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CEO/ALS/OCCR-022-027 - OC Community Resources
CEO/ALS/SSA-022-028 - Social Services Agency
675 Placentia Ave. Ste 100, 125,300, & 350
Brea, CA 92821

LEASE

THIS IS A LEASE AGREEMENT (hereinafter referred to as “**Lease**”) made _____, 2022, (“**Effective Date**”), by and between T-C FAIRWAY CENTER II LLC, a Delaware limited liability company known as NUVEEN (hereinafter referred to as “**Lessor**”), and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**” or “**Tenant**”) without regard to number and gender. The Lessor and County may individually be referred to herein as a “**Party**,” or collectively as the “**Parties**.”

1. DEFINITIONS (1.0 SA)

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

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

“**Building**” means the building located at 675 Placentia Ave., Brea, 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.

“**OCCR**” means the Orange County Community Resources, 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.

“**OCCR/Facilities Services Manager**” means the Manager, Orange County Community Resources/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 Orange County Community Resources Agency.

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“**Social Services Agency or SSA**” means the Social Services 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.

“**SAA Director**” means the Director of Social Services 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.

“**SSA/Facilities Services Manager**” means the Manager, Social Services 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 Social Services 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 61,406 rentable square feet (“**RSF**”) of the Building located at 675 Placentia Avenue, Brea, California (collectively, the “**Premises**”), 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. The Premises consists of approximately 21,236 RSF of office space within Suites 100 and 125 (“**Suite 100 and 125**”), approximately 17,289 RSF of office space within Suite 300 (“**Suite 300**”) and approximately 22,881 RSF of office space within Suite 350 (“**Suite 350**”), collectively the Premises.

3. USE (1.2 SA)

County shall use the Premises for administrative and general office purposes, employment training, or any other ancillary use thereto consistent with the standards of a professional office building, subject to federal, state and municipal laws, and shall not use the Premises or permit the Premises to be used for any other purpose. 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(s) pursuant to Clause 7 (OPTION TO EXTEND TERM), County shall have the non-exclusive right, without additional charge, to use two hundred forty-six (246) parking spaces as unreserved and/or designated visitor parking on the Premises as shown on Exhibit B. County has the right to convert up to thirty (30) unreserved parking spaces to reserved parking spaces for the County and/or designated visitor parking spaces as shown on Exhibit B. County’s use of said parking spaces shall be subject to all reasonable rules and regulations which are prescribed by Lessor from time to time for the efficient operation of the parking areas for the Building and provided to County in writing.

In addition to said parking spaces, Lessor shall also provide parking for disabled persons (“**ADA Spaces**”) in accordance with the Americans with Disabilities Act, Section 7102 of the California Uniform Building Code and the applicable codes and/or ordinances relating to parking for disabled

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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 ninety (190) months (“**Term**”), commencing the first day of the first full calendar month following the Substantial Completion by Lessor of the Work set out in Clause 13 (CONSTRUCTION) below (“**Commencement Date**”), which is estimated to be June 1, 2023. “Term” as used in this Lease shall mean the initial Term and the Extension Term(s) if the Option(s) are duly exercised.

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 N)

Provided there is no current County Default under this Lease (as further defined in Clause 28 DEFAULTS AND REMEDIES), either at the time of the exercise of the Option or upon commencement of the Extension Term, County shall have the option to extend the term (the “**Option(s)**”) of this Lease for three (3) five (5) year periods (each an “**Extension Term**”) exercised and memorialized in an amendment executed by the Chief Real Estate Officer, on behalf of the County, and Lessor. At the time of the Option(s), County has the right to extend the term of this Lease for all or any portion of the then Premises under lease by the County within the Building. The Fair Market Rental Value 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. If the County exercises the Options(s) to extend, during each of the Extension Term(s) County shall continue to have the option to terminate the Lease pursuant to Clause 8 (OPTION TO TERMINATE).

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

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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; (M) extent of services to be provided; (N) distinctions between “gross” and “net” leases; (O) base year figures or expense stops for escalation purposes for both operating costs and ad valorem/real estate taxes; (P) the time the particular rental rate under consideration becomes or is to become effective; (Q) applicable caps on the amount of real estate taxes and assessments passed through to tenants; and (R) other generally applicable conditions of tenancy for the space in question. County shall obtain the same rent and other benefits that Lessor would otherwise give to any comparable prospective tenant.

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. If County is not in agreement with the Fair Market Rental Value at the completion of the appraisal process, the County may rescind its option to extend by notifying Lessor within thirty (30) days of the completion of the appraisal process. Should County choose to cancel its option to extend, County may remain in the Premises for one (1) year under the same terms and conditions, including rental rate, of this Lease.

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

8. OPTION TO TERMINATE LEASE (1.7 SA)

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County shall have the one-time right to terminate this Lease at any time on or after the last day of the 156th full calendar month of the Lease Term upon giving Lessor written notice at least twelve (12) months prior to said termination date. County shall pay to Lessor any applicable termination fee on or before the date which is thirty (30) days prior to the termination date, via a check in an amount consistent with the Termination Fee Schedule shown in Exhibit G, which is attached hereto and by reference made a part hereof.

9. RENT (1.8 N)

County agrees to pay to Lessor as rent for the Premises the sum of one hundred eighty-three thousand six hundred three and 94/100 dollars (\$183,603.94) per month commencing on the “**Rent Commencement Date**” and adjusted annually by three percent (3%) pursuant to the Rent Adjustment schedule in Clause 10 (RENT ADJUSTMENT) below. Lessor shall abate County’s Rent, as defined below, during the initial ten (10) months of the Term (“**Abated Rent**”). County, at County’s sole discretion, with prior written notice to Lessor may elect to convert all or any portion of the Abated Rent into cash to be used towards furniture, fixtures and equipment (“**FF&E**”), cabling, and/or any other move-related expenses.

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

To obtain rent payments and payment of any amounts hereunder Lessor (or Lessor’s designee) shall submit to County’s OCCR/ Facilities Service Manager and SSA/Facilities Service Manager, in a form acceptable to said OCCR/ Facilities Service Manager and SSA/Facilities Service Manager, a written statement stating the amount of 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 OCCR/Facilities Service Manager and SSA/Facilities Service Manager.

The Lessor’s written claim form is attached hereto as Exhibit K. Except as otherwise expressly set forth in this Lease, such Rent shall be due and payable without demand, deduction or offset.

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 utility charges under the Clause 20 (UTILITIES) of this Lease.

10. RENT ADJUSTMENT (1.9 SA)

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

Period/ Months	Monthly Rent	Per Square Foot
1- 12	\$183,603.94	\$2.99
13 - 24	\$189,112.06	\$3.08
25 - 36	\$194,785.42	\$3.17
37 - 48	\$200,628.98	\$3.27
49 - 60	\$206,647.85	\$3.37
61 - 72	\$212,847.29	\$3.47
73 - 84	\$219,232.71	\$3.57
85 - 96	\$225,809.69	\$3.68
97 - 108	\$232,583.98	\$3.79
109 - 120	\$239,561.50	\$3.90
121 - 132	\$246,748.34	\$4.02
133 - 144	\$254,150.79	\$4.14
145 - 156	\$261,775.32	\$4.26
157 - 168	\$269,628.58	\$4.39
169 - 180	\$277,717.43	\$4.52
181 - 190	\$286,048.96	\$4.66

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. RIGHT OF FIRST OFFER AND RIGHT TO EXPAND PREMISES (2.1 N)

Right of First Offer: During the Term and Extension Term(s), County will have a continuing right of first offer (the “**ROFO**”) to lease any and/or all space contiguous to the Premises on the 3rd Floor located in the Building (“**ROFO Space**”) that becomes available. Lessor shall advise County (the “**ROFO Offer**”) of the terms under which Lessor is prepared to lease (or will be prepared to lease in the case of a ROFO Space Lessor anticipates becoming available in the following twelve (12) month period) the applicable ROFO Space; provided, however, at County’s option, the term for such space will be adjusted proportionately to permit expiration coterminous with the Term. County will have ten (10) business days after receipt of Lessor’s ROFO Offer to notify Lessor of its intent to exercise its ROFO; provided, however that, if County was entitled to exercise the ROFO, but failed to so exercise the same within the ten (10) business day period described above, and Lessor does not enter into a lease for the applicable ROFO Space within six (6) months following the date of the ROFO Offer, County shall once have a ROFO with respect to the applicable ROFO Space. Notwithstanding anything herein to the contrary, County’s ROFO is subject and subordinate only to the rights of any tenant under any leases at the Building existing as of the Commencement Date of this Lease.

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County may request, by written notice to Lessor an “**Availability Request**”. In such request, Lessor shall notify County, to the best of Lessor’s knowledge, of whether any ROFO Space is then available or whether a ROFO Space will become available in the following twelve (12) month period.

Right to Expand Premises: Subject to (i) the rights of tenants under existing leases at the Building, and (ii) the terms and provisions of this Clause, County shall have the right to expand the Premises (“**Expansion Right**”) into (a) approximately 23,101 RSF on the second (2nd) floor of the Building, and (b) approximately 6,588 RSF on the third (3rd) floor of Building, all as more particularly described on Exhibit L hereto (the “**Expansion Space**”). The County’s right to expand into the Expansion Space is conditioned upon the Expansion Space being vacant and unencumbered by any rights of any third party. If County elects to exercise its Expansion Right, then on or before the Expansion Right Deadline, the County shall deliver irrevocable written notice (“**Expansion Acceptance**”) to Lessor that the County is exercising its Expansion Right and shall designate all or that portion of the Expansion Space being added to the Premises, which such Expansion Right shall be at a minimum of 6,000 RSF contiguous to the Premises, and all additional Expansion Space shall be contiguous to the Premises. The determination of the size and location of the Expansion Space shall be mutually agreed to by Lessor and the County, such approval shall not to be unreasonably withheld, delayed or conditioned. In the event the County delivers an Expansion Acceptance to Lessor, then the “Commencement Date” for the Expansion Space shall be upon delivery of the Substantially Completed Expansion Space and Lessor’s receipt of the County’s Work Acceptance Letter. County’s leasing of the Expansion Space shall be added to the Premises and shall be subject to all the terms and conditions of the Lease, including, without limitation, a co-terminous Lease Term, Rent for the Expansion Space at the then current rate as for the remaining portion of the Premises (including free rent or Rent Abatement), with accompanying Rent adjustments as set forth in Clause 10 (RENT ADJUSTMENT) of this Lease, and an Improvement Allowance and Moving Allowance as set forth in Clause 13 (CONSTRUCTION). Notwithstanding the foregoing, Tenant’s Expansion Right shall terminate and become null and void if Tenant does not deliver an Expansion Acceptance to Lessor on or before the last day of the twelfth (12th) calendar month following the Commencement Date of this Lease (“**Expansion Right Deadline**”). Time shall be of the essence with respect to the giving of the County’s Expansion Acceptance. In the event that the County timely exercises its rights to any Expansion Space pursuant to this paragraph, then Lessor shall prepare, and the County shall execute, an amendment to the Lease which confirms such expansion of the Premises and the other provisions applicable thereto (the “**Expansion Amendment**”).

13. CONSTRUCTION (2.2 N)

A. **Pre-Lease Commencement Additional Allowance.** Prior to the Commencement Date, Lessor shall provide County the ability to amortize up to an additional twenty-five (\$25.00) per RSF to be amortized over the first one hundred twenty (120) months of the Lease Term at an interest rate of seven percent (7%) (“**Pre-Lease Commencement Additional Allowance**”)

Improvement Allowance. Lessor hereby agrees to provide County with a tenant improvement allowance (“**Improvement Allowance**”) for the Work not to exceed ninety dollars (\$90.00) per RSF which will be used towards hard and soft construction costs including construction management fees (not to exceed 5% of the cost of the Work). At County’s sole

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discretion, up to ten dollars (\$10.00) of any unused portion of the Improvement Allowance shall be credited towards future County improvements or a rent credit; provided, that County shall notify Lessor in writing within ten (10) months after the Commencement Date that County would like to apply up to ten dollars (\$10.00) of any unused portion of the Improvement Allowance towards either future County improvements or a rent credit, and if County does not timely notify Lessor in writing, then County shall waive the right to such unused portion of the Improvement Allowance.

Moving Allowance. Additionally, Lessor shall provide County with a moving allowance equal to twenty-five dollars (\$25.00) per RSF to be used at County's sole discretion toward FF&E, relocation costs, cabling and telecommunications ("**Moving Allowance**"); provided, that County shall notify Lessor in writing within ten (10) months after the Commencement Date that County would like to apply up to ten dollars (\$10.00) of any unused portion of the Moving Allowance ("**Unused Portion**") towards either future County improvements or a rent credit, and if County does not timely notify Lessor in writing, then up to five dollars (\$5.00) of any Unused Portion of the Moving Allowance shall automatically be converted to a rent credit and any remaining Unused Portion may be used by the County for future County improvements in the Premises.

B. **Completion Schedule.** Lessor hereby agrees to complete the alterations, repairs, and other work (the "**Work**") in accordance with Exhibit C and the Approved Plans. The final plans and specifications for the Work approved by Lessor and the County prepared by the Third Party Architect shall be the "**Approved Plans.**" Lessor agrees to use commercially reasonable efforts to have the Premises substantially completed, by or before June 1, 2023, (the "**Scheduled Delivery Date**"). The initial plans and specifications attached hereto ("**Initial Space Plans**") and made a part hereof as Exhibit J were prepared by One Nine Architect ("**Third Party Architect**"). 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, Exhibit C, and the Approved Plans, such that the Premises may be fully occupied and ready for operation by County as reasonably determined by Lessor, subject to any "punch list" items, if any. Upon Substantial Completion, Lessor shall send County a "**Work Acceptance Letter,**" 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, attached to the Work Acceptance Letter by County. County shall not be required to send back the Work Acceptance Letter until County is satisfied (in its reasonable discretion) that the Work has reached Substantial Completion (other than punch list items, if any) pursuant to this Lease. The "**Final Completion Date**" means Lessor's completion of the Work as reasonably determined by Lessor and completion of the items set forth in the punch list (if any). The determination of whether the Final Improvement Date has occurred will be reasonably determined by Lessor.

C. **County Remedies.** If the Final Completion Date (as defined in Clause 13(B)) fails to occur on or prior to November 1, 2023, as such date may be extended on a day for day basis due to any event of Force Majeure (as defined below and in Clause 49 (FORCE MAJEURE)), or a delay caused by County ("**Outside Date**"), then Lessor shall be obligated to pay a penalty to County, as County's sole and exclusive remedy in the event of such occurrence, of one thousand dollars (\$1,000.00) per day for the period from the Outside Date 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.

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D. **Approvals.** Except for a test fit allowance of nine thousand two hundred ten dollars and 75/100 (\$9,210.75), all planning and architectural/design costs required to accomplish the Work shall be paid out of the Improvement Allowance and shall be approved by OCCR/ Facilities Service Manager and SSA/Facilities Service Manager, such approvals not to be unreasonably withheld, delayed or conditioned, and if a written disapproval of any request by Lessor is not received within five (5) working days after submission, such request shall be deemed approved. Such approvals by the OCCR/ Facilities Service Manager and SSA/Facilities Service Manager shall not relieve Lessor of the responsibility for complying with all applicable codes and construction requirements, nor of obtaining necessary permits or approvals from the authorities of proper jurisdiction.

E. **Punch List.** Upon Substantial Completion (as defined above) of the Work, Lessor shall request that the Third Party Architect shall affirm that Substantial Completion of the Work has occurred and following such affirmation, the OCCR/ Facilities Service Manager and SSA/Facilities Service Manager shall join Lessor and the Third Party Architect to review such Work and to jointly establish a punch list of items that still need to be completed by Lessor (such list being the “**Punch List**”, which shall be generated by the County and included in the Work Acceptance Letter. 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 reasonable discretion.

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 thirty (30) days following receipt of the Work Acceptance Letter. Should the items on the punch list not be completed within thirty (30) 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 Outside 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. **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 in all items that are subject to approval by County as provided in Clause 13(D) above.

G. **County Change Orders to Work.** Lessor and County agree that should the County desire to make alterations or revisions to the Approved Plans or the Work, (“**County Change Orders**”), then the County shall so advise Lessor in writing and Lessor shall determine whether such changes can be made in a reasonable and feasible manner. Any and all costs of reviewing any requested changes, and any and all costs of making any changes to the Work which the County may request shall be at the County’s sole cost and expense and shall be paid to Lessor upon the delivery of a reimbursement request consistent with Clause 17 (COUNTY REQUESTED ALTERATIONS). If such County Change Orders cause the cost of the Work to decrease, County will be entitled to a credit toward additional tenant improvements either concurrently with the Work, or as a credit toward future work which County may request of Lessor as expressly set forth

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in this Lease. If the County shall elect a County Change Order(s), then any delays in the Substantial Completion of the Work caused by the County Change Order(s) shall be a delay by the County under this Lease.

H. **Performance of Work.** Lessor agrees that any improvement being constructed by, or under the direction of, Lessor shall be constructed in substantial compliance with Approved Plans, 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 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.

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

14. PAINTING BY LESSOR (2.3 SA)

Anytime within the 120th month of the Lease Term, with ninety (90) days prior written notice, County has the one time right to request Lessor to repaint the Premises using building standard paint. Lessor shall repaint, at Lessor's sole cost and expense, all painted surfaces within the Premises. Said painting shall be accomplished during hours other than County's normal working hours. Lessor shall be responsible for the movement, protection and subsequent replacement of all furniture, window coverings, and fixtures necessary to repaint the Premises and for any costs incurred from doing so. Lessor shall provide County with boxes, so County may pack personal property and belongings during the painting of the Premises. Lessor shall ensure that the painting is completed consistent with industry standards or acceptable equivalent as approved by OCCR/Facilities Service Manager and SSA/Facilities Service Manager, including, but not limited to, patching and sanding all blemishes, cracks, holes, etc. prior to painting.

At County's sole option, County may elect to defer said repainting. Said deferral shall not release Lessor from the obligation to repaint. Should County elect to defer said repainting, the OCCR/Facilities Service Manager and SSA/Facilities Service Manager shall notify Lessor in writing of County's decision to defer said repainting prior to the scheduled repainting date. This notice shall

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include the date that the County wishes the repainting to take place. Failure of County to notice Lessor of such deferral is not a waiver of Lessor's obligation to repaint Premises under this clause.

Should Lessor fail to comply with the provisions of this clause, County shall have the option to complete said repainting and deduct the cost thereof, including overhead, from any Rent payable.

15. CARPETING BY LESSOR (2.4 SA)

Anytime within the 120th month of the Lease Term, with ninety (90) days prior written notice, County has the one time right to request Lessor to re-carpet the Premises using building standard carpet which is consistent with industry standards or an acceptable equivalent as approved by OCCR/Facilities Service Manager and SSA/Facilities Service Manager. Lessor shall re-carpet, at Lessor's sole cost and expense, all carpeted surfaces within the Premises. Said re-carpeting shall be accomplished during hours other than County's normal working hours. Lessor shall be responsible for the movement, protection and subsequent replacement of all furniture and fixtures necessary to re-carpet the Premises. Lessor, at the County's sole cost and expense, shall provide County with boxes, so County may pack personal property and belongings during the re-carpeting of the Premises. County shall, at its own cost and expense, be responsible for the movement and subsequent replacement of all furniture, fixtures, equipment, personal property, computer equipment, electronic equipment, any other communication equipment, and all otherwise sensitive equipment identified by the OCCR/ Facilities Service Manager and SSA/Facilities Service Manager.

At County's sole option, County may elect to defer said re-carpeting. Said deferral shall not release Lessor from the obligation to re-carpet. Should County elect to defer said re-carpeting, the OCCR/ Facilities Service Manager and SSA/Facilities Service Manager, shall notify Lessor in writing of County's decision to defer said re-carpeting prior to the scheduled re-carpeting date. This notice shall include the date that the County wishes the re-carpeting to take place. Failure of County to notice Lessor of such deferral is not a waiver of Lessor's obligation to repaint Premises under this clause.

Should Lessor fail to comply with the provisions of this clause, County shall have the option to complete said re-carpeting and deduct the cost thereof, including overhead, from any Rent payable.

16. ALTERATIONS (2.5 N)

Subject to Lessor's obligations to construct the Work as set forth in Paragraph 13 above, the County agrees to accept the Premises from Lessor in its existing "AS-IS", "WHERE-IS" and "WITH ALL FAULTS" condition. Except for the Work which shall be performed by Lessor, any alterations, additions, or improvements made by or on behalf of the County to the Premises ("Alterations") shall be subject to Lessor's prior written consent, such consent not to be unreasonably withheld, delayed or conditioned. However, the County may make minor, cosmetic, non-structural Alterations to the Premises which cost in the aggregate less than one hundred and fifty thousand dollars (\$150,000.00) per year without Lessor's prior written consent or approval. Notwithstanding the foregoing or anything else in this Lease to the contrary, the County shall make no structural alterations, improvements or additions to the Premises, including, without limitation any alterations (i) which will adversely impact the Building's mechanical, electrical or

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heating, ventilation or air conditioning systems, or (ii) which will adversely impact the structure of the Building, or (iii) which are visible from the exterior of the Premises, or (iv) which will result in the penetration or puncturing of the roof, without first obtaining Lessor's prior written consent or approval to such Alterations (which consent or approval shall be in the Lessor's sole and absolute discretion). The County shall cause, at its sole cost and expense, all Alterations to comply with insurance requirements and with all laws. All Alterations shall be constructed at the County's sole cost and expense and in a good and workmanlike manner by contractors reasonably acceptable to Lessor and only good grades of materials shall be used. All plans and specifications for any Alterations shall be submitted to Lessor for its approval. The County shall reimburse Lessor for (i) a coordination fee of five percent (5%) of the cost of non-cosmetic Alterations, and (ii) all out-of-pocket sums, if any, paid by Lessor for third party examination of the County's plans and specifications for any Alterations not to exceed fifteen hundred dollars (\$1,500.00) per year.

It is agreed that any trade 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.

The County shall keep the Premises and the Building free from any and all liens arising out of any Alterations, work performed, materials furnished, or obligations incurred by or for the County. In the event that the County shall not, within thirty (30) days following the imposition of any such lien, cause the same to be released of record by payment or posting of a bond in a form and issued by a surety acceptable to Lessor, Lessor shall have the right, but not the obligation, to cause such lien to be released by such means as it shall deem proper (including payment of or defense against the claim giving rise to such lien); in such case, the County shall reimburse Lessor for all amounts so paid by Lessor in connection therewith, together with all of Lessor's costs and expenses.

17. COUNTY-REQUESTED ALTERATIONS (2.6 SA)

County through OCCR/ Facilities Service Manager and SSA/Facilities Service Manager, may, during the Term of the Lease, request Lessor to make improvements and changes to the Premises as well as request Lessor to complete Additional Services to the Premises. "**Additional Services**" are defined as any services requested by County that are in addition to and outside the scope of the Services completed by Lessor as such are defined below. All plans and working drawings for the improvements and changes, as well as the final work, shall have the written approval of OCCR/ Facilities Service Manager and SSA/Facilities Service Manager. All such improvements and changes and any Additional Services requested by County shall be made by Lessor, at Lessor's sole cost, and shall be 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 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.

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Lessor agrees that any improvement being constructed by, or under the direction of Lessor, 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 by not limited to, the requirement of California Public Contract Code Section 22000 et seq., and shall require, to the extent applicable, its contractor or subcontractors to pay 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 improvements, Lessor shall, to the extent applicable, publicly advertise for bids for such improvements, as provided in Orange County Codified Ordinances 1-8-1 et seq., and shall provide County a list of all bids received for the contract. Thereafter, with the prior written approval of County as to the winning bid, Lessor shall award the contract or contracts for such improvements. County's approval of the bid shall be limited to the dollar value only, to ensure it is within County's budget.

18. ORANGE COUNTY TELECOMMUNICATIONS NETWORK (2.7 SA)

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

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

A. **Lessor Services.** Except for any above-standard improvements or equipment in the Premises (which repair, maintenance and replacement shall be the responsibility of the County), Lessor shall provide, at its sole cost and expense (except as otherwise provided in this Lease) any and all Building standard repairs, maintenance and replacements for the Premises and Building (and systems therein) in good order, condition and repair and in compliance with all applicable laws, including, but not limited to, the replacement, repair and maintenance of the structural portions of the Building, the roof of the Building, the parking facilities and all Building systems including the Heating, Ventilation, Air Conditioning ("**HVAC**") system, the plumbing, electrical and mechanical systems, fire/life safety system, elevators, roof, paving, fire extinguishers, pest control, 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

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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.

B. **County Remedies**. If, due to a cause within the reasonable control of Lessor, Lessor fails to provide the Services to the County within fifteen (15) days after OCCR/ Facilities Service Manager and SSA/Facilities Service Manager provides written notice thereof to Lessor specifying any such failure and affording Lessor such fifteen (15) day period to cure such failure that is within the reasonable control of Lessor, 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, then, without limiting any available remedy 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 Lessor, due to a cause within the reasonable control of 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 seven hundred and fifty dollars (\$750.00) per day until such Services are provided by Lessor.

C. **Warranties**. 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 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.

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 use commercially reasonable efforts to 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.

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D. **HVAC System.** Air conditioning will be supplied to cause the temperature in the Premises and Building at a temperature consistent with other first class office buildings in Orange County, California, during all Normal Business Hours as defined below in Clause 19(E).

E. **Normal Business Hours.** County acknowledges that the HVAC services to the Building shall operate only from 7:00 a.m. to 6:00 p.m. Monday through Friday, excluding governmental holidays. A list of government holidays shall be provided to Lessor on a yearly basis upon request to County. The HVAC services shall not be provided on Saturdays unless requested by the County and if so requested, will be provided as part of the Services from 8:00 a.m. to 12:00 p.m. on Saturdays. The term “**Normal Business Hours**” shall mean from 7:00 a.m. to 6:00 p.m. Monday through Friday and from 8:00 a.m. to 12:00 noon on Saturdays, excluding governmental holidays. Notwithstanding the utilities provided during Normal Business Hours, Lessor shall provide HVAC services prior to the beginning of Normal Business Hours (except for Saturdays unless requested by the County as set forth above) in order for the temperature parameters required by this Lease, above, to be met and maintained at the beginning and throughout Normal Business Hours (except for Saturdays unless requested by the County as set forth above). There shall be no extra utility charges for HVAC services prior to the beginning of Normal Business Hours.

F. **Emergency Services.** If emergency repairs and/or services within the Premises (“**Emergency Services**”) are necessary to remedy an emergency condition or to prevent imminent danger to persons or property, then County shall notify Lessor and/or its property manager of the necessity of such Emergency Services (“**Emergency Notice**”), and the Lessor shall respond to such request for Emergency Services as soon as reasonably practicable, but in all events within twenty-four (24) hours after receipt of the Emergency Notice, and shall promptly commence such Emergency Services until completion. If Lessor and/or its property manager does not respond to such Emergency Notice and/or commence such Emergency Services within the time period set forth in the previous sentence, then County shall have the right, at its election, to have the necessary repairs made within the Premises and/or provide Emergency Services to remedy the emergency condition, and deduct the reasonable cost thereof, including labor, materials, and overhead from any Rent payable without further notice and shall provide Lessor with written invoices of the cost to provide such Emergency Services.

G. **Operations Shutdown.** Should County be forced to completely shut down its operations within the Premises and/or Building due to a failure to provide Services or Emergency Services required by this Clause 19 which failure is within the reasonable control of Lessor, then if such failure continues for a period of two (2) consecutive business days, excluding weekends and holidays, County, as its sole remedy, shall be entitled to receive an abatement of 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 provided and County may reestablish use of the Premises and/or Building. The County shall then have the option, in the County’s sole discretion, to continue with abatement of Rent until the County reestablishes use of the Premises. Notwithstanding anything in this Lease to the contrary, and with the exception of rent abatement as expressly set forth in this Lease, Lessor shall not be responsible for, and to the extent permitted by law, the County releases and discharges Lessor from, and to the extent permitted by law, the County further waives any right of recovery from Lessor for, any loss of revenue or profits for or from business interruption due to said operational shutdown or otherwise,

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or loss of use of the Premises suffered by the County in connection with the County's use or occupancy of the Premises.

20. UTILITIES (2.9 SA)

Lessor shall be responsible for and pay, prior to the delinquency date, all charges for electricity and water supplied to the Premises. Any telephone and/or telecommunications services shall be the obligation of County. Should Lessor fail to provide or pay for (prior to delinquency date), electricity and water service to the Premises, County may provide such service and deduct the cost thereof, including overhead, from any Rent payable. Notwithstanding the foregoing terms of this Clause 20, should County install or request the installation of additional HVAC units or equipment at a rated capacity at or above five (5) tons in the aggregate, then County shall pay, after receipt of a billing from Lessor and with the following month's Rent, the additional utility costs associated with such units or equipment as calculated by a separate meter or submeter installed by County.

Should County require HVAC services at times other than during Normal Business Hours as defined in Clause 19(E) above, County shall pay Lessor a reimbursement equal to Lessor's standard charge for each hour of HVAC service (currently sixty-five dollars (\$65.00) per hour for each hour HVAC services 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 N)

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

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

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

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A. An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the *County of Orange, its elected and appointed officials, officers, agents and employees* as an additional insured, or provide blanket coverage which will state, **AS REQUIRED BY WRITTEN AGREEMENT**;

B. Shall provide a limit of One Million Dollars (\$1,000,000) per occurrence with a Two Million Dollars (\$2,000,000) aggregate; and

C. The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

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

County Insurance: County shall maintain a program of self-insurance at its own expense for its liability exposures including commercial general liability with a minimum limit of \$1,000,000 per occurrence and a \$2,000,000 aggregate, auto liability with a minimum limit of \$1,000,000 per occurrence, Workers Compensation with statutory limit and Employers' Liability insurance with a \$1,000,000 limit. Evidence of the County's self-insurance shall be provided upon request, with Lessor and Lessor's Property Manager named as an Indemnified Party on the County's program of self-insurance.

22. INDEMNIFICATION (3.1 SA)

Lessor hereby agrees to indemnify, hold harmless, and defend County, its elected and appointed officials, officers, agents, employees, and those special districts and agencies which the Board of Supervisors acts as the governing board, with counsel reasonably approved by County, against any and all claims, loss, demands, damages, cost, expenses or liability arising out of the ownership, maintenance, or use of the Premises, except for liability arising out of the negligence of County, its elected and appointed officials, officers, agents, contractors 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 reasonably 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 reasonable attorneys' fees. In the event judgment is entered against County and Lessor because of the concurrent negligence of County and Lessor, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither Party shall request a jury apportionment.

To the extent permitted by law, County hereby agrees to indemnify, hold harmless, and defend Lessor, its officers, agents, and employees, against any and all claims, loss, demands, damages,

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cost, expenses or liability arising out of the use of the Premises by the County and its elected and appointed officials, officers, agents, contractors and/or employees, except for liability arising out of the negligence of Lessor, its officers, agents, or employees, including the cost of defense of any lawsuit arising therefrom.

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**”). To the extent permitted by law, 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 at the Building and the Premises. 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 N)

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

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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 Commencement 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 (which approval shall not be unreasonably withheld, conditioned or delayed), Lessor agrees to perform such repair or maintenance and County agrees to reimburse Lessor within thirty (30) days.

In the event Lessor defaults in its obligation to maintain said Premises as aforesaid, and such default continues beyond a reasonable period of time (given the circumstances) after the receipt of such notice, but in any event not later than thirty (30) days after receipt of such notice (or within five (5) business days in the case of an emergency) and such default adversely affects County’s use and/or occupancy of the Premises, then County may, in accordance with the provisions of Clause 9(B) (REPAIR MAINTENANCE, AND JANITORIAL SERVICES), at County’s sole option, cure any such default by performance of any act, including payment of money, and subtract the actual and reasonable cost thereof from the Rent.

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 N)

A. **General.** County shall have no power to, either voluntarily, involuntarily, by operation of law or otherwise, sell, assign, transfer or hypothecate this Lease, or sublet the Premises or any part thereof, or permit the Premises or any part thereof to be used or occupied by anyone other than County, or County's employees, (in each case, a “**Transfer**”) without the prior written consent of Lessor, 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) business 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 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. Upon Lessor's consent to a Transfer pursuant to the terms of this Clause 26, County shall provide Lessor with an executed copy of the Transfer documentation within ten (10) days after the execution thereof.

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B. **Justifications for Withholding Consent.** By way of example and not limitation, Lessor shall be deemed to have reasonably withheld consent to a proposed assignment or sublease if in Lessor's reasonable opinion (i) the Premises are or may be in any way materially or adversely affected thereby; (ii) the business reputation of the proposed assignee or subtenant is unacceptable; (iii) 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 or (iv) 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 sole basis that there is vacancy in 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 any of such excess which shall be held by County.

D. **Permitted Subleases.** Notwithstanding the above, County shall have the right to sublease any portion of the Premises to County Affiliates (defined below) with prior written notice to Lessor and without Lessor's consent (each a "**Permitted Sublease**"); provided that (a) any such sublease shall be effectuated through a sublease agreement executed substantially in the same form as County's form sublease; (b) County does not separately demise any space within the Premises and all County Affiliates use, in common with the County, one common entryway to each suite constituting the Premises; (c) each County Affiliate uses its subleased space for the Permitted Use, and for no other purpose; and (d) before each County Affiliate begins occupancy the following shall occur: (i) County notifies Lessor in writing of the County Affiliate's identity and provides Lessor with a copy of the applicable sublease and any other information reasonably requested by Lessor regarding such County Affiliate's occupancy of the Premises; (ii) the County Affiliate executes and delivers to Lessor the "**Lessor Sublease Consent Agreement**" in substantially the same form as Exhibit H which is attached hereto and by this reference made a part hereof for Lessor's counter-signature, with only such non-material changes as may be acceptable to Lessor ; (iii) the occupancy of the County Affiliate in the Building does not impose any additional legal obligations on Lessor and Lessor is not required to execute any documents in connection with the Permitted Sublease, other than the Lessor Sublease Consent Agreement; and (iv) Lessor is not required to perform any additional obligations in connection with the Permitted Sublease or such County Affiliate's occupancy in the Building.

No sublease to, nor use or occupancy of or by any portion of the Premises by a County Affiliate shall release or excuse County from any obligation hereunder or create a landlord/tenant relationship between Lessor and such County Affiliate. Lessor shall not be required to provide any notice to any County Affiliate.

"**County Affiliate**" includes the State of California-Employment Development Department, America Works of California, Inc., a California corporation, and any other public entity or contractor which has a service agreement with the County.

26. **SUBORDINATION, ATTORNMENMENT AND NON-DISTURBANCE (3.5 N)**

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,

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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. As of the Effective Date of this Lease, there is no mortgage or deed of trust which covers the Premises or the Building.

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

Lessor shall require all future lenders on the Premises, upon initiation of their interest in the Premises or within a reasonable time thereafter, to enter into a *Subordination, Attornment and Non-Disturbance Agreement* with County, thereby insuring County of its leasehold interests in the Premises. Said *Subordination, Attornment and Non-Disturbance Agreement* shall be in a form that substantially complies with the attached Exhibit E and approved by the Chief Real Estate Officer and County Counsel. Accordingly, notwithstanding anything to the contrary herein, County's obligation to enter into an agreement to subordinate its interest under this Lease to a lien or ground lease not in existence as of the date of this Lease shall be conditioned upon the holder of such lien, or a ground Lessor, as applicable, confirming in writing and substantially in the form of Exhibit E, 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 OCCR/ Facilities Service Manager and SSA/Facilities Service Manager shall furnish upon receipt of a written request from Lessor or the holder of any deed of trust or mortgage covering the Premises or any interest of Lessor therein ("**Lessor Representative**"), County's standard form *Estoppel Certificate* (consistent with the form attached hereto in Exhibit E) containing information as to the current status of the Lease. Said standard form *Estoppel Certificate* shall be completed by County in twenty (20) days and shall be approved by Chief Real Estate Officer and County Counsel.

28. DEFAULTS AND REMEDIES (3.7 SA)

Attachment A

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 twenty (20) 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 twenty (20) 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 twenty (20) 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 twenty (20) 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 twenty (20) 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 twenty (20) day period and thereafter diligently pursued to completion (each, a "**Lessor Default**").

C. County Remedies:

County's remedies as the result of a 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. Notwithstanding anything to the contrary in this Lease, Lessor's remedies as the result of a 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

Attachment A

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 OCCR/ Facilities Service Manager and SSA/Facilities Service Manager updated, certified payroll records for all workers that shall include, but not be limited to, the weekly hours worked, prevailing hourly wage rates, and total wages paid.

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

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

In accordance with the United States Immigration Reform and Control Act of 1986, 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.

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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 Alterations, 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 N)

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 County Default hereunder, or purchasers of the Premises; (c) for any purpose which Lessor shall deem necessary for the operation and maintenance of the Premises; (d) to make any repairs or to address any obligations of Lessor under this Lease; or (e) to abate any condition which constitutes a violation of any covenant or condition of this Lease.

34. SIGNAGE (4.3 SA)

The Parties agree that the County shall have the right to install and maintain a sign or display upon or in front of the Premises and/or Building consistent with Exhibit I, which is attached hereto and

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by this reference made a part hereof. 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 N)

In the event County shall continue in possession of the Premises after the Term of this Lease, such possession shall not be considered a renewal of this Lease but a tenancy from month to month and shall be governed by the conditions and covenants contained in this Lease, except that in the event the County holds over in the Premises without the prior written consent of Lessor, then (i) during the first six (6) months of the holding over period, the County shall pay Lessor as Rent an amount equal to 103% of the Rent in effect on the termination date, computed on a monthly basis for each month or part thereof during such holding over, and (ii) if the holding over period is greater than six (6) months, then during any holding over period following such six (6) months, an amount

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equal to 110% of the Rent in effect on the termination date, computed on a monthly basis for each month or part thereof during such holding over.

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 N)

Lessor shall compensate County for up to a total of two hundred and fifty dollars (\$250.00) per occurrence for the administrative costs absorbed by County which occur as a result of negotiating and administering documents (i.e., Non-Disturbance and Attornment Agreements and Estoppel Certificates) ninety (90) days after the commencement of this Lease if required to satisfy Lessor's Lender whether or not said Lender decides to grant a loan to Lessor. Said compensation amount shall be determined by multiplying the hourly rate of the OCCR/ Facilities Service Manager and SSA/Facilities Service Manager staff by the number of hours spent to negotiate, prepare and execute said documents and shall be paid to County within thirty (30) days of Lessor's receipt of County's invoice for said administrative services. Should Lessor fail to compensate County within said thirty (30) days, County has the option to deduct the amount from Rent payable.

45. GOVERNING LAW AND VENUE (5.4 SA)

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

46. ATTORNEYS' FEES (5.5 SA)

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

47. TIME (5.6 SA)

Time is of the essence of this Lease.

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

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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 N)

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, pandemics, act of war, riot or civil commotion, strike, lockout or other labor disturbance, fire, earthquake, explosion, governmental delays (including nonstandard delays in issuance of any permit, or other necessary governmental approval or the scheduling of any inspections or tests), any governmental delays due to the Work being subject to a public bid process or public advertisement of bids, nonstandard delays by third party utility providers, or any other matter of any kind or character beyond the reasonable control of the Party delayed or failing to perform under this Lease despite such Party’s Best Efforts to fulfill the obligation. The term “**Best Efforts**” includes anticipating any potential force majeure event and addressing the effects of any such event (a) as it is occurring and (b) after it has occurred, to prevent or minimize any resulting delay to the greatest extent possible. Force Majeure shall not include 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 a material portion of the Premises (being at least ten percent (10%) of the Premises) 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 Premises (being at least ten percent (10%) 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

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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.

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 thirty percent (30%) 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 thirty percent (30%) or more of the then replacement cost of the Premises (including tenant improvements), excluding the value of the land.

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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 two hundred and seventy (270) 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 two hundred and seventy (270) 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 two hundred and seventy (270) 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 use commercially reasonable efforts to provide a suitable, County-approved temporary facility ("**Facility**") for County's use during the restoration period for the Premises. The Facility may be leased, at market rate, under a short-term lease, for which the County will reimburse Lessor the cost thereof, on a monthly basis.

56. SECURITY SERVICES (6.5 SA)

During the Term (as the same may be extended), County may, at its sole cost and expense, engage its own security personnel to provide security to the Premises and to County's employees, personnel, agents, licensees and/or invitees going to and from the Premises. Such security personnel shall be solely for the benefit of County and shall not be relied on by Lessor. 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's security personnel being present at the Premises or Building. Lessor shall be the sole determinant of the type and amount of any courtesy guard services to be provided to the Building, if any. Except in the event of an emergency, Lessor's courtesy guard services shall not prevent the County from accessing the Premises and/or engaging its own security personnel within the Premises.

57. COMMISSION (6.6 SA)

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County's obligations and responsibilities under this Lease are contingent upon the Lessor paying to County's broker, Jones Lang LaSalle, commission as a result of this lease transaction per separate agreement between Lessor and Jones Lang LaSalle. 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.

58. NOTICES (6.7 SA)

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

To: Lessor

T-C Fairway Center II LLC
c/o Tiarna Real Estate Services, Inc.
2603 Main Street, Suite 210
Irvine, CA 92614
Attention: Property Management

With a copy to:

T-C Fairway Center II LLC
4675 MacArthur Court, Suite 1100
Newport Beach, CA 92660
Attn: Lauren LaFever

To: County

County of Orange
OCCR – Community Investment Division
1300 S. Grand Avenue, Building B
Santa Ana, CA 92705
Attn: Executive Director, Orange County
Workforce Development Board

County of Orange
Social Services Agency
500 N. State College Boulevard, 6th Floor
Orange, CA 92868
Attn: Director, Administrative Services

With a copy to:

County of Orange, CEO Real Estate
400 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.

59. NON-RECOURSE LIABILITY.

In the event of a sale or conveyance by Lessor of the Building, Lessor shall be released from any and all liability under this Lease accruing from and after the date of the conveyance or transfer. Notwithstanding anything contained in this Lease to the contrary, the obligations of Lessor under

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this Lease (including any actual or alleged breach or default by Lessor) do not constitute personal obligations of the individual partners, directors, officers, members or shareholders of Lessor or Lessor's members or partners, and the County shall not seek recourse against the individual partners, directors, officers, members or shareholders of Lessor or against Lessor's members or partners or against any other persons or entities having any interest in Lessor, or against any of their personal assets for satisfaction of any liability with respect to this Lease. Any liability of Lessor for a default by Lessor under this Lease, or a breach by Lessor of any of its obligations under the Lease, shall be limited solely to its interest in the Building (including, without limitation, proceeds from the conveyance or other transfer of the Building, and proceeds from insurance and/or a condemnation relating the Building), and in no event shall any personal liability be asserted against Lessor in connection with this Lease nor shall any recourse be had to any other property or assets of Lessor, its partners, directors, officers, members, shareholders or any other persons or entities having any interest in Lessor. Under no circumstances whatsoever shall Lessor ever be liable for punitive, consequential or special damages under this Lease and the County waives any rights it may have to such damages under this Lease in the event of a breach or default by Lessor under this Lease.

60. ATTACHMENTS (6.8 S)

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

I. EXHIBITS

Exhibit A - Description of Premises

Exhibit B - Depiction of Premises

Exhibit C - The Work, County Improvements and Performance Specifications

Exhibit D - Janitorial Specifications

Exhibit E - Form of Subordination, Attornment and Non-Disturbance Agreement and Estoppel Certificate

Exhibit F - Work Acceptance Letters

Exhibit G - Termination Fee Schedule

Exhibit H - Lessor Sublease Consent Agreement

Exhibit I - Signage

Exhibit J - Initial Space Plans

Exhibit K - Form of Payment Statement

Exhibit L - Description of Expansion Space

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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.

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

APPROVED AS TO FORM:

LESSOR

OFFICE OF COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

T-C FAIRWAY CENTER II LLC

By: _____
Deputy

By: _____
Name,
Title

By: _____
Name,
Title

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:

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

Attachment A

COUNTY

COUNTY OF ORANGE

Thomas A. Miller, Chief Real Estate Officer
County Executive Office Per Minute Order
dated 11/08/22 of the Board of Supervisors

Date: _____

COUNTY

RECOMMENDED FOR APPROVAL:

SOCIAL SERVICES AGENCY

By: _____
Director of Administration

RECOMMENDED FOR APPROVAL:

ORANGE COUNTY COMMUNITY
RESOURCES

By: _____
Director of Administration

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EXHIBIT A

DESCRIPTION OF PREMISES

PROJECT NO: CEO/ALS/OCCR-022-027
CEO/ALS/SSA-022-028

DATE: 10/25/2022
BY: T. Trujillo

PROJECT: OCCR/ SSA Orange County Community
Service Center

All the Premises shown crosshatched on a plot plan marked Exhibit B, attached hereto and made a part hereof, being approximately 61,406 rentable square feet of office space located a portion of the first (1st) floor and the third (3rd) floor of that certain three-story building located at 675 Placentia Avenue, in the city of Brea, County of Orange, State of California, comprising of approximately 21,236 rentable square feet on the first (1st) floor, commonly known as Suites 100 and 125, and approximately 17,289 and 22,881 rentable square feet on the third (3rd) floor, commonly known as Suites 300 and 350, collectively the Premises, together with non-exclusive, in common use of two hundred forty-six (246) parking spaces, as unreserved and/or designated visitor parking on the Premises as shown on Exhibit B, elevators, stairways, washrooms, hallways, driveways for vehicle ingress and egress, pedestrian walkways, parking, other facilities and common areas appurtenant to the Premises.

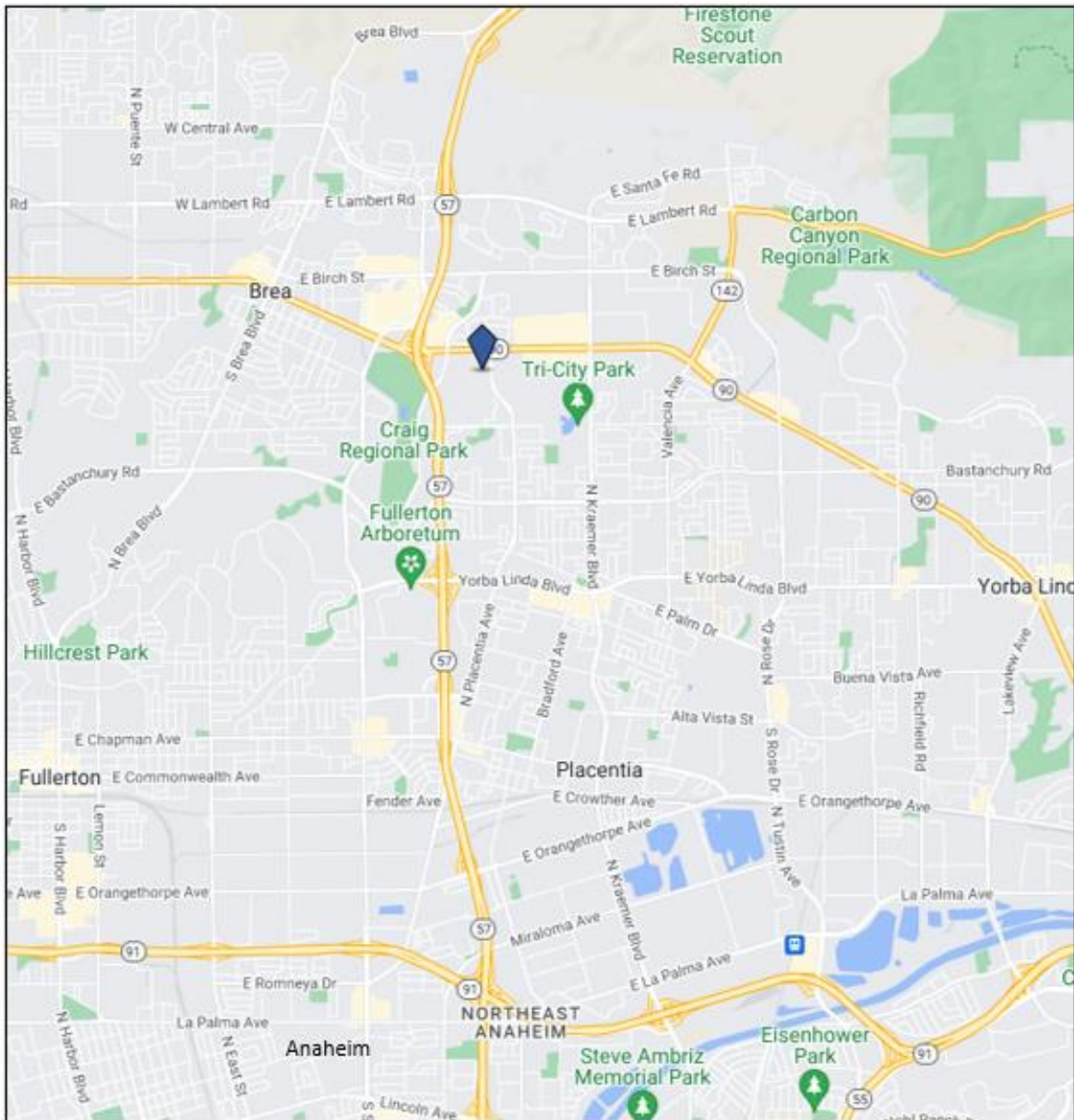
NOT TO BE RECORDED

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EXHIBIT B

DEPICTION OF PREMISES

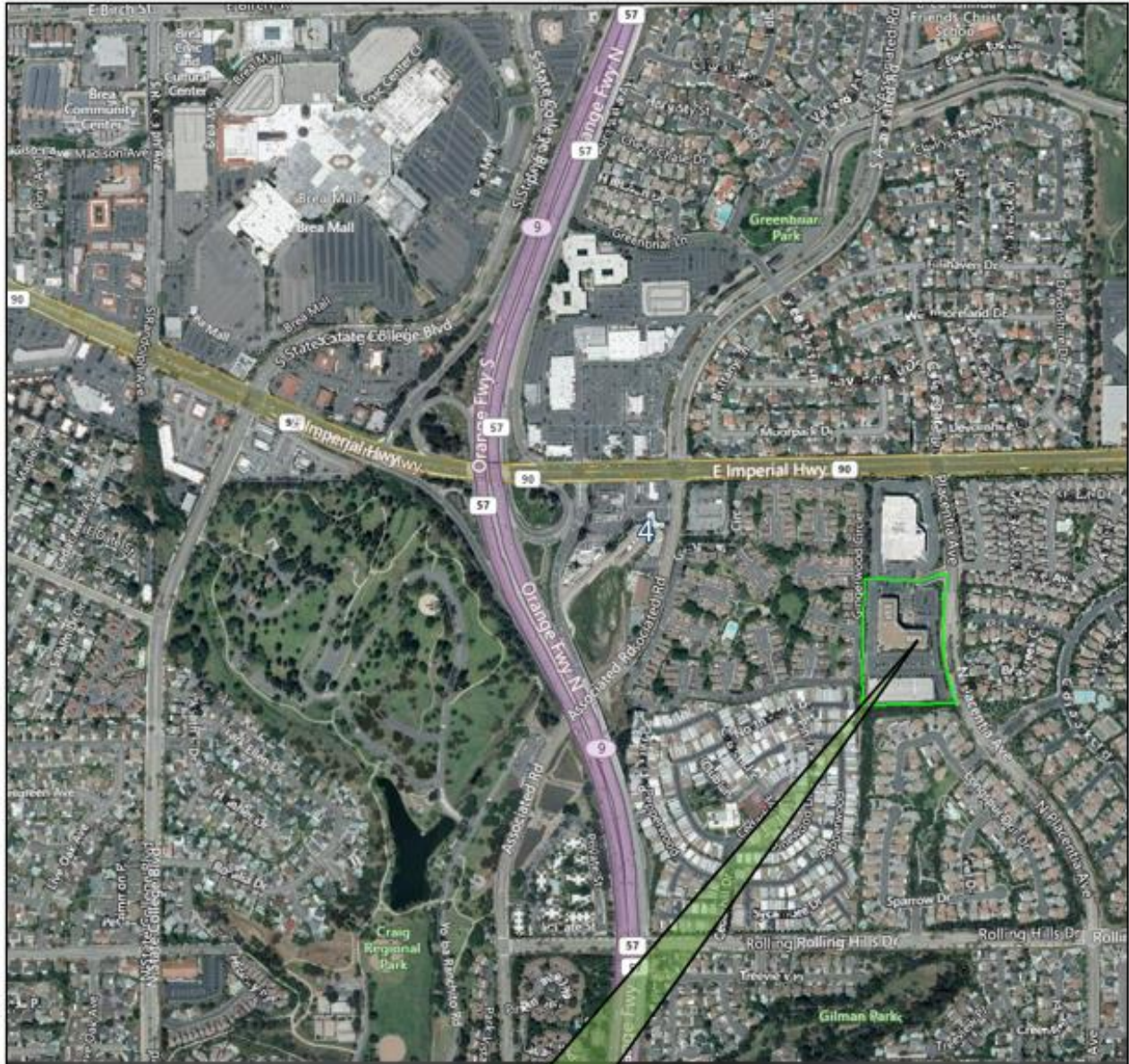
LOCATION MAP



**675 Placentia Avenue
Brea, CA 92821**

EXHIBIT B (CONTINUED)

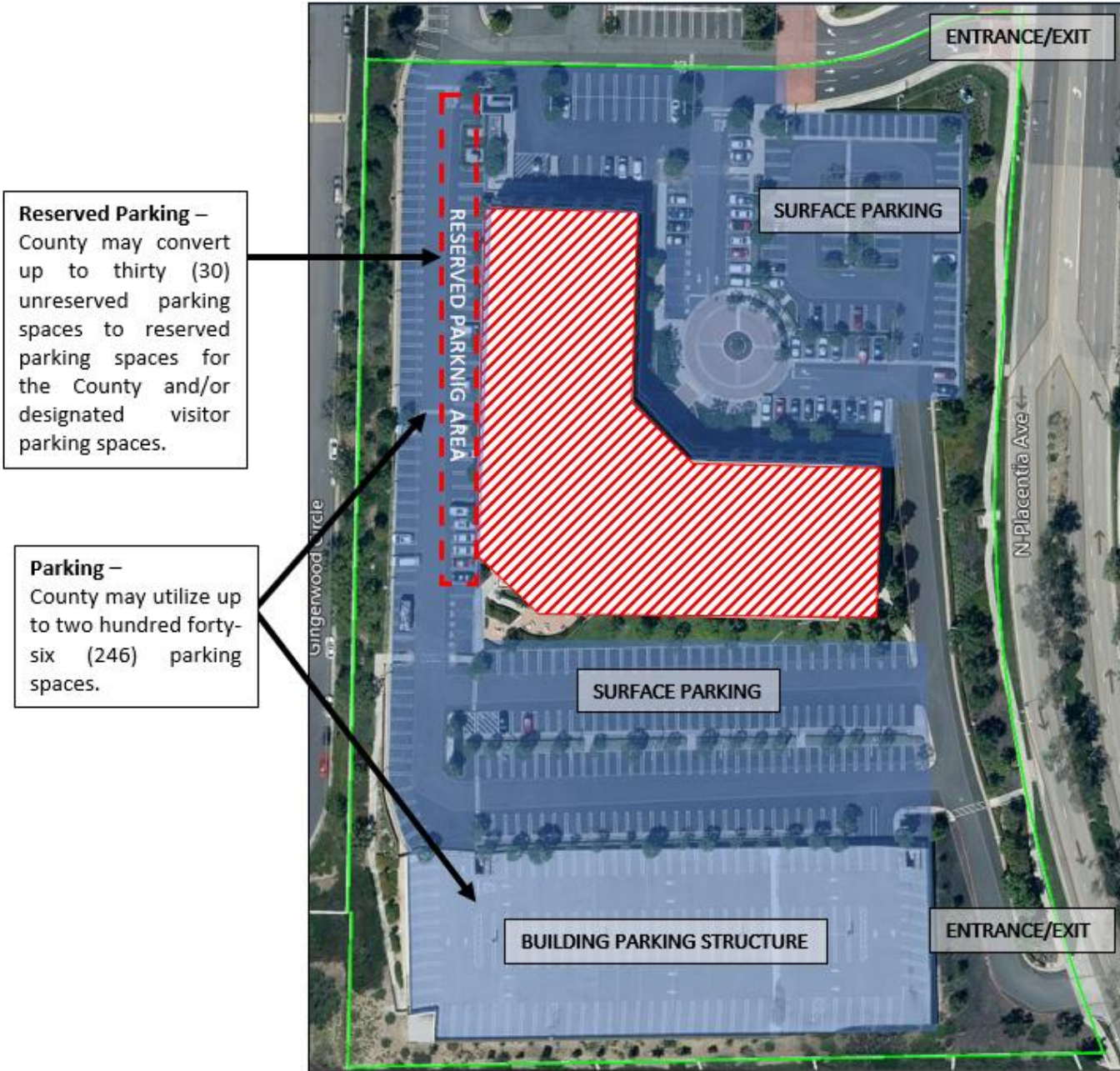
DEPICTION OF PREMISES



**Subject Premises:
675 Placentia Avenue
Brea, CA 92821**

EXHIBIT B (CONTINUED)

DEPICTION OF PREMISE



675 Placentia Avenue, Brea, CA 92821



Attachment A

EXHIBIT C

THE WORK

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 60 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. - CONSTRUCTION DRAWINGS FOR THE PREMISES

Space Plan. Lessor and its architect shall prepare the final space plan for construction of the Work (collectively, the “**Final Space Plan**”), and shall deliver the Final Space Plan to County for County’s approval, such approval not to 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.

Final Working Drawings. Lessor and its architect and engineers shall complete the architectural and engineering drawings for 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 as part of the over-allowance amount pursuant to Section 2 below, and (b) County agrees that any such delays caused by such

Attachment A

change(s) shall be deemed a delay caused by the County 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. The Final Working Drawings, as approved by Lessor and County, may be referred to herein as the "**Approved Working Drawings.**" County shall make no changes or modifications to the Final Space Plan or the Approved Working Drawings without the prior written consent of Lessor, which consent may be withheld in Lessor's sole discretion if 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 3, 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 Work.

SECTION 2. - TIME DEADLINES (AS DEFINED IN SCHEDULE 1). County shall use its good faith efforts and due diligence to cooperate with the Lessor, its architect, and the engineers to complete all phases of the construction drawings and the permitting process and to receive the Permits, and with Contractor (as defined below in Section 4) as soon as possible after the execution of the Lease, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by Lessor, to discuss the progress in connection with the same. The applicable dates for approval of items, plans and drawings as described in this Section 1, above, and in this Work Letter are set forth and further elaborated upon in Schedule 1 attached hereto. County agrees to comply with the timeline in Schedule 1.

SECTION 3 - ALLOWANCE AMOUNT EXCEEDED

In the event that after County's execution of this Lease, any revisions, changes, or substitutions shall be made to (i) the Space Plan, (ii) the Approved Working Drawings (once the same are completed), (iii) the Work, or in the event that County requests revisions, changes, or substitutions which cause the Approved Working Drawings to not be a logical extension of the Space Plan, then any additional costs which arise in connection with such revisions, changes or substitutions shall be paid by County to Lessor within sixty (60) days following receipt of Lessor's written request therefor or as otherwise provided in the Lease. In addition, if the cost of the Work exceeds the

Attachment A

amount of the Allowance, County shall pay the excess amount to Lessor within sixty (60) days following receipt of Lessor's written request therefor.

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. Lessor shall independently retain Contractor, on behalf of County, to construct the Work in accordance with the Approved Working Drawings and Lessor shall supervise the construction by Contractor.

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. - MISCELLANEOUS

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

6.2 County's Representative. County has designated the Social Service Agency's Real Estate Manager, whom as of the Effective Date is undetermined, but to be named imminently as its 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. County has designated the Orange County Community Resources/Facilities Services, whom as of the Effective Date is Renee Ramirez, Director of OC Community Resources, as its 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.

6.3 Lessor's Representative. Lessor has designated Ahmed Kabir 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.

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

6.5 Cooperation by County. County acknowledges that the timing of the completion of the Approved Working Drawings and the Work is of the utmost importance to Lessor. Accordingly, County hereby agrees to fully and diligently cooperate with all reasonable requests by Lessor in

Attachment A

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.

6.6 Punch List. Upon Substantial Completion of the Work, Lessor and County shall comply with the terms and conditions of Clause 13E (CONSTRUCTION) of the Lease with respect to preparation of a punch list and completion of such punch list items.

Attachment A

SCHEDULE 1 TO WORK LETTER

Estimated Schedule

Mutual Lease Execution	November 8, 2022
Design and Construction Drawings	January 10, 2023 (9 weeks)
Plan Check/Permit Approval	March 7, 2023 (8 weeks)
Construction Commencement: Interior TIs	March 8, 2023
Substantial Completion Date	May 17, 2023 (10 weeks)

Attachment A

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.

Attachment A

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.

RESTROOMS

NIGHTLY:

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

MONTHLY:

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

MISCELLANEOUS SERVICES

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

SUSTAINABILITY

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

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

Attachment A

EXHIBIT E

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

THIS IS A SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT, made _____, 2017, by and between the County of Orange (“County”) and _____ (“Lender”).

A. By lease dated _____, (“Lease”), _____ (“Lessor”) leased to County and County leased from Lessor those certain Premises described as _____, Santa Ana, California.

B. Lender is the holder or about to become the holder of a mortgage or Deed of Trust (“Note”) which constitutes or will constitute a lien against the Premises leased by County pursuant to the aforesaid Lease.

C. Lender has requested that County execute a Subordination, Attornment and Non-Disturbance Agreement in accordance with the terms of the Lease.

NOW, THEREFORE, the parties hereto do hereby agree as follows:

1. Subject to the terms and conditions of the Lease, all rights of County thereunder are or shall become subordinate to the Note and to any and all advances made on the security thereof, and to any and all increases, renewals, modifications, consolidations, replacements and extensions thereof.

2. In the event that Lender succeeds to the interest of Lessor under the Lease, by reason of foreclosure of the Note, by other proceedings brought to enforce any rights of Lender under the Note, by deed in lieu of foreclosure, or by any other method, County shall promptly attorn to Lender under all of the terms, covenants, and conditions of the Lease for the balance of the then-current term (and any extension or renewals thereof which may be effective in accordance with any option therefor contained in the Lease), with the same force and effect as if Lender were the Lessor under the Lease. Lender or its successors in interest shall not disturb the interests of County under said Lease, but shall allow said interests to continue in full force and effect for the balance of the then-current term and any extension available to County which may be provided in accordance with the Lease. Said attornment shall be effective and self-operative immediately upon Lender’s succession to the interest of Lessor under the Lease.

3. This agreement may not be modified orally or in any manner other than by written agreement signed by the parties hereto or their respective successors or assigns. All of the terms, covenants, and conditions herein shall run with the land and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

Attachment A

COUNTY:

By: _____ Date: _____
Thomas A. Miller, Chief Real Estate Officer
County Executive Office
Per Resolution No. 98-75 and Minute Order
3/10/1998 of the Board of Supervisors

APPROVAL AS TO FORM

County Counsel

By: _____ Date: _____
Deputy

LENDER:

(Lender Name, same as above)

By: _____

Name: _____
(Print)

Title: _____

Attachment A

Project/Parcel No.: CEO/ALS/OCCR-022-027
CEO/ALS/SSA-022-028
Project Name: OCCR/ SSA County Community Service Center

ESTOPPEL CERTIFICATE

TO:

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

1. The aforesaid lease, subject to article 2 below, constitutes the entire agreement between Lessor and County and is in full force and effect.
2. (Check One)
 - The aforesaid lease has not been modified, altered, or amended.
 - The aforesaid lease has been modified pursuant to that document(s) attached hereto.
3. The term of the lease is _____ years. The lease commenced on _____ and will expire on _____.
4. The term of the lease is subject to County's option to terminate/extend as follows:
5. The lease rental rate is \$_____ per month, no rent has been paid in advance except as set forth in the lease, and County (in its capacity as "tenant," and not as a governmental agency) has received no notice of a prior assignment, hypothecation, or pledge of the lease from Lessor.
6. County has accepted and is now in possession of the leased premises.
7. The addresses for notices to be sent to County are set forth in Clause ____ (_____) of the lease.
8. County has no charge, lien, or claim of offset under this lease against rents or other charges due or to become due and, to the actual knowledge of County, Lessor is not now in default under the lease.

APPROVED AS TO FORM
OFFICE OF COUNTY COUNSEL

COUNTY
COUNTY OF ORANGE

By: _____
Deputy

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

Date: _____

Certificate Date: _____

Attachment A

EXHIBIT F

OCCR WORK ACCEPTANCE LETTER

RE: Premises Located at 675 Placentia Avenue, Suite 300 and 350, Brea, CA

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

Check all that apply:

<input type="checkbox"/>	<p>LESSOR WORK <u>IS</u> COMPLETE, <u>WITHOUT PUNCH LIST ITEMS</u>, COUNTY ACCEPTS POSSESSION OF THE PREMISES: The Work to the Premises constructed by Lessor has been completed and accepted by County without any outstanding punch list items. The Premises are in acceptable condition and Lessor delivered in compliance with all of the requirements contained in <u>Exhibit C</u> and Clause 13 (CONSTRUCTION) of the Lease.</p>
<input type="checkbox"/>	<p>LESSOR WORK IS COMPLETE <u>WITH PUNCH LIST ITEMS OUTSTANDING</u>, 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). Punch List Items Remaining of The Work: (Attach additional pages if necessary) _____ _____ Anticipated Punch List Completion Date: _____</p>
<input type="checkbox"/>	<p>LESSOR WORK IS <u>NOT</u> COMPLETE, COUNTY REJECTS POSSESSION OF THE PREMISES: Lessor has not completed the Work per the requirements defined in the Lease specifically in Clause 13 (CONSTRUCTION) and <u>Exhibit C</u>.</p>

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/ OCCR Facilities Service Manager:

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Attachment A

SSA WORK ACCEPTANCE LETTER

RE: Premises Located at 675 Placentia Avenue, Suite 100 and 125, Brea, CA

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

Check all that apply:

<input type="checkbox"/>	<p>LESSOR WORK <u>IS</u> COMPLETE, <u>WITHOUT</u> PUNCH LIST ITEMS, COUNTY ACCEPTS POSSESSION OF THE PREMISES: The Work to the Premises constructed by Lessor has been completed and accepted by County without any outstanding punch list items. The Premises are in acceptable condition and Lessor delivered in compliance with all of the requirements contained in <u>Exhibit C</u> and Clause 13 (CONSTRUCTION) of the Lease.</p>
<input type="checkbox"/>	<p>LESSOR WORK IS COMPLETE <u>WITH</u> 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). Punch List Items Remaining of The Work: (Attach additional pages if necessary) _____ _____ Anticipated Punch List Completion Date: _____</p>
<input type="checkbox"/>	<p>LESSOR WORK IS <u>NOT</u> COMPLETE, COUNTY REJECTS POSSESSION OF THE PREMISES: Lessor has not completed the Work per the requirements defined in the Lease specifically in Clause 13 (CONSTRUCTION) and <u>Exhibit C</u>.</p>

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/ SSA Facilities Service Manager:

Print Name: _____
Title: _____
Date: _____

Print Name: _____
Title: _____
Date: _____

Attachment A

EXHIBIT G

TERMINATION FEE SCHEDULE

Month	Termination Date	Termination Fee
156	5/31/2036	\$1,816,938
157	6/30/2036	\$1,763,499
158	7/31/2036	\$1,710,059
159	8/31/2036	\$1,656,620
160	9/30/2036	\$1,603,181
161	10/31/2036	\$1,549,741
162	11/30/2036	\$1,496,302
163	12/31/2036	\$1,442,863
164	1/31/2037	\$1,389,423
165	2/28/2037	\$1,335,984
166	3/31/2037	\$1,282,545
167	4/30/2037	\$1,229,105
168	5/31/2037	\$1,175,666
169	6/30/2037	\$1,122,226
170	7/31/2037	\$1,068,787
171	8/31/2037	\$1,015,348
172	9/30/2037	\$961,908
173	10/31/2037	\$908,469
174	11/30/2037	\$855,030
175	12/31/2037	\$801,590
176	1/31/2038	\$748,151
177	2/28/2038	\$694,712
178	3/31/2038	\$641,272
179	4/30/2038	\$587,833
180	5/31/2038	\$534,394
181	6/30/2038	\$480,954
182	7/31/2038	\$427,515
183	8/31/2038	\$374,075
184	9/30/2038	\$320,636
185	10/31/2038	\$267,197
186	11/30/2038	\$213,757
187	12/31/2038	\$160,318
188	1/31/2039	\$106,879
189	2/28/2039	\$53,439
190	3/31/2039	(\$0)

Attachment A

EXHIBIT H

LESSOR SUBLEASE CONSENT AGREEMENT

This Agreement (this “Agreement”) is entered into as of _____, 20__ by _____, a(n) _____ (“County Affiliate”) and _____, T-C Fairway Center II LLC, a Delaware limited liability company (“Lessor”), pursuant to Clause 25(D) of that certain Lease (the “Lease”), dated as of _____, 2022, between T-C Fairway Center II LLC, as Lessor, and the County of Orange (the “County”), as “Tenant”, for space in the building located at 675 Placentia Avenue, Brea, California, and commonly known as Fairway Center II. Capitalized terms used but not defined herein shall have the meanings given in the Lease.

In consideration of, and as a condition to, Lessor’s consent, pursuant to Clause 25(D) of the Lease, to County Affiliate subleasing a portion of the Premises (the “County Affiliate Premises”) during the Term pursuant to a Permitted Sublease, and in consideration of other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, County Affiliate acknowledges and agrees, for the benefit of Lessor, as follows, and Lessor hereby consents to the Permitted Sublease on the terms and conditions set forth in the Lease and subject to and in reliance on the following:

1. County Affiliate agrees that if, for any reason (including, without limitation, any surrender of the Lease by Tenant with respect to all or any portion of the County Affiliate Premises), the Lease or Tenant’s right to possession thereunder terminates with respect to all or any portion of the County Affiliate Premises, all rights of County Affiliate under the Permitted Sublease and in and to the County Affiliate Premises (or such portion thereof) shall terminate on the date of such termination.
2. County Affiliate shall have no right to exercise any rights of Tenant or enforce any obligations of Lessor under the Lease. Without limiting the foregoing, County Affiliate shall have no right to require Lessor to furnish any services, and County Affiliate shall look solely to Tenant for the furnishing of any such services. Lessor is not a party to the Permitted Sublease, and no landlord-tenant relationship exists between Lessor and County Affiliate.
3. County Affiliate agrees, for the benefit of Lessor, to be bound by all of the indemnity, insurance, release and waiver obligations of Tenant under the Lease with respect to the County Affiliate Premises. Without limiting the foregoing, County Affiliate agrees, for the benefit of Lessor, to be bound by all of the indemnity, insurance, release and waiver obligations of Tenant under the Lease and shall deliver to Lessor certificates or other documentation reasonably satisfactory to Lessor evidencing required insurance prior to taking occupancy of the Subleased Premises and at all times during the term of the sublease. County Affiliate waives, and shall cause its insurance carrier to waive, any right of recovery against Lessor, any of its (direct or indirect) owners, or any of its beneficiaries, trustees, officers, directors, employees or agents for any loss of or damage to property which loss or damage could have been insured against by property insurance.

Attachment A

4. If either party institutes a suit against the other for violation of or to enforce any provision of this Agreement, or in connection with any matter relating to the County Affiliate's use of the County Affiliate Premises, the prevailing party shall be entitled to all of its costs and expenses, including, without limitation, reasonable attorneys' fees.

IN WITNESS WHEREOF, County Affiliate and Lessor has executed this Agreement as of the date set forth above.

COUNTY AFFILIATE:

_____, a(n) _____

By: _____

Name: _____

Title: _____

LESSOR:

_____, a(n) _____

By: _____

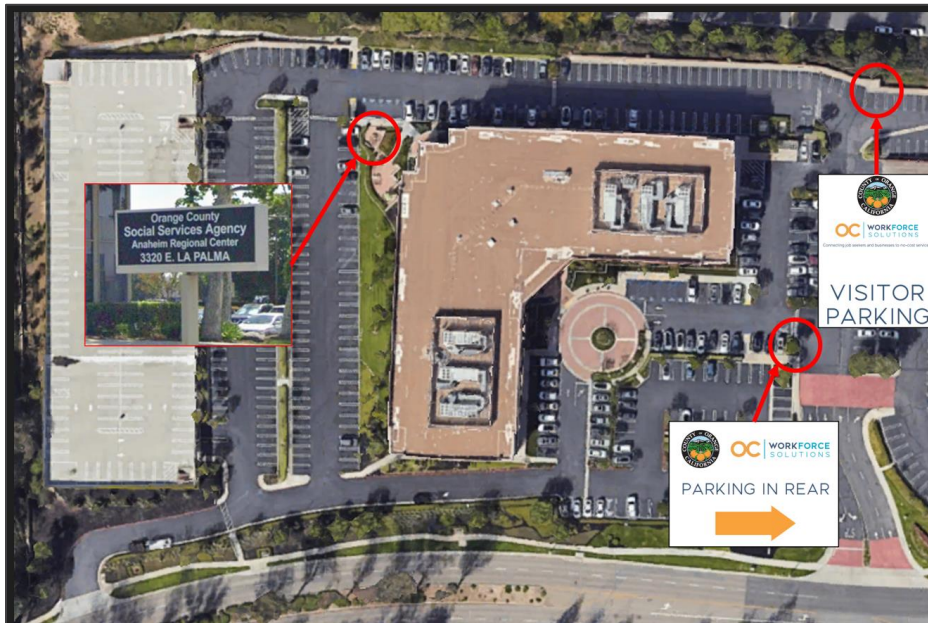
Name: _____

Title: _____

Attachment A

EXHIBIT I

SIGNAGE

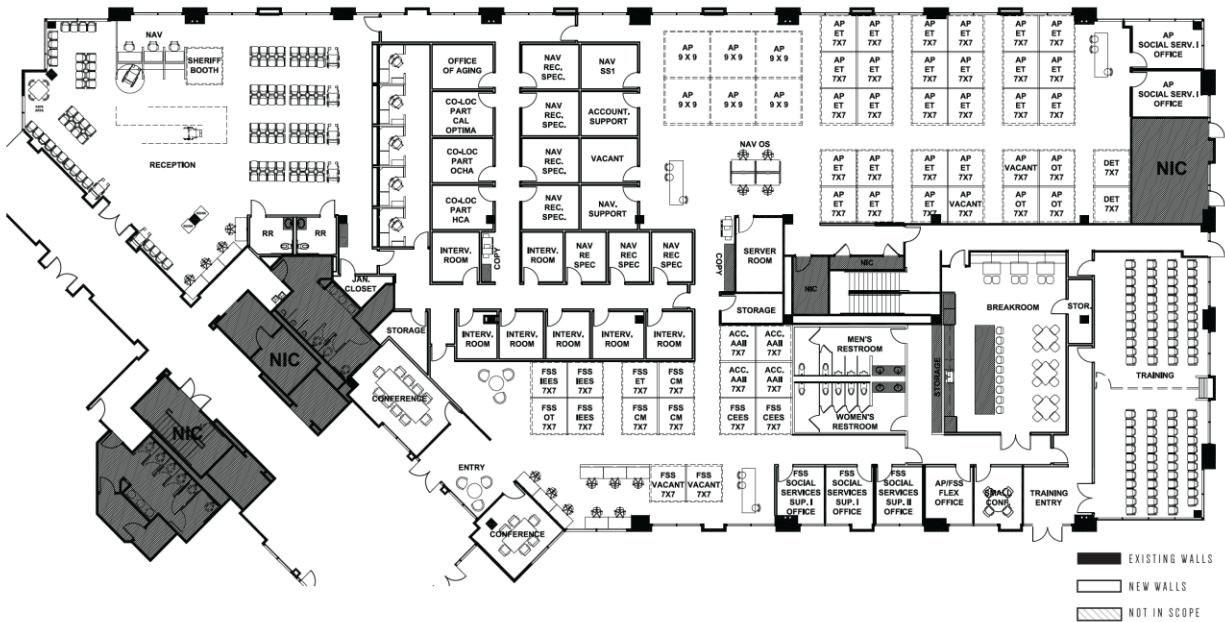


Attachment A

EXHIBIT J

INITIAL SPACE PLANS

FIRST FLOOR Suite 100 & 125

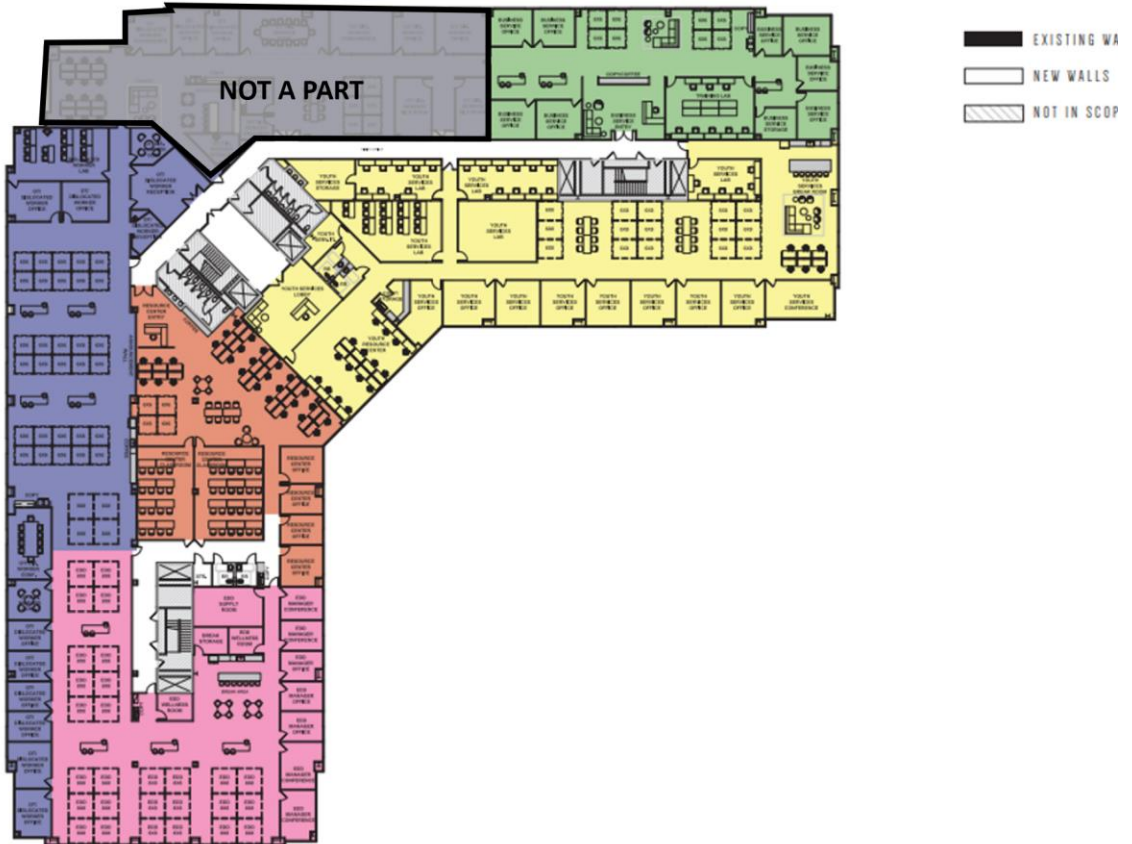


Attachment A

EXHIBIT J (continued)

INITIAL SPACE PLANS

THIRD FLOOR
Suite 300 & 350



Attachment A

EXHIBIT K

Form of Payment Statement



To: COUNTY OF ORANGE
AUDITOR-CONTROLLER
P.O. BOX 567
SANTA ANA, CALIFORNIA 92702

**County of Orange
Payment Request Form**

PAYMENT REQUEST OF	
NAME - PLEASE PRINT OR TYPE	
DBA (DOING BUSINESS AS) - PLEASE PRINT OR TYPE	
STREET ADDRESS	
CITY AND ZIP CODE	
TAXPAYER IDENTIFICATION NUMBER	

AUTHORIZATION TO PAY PAYMENT REQUEST			
Minute Order Date		County Ordinance No.	
Board Resolution #		Encumbrance No.	
		Vendor/ Customer #	
		Other	

DATE	DESCRIPTION	AMOUNT
TOTAL		

DEPARTMENT'S USE - COMPLETE IN DETAIL									
FUND	DEPT	BUDGET CTRL	UNIT	OBJ REV BSA	SUB OBJ SUB REV SUB BSA	DEPT OBJ DEPT REV DEPT BSA	JOB NUMBER		AMOUNT
TOTAL PAYMENT									

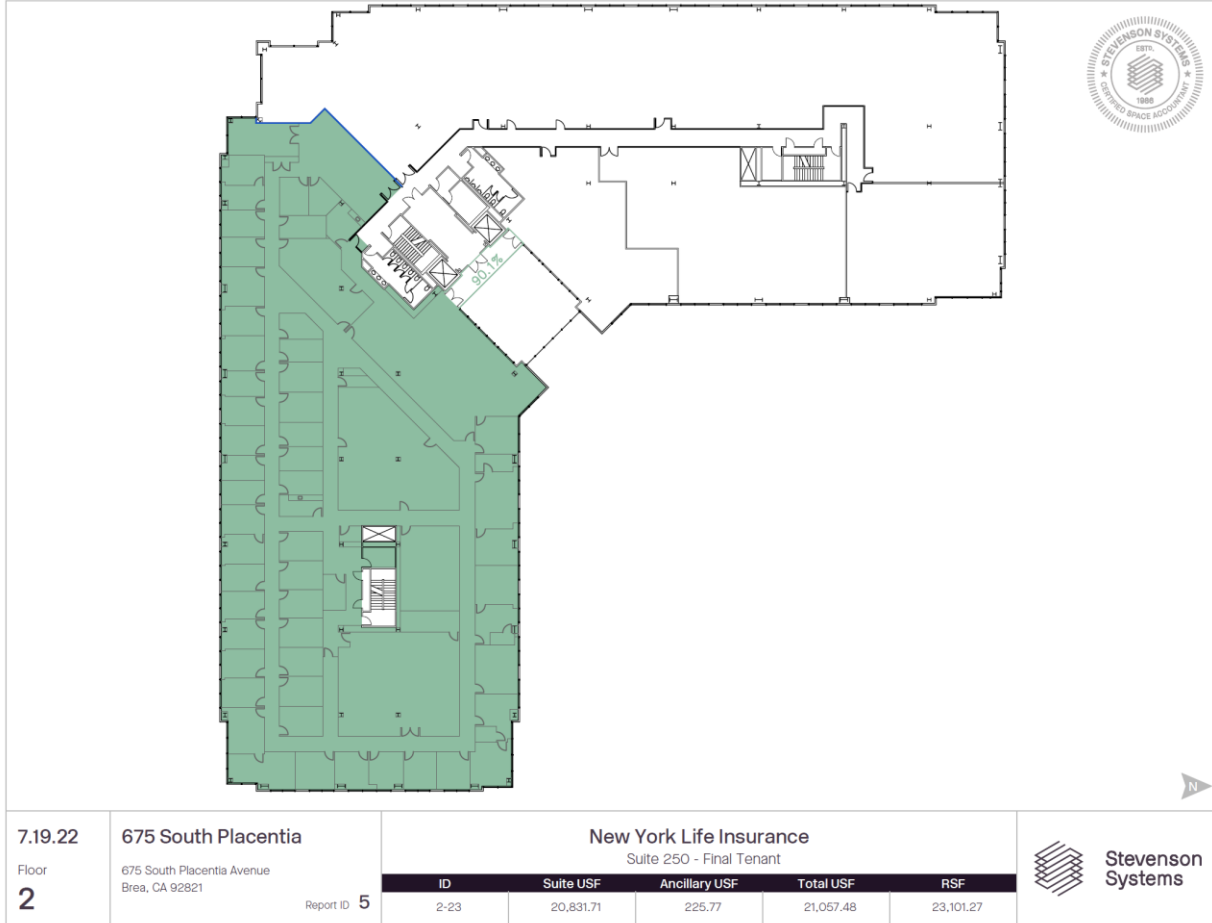
I HEREBY CERTIFY THAT THIS PAYMENT OR REFUND REQUEST IS TRUE AND CORRECT AND THAT PAYMENT HAS NOT BEEN RECEIVED BY:	EXPENDITURES AUTHORIZED AND APPROVED BY:
VENDOR SIGNATURE	DEPARTMENT AUTHORIZED SIGNER
PRINT NAME DATE	PRINT NAME DATE


PRF (10/2012)

Attachment A

EXHIBIT L

Depiction of Expansion Space 2nd Floor



7.19.22	675 South Placentia	New York Life Insurance Suite 250 - Final Tenant					 Stevenson Systems
Floor 2	675 South Placentia Avenue Brea, CA 92821 Report ID 5	ID	Suite USF	Ancillary USF	Total USF	RSF	
		2-23	20,831.71	225.77	21,057.48	23,101.27	

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Attachment A

EXHIBIT L (cont'd)

Depiction of Expansion Space 3rd Floor

