



CEO/ALS/DA-12-032  
District Attorney  
5000 Birch Street, Suite 4900  
Newport Beach, CA 92660

## FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (hereinafter referred to as the “**First Amendment**”) is made effective as of April \_\_\_\_\_, 2024 (“**Effective Date**”) by and between JOHN HANCOCK LIFE INSURANCE COMPANY (U.S.A.), a Michigan corporation (hereinafter referred to as “**Lessor**”) and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**”) without regard to number and gender. The Lessor and County may individually be referred to herein as a “**Party**,” or collectively as the “**Parties**.”

### RECITALS

I. On September 10, 2013, Cornerstone Partners IV, LLC, a Delaware limited liability company (“**Prior Lessor**”) and County entered into that certain Lease (the “**Lease**”) whereby Prior Lessor leased to County approximately 1,626 rentable square feet (“**RSF**”) of office space, commonly known as Suite 4900 (the “**Premises**”) located in the building addressed as 5000 Birch Street, Newport Beach, California 92660 (“**Building**”).

II. On November 4, 2015, Prior Lessor sold the property to Lessor and Lessor succeeded to the interest of Prior Lessor as Lessor under the Lease.

III. Notwithstanding Recital I above to the contrary, as of the Effective Date, Lessor has re-measured the Premises in accordance with Lessor's standard rentable area measurements for the Building, which re-measurement shall be effective from and after the Extended Term Commencement Date (as defined below), and not for any period prior thereto. As a result of such re-measurement, effective from and after the Extended Term Commencement Date, the Parties hereby (i) confirm that the Premises contains approximately 1,683 RSF, and (ii) agree that such re-measured amount shall be used to determine the Base Rent and all other amounts and figures in the Lease based upon the RSF of the Premises during the Extended Term (as defined below).

IV. The Parties now agree to amend the Lease in certain respects, including to update the Lessor notice information, extend the term of the Lease, revise the rent (as provided in Recital III hereinabove), and update to County standard lease clauses.

NOW, THEREFORE, in consideration of the Recitals above, which are incorporated herein by this reference, the Parties do hereby agree to amend the Lease as of the Effective Date first written above as follows:

A. Clause 5 (TERM) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**“5. TERM (1.5 SA)**

This Lease commenced on September 12, 2013, and shall continue in effect until August 31, 2034 ("Term") unless sooner terminated consistent with Clause 6 (OPTION TO TERMINATE LEASE) or other terms of this Lease. The period that commenced on November 1, 2023 (the "Extended Term Commencement Date") through and including August 31, 2034 shall be referred to as the "Extended Term."

B. Clause 6 (TERMINATION) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"6. OPTION TO TERMINATE LEASE (1.7 N)**

So long as County is not in default, beyond all applicable notice and cure periods, as of the date County delivers the Termination Notice (as defined hereinbelow) to Lessor, County shall have the one-time option to terminate this Lease at the end of the seventieth (70th) month of the Extended Term (the "Termination Date"). County shall give Lessor written notice (the "Termination Notice") of County's election to terminate this Lease at least two hundred and seventy (270) days and no more than three hundred and sixty (360) days prior to the Termination Date, along with a termination fee ("Termination Fee") equal to the sum of (i) the unamortized Abated Rent, (ii) the unamortized brokerage commissions paid in connection with this Lease, and (iii) the unamortized costs incurred by Lessor in connection with the Work (as defined below). The amounts described in clauses (i), (ii) and (iii) hereinabove shall be amortized on a straight-line basis over the Extended Term, together with six percent (6%) interest, and the unamortized portions thereof shall be determined based upon the unexpired portion of the Extended Term as of the Termination Date had this Lease not been so terminated pursuant to this Clause 6. The Termination Fee shall be due on or before thirty (30) days prior to the Termination Date. If County properly and timely exercises the termination option in this Clause 6, then this Lease shall terminate on the Termination Date, and County shall vacate and surrender exclusive possession of the Premises to Lessor on or prior to the Termination Date in accordance with the applicable provisions of this Lease."

C. Clause 7 (RENT) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"7. RENT (1.8 SA)**

County agrees to pay to Lessor as rent for the Premises the monthly sum consistent with and adjusted annually pursuant to the Rent Adjustment schedule in Clause 8 (RENT ADJUSTMENT) below.

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

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

A. The first day of the month following the month earned; or

**B. Receipt of Lessor's written claim by the District Attorney Facilities/Services Manager.**

County shall pay Additional Rent in accordance with this Clause. "Additional Rent" consists of additional utility charges under the Clause 14 (UTILITIES) of this Lease, charges for parking spaces pursuant to Clause 3 (PARKING) of this Lease, and all other amounts required to be paid by County under this Lease."

**D. Clause 8 (RENT ADJUSTMENT) is hereby deleted from the Lease in its entirety and the following clause is substituted:**

**"8. RENT ADJUSTMENT (1.9 SA)**

The monthly rent payable by County for the Premises ("Base Rent") during the term of this Lease (including the Extended Term) shall be automatically adjusted as follows:

<u>Period</u>	<u>Monthly Rent</u>	<u>Rate Per Square Foot</u> <u>Per Month</u>
11/1/13 – 10/31/14	\$3,008.00	\$1.79
11/1/14 – 10/31/15	\$3,008.00	\$1.79
11/1/15 – 10/31/16	\$3,008.00	\$1.79
11/1/16 – 10/31/17	\$3,089.00	\$1.84
11/1/17 – 10/31/18	\$3,171.00	\$1.88
11/1/18 – 10/31/19	\$3,496.00	\$2.08
11/1/19 – 10/31/20	\$3,659.00	\$2.17
11/1/20 – 10/31/21	\$3,821.00	\$2.27
11/1/21 – 10/31/22	\$3,984.00	\$2.36
11/1/22 – 10/31/23	\$4,146.00	\$2.46
11/1/23 – 10/31/24	\$4,712.40	\$2.80
11/1/24 – 10/31/25	\$4,847.04	\$2.88
11/1/25 – 10/31/26	\$4,998.51	\$2.97
11/1/26 – 10/31/27	\$5,149.98	\$3.06
11/1/27 – 10/31/28	\$5,301.45	\$3.15
11/1/28 – 10/31/29	\$5,469.75	\$3.25
11/1/29 – 10/31/30	\$5,621.22	\$3.34
11/1/30 – 10/31/31	\$5,789.52	\$3.44
11/1/31 – 10/31/32	\$5,974.65	\$3.55
11/1/32 – 10/31/33	\$6,142.95	\$3.65
11/1/33 – 08/31/34	\$6,328.08	\$3.76

Notwithstanding the foregoing rent schedule to the contrary, and provided that no event of default by County has occurred and is then continuing, Lessor hereby agrees to abate County's obligation to pay the monthly Base Rent (the "Abated Rent") otherwise payable by County for the first ten (10) months of the initial Extended Term (the "Abatement Period"). During the Abatement Period, County shall remain responsible for the payment of all of its other monetary obligations under this Lease, including, without limitation, Additional Rent. Notwithstanding the foregoing to the contrary, upon notice to County given at any time prior to the expiration of the Abatement Period, Lessor shall have the right to purchase the then-unapplied Abated Rent (or such portion thereof as designated by Lessor for purchase in such notice) by paying to County an amount equal

to such then-unapplied Abated Rent (or portion thereof so designated by Lessor in such notice), in which case such then-unapplied Abated Rent (or portion thereof) so purchased by Lessor shall no longer be abated as scheduled herein (any such then-unapplied Abated Rent or portion thereof so purchased by Lessor shall be referred to herein as the "Purchased Abated Rent").

The monthly Base 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."

E. Clause 9 (CONSTRUCTION) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"9. CONSTRUCTION (2.2 N)**

**A. Improvement Allowance, *Intentionally Omitted***

**B. Completion Schedule.** Lessor hereby agrees to complete, at Lessor's expense, the alterations and other work in accordance with this Clause and Revised Exhibit C which is attached hereto and made a part hereof (collectively, the "Work"). Lessor agrees to have the Work Substantially Completed, within one hundred fifty (150) days after the Effective Date (the "Scheduled Delivery Date"), as such date shall be extended day for day for each day Lessor is delayed in causing the Work to be Substantially Completed as a result of delays due to Force Majeure and/or any acts or omissions of County and/or County's agents, employees, contractors, licensees and/or invitees (collectively, "County Delays"). As used in this Lease, "Substantial Completion" or "Substantially Completed" means that the Work shall have been completed in accordance with the provisions of this Lease and Revised Exhibit C, subject to any Punch List Items (as defined below), if any. Upon Substantial Completion of the Work, Lessor shall send County a "Work Acceptance Letter," attached hereto as Revised Exhibit H. County shall approve and accept the Work by signing the Work Acceptance Letter, which may be subject to completion of Punch List Items attached to the Work Acceptance Letter by County. County shall not be required to send back the Work Acceptance Letter until County is satisfied that the Work has reached Substantial Completion (other than Punch List Items, if any) pursuant to this Lease, in County's sole and reasonable discretion. The "Final Completion Date" means the date of Lessor's completion of the Work as determined by county and as evidenced by the Work Acceptance Letter, and completion of the Punch List Items (if any). The determination of whether the Final Completion Date has occurred will be made in County's sole and reasonable discretion. The Parties hereby agree that the Work will be performed during County's occupancy of the Premises, and in connection therewith, County hereby acknowledges and agrees: (i) to accept all inconveniences associated with the performance of the Work that may occur during such occupancy including, without limitation, dust, odors, noise, etc., provided that Lessor shall use commercially reasonable efforts to avoid any unreasonable interference with County's performance of the permitted use under the Lease in the Premises during Lessor's performance of the Work; (ii) that the performance of the Work shall in no way constitute a constructive eviction of the County under this Lease, nor entitle County to any abatement of rent payable pursuant to this Lease; and (iii) Lessor shall not be liable to County for, and County shall not be entitled to any compensation or damages from Lessor for, loss of the use of any part of the Premises or any personal property or improvements resulting from the performance of the Work, or for any injury to or interference with County's business, except for any injury to persons or damage to property (but not loss of or interference

with business or other consequential damages) to the extent caused by Lessor's negligence or willful misconduct.

**C. County Remedies.** If the Final Completion Date fails to occur on or prior to the Scheduled Delivery Date, as may be extended as set forth in Clause 9B above, Lessor shall be obligated to pay a penalty to County of one hundred dollars (\$100.00) per day for the period from the Scheduled Delivery Date (as may be extended) through the day prior to the Final Completion Date as liquidated damages. The Parties agree that this amount is a reasonable and fair assessment of the County's damages in such a situation. Notwithstanding the foregoing to the contrary, if Lessor is unable to cause the Work to be Substantially Completed on or prior to the date that is two hundred ten (210) days after the Effective Date (the "**Delivery Termination Date**"), as such date shall be extended day for day for each day Lessor is delayed in causing the Work to be Substantially Completed as a result of delays due to Force Majeure and/or any County Delays, then 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 at any time before the earlier of (i) ten (10) business days following the Delivery Termination Date, and (ii) the date upon which Lessor causes the Work to be Substantially Completed.

**D. Approvals.** All planning and architectural/design costs required to accomplish the Work shall be Lessor's responsibility and shall be approved by District Attorney/Facilities Services Manager. Such approvals will not be unreasonably withheld or delayed and if a written disapproval of any request by Lessor is not received within five (5) business days after submission, such request shall be deemed approved; provided, however, in no event shall the approval by District Attorney/Facilities Services Manager be required for any costs or items relating to any portion of the Work consisting of Lessor's Building standard materials. Such approvals by the District Attorney/Facilities Services Manager shall not relieve Lessor of the responsibility for complying with all applicable codes and construction requirements, nor of obtaining necessary permits or approvals from the authorities of proper jurisdiction.

**E. Punch List.** Upon Substantial Completion (as defined above) of the Work, Lessor shall request the District Attorney/Facilities Services Manager approval and acceptance of such Work, which approval will not be unreasonably withheld, conditioned, or delayed. Said approval shall be manifested by letter from the District Attorney/Facilities Services Manager (the "**Work Acceptance Letter**") and may be subject to completion of items on a "punch list," which shall be reasonably generated by County and included in the Work Acceptance Letter (the "**Punch List Items**"). County shall not be required to send the Work Acceptance Letter until County is satisfied that the Work has reached Substantial Completion (other than Punch List Items, if any) pursuant to this Lease, in County's sole and reasonable discretion.

In the event County's approval and acceptance of the Work is given along with Punch List Items, Lessor shall use commercially reasonable efforts to complete all Punch List Items within thirty (30) days following receipt of the Work Acceptance Letter (the "**Punch List Deadline Date**"). Should the Punch List Items not be completed on or prior to the Punch List Deadline Date (as such date shall be extended day for day for each day Lessor is delayed in completing the Punch List Items as a result of delays due to Force Majeure and/or any County Delays), Lessor shall be obligated to pay a penalty to County of one hundred dollars (\$100.00) per day for the period from the Punch List Deadline Date (as may be extended) through and including the day prior to the date that the Punch List Items are completed as liquidated damages. The payment of such penalty shall

be County's sole and exclusive remedy for Lessor's failure to cause the Punch List Items to be completed on or prior to the Punch List Deadline Date (as may be extended), provided that, at County's election (which shall be delivered in writing by County to Lessor on or prior to the Punch List Deadline Date) and in lieu of the foregoing liquidated damages and the termination option described hereinbelow, County shall have the option to complete the Punch List Items and deduct the actual, reasonable out-of-pocket cost thereof, including labor, materials and overhead from any Rent payable. Notwithstanding the foregoing to the contrary, if Lessor is unable to cause the Punch List Items to be completed on or prior to the date that is ninety (90) days following receipt of the Work Acceptance Letter (the "**Punch List Termination Date**"), as such date shall be extended day for day for each day Lessor is delayed in causing the Punch List Items to be completed as a result of delays due to Force Majeure and/or any County Delays, then 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 at any time before the earlier of (i) ten (10) business days following the Punch List Termination Date, and (ii) the date upon which Lessor causes the Punch List Items to be completed.

**F. Project Management Oversight.** County may, at County's option, select a project manager or construction manager, at County's sole discretion, cost, and expense, 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.

**G. Performance of Work.** Lessor agrees that any improvements being constructed by, or under the direction of, Lessor shall be constructed in substantial compliance with Revised Exhibit C 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 Contract Code and shall require its contractor or contractors to pay the prevailing rate of per diem wages for work of a similar character in the locality of the County and not less than the general prevailing rate of per diem wages for holiday and overtime work, as provided in Clause 28 (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.

F. Clause 11 (COUNTY-REQUESTED ALTERATIONS) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"11. COUNTY-REQUESTED ALTERATIONS OR ADDITIONAL SERVICES (2.6 SA)**

County through the District Attorney/Facilities Services Manager, may, during the Term of the Lease, request Lessor to make improvements and changes to the Premises that are other than the Work ("**County-Requested Alterations**") and Lessor shall not unreasonably withhold, condition,

or delay its consent to any such request. 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 District Attorney/Facilities Service Manager.

Furthermore, County through the District Attorney/Facilities Services Manager, may, during the Term of the Lease request Lessor to provide Additional Services to the Premises. "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 13 (REPAIR, MAINTENANCE, AND JANITORIAL SERVICES), below, and which Lessor reasonably agrees to provide.

All such County-Requested Alterations and any Additional Services requested by County shall be made by Lessor, at Lessor's sole cost, and reimbursed in a lump sum as Additional Rent by County upon receipt by County from Lessor of a written claim for such reimbursement.

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

Lessor agrees that any County-Requested Alterations being constructed by, or under the direction of Lessor in accordance with this Clause 11, 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 28 (LABOR CODE COMPLIANCE) of this Lease.

Following the written approval to let a contract for County-Requested Alterations in accordance with this Clause 11, 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."

G. Clause 15 (INSURANCE) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"15. INSURANCE (3.0 SA)**

**"Commercial Property Insurance:** Lessor shall obtain and keep in force during the term of this Lease a policy or policies of commercial property insurance written on an "All Risks" or "Special Form" basis, to the full insurable value of the improvements located on the Premises (including

Attachment A - First Amendment To Lease



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 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 of County, consistent with the Notice clause, through electronic correspondence on or before the date that is thirty (30) days after the Effective Date of the First Amendment and annually throughout the Term, as necessary to: [insurance.ceore@ocgov.com](mailto:insurance.ceore@ocgov.com).

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

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the County of Orange, its elected and appointed officials, officers, employees, and agents as an additional insured, or provide blanket coverage which will state As Required by Written Contract.
- 2) 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.
- 3) Lessor shall provide written notice to County of any policy cancellation or non-renewal within ten (10) days after receipt of written notice thereof 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.
- 4) 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.
- 5) 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](http://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 Effective Date of this First Amendment 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.”

H. Clause 16 (INDEMNIFICATION) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**“16. INDEMNIFICATION (3.1 SA)**

Lessor hereby agrees to indemnify, hold harmless, and defend County, its elected and appointed officials, officers, agents, and employees, and those special districts and agencies for which the Board of Supervisors of County acts as the governing board, with counsel reasonably approved by County, against any and all claims, loss, demands, damages, cost, expenses or liability to the extent arising out of the negligence or willful misconduct of Lessor, its officers, agents or employees, invitees or licensees, in connection with the ownership, maintenance or use of the Premises, except for liability arising out of the negligence or willful misconduct of County, its elected and appointed officials, officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom.

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

I. Clause 29 (COMMISSION) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**“29. COMMISSION (6.6 SA)**

Lessor shall pay to County’s broker, Jones Lang LaSalle, within thirty (30) working days after execution of this First Amendment by County any brokers’ commissions due to County’s broker consistent with a separate agreement between Lessor and Jones Lang LaSalle.”

J. Clause 30 (CHILD SUPPORT ENFORCEMENT REQUIREMENTS) is hereby deleted from the Lease in its entirety.

K. Clause 32 (NOTICES) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**“32. NOTICES (6.7 N)**

Any notice, demand, approval, document or communication (collectively, “Notices”) given or required to be given by either Party to the other pursuant to any provision of this Lease shall be in writing, and shall (i) if to Lessor, either be delivered personally to an officer of Lessor, or sent by United States Postal Service certified mail, return receipt requested, postage prepaid, or by Federal Express or similar nationally recognized overnight courier regularly providing proof of delivery,

and addressed to Lessor at Lessor's address set forth below, and (ii) if to County, either be delivered personally to County or sent by United States Postal Service certified mail, return receipt requested, postage prepaid, or by Priority Mail Express (with waiver of signature), or by Federal Express or similar nationally recognized overnight courier regularly providing proof of delivery, and addressed to County at County's address set forth below. Copies of Notices to each Party shall be delivered or sent in the manner set forth hereinabove to persons identified below as being entitled to receive copies of notices. Every such Notice shall be deemed to have been given when delivered personally or by nationally recognized overnight courier service (or upon rejection of such delivery), or if mailed or sent by Priority Mail Express as aforesaid, upon receipt or refusal to accept delivery. Lessor may from time to time by Notice to County designate another address as the address to which Notices are to be sent to it, or specify with greater particularity the address and persons to which such Notices are to be sent and may require that copies of Notices be sent to an agent designated by Lessor. County may, from time to time by Notice to Lessor, designate another address as the address to which Notices are to be sent to it, or specify with greater particularity the address and persons to which such Notices are to be sent.

To: Lessor

John Hancock Life Insurance Company  
(U.S.A.)  
5000 Birch Street, Suite 120  
Newport Beach, California 92660  
Attention: Property Manager

To: County

Orange County District Attorney  
300 N. Flower St.  
Santa Ana, CA 92703  
Attn: District Attorney

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

With regard to insurance, Lessor shall ensure that any and all insurance related Notices to County includes the Lease number and project name and Lessor shall mail all insurance certificates and insurance related correspondence to: [insurance.ceore@ocgov.com](mailto:insurance.ceore@ocgov.com)."

L. Clause 33 (ATTACHMENTS) is hereby deleted from the Lease in its entirety and the following clause is substituted:

**"33. ATTACHMENTS (6.8 S)**

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

**I. EXHIBITS**

Exhibit A - Description of Premises  
Exhibit B - Depiction of Premises

Revised Exhibit C - The Work  
Exhibit D - Janitorial Specifications  
Exhibit E - Form of Subordination, Attornment and Non-Disturbance Agreement  
Exhibit F - Satellite Antenna License  
Exhibit G - Rules and Regulations  
Revised Exhibit H - Work Acceptance Letter  
Revised Exhibit I - ROFO Space

M. Clause 34 (OPTION TO EXTEND TERM) is hereby inserted into the Lease in its entirety:

**"34. OPTION TO EXTEND TERM (1.6 SA)**

Provided there is no current County default under this Lease (as further described in Clause 26 DEFAULTS AND REMEDIES), either at the time of the exercise of the Option or upon commencement of the Extension Term, County shall have the option to extend the Term (the "Option") of this Lease for all of the Premises then leased by County (including any First Offer Space leased by County pursuant to Clause 35 below) (collectively, the "Renewal Premises") for one (1) five (5) year period (the "Extension Term"), subject to applicable law and County policy, as set forth hereinbelow (and memorialized in an amendment executed by County and Lessor). The Base Rent payable by County during the Extension Term (the "Option Rent") shall be equal to the Fair Market Rental Value (as defined below) for the Renewal Premises. The Fair Market Rental Value shall be negotiated at the time of the Option as set forth below, subject to the foregoing terms of this Clause 34. County shall give Lessor written notice of its exercise of the Option to extend the Term no sooner than twelve (12) months and no later than nine (9) months prior to the Lease expiration date. Time is of the essence in the exercise of the Option. The Option shall be personal to County and shall not be exercised by any assignee or sublessee of County. County's failure to notify Lessor of its exercise of the Option on or before the delivery date therefor specified hereinabove shall be deemed to constitute County's waiver of such Option. "Term" as used in this Lease shall mean the Extended Term and the Extension Term if the Option is duly exercised.

A. Mutual Agreement. Lessor and County shall have thirty (30) days after County exercises the Option to extend in which to agree on the Fair Market Rental Value, as defined below, for the Extension Term.

B. Factors for Determining Fair Market Rental Value. The "Fair Market Rental Value" of the Renewal Premises for the Extension Term 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 office space in the Building and in other comparable first-class office buildings located in the greater Airport Area submarket of Orange County (collectively, the "Comparable Buildings") would accept at arms' length. Appropriate consideration shall be given to: (A) the annual base 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 Renewal 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 Renewal 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) moving expenses and other concessions; (L) extent of services to be provided; (M) distinctions between "gross" and "net" leases; (N) base year figures or expense stops for escalation purposes for both operating costs and ad valorem/real estate taxes; (O) the time the particular rental rate under consideration becomes or is to become effective; (P) applicable caps on the amount of real estate taxes and assessments passed through to tenants; and (Q) other generally applicable conditions of tenancy for the space in question.

**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, 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 (30)-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 timely 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 (which third Broker shall be a third party independent broker and otherwise satisfies the criteria in clause (D) hereinbelow) within ten (10) days after the second of the two determinations described above has been rendered. The third Broker shall independently make its determination of the Fair Market Rental Value within twenty (20) days after its 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.

**D. Broker.** For the purpose of this Clause 34, "**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 Building and the Comparable Buildings 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."

N. Clause 35 (RIGHT OF FIRST OFFER) is hereby inserted into the Lease in its entirety:

**"35. RIGHT OF FIRST OFFER (N)**

A. **Right of First Offer.** During the Extended Term (herein, the "**First Offer Period**"), subject, however, to the limitations set forth below in this Clause 35, County shall have the right of first offer (the "**Right of First Offer**") to lease any space located on the fourth (4<sup>th</sup>) floor of the Building that is contiguous to the Premises (each, a "**First Offer Space**"), as shown in Revised

Exhibit I, which is attached hereto and by this reference made a part hereof, when such applicable First Offer Space becomes Available for Lease (as defined below). For purposes hereof, the applicable First Offer Space shall become "Available for Lease" immediately prior to the first time within the First Offer Period that Lessor intends to submit to a third party a bona fide proposal or letter of intent to lease the applicable First Offer Space. Notwithstanding anything herein to the contrary, County shall have no such Right of First Offer during the last two (2) years of the Extended Term (and the First Offer Period shall be shortened to be the day immediately preceding such 2-year period).

**B. Terms of First Offer Space.** Lessor shall give County written notice (the "First Offer Notice") that the applicable First Offer Space will or has become Available for Lease by County as provided above pursuant to the terms of County's Right of First Offer, as set forth in this Clause 35. Lessor's First Offer Notice shall identify the applicable First Offer Space that will or has become available for lease and set forth the terms upon which Lessor would lease such applicable First Offer Space to County, including, without limitation: (i) the anticipated date upon which such applicable First Offer Space will be available for lease by County and the commencement date therefor; (ii) a schedule of construction of tenant improvements for such applicable First Offer Space, if any; (iii) the Base Rent payable for such applicable First Offer Space, which shall be equal to the Fair Market Rental Value for such applicable First Offer Space in accordance with the definition thereof in Clause 34 (but not subject to objection or arbitration as set forth therein); (iv) the tenant improvement allowance, if any, for such applicable First Offer Space (which shall be determined by Lessor as part of the Fair Market Rental Value for such applicable First Offer Space described in Lessor's First Offer Notice); and (v) the term of the lease for such applicable First Offer Space, which shall in all events be coterminous with the Extended Term (as may be extended).

**C. Procedure for Acceptance.** On or before the date that is seven (7) business days after County's receipt of Lessor's First Offer Notice (the "Election Date"), County shall deliver written notice to Lessor ("County's Election Notice") pursuant to which County shall have the one-time right (subject to the following terms of this Clause 35(C) hereinbelow) to elect either to: (i) lease the entire applicable First Offer Space described in the First Offer Notice upon the terms set forth in the First Offer Notice; or (ii) not lease such applicable First Offer Space described in the First Offer Notice. If County does not deliver County's Election Notice electing one of the options set forth in clauses (i) or (ii) hereinabove by the Election Date, then County shall be deemed to have elected not to lease the applicable First Offer Space described in the First Offer Notice. If County elects, or is deemed to have elected, not to lease the applicable First Offer Space described in the First Offer Notice, then County's Right of First Offer set forth in this Clause 35 shall terminate with respect to such applicable First Offer Space so identified in the First Offer Notice and Lessor shall thereafter have the right to lease all or any portion of such applicable First Offer Space so described in the First Offer Notice to anyone to whom Lessor desires on any terms Lessor desires, subject to the following terms of this Clause 35(C) hereinbelow. Notwithstanding anything in this Clause 35 to the contrary, (A) County must elect to exercise the Right of First Offer herein with respect to the entire applicable First Offer Space identified in any applicable First Offer Notice and may not elect to lease only a portion thereof, and (B) County's Right of First Offer to lease any First Offer Space not previously identified in any applicable First Offer Notice delivered by Lessor to County shall not terminate as a result of County's election or deemed election to refuse to lease any other applicable First Offer Space so identified in a First Offer Notice, and shall

continue until the earlier of (1) the date such other applicable First Offer Space first becomes available for lease as determined by Lessor as provided hereinabove, or (2) the expiration of the First Offer Period. Notwithstanding that County has elected or is deemed to have elected the option described in clause (ii) hereinabove not to lease the applicable rejected First Offer Space, if Lessor does not enter into a lease with any person or entity for all or a portion of the applicable rejected First Offer Space within twelve (12) months after the date Lessor delivered to County the applicable Lessor's First Offer Notice (the "12-Month Lease-Up Period"), then Lessor shall submit to County a new Lessor's First Offer Notice prior to the first time after such 12-Month Lease-Up Period (but within the First Offer Period) that such applicable rejected First Offer Space becomes available for lease as determined by Lessor which lease has a commencement date scheduled to occur prior to the expiration of the First Offer Period, in which event the procedures in this Clause 35 shall again apply following County's receipt of such new Lessor's First Offer Notice.

D Amendment to Lease. If County leases the applicable First Offer Space pursuant to this Clause 35, then Lessor and County shall execute an amendment to this Lease covering such applicable First Offer Space and the lease terms thereof.

E Default: Personal. At Lessor's option, County's Right of First Offer shall not be deemed properly exercised if, as of the date County delivers County's Election Notice to Lessor, County is in default under this Lease beyond the expiration of all applicable notice and cure periods. In addition, and notwithstanding anything to the contrary contained in this Clause 35, the Right of First Offer is personal to the County, and may not be assigned or exercised, voluntarily or involuntarily, by or to, any person or entity other than the County and shall only be available to and exercisable by the County when the County is in actual and physical possession of the entire Premises."

O. Clause 36 (COUNTERPARTS) is hereby inserted into the Lease in its entirety:

**"36. COUNTERPARTS (N)**

This First Amendment 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."

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

[SIGNATURES APPEAR ON FOLLOWING PAGE]

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

APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL  
ORANGE COUNTY, CALIFORNIA

By: Lauren Kramer  
Deputy

**LESSOR**

JOHN HANCOCK LIFE INSURANCE COMPANY  
(U.S.A.) a Michigan corporation

By: [Signature]  
Name: Jeff Yamashiroya  
Title: Managing Director  
Dated: 3/20/2024

RECOMMENDED FOR APPROVAL:

District Attorney

By: [Signature] CHIEF ADA  
Name, Title  
DA/Administrative Services

COUNTY EXECUTIVE OFFICE

By: [Signature]  
Real Estate Manager



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

Attest:

COUNTY

COUNTY OF ORANGE

---

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

---

Chairman of the Board of Supervisors  
Orange County, California

**REVISED EXHIBIT C**

**The Work**

**SECTION 1. – LESSOR’S WORK**

Lessor, at Lessor’s sole cost and expense, shall using Building standard materials and in accordance with Building standards, complete the following improvements:

1. **Paints:** New paint on the interior painted walls of the Premises.
2. **Flooring:** Replace existing carpeted areas in the Premises with new carpet tiles. Replace VCT tile in the Premises with LVT throughout the Premises.
3. **Lighting:** Replace existing Building standard lighting fixtures within the Premises with new LED lighting to meet Title 24 code.

**SECTION 2. - MISCELLANEOUS**

2.1 Intentionally Omitted.

2.2 County’s Representative. County has designated District Attorney/Facilities Services Manager as its sole representative with respect to the Work as described in this Revised Exhibit C, who, until further notice to Lessor, shall have full authority and responsibility to act on behalf of the County as required in the Work.

2.3 Lessor’s Representative. Lessor has designated Denise Gillett as its sole representative with respect to the matters set forth in this Revised Exhibit C, who, until further notice to County, shall have full authority and responsibility to act on behalf of the Lessor as required in this Revised Exhibit C.

2.4 Intentionally Omitted.

2.5 Cooperation by County. County acknowledges that the timing of the completion of the Work is of the utmost importance to Lessor. Accordingly, County hereby agrees to fully and diligently cooperate with all reasonable requests by Lessor in connection with or related to the design and construction of the Work, and in connection therewith, shall respond to Lessor’s requests for information and/or approvals, except as specifically set forth herein to the contrary, within seven (7) business days following request by Lessor.

**REVISED EXHIBIT H**

**Work Acceptance Letter**

**RE: Premises Located at 5000 Birch Street, Newport Beach, CA 92660.**

Lessor and County, without limiting any of County's rights and remedies expressly set forth in Revised Exhibit C and the Lease and the First Amendment to Lease or Lessor's obligations thereunder regarding completion of Lessor's Work in accordance with Clause 9 (CONSTRUCTION), agree and acknowledge that:

*Check all that apply:*

- LESSOR WORK IS COMPLETE, COUNTY ACCEPTS POSSESSION OF THE PREMISES (WITH NO PUNCH LIST ITEMS):**  
 The Work to the Premises constructed by Lessor has been completed and accepted by County without any outstanding Punch List Items (as defined in the First Amendment). The Premises are in acceptable condition and Lessor delivered in compliance with all of the requirements contained in Revised Exhibit C attached to the First Amendment and Clause 9 (CONSTRUCTION) of the Lease.
  
- LESSOR WORK IS COMPLETE WITH PUNCH LIST ITEMS OUTSTANDING, COUNTY ACCEPTS POSSESSION OF THE PREMISES:**  
 The Work to the Premises constructed by Lessor has been SUBSTANTIALLY COMPLETED and accepted by County WITH THE EXCEPTION OF THE FOLLOWING OUTSTANDING PUNCH LIST ITEMS (see itemized list below).  
 Lessor shall complete the Punch List Items in accordance with Clause 9 of the Lease.  
**Punch List Items Remaining of The Work:**  
**(Attach additional pages if necessary)**  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
**Anticipated Punch List Completion Date:** \_\_\_\_\_
  
- LESSOR WORK IS NOT COMPLETE, COUNTY REJECTS POSSESSION OF THE PREMISES:**  
 Lessor has not completed the Work per the requirements defined in the Lease specifically in Clause 9 (CONSTRUCTION) and Revised Exhibit C attached to the First Amendment.

Attachment A - First Amendment To Lease

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

**Lessor:**

**County/ DA Facilities Manager:**

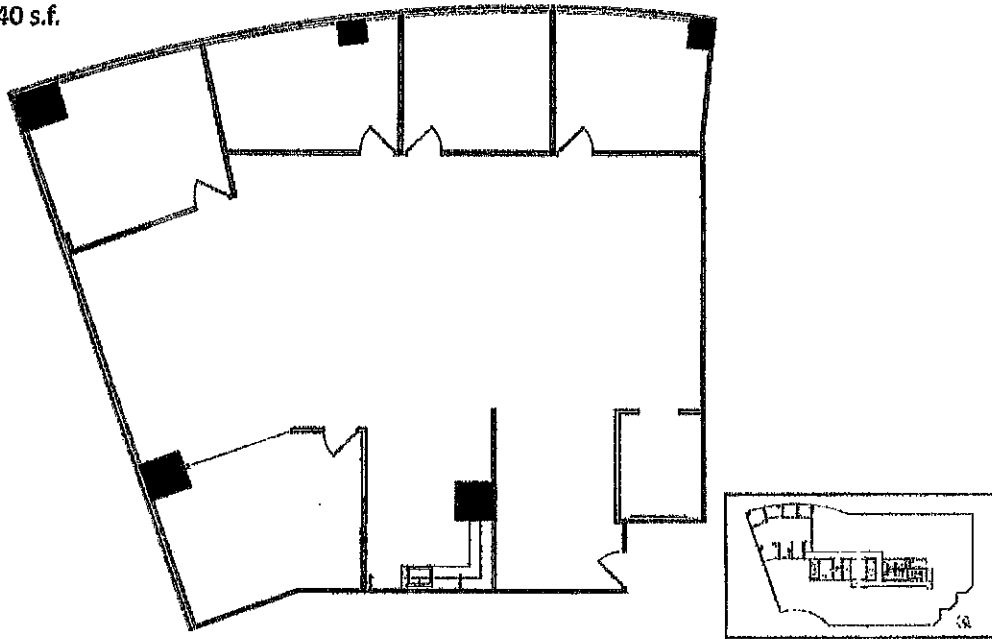
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Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**REVISED EXHIBIT I**

**ROFO Space**

Suite 4700 | 3,240 s.f.  
(West Tower)



Suite 4000 | 5,203 s.f.  
(West Tower)

