COMPLETE, COUNTY ACCEPTS POSSESS (WITH NO PUNCH LIST ITEMS):	ION OF THE PREMISES				
	The Work to the Premises constructed by Lessor has been completed and accountstanding punch list items. The Premises are in acceptable condition and L with all of the requirements contained in Exhibit C and Clause 13 (CONSTR	essor delivered in compliance				
	LESSOR WORK IS COMPLETE WITH PUNCH LIST ITEMS OF ACCEPTS POSSESSION OF THE PREMISES:	<u>OUTSTANDING</u> , COUNTY				
	The Work to the Premises constructed by Lessor has been Substantially Completed and accepted with the exception of the following outstanding punch list items (see itemized list below). twenty-one (21) days following receipt of this Work Acceptance Letter to complete all punch list items (see itemized list below).					
	Punch List Items Remaining of The Work: (Attach additional pages if n	ecessary)				
	□ LESSOR WORK IS <u>NOT</u> COMPLETE, COUNTY REJECTS POSSESS	SION OF THE PREMISES:				
	Lessor has not completed the Work per the requirements defined in the Le (CONSTRUCTION) and Exhibit C.	ease specifically in Clause 13				
	The information set forth in this Acknowledgment is true and correct a Acknowledgment shall be binding on the Parties and upon the successors and as					
Les	Lessor: County/ HCA Faciliti	County/ HCA Facilities Service Manager:				
By:	By:					
	Print Name:By:					
	Title: Print Name:					
	Date:					
Dui	Date:					

TT: 3/10/2025 Health Care Agency Page 49 of 57

CEO/ALS/HCA-025-002 Standard Acquisition Lease Form

EXHIBIT G

TERMINATION FEE SCHEDULE

Space: 222 S. Harbor Blvd, Suites 200 & 400

Rentable Square Feet: 37,558 rsf

Lease Commencement: 1/1/2026 (estimate)
Lease Expiration: 12/31/2040 (180 months)

Termination Effective Date: 12/31/2037 (end of 144th month)
Termination Notice Date: 12/31/2036 (12 months prior)
Termination Fee Due Date: 12/31/2036 (time of notice)

Termination Penalty Calcu	ulation
FSG Base Rent	\$0
Original Costs	
Abated Rent (5.5 months x \$3.50 psf)	\$722,991.50
Improvement Allowance (\$130.00 psf)	\$4,882,540.00
Moving Allowance (\$25.00 psf)	\$938,950.00
Commissions (6.0%/3.0%/0%, \$3 bonus)	\$863,045.25
Total	\$7,407,526.75
Unamortized Cost @ 7.0%	\$2,156,321.39
Termination Penalty	\$2,156,321.39
Per RSF # Months of Rent	\$57.41 11.5 months

EXHIBIT H

PAYMENT REQUEST FORM



County of Orange Payment Request Form

			NAME -	NAME - PLEASE PRINT OR TYPE								
Io: COUNTY OF ORANGE			MARIE - FLEROE FRENT OR TIFE									
			NG BUSINESS AS	SINESS AS) - PLEASE PRINT OR TYPE								
SANTA ANA, CALIFORNIA 92702 STREET ADDRESS					STREET	ADDRESS						
					CITY AN	D ZIP CODE						
					TAX	PAYER IDENTI	FICATION NUMBER					
			AU.	ТНО	RIZATI	ON TO	PAY PAYMI	ENT REQU	JEST			
		_					Vendor/					
	e Ordei Resolu					ty Ordinan abrance No	ce NoCustomer # O. Other					
		tion π										
DATI	Ε				DESC	CRIPTION			AMOUNT			
								TOTAL		_		
				DEDAR.	TMENT'S USE	- COMPLETI	E IN DETAIL					
				OBJ	SUB OBJ	DEPT OBJ	E IN DETAIL					
FUND	DEPT	BUDGET	UNIT	REV BSA	SUB REV SUB BSA	DEPT REV DEPT BSA	JOB NUMBER		AMOUNT			
		\vdash										
				\vdash								
							7.7	AT DATE (ENT				
HEREBY CERTIFY THAT THIS PAYMENT OR REFUND REQUEST IS TRUE			TOTAL PAYMENT									
					BEEN RECEIV		EATENDITORES AUTHORIZED AND AFFROVED BY:					
VENDOR SIGNATURE				DEPARTMENT AUTHORIZED SIGNER								
RINT NAME DATE				PRINT NAME DATE								

PRF (10/2012)

EXHIBIT I

SIGNAGE



EXHIBIT J

RULES AND REGULATIONS

- 1. Except as otherwise provided in Schedule 1, no sign, advertisement or notice shall be displayed, printed or affixed on or to the Premises or to the outside or inside of the Building or so as to be visible from outside the Premises or Building without Lessor's prior written consent. Lessor shall have the right to remove any non-approved sign, advertisement or notice, without notice to and at the expense of County, and Lessor shall not be liable in damages for such removal. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of County by Lessor or by a person selected by Lessor and in a manner and style acceptable to Lessor.
- 2. County shall not obtain for use on the Premises ice, waxing, cleaning, interior glass polishing, rubbish removal, towel or other similar services, or accept barbering or boot blackening, or coffee cart services, milk, soft drinks or other like services on the Premises, except from persons authorized by Lessor and at the hours and under regulations fixed by Lessor. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without Lessor's prior written consent.
- 3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by County or used for any purpose other than for ingress and egress from County's Premises. Under no circumstances is trash to be stored in the corridors. Furniture, freight and other large or heavy articles, and all other deliveries may be brought into the Building only at times and in the manner designated by Lessor, and always at County's sole responsibility and risk. All damage done to the Building by moving or maintaining such furniture, freight or articles shall be repaired by Lessor at County's expense. County shall move all supplies, furniture and equipment as soon as received directly to the Premises, and shall move all waste that is at any time being taken from the Premises directly to the areas designated for disposal.
- 4. Toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein.
- 5. County shall not overload the floor of the Premises or mark, drive nails, screw or drill into the partitions, ceilings or floor or in any way deface the Premises. County shall not place typed, handwritten or computer generated signs in the corridors or any other common areas. Should there be a need for signage additional to the Building standard tenant placard, a written request shall be made to Lessor to obtain approval prior to any installation. All costs for said signage shall be County's responsibility.
 - 6. *Intentionally deleted.*

- 7. County shall not use or keep in the Premises or Building any kerosene, gasoline or inflammable, explosive or combustible fluid or material, or use any method of heating or airconditioning other than that supplied by Lessor.
- 8. County shall not lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Lessor.
- 9. County shall not install or use any blinds, shades, awnings or screens in connection with any window or door of the Premises and shall not use any drape or window covering facing any exterior glass surface other than the standard drapes, blinds or other window covering established by Lessor.
- 10. County shall cooperate with Lessor in obtaining maximum effectiveness of the cooling system by closing window coverings when the sun's rays fall directly on windows of the Premises. County shall not obstruct, alter, or in any way impair the efficient operation of Lessor's heating, ventilating and air-conditioning system. County shall not tamper with or change the setting of any thermostats or control valves. County shall participate in recycling programs undertaken by Lessor as part of Lessor's sustainability practices including, without limitation, the sorting and separation of its trash and recycling into such categories as required by such sustainability practices.
- 11. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Premises. County shall not, without Lessor's prior written consent, occupy or permit any portion of the Premises to be occupied or used for the manufacture or sale of liquor or tobacco in any form, or a barber or manicure shop, or as an employment bureau. The Premises shall not be used for lodging or sleeping or for any improper, objectionable or immoral purpose. No auction shall be conducted on the Premises. No auction, liquidation, fire sale, going-out-of-business or bankruptcy sale shall be conducted in the Premises without Lessor's prior consent.
- 12. County shall not make, or permit to be made, any unseemly or disturbing noises, or disturb or interfere with occupants of Building or neighboring buildings or premises or those having business with it by the use of any musical instrument, radio, phonographs or unusual noise, or in any other way, all weddings exempted.
- 13. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the Premises, and no cooking shall be done or permitted by any tenant in the Premises, except that the preparation of coffee, tea, hot chocolate and similar items for tenants, their employees and visitors shall be permitted. The foregoing notwithstanding, County shall have the right to use a microwave and to heat microwavable items typically heated in an office. No hot plates, toasters, toaster ovens or similar open element cooking apparatus shall be permitted in the Premises.

- 14. The sashes, sash doors, skylights, windows and doors that reflect or admit light and air into the halls, passageways or other public places in the Building shall not be covered or obstructed by any tenant, nor shall any bottles, parcels or other articles be placed on the window sills. All electrical ceiling fixtures hung in the Premises or spaces along the perimeter of the Building must be of a quality, type, design and bulb color approved in advance by Lessor.
- 15. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in existing locks or the mechanisms thereof unless Lessor is first notified thereof, gives written approval, and is furnished a key therefor. Each tenant must, upon the termination of his tenancy, give to Lessor all keys and key cards of stores, offices, or toilets or toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys so furnished, such tenant shall pay Lessor the cost of replacing the same or of changing the lock or locks opened by such lost key if LESSOR shall deem it necessary to make such change. If more than two keys for one lock are desired, Lessor will provide them upon payment therefor by County. County shall not key or re-key any locks. All locks shall be keyed by Lessor's locksmith only.
- 16. Lessor shall have the right to prohibit any advertising by any tenant which, in Lessor's opinion, tends to impair the reputation of the Building or its desirability as an office building and upon written notice from Lessor any tenant shall refrain from and discontinue such advertising. Lessor shall not have the ability to restrict or prohibit any advertising by County of public services.
- 17. Lessor reserves the right to control access to the Building by all persons outside of Normal Business Hours. Each tenant shall be responsible for all persons for whom it requests after hours access and shall be liable to Lessor for all acts of such persons. Lessor may also establish from time to time reasonable rules and charges for accessing the equipment areas of the Building, including the risers, rooftops and telephone closets.
- 18. County shall cause its employees, agents, contractors, invitees and licensees who use Building and corridor doors during such hours to securely close and lock them after such use. Any person entering or leaving the Building during such hours, or when the Building doors are otherwise locked, may be required to sign the Building register, and access to the Building may be refused unless such person has proper identification or has a previously arranged access pass. Lessor will furnish passes to persons for whom County requests them. County shall be responsible for all persons for whom County requests passes and shall be liable to Lessor for all acts of such persons.
- 19. All doors opening on to public corridors shall be kept closed, except when being used for ingress and egress. County shall cooperate and comply with any reasonable safety or security programs, including fire drills and air raid drills, and the appointment of "fire wardens" developed by Lessor for the Building, or required by law. Before leaving the Premises unattended, Coutny shall close and securely lock all doors or other means of entry to the Premises and shut off all lights and water faucets in the Premises.
- 20. The requirements of tenants will be attended to only upon application to the management office of the Building.

- 21. Canvassing, soliciting and peddling in the Building are prohibited and each tenant shall cooperate to prevent the same.
- 22. All office equipment of any electrical or mechanical nature shall be placed by tenants in the Premises in settings approved by LESSOR, to absorb or prevent any vibration, noise or annoyance.
- 23. No air-conditioning unit or other similar apparatus shall be installed or used by any tenant without the prior written consent of Lessor. County shall pay the cost of all electricity used for air-conditioning in the Premises if such electrical consumption exceeds normal office requirements, regardless of whether additional apparatus is installed pursuant to the preceding sentence.
- 24. There shall not be used in any space, or in the public halls of the Building, either by any tenant or others, any hand trucks except those equipped with rubber tires and side guards.
- 25. Lessor may exclude from the Building any person who, in Lessor's judgment, is intoxicated or under the influence of liquor or drugs, or who violates any of these Rules and Regulations. County and its employees, agents, contractors, invitees and licensees shall not loiter in or on the entrances, corridors, sidewalks, lobbies, courts, halls, stairways, elevators, vestibules or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.

26. Parking.

- (a) Subject to Lessor's reasonable security requirements, repairs made by Lessor to the Building pursuant to the Lease, County shall have access to the Building parking facility twenty-four (24) hours per day, seven (7) days per week throughout the Term.
 - (b) Automobiles must be parked entirely within the stall lines on the floor.
 - (c) All directional signs and arrows must be observed.
 - (d) The speed limit shall be 5 miles per hour.
 - (e) Parking is prohibited in areas not striped for parking.
- (f) Parking cards or any other device or form of identification supplied by Lessor (or its operator) shall remain the property of Lessor (or its operator). Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable or assignable and any device in the possession of an unauthorized holder will be void.
- (g) County may validate visitor parking by such method or methods as the LESSOR may approve, at the validation rate from time to time generally applicable to visitor parking.

- (h) Lessor (and its operator) may refuse to permit any person who violates the rules of the Building parking facility, and any violation of the rules shall subject the automobile to removal from the Building parking facility at the parker's expense. In either of said events, Lessor (or its operator) shall refund a prorata portion of the current monthly parking rate and the sticker or any other form of identification supplied by Lessor (or its operator) will be returned to Lessor (or its operator).
- (i) Building parking facility managers or attendants are not authorized to make or allow any exceptions to these Rules and Regulations.
- (j) All responsibility for any loss or damage to automobiles or any personal property therein is assumed by the parker.
- (k) Loss or theft of parking identification devices from automobiles must be reported to the Building parking facility manager immediately, and a lost or stolen report must be filed by the parker at that time.
- (l) The parking facilities are for the sole purpose of parking one automobile per space. Washing, waxing, cleaning or servicing of any vehicles by the parker or his agents is prohibited.
- (m) Lessor (and its operator) reserves the right to refuse the issuance of monthly stickers or other parking identification devices to any County and/or its employees who refuse to comply with the above Rules and Regulations and all City, State or Federal ordinances, laws or agreements.
 - (n) County agrees to acquaint all employees with these Rules and Regulations.
 - (o) No vehicle shall be stored in the Building parking facility overnight.
- 27. The Building is a non-smoking Building. Smoking or carrying lighted cigars or cigarettes in the Premises or the Building, including the elevators in the Building, is prohibited.
- 28. County shall not, without Lessor's prior written consent (which consent may be granted or withheld in LESSOR's absolute discretion), allow any employee or agent to carry any type of gun or other firearm in or about any of the Premises or Building.
- 29. County must comply with requests by Lessor concerning the informing of their employees, agents, contractors, invitees and licensees of items of importance to the Lessor.