



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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"To Enrich Lives Through Effective And Caring Service"

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May 03, 2016

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 May 3, 2016

LORI GLASGOW
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**NEW LEASE
FIRE DEPARTMENT
1255 CORPORATE CENTER DRIVE, MONTEREY PARK
(FIRST DISTRICT)
(3 VOTES)**

SUBJECT

A new ten-year lease for approximately 37,132 square feet of office space, and 149 on-site parking spaces for the Consolidated Fire Protection District of Los Angeles County Leadership and Professional Standards Bureau, Emergency Medical Services Bureau, and the Homeland Security Section.

IT IS RECOMMENDED THAT THE BOARD:

1. Consider the Negative Declaration together with the fact that no comments were received during the public review process, find on the basis of the whole record that the project will not have a significant effect on the environment and no adverse effect on wildlife resources, find that the Negative Declaration reflects the independent judgment of the Board of Supervisors to approve the Negative Declaration, adopt the Negative Declaration, and authorize the Chief Executive Office to complete and file a Certificate of Fee Exemption for the project.
2. Approve and instruct the Chair to sign the lease with Los Angeles Corporate Center, LLC, for approximately 37,132 square feet of office space, and 149 on-site parking spaces at 1255 Corporate Center Drive, Monterey Park, for the Consolidated Fire Protection District of Los Angeles County (District), for a maximum first year rental cost of \$1,350,163. Rental costs will be funded with District Funds.

3. Authorize the Internal Services Department, Los Angeles Corporate Center, LLC, or a County-approved vendor, at the direction of the Chief Executive Office, to acquire telephone, data, and low voltage systems at a cost not to exceed \$1,072,500, which will be paid by the District over a five-year term estimated at \$260,957 annually.

4. Authorize and direct the Chief Executive Officer to execute any other ancillary documentation necessary to effectuate the lease, and authorize and direct the Chief Executive Officer, the Fire Chief, and the Director of Internal Services to take actions necessary and appropriate to implement and effectuate the lease. The lease will be effective upon approval by the Board of Supervisors, but the term and rent will commence upon completion of the improvements by Los Angeles Corporate Center, LLC, and acceptance thereof by the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed new lease for approximately 37,132 square feet of office space, and 149 on-site parking spaces, at 1255 Corporate Center Drive, Monterey Park, will allow the District to relocate the Leadership and Professional Standards Bureau (LPSB) from their current location at 1320 North Eastern Avenue, Los Angeles; the Emergency Medical Services Bureau (EMS) from their current location at 5801 South Eastern Avenue, Commerce; and the Homeland Security Section (HSS) from their current location at 1320 North Eastern Avenue, Los Angeles, to this facility. The LPSB is comprised of several units and divisions including: Risk Management, Employee Relations, Training Services and Organizational Development Division, Professional Performance Section, Health and Wellness Section, Return-to-Work Section, and Privacy and Access Program. The EMS Bureau provides paramedic training, certification, development of industry equipment and tools, quality monitoring and improvement of processes to improve the District's Emergency Services. The HSS provides administrative functions relating to hazardous materials management, catastrophic planning, joint hazard assessment teams, disaster recovery response, Joint Regional Intelligence Center (JRIC) duties, as well as collaboration with other agencies and conducting of equipment testing.

The proposed new lease will provide LPSB, EMS, and HSS with a more suitable location for their administrative programs. The EMS lease expired, and the County has been on month-to-month holdover at 5801 South Eastern Avenue as of March 30, 2015. LPSB's Professional Performance Section (PPS) is currently housed at 1255 Corporate Center Drive, in approximately 3,079 square feet of office space. The PPS lease previously expired, and the section has occupied the space on a month-to-month holdover basis as of February 1, 2016. The proposed lease includes relocation of PPS to another floor within the facility in order to be contiguously located with the rest of the LPSB.

The proposed facility will accommodate 147 employees and will serve as an administrative office, in close proximity to District Headquarters. The District's lack of office space has impacted their ability to fill approved and funded positions, creating workflow inefficiencies. The proposed office space will reduce overcrowded conditions in the currently occupied facilities.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1) directs that we maximize the effectiveness of processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services. The proposed lease supports this goal by allowing LPSB, EMS, and HSS to have a secure office area, making additional space available, which will allow the District to fill budgeted positions, reduce overcrowding in existing facilities, and allow for more workflow efficiencies, improved communication, and increased collaboration by housing these Bureaus together in one facility. The lease is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed new lease will provide the District the use of approximately 37,132 square feet of office space, and 149 on-site parking spaces, at an initial monthly full-service rent of \$81,691 or \$980,285 annually, i.e. \$2.20 per square foot monthly/\$26.40 per square foot annually. The maximum first year rental cost would approximate \$1,350,163, which is comprised of the initial annual base rent, and the maximum annual reimbursement of the Tenant Improvement (TI) allowance, should the entire amount be expended. The total combined rent and TI amortization costs over the 10-year term of the lease is approximately \$16,090,776.

This is a full-service gross lease whereby the Los Angeles Corporate Center, LLC (Landlord) is responsible for all operating costs associated with the County's occupancy. Parking is included in the rental rate and will be provided on-site.

Sufficient funding for the proposed lease will be included in the Fiscal Year (FY) 2016-17 Rent Expense budget, and will be billed back to the District. The District will have sufficient funding in its FY 2016-17 operating budget to cover the projected lease costs, which are funded through District funds, with the exception of a small component funded by the Urban Area Security initiative which funds 50 percent of HSS. Attachment B provides an overview of the lease terms.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed ten-year lease will provide approximately 37,132 square feet of office space, and 149 on-site parking spaces. The lease contains the following provisions.

- A ten-year lease term commencing upon completion of the improvements by the Landlord and acceptance by the County.
- A full-service gross basis whereby the Landlord is responsible for the operational and maintenance costs associated with the premises.
- A base TI allowance of \$1,485,280, or \$40 per square foot, included in the base rental rate.
- A reimbursable additional TI allowance of \$2,042,260 or \$55 per square foot which may be paid in a lump sum or amortized over the first seven years of the ten-year term, at an annual interest rate of 7 percent.
- A cancellation provision allowing the County to cancel any time after the 84th month of the lease term, upon nine months prior written notice.

- Furniture will be purchased through the lease as part of the TI allowance.
- Two five-year options to extend the lease, with six months written notice.
- Annual rental adjustments based upon CPI with a minimum of 2 percent and a maximum increase of 4 percent per annum.

The Chief Executive Office (CEO), Real Estate Division staff conducted a survey within the service area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the survey area that could suitably accommodate this requirement. Based upon said survey, staff has established that the base rental range for similar space is between \$22.20 and \$28.20 per square foot on a full-service gross basis, i.e. including operational and maintenance costs, utilities, janitorial expenses, and parking. Thus, the base annual rental rate of \$26.40 (\$2.20 per square foot per month), full-service gross, including parking, for the proposed lease represents a rate within the market range for the area. Attachment C shows County-owned or leased facilities within a two-mile radius of District Headquarters and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has inspected the facility and found it seismically suitable for County occupancy. Construction of the TIs will be completed in compliance with relevant building and construction laws and regulations, including the American with Disabilities Act (ADA). Notification letters advising of the proposed lease have been sent to the City of Monterey Park pursuant to Government Code Sections 25351 and 65402.

County Counsel has reviewed the attached proposed new lease and has approved it as to form.

The proposed lease will provide a central and appropriate location for services which is consistent with the County's facility location policy, as adopted by the Board of Supervisors on July 24, 2012 and further outlined in Attachment D.

ENVIRONMENTAL DOCUMENTATION

The CEO has made an initial study of environmental factors and has concluded that this project will have no significant impact on the environment and no adverse effect on the wildlife resources. Accordingly, a Negative Declaration has been prepared and a notice posted at the site as required by the California Environmental Quality Act and the California Administrative Code, Section 15072. Copies of the completed study, the resulting Negative Declaration, and the Notice of Intent to Adopt a Negative Declaration as posted are attached. No comments to the Negative Declaration were received.

A fee must be paid to the State Department of Fish and Game when certain notices are filed with the Registrar-Recorder/County Clerk. The County is exempt from paying this fee when the Board of Supervisors finds that a project will have no impact on wildlife resources.

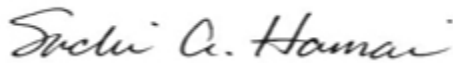
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the necessary office space, and parking spaces for this County requirement. There will be no negative impact on current County services or projects during the performance of the authorized activities. The District concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors return four originals of the executed lease, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,



SACHI A. HAMAI

Chief Executive Officer

SAH:DPH:CMM

TS:RL:FC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Fire
Internal Services

FIRE DEPARTMENT
1255 CORPORATE CENTER DRIVE, MONTEREY PARK
Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²	X		
	B	Does lease co-locate with other functions to better serve clients? ²			X
	C	Does this lease centralize business support functions? ²	X		
	D	Does this lease meet the guideline of 200 sq. ft of space per person? ² No, 259 sq. ft. per person due to the program's training room space needed to provide Emergency Medical Services Training.		X	
	E	Does lease meet the 4/1000 sq. ft. parking ratio guideline? ²	X		
	F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²	X		
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program? The rental costs are 100% funded with District funds, with exception of HSS (50% Grant funded)	X		
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment C?	X		
	G	Was build-to-suit or capital project considered?		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			X
		1. ____ The program clientele requires a "stand alone" facility.			
		2. ____ No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? ²	X		
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?	X		
	¹ As approved by the Board of Supervisors 11/17/98				
	² If not, why not?				

**FISCAL IMPACT/FINANCING
OVERVIEW OF LEASE TERMS**

Proposed Lease	1255 Corporate Center Drive, Monterey Park
Area	37,132 rentable square feet
Term	Ten years, commencing upon Board approval and completion of the Tenant Improvements (TI)
Annual Base Rent	\$980,285 (\$2.20/\$26.40 per sq.ft. monthly/annually)
Base TI Allowance	\$1,485,280 (\$40 per sq.ft. included in Base Rent)
Additional TI Allowance	\$2,042,260 ⁽¹⁾ (\$55 per sq.ft.)
Annual TI Reimbursement	\$369,878 ⁽¹⁾ (\$9.96 per sq.ft. annually)
Maximum Annual Rent	\$1,350,163 ⁽²⁾ (\$3.03/\$36.36 per sq.ft. monthly/annually)
Cancellation	Anytime after the 84 th month, with 180 days prior notice
Parking (included in Rent)	149 parking spaces
Option to Renew	Two five-year options
Rental Adjustment	Annual Consumer Price Index (CPI), minimum of 2 percent, capped at 4 percent

⁽¹⁾ \$2,042,260 represents the maximum amount of reimbursable TI funds available for this project including change orders. If this entire amount is expended and amortized over 84 months at the proposed rate of 7 percent, the annual TI reimbursement amount will be \$369,878 which equates to \$9.96 per square foot per year.

⁽²⁾ Includes annual base rent and annual reimbursement of Additional TI allowance.

**FIRE DEPARTMENT
SPACE SEARCH WITHIN A TWO-MILE RADIUS OF FIRE HEADQUARTERS
(1320 NORTH EASTERN AVENUE, LOS ANGELES)
1255 CORPORATE CENTER DRIVE, MONTEREY PARK**

LACO	NAME	ADDRESS	OWNER-SHIP	BUILDING USE	GROSS SQFT	AVAIL SQFT
5412	PH - Environmental Health Program	4801 E 3rd St, East Los Angeles, CA, 90022	Owned	Office	14848	None
4364	Probation - East Los Angeles Area Office	4849 Civic Center Wy, East Los Angeles, CA, 90022	Owned	Office	15584	None
6131	DCSS - East Los Angeles Service Center	133 N Sunol Dr, Los Angeles, CA, 90063	Owned	Service Center	28514	5000
2130	PW Road - Div #142 Maintenance Yard Office	4304 Eugene St, East Los Angeles, CA, 90022	Owned	Office	1902	None
T509	Parks & Rec - Proposition A Field Office	4914 E Cesar E Chavez Ave, East Los Angeles, CA, 90022	Owned	Office	540	None
A015	DCFS/LASD/Fire/Ops/ISD Corporate Place	2525 Corporate Pl, Monterey Park, CA, 91754	Leased	Office	29542	None
A023	LASD/Fire/Ops/ISD Corporate Place	2525 Corporate Pl, Monterey Park, CA, 91754	Leased	Office	1606	None
A324	Fire – Professional Performance Section	1255 Corporate Center Dr, Monterey Park, CA, 91754	Leased	Office	3079	None
A327	Office of Managed Care	1100 Corporate Center Dr, Monterey Park, CA, 91754	Leased	Office	14516	None
T039	Sheriff - Eastern Complex Fleet Services Office	1104 N Eastern Ave, Los Angeles, CA, 90063	Owned	Office	1548	None
4526	Biscailuz - Administration Building	1060 N Eastern Ave, Los Angeles, CA, 90022	Owned	Office	3194	None
5863	ISD - Administrative Headquarters	1100 N Eastern Ave, Los Angeles, CA, 90063	Owned	Office	80309	None
5870	ISD - Eastern Ave Complex Telecom Branch Building	1110 N Eastern Ave, Los Angeles, CA, 90063	Owned	Office	37742	None
X155	ISD - Eastern Ave Complex Telecom Butler Building	1112 N Eastern Ave, Los Angeles, CA, 90063	Owned	Office	4960	None
A328	Sheriff - Inspectional Services Office	901 Corporate Center Dr, Monterey Park, CA, 91754	Leased	Office	7922	None
3542	Fire - Administrative Headquarters Building	1320 N Eastern Ave, Los Angeles, CA, 90063	Owned	Office	39015	None
A423	Sheriff - Personnel and Recruitment Center	101 Centre Plaza Dr, Monterey Park, CA, 91754	Leased	Office	37590	None

FACILITY LOCATION POLICY ANALYSIS

Proposed Lease: New ten-year lease for the Fire Department – 1255 Corporate Center Drive, Monterey Park – 1st District

A. **Establish Service Function Category** – Regional and local Administrative function

B. **Determination of the Service Area** –The proposed lease will allow the Consolidated Fire Protection District of Los Angeles County (District) to relocate the Leadership and Professional Standards Bureau, the Emergency Medical Services Bureau, and the Homeland Security Section from their Headquarters facility to this location.

C. **Apply Location Selection Criteria to Service Area Data**

- Need for proximity to service area and population:
N/A
- Need for proximity to existing County facilities: The new office is located within a two (2) mile proximity to District's Headquarter Facility, providing convenience and accessibility to staff.
- Need for proximity to Los Angeles Civic Center: The current site provides a central location, seven miles east of Downtown Los Angeles and is easily accessible by freeway, with access to public transportation.
- Economic Development Potential: N/A
- Proximity to public transportation: The Center is located near public transportation, i.e., bus service.
- Availability of affordable housing for County employees: N/A
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no existing County buildings available to meet the District's service needs.
- Compatibility with local land use plans: The proposed use is consistent with the building's use, zoning, and not in conflict with the goals and policies of the City of Monterey Park. The Department of Public Works inspected the facility and found it suitable for County occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

Estimated acquisition/construction and ongoing operational costs: The initial annual base rent of \$980,285 i.e., \$2.20 per square foot per month, plus the maximum amortized cost of the additional tenant improvement allowances of \$369,878, comprises the total annual lease costs for the proposed leased facility under consideration. Sufficient funding for the proposed lease is included in the Fiscal Year (FY) 2016-17 Rent Expense budget and will be charged back to the District. The District has sufficient funding to cover the proposed lease costs, which are funded with District funds. In addition, telephone, data, and low voltage systems will be installed by Internal Services, Landlord or Landlord's County approved vendor, at a cost not to exceed \$1,072,500.

D. Analyze results and identify location alternatives

Based upon the space and service needs of the District, staff surveyed the immediate area to determine the availability of comparable and more economical sites. The proposed facility is the only viable space within the service area, for the District to house the programs.

Based on a survey of the area, staff has determined that the base rental range for similar space and terms is between \$22.20 and \$28.20 per square foot per year on a full service gross basis, including parking. Thus, the base annual rental rate of \$26.40 full-service gross, including parking, for the proposed lease represents a rate within the market range for the area.

E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria

The facility provides proper accommodations for staff performing administrative services for the District. The proposed lease is in conformance with the Asset Management Principles, as outlined in Attachment A. The consolidation of facilities at the proposed office will provide a central location in close proximity to the District's Headquarter facility which is consistent with the County's facility location policy, adopted by the Board of Supervisors on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT**

FIRE DEPARTMENT, as Tenant

**LANDLORD: Los Angeles Corporate Center, LLC a Delaware limited liability
company**

**1255 Corporate Center Drive
Monterey Park, CA**

78485

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LANDLORD'S WORK LETTER

Addendum A – Base Building Improvements
Addendum B – Tenant Improvements
Addendum C – Form of Budget
Addendum D – Costs of Tenant Improvements

SUPPLEMENTAL LEASE DOCUMENTS:

Document I: Subordination, Non-disturbance and Attornment Agreement
Document II: Tenant Estoppel Certificate
Document III: Community Business Enterprises Form
Document IV: Memorandum of Lease Terms
Document V Request for Notice



COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT

THIS LEASE ("Lease") is entered into as of the 3rd day of May, 2016 between **LOS ANGELES CORPORATE CENTER, LLC**, a Delaware limited liability company ("Landlord"), and **COUNTY OF LOS ANGELES**, a body politic and corporate ("Tenant").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1. Terms

The following terms as used herein shall have the meanings provided in this Section 1, unless otherwise specifically modified by provisions of this Lease:

- | | | |
|----|--------------------------------|---|
| a. | Landlord's Address for Notice: | LOS ANGELES CORPORATE CENTER
c/o Equity Office
970 W. 190 th Street, Suite 110
Torrance, CA 90502
Attn: Regional Finance Group - MLA |
| b. | Tenant's Address for Notice: | Board of Supervisors
Kenneth Hahn Hall of Administration
Room 383
500 West Temple Street
Los Angeles, California 90012 |

With a copy to:

Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate
Fax Number: (213) 830-0926

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| c. | Premises: | Approximately 37,132 rentable/gross square feet in the Building (defined below) as shown on Exhibit A attached hereto. |
|----|-----------|---|

- d. Building: The Building located at 1255 Corporate Center Drive, Monterey Park, CA 91754 which is currently assessed by the County Assessor as APN 5237-024-059 & 5237-024-017 and described more particularly in **Exhibit B** attached hereto (the "Property").
- e. Term: Ten (10) years commencing 30 days after Tenant's Acceptance of the Premises as defined in Section 4.1 (the "Commencement Date"); and terminating at midnight on the day before the 10th anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
- f. Projected Commencement Date: Fifteen (15) weeks after Landlord obtains all necessary building permits to perform the Tenant Improvements required under the Landlord's Work Letter
- g. Commencement Date: As reference in section 1.1 (e) above and to be provided in **Exhibit C**.
- h. Irrevocable Offer Expiration Date: May 1, 2016
- i. Base Rent: \$81,690.40 per month (which is based upon a rental rate of \$2.20 dollars per rentable square foot on a full service gross basis (adjustable only as provided in Section 2.2 hereof.))
- j. Early Termination Notice Date: County may cancel anytime at or after the seventh (7th) year anniversary of the Commencement Date, upon nine (9) months' prior written notice to the Landlord.

- k. Early Termination As referenced in section 1.1(j) above and section 4.4.
- l. Rentable/ gross Square Feet in the Premises: 37,132 square feet
- m. Use: General office use or for any other lawful purposes not incompatible with other general office uses in the Building.
- n. Initial Departmental Use: General administration offices of Fire Department
- o. Parking Spaces: 149 (4/1000 parking ratio)
- p. Normal Working Hours: 7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California
- q. Asbestos Report: A report dated February 16, 2016 prepared by Omega Environmental Services Inc., a licensed California Asbestos contractor.
- r. Disabled Access Survey Not Applicable
- s. Seismic Report A report dated November 30, 2015 prepared by the Department of Public Works.

1.2. Defined Terms Relating to Landlord's Work Letter

- a. Base Tenant Improvement Allowance: \$1,485,280 (which is based on \$40 per rentable square foot).
- b. Additional Allowances: \$2,042,260 (which is based on \$55 per rentable square foot). Landlord and Tenant acknowledge and agree that the value of the Additional Allowance has not been included in the Base Rent set forth in

section 1.1 (i) above. Accordingly, in the event that Tenant elects to use any portion of the Additional Allowance, the monthly Base Rent payable by Tenant hereunder shall be subject to adjustment in accordance with Section 6.3 (Method of Payment) of Landlord's Work Letter.

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| c. | Maximum Change Order Allowance: | Intentionally Omitted |
| d. | Additional Tenant Improvement and Change Order Amortization Rate: | Seven percent (7%) per annum |
| e. | Base Rent Reduction: | Intentionally Omitted. |
| f. | Tenant's Work Letter Representative: | Farron Chavarria or an assigned staff person of the Chief Executive Office, Real Estate Division |
| g. | Landlord's Work Letter Representative: | Lisa Foyston |
| h. | Landlord's Address for Work Letter Notice: | 3200 Ocean Park Boulevard, Ste. 100, Santa Monica, CA 90405 |
| i. | Tenant's Address for Work Letter Notice: | Board of Supervisors
Kenneth Hahn Hall of Administration
Room 383
500 West Temple Street
Los Angeles, California 90012 |

With a copy to:

Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate
Fax Number: (213) 830-0926

1.3. Exhibits to Lease:

Exhibit A - Floor Plan of Premises
Exhibit B - Legal Description of Property

(Executed concurrently with this Lease and incorporated herein by this reference):

Exhibit C- Commencement Date Memorandum and Confirmation of Lease Terms
Exhibit D- HVAC Standards
Exhibit E- Cleaning and Maintenance Schedule

1.4. Landlord's Work Letter:

(Executed concurrently with this Lease and incorporated herein by this reference):

Landlord's Work Letter
Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Memorandum of Tenant Improvements Cost

1.5. Supplemental Lease Documents:

(Delivered to Landlord and incorporated herein by this reference):

Document I: Subordination, Non-Disturbance and Attornment Agreement
Document II: Tenant Estoppel Certificate
Document III: Community Business Enterprises Form
Document IV: Memorandum of Lease
Document V: Request for Notice

2. PREMISES; ADDITIONAL ALLOWANCES

- 2.1. Landlord does hereby lease to Tenant, and Tenant does hereby lease from Landlord, upon the terms and conditions herein set forth, the Premises described in Section 1 and **Exhibit A** attached hereto.
- 2.2. Tenant shall have the right within 90 days of approval of this Lease by the Board of Supervisors of the County of Los Angeles ("Board of Supervisors") to field-measure and verify the exact footage of the Premises and/or the Building. All measurements shall be taken in accordance with the methods of measuring rentable/gross and usable (net) area as described in the Standard Method for Measuring Floor Area in Office Buildings, ANSI Z65.1-1996, as promulgated by the Building Owners and Management Association ("BOMA") International except that no penthouse mechanical room space shall be included in the measurement. Should this measurement be less than the square footage stated above, Tenant shall have the right to adjust such square footage and reduce the Base Rent in Section 1 accomplished by the mutual execution of a memorandum of understanding between the Landlord and the Tenant. Landlord acknowledges the space has been marketed at the above-indicated rental amount and in the event of subsequent physical measurements, Landlord agrees there will be no

adjustment made to either the square footage or the Base Rent in the event the measured square footage exceeds the amount represented by Landlord. Should Landlord and Tenant not agree with respect to the results of the measurement conducted pursuant to this Subsection 2.2 Landlord shall appoint an independent firm or person who is experienced in making such measurements whose determination with respect to which measurement is correct shall be final and binding upon the parties. Landlord and Tenant shall share equally in the fees of such firm.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and other Tenants of the Building as designated by Landlord from time to time for the common use and enjoyment of Tenant and the other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Premises, parking areas and other common facilities. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1. Term

The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as **Exhibit C**. The Commencement Date shall begin 30 days after Tenant's Acceptance of the Premises. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are Substantially Complete, Tenant has inspected the Premises and Tenant has accepted the Premises. The term "Substantial Completion" as used in this Lease shall mean compliance with all of the following:

- a. The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- b. Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease, including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;

- c. Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- d. Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- e. If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

4.2. Termination Right.

If the Commencement Date has not occurred within 120 days after the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter, which has been executed concurrently herewith, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

4.3. Early Possession

Tenant shall be entitled to possession of the Premises not less than 30 days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Such early occupancy shall be subject to all provisions hereof but shall not advance the Termination Date, and Tenant shall not pay Base Rent for such early occupancy period.

4.4. Early Termination

Tenant shall have the right to terminate this lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than nine (9) months prior written notice executed by the Chief Executive Officer of Tenant.

4.5 Option(s) to Renew

- (a) Terms of Options. Provided that no material Default has occurred and is continuing under the Lease at the time an option is exercised, Tenant shall have two options to renew this Lease (each an "Option") for an additional five (5) years each (each an "Extension Term").
- (b) Exercise of Options. Tenant must exercise the Option(s) to extend this Lease by giving Landlord written notice of its intent to do so by Chief Executive Office letter no later than 180 days prior to the end of the initial or Extension Term, as the case may be. The actual exercise of the

Option shall be only by the Board of Supervisors of the County of Los Angeles.

- (c) Terms and Conditions of Extension Terms. The Extension Term(s) shall be on all the terms and conditions of this Lease, except that Base Rent for the Extension Term(s) shall be adjusted to Fair Market Rent by negotiation and mutual agreement of the parties; during the Extension Terms, Tenant shall have the right to terminate the Lease at anytime after the 36th month of the extension Term by giving Landlord not less than one-hundred eighty (180) days prior written notice by Chief Executive Office letter; and Base Tenant Improvement Allowance and Additional Tenant Improvement Allowance shall be modified by negotiation and mutual agreement of the parties.

5. RENT

Tenant shall pay Landlord, on or before the first day of each month during the Term, the Base Rent stated in Section 1; provided that: (i) payment for any additional rent or other sums in excess of the regularly scheduled Base Rent shall be due within 15 days after a claim therefor for each such month has been filed by Landlord with the Auditor of the County of Los Angeles (the "County"); and (ii) every year at Fiscal Year-end (June), Landlord must file a claim with the County for the authorization of Tenant's payment of Base Rent for the following Fiscal Year. Base Rent for any partial month shall be prorated in proportion to the number of days in such month. Base Rent during the Term will be adjusted according to Paragraph 5.1.

5.1 RENTAL ADJUSTMENT

Beyond year 1 of the Lease Term, the rental rate shall be adjusted as defined herein:

- (a) CPI. From and after the first anniversary of the Commencement Date (the "Adjustment Date") and on every 12 month anniversary of the Adjustment Date thereafter, the monthly Base Rent shall be adjusted by applying the CPI Formula as set forth below. The adjusted Base Rent shall be payable on the first day of the first calendar month thereafter in accordance with Section 5. The "Base Index" shall be the Index published for the month the Lease commences.
- (b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Anaheim-Riverside area, all items published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Original Base Rent multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Prior Year's Index. If the Index is changed so that the Index differs from that used as of the

Commencement Date of the Lease, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term of this Lease, such other governmental Index or computation with which it is replaced shall be used in order to obtain substantially the same results as would be obtained if the Index had not been discontinued or revised.

- (c) Illustration of Formula. The formula for determining the new rent shall be as follows:

First Anniversary's Calculation:

$\frac{\text{New Index}}{\text{Base Index}} \times \$81,690.40$ (Original Base Rent)

+ Amount needed to amortize Tenant's Additional Tenant Improvements, if any
+ Amount needed to amortize change order costs, if any
= New Monthly Rent

Each Anniversary Thereafter:

$\frac{\text{New Index}}{\text{Prior Year's Index}} \times \text{Prior Year's Adjusted Monthly Rent}$

+ Amount needed to amortize Tenant's Additional Tenant Improvements, if any
+ Amount needed to amortize change order costs, if any
= New Monthly Rent

- (d) Limitations on CPI Adjustment.

- (i) In no event shall the monthly rent adjustment based upon the CPI Formula result in an annual increase greater than four percent (4%) percent per year of the prior year's rent.
- (ii) In no event shall the monthly rent adjustment based upon the CPI Formula result in an annual increase less than two percent (2%) per year of the prior year's rent.

- (e) Option Rent Adjustment

In the event the Option is exercised, the Base Index shall be the Index published for the month the Option term commences. The Original Base rent will be readjusted per Section 5.1 hereof.

The Premises are to be used only for the uses set forth in Section 1 and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use that is consistent with other uses in the Building.

7. HOLDOVER

If Tenant remains in possession of the Premises or any part thereof after the expiration of the term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 90 days written notice from the Chief Executive Officer of Tenant at the last monthly Base Rent payable under this Lease (as such Base Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW

Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. DAMAGE OR DESTRUCTION

9.1. Damage

In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made unusable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within thirty 30 days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of

California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

9.2. Tenant Termination Right

In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises will not be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days for any reason, then Tenant may terminate this Lease by giving written notice within ten days after notice from Landlord specifying such time period of repair; and this lease shall terminate and the Basic Rent shall be abated from the date the Premises became unleaseable. In the event that Tenant does not elect to terminate this Lease, Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided insurance proceeds are available to repair the damages.

9.3. Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, either Landlord or Tenant may terminate this Lease by giving notice to the other not more than 30 days after such destruction, in which case:

- a. Landlord shall have no obligation to restore the Premises;
- b. Landlord may retain all insurance proceeds relating to such destruction, and;
- c. This Lease shall terminate as of the date which is 30 days after such written notice of termination.

9.4. Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section and Landlord should fail to thereafter pursue said repair and restoration work with reasonable diligence to completion, Tenant may:

- a. Declare a default hereunder or
- b. Perform or cause to be performed the restoration work and deduct the cost thereof plus interest thereon at ten percent (10%) per annum, from the Basic Rent next due as a charge against the Landlord.

10. REPAIRS AND MAINTENANCE

10.1. Landlord Representations

Landlord represents to Tenant that:

- a. The Premises, the Building and all Common Areas (including electrical, heating, ventilating, and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances as necessary to permit legal occupancy of the Premises by Tenant, including use the Americans With Disabilities Act; and are in reasonable good working order and condition;
- b. The Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirement; and
- c. The Premises, Building and Common Areas are free of the presence of Hazardous Materials (as hereinafter defined) of a type and in amounts that would constitute a violation of applicable Law, and
- d. Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation.

Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

10.2. Landlord Obligations

- a. Landlord shall keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed.
 - i. the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intra-building network cable;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building
 - iii. the Common Areas;
 - iv. exterior windows of the Building;
 - v. elevators serving the Building.
- b. Landlord, at its sole cost and expense (except as provided in Section 10.3 below), shall also perform all maintenance and repairs to the

Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to:

- i. the floor covering (if such floor covering is carpeting, individual carpet squares shall be replaced as needed);
- ii. interior partitions;
- iii. doors;
- iv. the interior side of demising walls (which shall be repainted or touched-up as needed) and
- v. signage
- vi. emergency exit signage and egress battery replacement.

10.3. Tenant Obligations

Without limiting Landlord's Obligations, Tenant shall, at Tenant's sole expense, be responsible for performing all maintenance and repairs to the leasehold improvements in the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Tenant's repair and maintenance obligations shall include, without limitation, the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall:

- a. be made and performed by contractors or mechanics selected by Tenant and reasonably approved by Landlord, which consent shall not be unreasonably withheld or delayed,
- b. be at least equal in quality, value and utility to the original work or installation, and
- c. be in accordance with all laws.

10.4. Tenant's Right to Repair

- a. If Tenant provides written notice to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance and is of such a nature that could cause material disruption to Tenant's business, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event Landlord shall commence, and thereafter diligently pursue, the process to perform the necessary repair/maintenance not later than seven (7) days after the giving of such notice, then Tenant may proceed to take the required action. Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease to have been

taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action plus interest thereon at ten percent (10%) per annum. If not reimbursed by Landlord within ten days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease the amount set forth in its invoice for such work. The remedies provided in this Section are in addition to the remedies provided in Section 14.

- b. Tenant at its sole option, acting through the Chief Executive Office, may request the Landlord to perform, supply and administer any repairs, replacement, or services that are the responsibility of the Tenant and reimburse Landlord for the commercially reasonable cost of performing such services.

11. SERVICES AND UTILITIES

11.1. Services. Landlord shall furnish and pay for the following services and utilities to the Premises.

a. Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Normal Working Hours in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other first-class buildings and not less than the standard set forth in **Exhibit D** attached hereto.

b. Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Working Drawings (if applicable) but in any event not less than seven watts of electric current (connected load) per square foot of Rentable/ /gross Square Feet in the Premises, for power and lighting and electric current for HVAC, and Landlord shall provide the existing or new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises.

c. Elevators

Landlord shall furnish freight and passenger elevator services to the Premises during Normal Working Hours. During all other hours,

Landlord shall furnish passenger elevator cab service in the elevator bank serving the Premises on an as needed basis, and, by prior arrangement with Landlord's building manager, freight elevator service.

d. Water

Landlord shall make available warm and cold water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

e. Janitorial

Landlord at its sole cost and expense shall provide janitorial service on five nights per week generally consistent with that furnished in comparable office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in **Exhibit E** attached hereto.

f. Access

Landlord shall furnish to Tenant's employees and agents access to the Building, Premises and Common Areas on a seven day per week, 24 hour per day basis, subject to compliance with such reasonable security measures as shall from time to time be in effect for the Building.

g. Pest Control

Landlord at its sole cost and expense shall provide pest control services to the premises per the specifications set forth in **Exhibit E** attached hereto.

11.2. Utilities

Landlord agrees to pay when due all charges for the use of the sewer, effluent treatment, when and if imposed by any governmental authority, all water, sprinkler standby charges, electricity, gas, heating and common area power and lighting, power charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of the charges when due. Tenant may give Landlord ten (10) calendar days prior written notice and, if Landlord fails to pay such charges within such ten (10) calendar day period, thereafter pay directly such charges and deduct the payments from the installments of rent next due as a charge against the Landlord.

12. TAXES

Landlord shall pay promptly all real property taxes, assessments and special assessments which may be levied or assessed against the Premises or Building during the term of this Lease or any renewal or holdover period thereof.

In the event Landlord fails or refuses to pay any or all taxes or assessments when due, Tenant may, at its sole discretion, give Landlord sixty (60) calendar days prior written notice and, if Landlord fails to pay such taxes or assessments within such sixty (60) calendar day period, thereafter pay such taxes and assessments and deduct the payments from the installments of rent next due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises upon prior written notice for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building rendered unleaseable and not used by Tenant. Landlord shall have the right at any and all times to enter the Premises in the event of an emergency.

14. TENANT DEFAULT

14.1. Default

The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Tenant ("Default"):

- a. the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent an offset is expressly permitted hereunder), as and when due and if the failure continues for a period of ten days after written notice to Tenant;
- b. the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of 30 days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than 30 days are reasonably required for its cure then Tenant shall not be deemed to be in default if Tenant commences such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

14.2. Termination

Tenant agrees that if a Default should occur and should not be cured within the time periods set forth above, it shall be lawful for Landlord to terminate this Lease upon the giving of written notice to Tenant. In addition thereto, Landlord shall have such other rights or remedies as may be provided by law.

14.3. No Effect on Indemnity

Nothing in this Article shall be deemed to affect either Landlord or Tenant's right to indemnification under any indemnification clause or clauses set forth in this Lease.

15. LANDLORD DEFAULT

15.1. Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.3, 19 and 20.2, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such thirty day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to pursue any one or more of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- a. To remedy such default or breach and deduct the costs thereof (including but not limited to attorney' fees) plus interest at the rate of ten percent (10%) per annum from the installments of Base Rent next falling due;
- b. to pursue the remedy of specific performance;
- c. to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; and/or
- d. to terminate this Lease.

15.2. Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work.

15.3. Emergency

Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition or materially and adversely affect the operation of Tenant's business in the Premises. If Tenant exercises its right to cure a Landlord default under this or any other section of this Lease, Tenant will make reasonable efforts to have any such curative work performed by contractors that have previously performed similar work for Landlord in the Building, provided that the identity of such contractors are made known to Tenant. In addition, if Landlord has a warranty or service and maintenance agreement for a particular item that requires service, repair or replacement as part of the curative work (and Tenant is aware of such warranty or contract), Tenant shall contract with the issuer of such warranty or contract for the performance of the curative work so as not to adversely affect such warranty or contract. In attempting to cure any default by Landlord, Tenant shall pursue the least expensive course of action that can reasonably be expected to cure the default in question and shall perform only so much work as is reasonable necessary to cure the default.

16. ASSIGNMENT AND SUBLETTING

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent: provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto.

17. ALTERATIONS AND ADDITIONS

17.1. Landlord Consent

Tenant shall not make any alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

- a. complies with all Laws;
- b. is not visible from the exterior of the Premises or Building;
- c. will not materially affect the systems or structure of the Building; and
- d. does not unreasonably interfere with the normal and customary business office operations of other Tenants in the Building.

If Landlord fails to respond in writing within 30 days of such request, Landlord shall be deemed to approve the Alterations.

17.2. End of Term

Any Alterations not removed by Tenant shall become the property of Landlord and remain upon and be surrendered with the Premises at the expiration of the Term.

18. CONDEMNATION

18.1. Controlling Terms

If during the Term, or during the period of time between the execution of this Lease and the Commencement Date, there is any taking of all or any part of the Premises or any interest in this Lease by Condemnation (as defined below), this Section shall determine the rights and obligations of Tenant and Landlord. "Condemnation" shall mean the exercise of any governmental power to take title to any portion of the Premises, whether by legal proceedings or otherwise, by a Condemnor (as defined below) or a voluntary sale or transfer by Landlord to any Condemnor either under threat of a Condemnor's exercise of such power or while legal proceedings are pending for the exercise of such power. "Condemnor" shall mean any public or quasi-public authority, or private corporation or individual, having the power of Condemnation.

18.2. Total Taking

If the Premises are totally taken by Condemnation, this Lease shall terminate on the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

18.3. Partial Taking

If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate

this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated.

18.4. Restoration

Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the Date of Taking as they were before the Date of Taking, and Landlord commences the restoration promptly and, subject to reasonable allowance for delays that are not caused by Landlord, completes it within 90 days after Landlord so notifies Tenant, this Lease shall continue in effect. All obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5. Award

The Award (as defined below) shall be divided between Landlord and Tenant as their respective interests may appear. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises.

18.6. Waiver of Statute

Landlord and Tenant hereby waive the provision of California Code of Civil Procedure Section 1265.130 allowing Landlord or Tenant to petition the Superior Court to terminate this Lease in the event of a partial taking of the Premises.

19. INDEMNIFICATION

19.1. Tenant's Indemnity

Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorney' fees, arising from any

injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, or arising from any breach or default under this Lease by Tenant. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors licensees, agents, employees or invitees. Nothing in this Lease shall be construed to waive, limit, or supersede any of Tenant's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Labor Code section 3864.

19.2. Landlord's Indemnity

Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors, or arising from any breach or default under this Lease by Landlord. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

20. INSURANCE

20.1. Landlord's Insurance

During the term of this Lease, Landlord shall maintain the following insurance:

- a. Commercial property insurance which shall:
 - i. cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30), and include ordinance or law coverage (and coverage against acts of terrorism to the extent such coverage is reasonably available and priced at commercially reasonable rates) and
 - ii be written for full replacement cost of the property, with a deductible of no greater than five percent (5%) of the property value.
 - iii. Landlord shall carry insurance on all modular furniture installed in the Premises and, until such time as the cost thereof has been repaid to Landlord, any furniture and furnishings purchased or

installed as part of the Landlord Work. Landlord and Tenant acknowledge that: (i) a portion of the monthly Base Rent is attributable to the repayment of the cost of any such furniture and furnishings; and (ii) the furniture and furnishings shall be considered to be fully paid for by Tenant by the end of the 84th month of the Term.

Insurance proceeds shall be payable to Landlord and Tenant as their interests may appear and be utilized for repair and restoration of the Premises.

- b. General liability insurance (written on ISO policy form CG 00 01 or its equivalent) with limits of not less than the following:
 - i. per occurrence and general aggregate amount of \$5,000,000;
 - ii. products/completed operations aggregate of \$2,000,000 and
 - iii. personal and advertising injury of \$1,000,000.
- c. Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

20.2. Insurance Requirements

All insurance policies required to be maintained by Landlord under this Lease shall be issued by insurance companies which have a Best's Rating of "AVII" or better and which are qualified to do business in the State of California. All liability and property damage and other casualty policies of Landlord shall be written as primary policies, not contributing with, and not in excess of coverage which Tenant may carry.

20.3. Certificates

Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter at least 15 days prior to expiration of any insurance required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the leased premises and must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy. Further, all certificates shall expressly provide that no less than 30 days' prior written notice shall be given to Tenant in the event of material change to, expiration or cancellation of the coverages or policies evidenced by the certificates.

20.4. Waiver of Subrogation

Landlord and Tenant each hereby waive their rights of subrogation against one another to the extent it is covered by the property insurance policies required to be carried hereunder. Landlord shall cause its insurance carriers to consent to the foregoing waiver of rights of subrogation against Tenant.

21. PARKING

21.1. Tenant's Rights

Tenant shall have the right to the number of exclusive reserved parking stalls set forth in Section 1 without charge for the Term of this Lease. No tandem parking shall be permitted and Tenant shall be entitled to full in/out privileges. Tenant's parking rights shall be subject to reasonable parking rules and regulations adopted by Landlord from time to time, provided that such procedures shall be uniformly applied to all Tenants. Tenant acknowledges that all other parking spaces are not for the exclusive use of Tenant, rather, all such parking spaces are to be used on a non-exclusive, first-come, first-served basis by Tenant and other Tenants, occupants, licensees, invitees and permittees of the Building.

21.2. Remedies

Landlord acknowledges that it is a material term of this Lease that Tenant receive all of the Parking Spaces to which it is entitled under this Lease for the entire Term of this Lease and that Landlord's failure to provide such parking shall be a default by Landlord.

22. ENVIRONMENTAL MATTERS

22.1. Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subTenants to cause or permit, any Hazardous Materials to be brought upon stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid,

semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Tenant, the Premises, the Building or the Common Areas.

22.2. Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, Building or Common Areas or other violation of laws relating to Hazardous Materials other than caused by Tenant. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Landlord shall promptly deliver to Tenant a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord

concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in the Landlord's Work Letter executed by Landlord and Tenant concurrently herewith.

25. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder and hereby indemnifies and holds Tenant harmless from any liability or loss from any such lien.

26. SUBORDINATION AND MORTGAGES

26.1. Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith and provided further that no such subordination shall affect any option to extend the Term of this Lease, right of first offer to lease additional premises, option to purchase or right of first offer to purchase the Property which may be included herein.

26.2. Existing Deeds of Trust

Landlord shall use reasonable efforts to cause the beneficiary under any existing deed of trust affecting the Building to provide a written agreement to Tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently herewith within 30 days after the execution of this Lease.

26.3. Request for Notice

Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the Property in the form of Document V in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

26.4. Notice of Default

If any mortgagee or beneficiary under a deed of trust affecting the Property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any Notice of Default served upon Landlord hereunder which could permit Tenant to terminate this Lease and an additional ten days within which to cure such default.

27. SURRENDER OF POSSESSION

Subject to casualty, at the expiration of the Term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises to Landlord in a "broom-clean" condition. Tenant may (but shall not be required to) remove, at its own expense, all fixtures, equipment and all other personal property placed or installed in or upon the Premises by Tenant, or under its authority (including any modular furniture).

28. SIGNAGE

Tenant shall be permitted to install at the Premises reasonably appropriate signs that conform with any and all applicable laws and ordinances.

29. QUIET ENJOYMENT

So long as Tenant is not in default hereunder, Tenant shall have the right to the quiet and peaceful enjoyment and possession of the Premises and the Common Areas during the Term of this Lease, subject to the terms and conditions of this Lease.

30. GENERAL

30.1. Headings

Titles to Sections of this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

30.2. Successors and Assigns

All of the covenants, agreements, terms and conditions contained in this Lease shall inure to and be binding upon the Landlord and Tenant and their respective successors and assigns.

30.3. Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any commission or fees in respect of the negotiation, execution or delivery of this Lease other than Landlord's broker, Charles Dunn, Company Inc., or as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation. Tenant shall receive from Landlord or Landlord's broker, within ten days after the execution of this Lease, an amount equal to 50% of all commissions due to Landlord's broker as a result of the execution of this Lease.

30.4. Entire Agreement

This Lease (and the Landlord's Work Letter and Supplemental Lease Documents) is the final and complete expression of Landlord and Tenant relating in any manner to the leasing, use and occupancy of the Premises, to Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified or added to except in writing signed by both Landlord and Tenant.

30.5. Severability

Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

30.6. Notices

All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused)

established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

30.7. Governing Law and Forum

This Lease shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Lease shall be conducted in the County of Los Angeles, State of California.

30.8. Waivers

No waiver by Landlord or Tenant of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Landlord or Tenant of the same or any other provision. Landlord's or Tenant's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Landlord's or Tenant's consent to or approval of any subsequent act by Landlord or Tenant.

30.9. Time of Essence

Time is of the essence for the performance of all of the obligations specified hereunder.

30.10. Consent

Whenever any consent is required by Landlord or Tenant hereunder, such consent shall not be unreasonably withheld, conditioned or delayed and, unless otherwise specifically provided herein, shall be deemed granted if not refused within ten (10) days after written request is made therefore, together with all necessary information.

30.11. Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Document III in the Supplemental Lease Documents delivered to Landlord concurrently herewith.

30.12. Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Document IV in the Supplemental Lease Documents delivered to Landlord concurrently

herewith, which Memorandum may be recorded by Tenant in the Official Records of Los Angeles County.

31. AUTHORITY

Only the Board of Supervisors has the authority, by formally approving and/or executing this Lease, to bind the County to the terms included herein. Each individual executing this Lease on behalf of Tenant represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant, and that this Lease is binding upon Tenant in accordance with its terms. Landlord understands that no material terms of this Lease may be altered or deleted, nor may any new material terms be added to this Lease, without the express written approval of the Board of Supervisors, either through an amendment to the Lease or by other formal board action. No County officer, employee, agent or independent contractor has any authority to alter, add or delete the material terms of this Lease and Landlord may not rely upon any representations to the contrary. This limitation of authority applies to all material terms of the Lease including, without limitation, any monetary ceiling established for Tenant Improvements or other project costs of Landlord which are subject to reimbursement by County. County shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Officer of the County or its delegate (the "Chief Executive Officer") may take any administrative act on behalf of Tenant hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an Early Termination Notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1. Consideration of GAIN Program Participants

Should Landlord require additional or replacement personnel after the effective date of this Lease, Landlord shall give consideration for any such employment, openings to participants in the County Department of Public Social Services' Greater Avenues for Independence ("GAIN") Program who meet Landlord's minimum qualifications for the open position. The County will refer GAIN participants by job category to Landlord.

32.2. Solicitation of Consideration

It is improper for any County officer employee or agent to solicit consideration in any form from a Landlord with the implication, suggestion or statement that the Landlord's provision of the consideration may secure more favorable treatment for the Landlord in the award of the Lease or that Landlord's failure to provide such consideration may negatively affect the County's consideration of the Landlord's offer to lease. A Landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the Lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made either to the County Manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861. Failure to report such solicitation may result in the Landlord's submission being eliminated from consideration.

32.3. Landlord Assignment

- a. Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Base Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.
- b. Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- c. Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the County. Notwithstanding the foregoing, the County hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (collateralized mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.

- d. Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the County may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the County during the entire Term of this Lease, it being expressly agreed that the aforesaid amount shall be imposed as liquidated damages, and not as a forfeiture or penalty. It is further specifically agreed that the aforesaid amount is presumed to be the amount of damages sustained by reason of any such violation, because from the circumstances and nature of the violation it would be impracticable and extremely difficult to fix actual damages. In addition, the County may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- e. Intentionally Omitted
- f. Landlord shall not furnish any information concerning County or the subject matter of this Lease (including, but not limited to, offering memoranda, financial statements, economic and demographic information, and legal opinions rendered by the office of counsel for the County) to any person or entity, except with County's prior written consent; provided that consent shall not be required for Landlord to furnish information regarding Base Rent and other financial terms that are written in this Lease document, but not including information in the supplemental documents attached to this Lease, to any prospective or then current mortgagee, security holder or purchaser of Landlord's interest in the Building. Landlord shall indemnify, defend and hold County and its officers, agents and employees harmless from and against all claims and liability alleged to arise from the inaccuracy or incompleteness of any information furnished by Landlord in violation of this Section.
- g. The provisions of this Section shall be binding upon and applicable to the parties hereto and their respective successors and assigns. Whenever in this Section Landlord is referred to, such reference shall be deemed to include Landlord's successors or assigns, and all covenants and agreements by or on behalf of Landlord herein shall bind and apply to Landlord's successors and assigns whether so expressed or not.

33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County in reliance on Landlord's agreement to lease the Premises to

Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

IN WITNESS WHEREOF this Lease has been executed the day and year first above set forth.

LANDLORD:

**LOS ANGELES CORPORATE CENTER,
LLC**
a Delaware limited liability company

By: 
Name: Frank Campbell
Its: Managing Director

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate



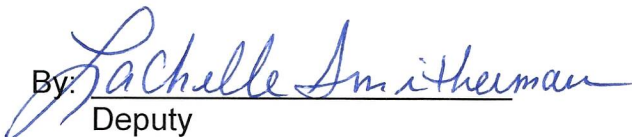
By: 
Name: HILDA L. SOLIS
Chair, Board of Supervisors

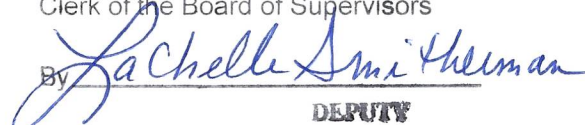
ATTEST:

Lisa Glasgow
Executive Officer-Clerk
of the Board of Supervisors

I hereby certify that pursuant to
section 25103 of the government code,
delivery of this document has been made

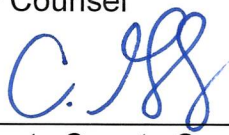
LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By: 
Deputy

By: 
DEPUTY


APPROVED AS TO FORM

MARY C. WICKHAM
County Counsel

By: 
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 MAY 03 2016


LORI GLASGOW
EXECUTIVE OFFICER

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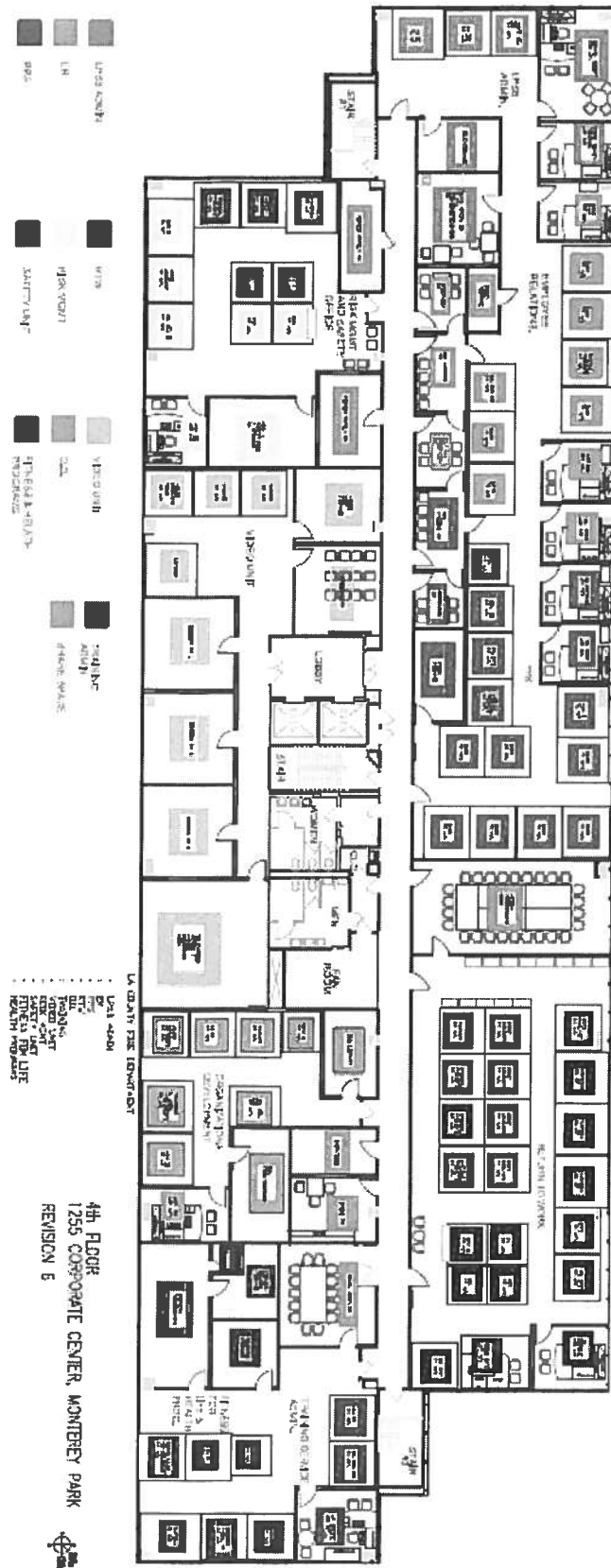


EXHIBIT A – Page 3
FLOOR PLAN OF PREMISES

Free

EXHIBIT B

LEGAL DESCRIPTION OF PREMISES

ASSESSOR PARCEL NUMBERS 5237-024-017 & 5237-024-059

PARCEL C:

LOT 18 OF TRACT 42611, IN THE CITY OF MONTEREY PARK, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 1012 PAGES 21 TO 27 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT A STRIP OF LAND 10 FEET IN WIDTH, THE NORTHWESTERLY LINE OF SAID STRIP BEING THAT CERTAIN COURSE IN THE NORTHEASTERLY BOUNDARY OF SAID LOT 18 HAVING A BEARING AND DISTANCE OF NORTH 65° 04' 00' WEST 438.07 FEET, AS DESCRIBED IN A DOCUMENT RECORDED OCTOBER 25, 1984 AS INSTRUMENT NO. 84-1275478.

ALSO EXCEPT ALL OIL, ASPHALTUM, PETROLEUM, AND NATURAL GAS, TAR OR OTHER HYDROCARBON SUBSTANCES AND PRODUCTS, FROM UNDER OR UPON THE SAID LANDS, WITH THE RIGHT TO REMOVE AND STORE AND SELL SUCH SUBSTANCES AND PRODUCTS THEREFROM, TOGETHER WITH ALL RIGHTS FOR THE PURPOSE OF MINING, EXCAVATING, BORING, DRILLING, SINKING OR OTHERWISE COLLECTING AND DEVELOPING SAID MINERAL SUBSTANCES AND THE RIGHT TO DEVELOP, STORE AND USE WATER FOR SUCH OPERATIONS AND DEVELOPMENT, AS RESERVED IN DEED FROM HUNTINGTON LAND AND IMPROVEMENT COMPANY, A CALIFORNIA CORPORATION, RECORDED OCTOBER 25, 1918 IN BOOK 6707 PAGE 300 OF DEEDS, ALL OF WHICH RIGHTS WERE LIMITED TO THAT PORTION LYING BELOW A DEPTH OF 500 FEET, MEASURED FROM THE SURFACE OF SAID LAND, BY DEED EXECUTED BY SECURITY PACIFIC NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, SUCCESSOR BY MERGER TO SECURITY FIRST NATIONAL BANK OF LOS ANGELES, AS TRUSTEE UNDER THE WILL OF HENRY E. HUNTINGTON, DECEASED, (TRUST NO. 2-018442-0), RECORDED DECEMBER 17, 1980 AS INSTRUMENT NO. 80-1264035, FROM UNDER OR UPON THAT PORTION OF SAID LAND LYING WITHIN A PORTION OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 1 SOUTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTHERLY LINE OF SAID SECTION 32, SAID POINT BEING 466.52 FEET EASTERLY OF THE NORTHWEST CORNER OF SAID SECTION 32; THENCE SOUTHERLY ALONG A LINE PARALLEL WITH THE WESTERLY LINE OF SAID SECTION 32, 500 FEET TO A POINT; THENCE EASTERLY ALONG A LINE PARALLEL WITH THE NORTHERLY LINE OF SAID SECTION 32 TO ITS INTERSECTION WITH THE EASTERLY LINE OF SAID NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 32; THENCE NORTHERLY ALONG SAID EASTERLY LINE OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 32, 500 FEET TO THE NORTHERLY LINE OF SAID SECTION; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID SECTION TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM ALL GAS, OIL AND OTHER HYDROCARBON SUBSTANCES AND ALL OTHER MINERALS IN AND FROM THE LAND DESCRIBED IN DEED MENTIONED HEREFTER, PROVIDED, HOWEVER, NO RIGHT IS RESERVED TO ENTER ON OR FROM THE SURFACE OF SAID LAND, THE RIGHT TO ENTER THE SUBSURFACE OF SAID PROPERTY, WHICH IS ALSO RESERVED SHALL BE AT ANY POINT BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF (MEASURED VERTICALLY FROM THE SURFACE THEREOF) IN ORDER TO TAKE FROM SAID LAND AND REDUCE TO POSSESSION ANY OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND ALL OTHER MINERALS, AS EXCEPTED AND RESERVED BY CLARA HELLMAN HELLER, A WIDOW, ET AL., IN DEED TO BOBWILL BUILDING CO., A CORPORATION, RECORDED SEPTEMBER 13, 1955 AS INSTRUMENT NO. 2398 IN BOOK 48924 PAGE 346, OFFICIAL RECORDS.

EXHIBIT C

COMMENCEMENT DATE MEMORANDUM AND CONFIRMATION OF LEASE TERMS

Reference is made to that certain lease ("Lease") dated _____, 20____, between County of Los Angeles, a body politic and corporate ("Tenant"), and _____, a _____ ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge as follow:

- 1) Landlord delivered possession of the Premises to Tenant in a Substantially Complete condition on _____ ("Possession Date").
- 2) Tenant has accepted possession of the Premises and now occupies the same;
- 3) The Lease commenced on _____ ("Commencement Date").
- 4) The Premises contain _____ rentable/gross square feet of space; and

For clarification and the purpose of calculating future rental rate adjustments:

- 1) Base Rent per month is _____.
- 2) The Base Index Month is _____.
- 3) The Base Index is _____.
- 4) The New Index Month is _____.

IN WITNESS WHEREOF, this memorandum is executed this __ day of _____, 20_____.

Tenant: COUNTY OF LOS ANGELES a body politic and corporate By: _____ Name _____ Its _____	Landlord: _____ a _____ By: _____ Name _____ Its _____
--	---



EXHIBIT D

HEATING, VENTILATION AND AIR CONTITIONING

Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal Working Hours established by the Lease and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable/net square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

A handwritten signature in cursive script, likely representing the Landlord or Tenant, located in the bottom right corner of the page.

EXHIBIT E (continued)
CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

- A. Carpets vacuumed.
- B. Composition floors dust-mopped.
- C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
- D. Waste baskets, other trash receptacles emptied.
- E. Chairs and waste baskets returned to proper position.
- F. Fingerprints removed from glass doors and partitions.
- G. Drinking fountains cleaned, sanitized and polished.
- H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- I. Bulb and tube replacements, as required.
- J. Emergency exit signage and egress battery replacement (if applicable)
- K. Graffiti expunged as needed within two working days after notice by Tenant
- L. Floors washed as needed.
- M. Kitchen/lunchroom/restroom supplies replenished including paper supplies, soap and.
- N. Exclusive day porter service from _____ to _____ (if provided by contract).

2. WEEKLY

- A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
- B. Window sills, ledges and wood paneling and molding dusted.

3. MONTHLY

- A. Floors washed and waxed in uncarpeted office area.
- B. High-reach areas, door frames and tops of partitions dusted.
- C. Upholstered furniture vacuumed, plastic and leather furniture wiped
- D. Picture moldings and frames dusted.
- E. Wall vents and ceiling vents vacuumed.
- F. Carpet professionally spot cleaned as required to remove stains.
- G. HVAC chiller water checked for bacteria, water conditioned as necessary.

4. QUARTERLY

- A. Light fixtures cleaned and dusted, but not less frequently than quarterly.
- B. Wood furniture polished.
- C. Draperies or mini-blinds cleaned as required, but not less frequently than quarterly.
- D. HVAC units serviced for preventative maintenance purposes, all filters changed.



EXHIBIT E (continued)
CLEANING AND MAINTENANCE SCHEDULE

5. SEMI-ANNUALLY

- A. Windows washed as required inside and outside but not less frequently than twice annually.
- B. All painted wall and door surfaces washed and stains removed.
- C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

- A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.
- B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.
- C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

- A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.
- B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.
- C. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator. (TBD).
- D. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning:
 - i. heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year];
 - ii. moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and
 - iii. clean light traffic areas a minimum of once per year.

Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

- E. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and



EXHIBIT E (continued)
CLEANING AND MAINTENANCE SCHEDULE

in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph 6 C. The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute and Occurrence for the purpose of determining the frequency of this work.

F. All HVAC ducts cleaned as need but no less than every five (5) years.

8. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

A handwritten signature in black ink, appearing to be 'JMA', located in the bottom right corner of the page.

SUPPLEMENTAL LEASE DOCUMENTS

For

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AND AGREEMENT**

FIRE DEPARTMENT, as Tenant

**LANDLORD: LOS ANGELES CORPORATE CENTER, a Delaware limited
liability company**

1255 Corporate Center Drive, Monterey Park, CA

Document I - Subordination, Nondisturbance and Attornment Agreement

Document II - Tenant Estoppel Agreement

Document III - Community Business Enterprises Form

Document IV - Memorandum of Lease

Document V - Request for Notice

DOCUMENT I

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

AND WHEN RECORDED MAIL TO:

County of Los Angeles
CHIEF EXECUTIVE OFFICE
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012

)
)
)
)
)
)

Space above for Recorder's Use

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

NOTICE: THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT RESULTS IN YOUR LEASEHOLD ESTATE BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

This Subordination, Non-Disturbance and Attornment Agreement ("Agreement") is entered into as of the _____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), _____ ("Borrower") and _____, ("Lender").

Factual Background

A. Borrower owns certain real property more particularly described in the attached Exhibit A. The term "Property" herein means that real property together with all improvements (the "Improvements") located on it.

B. Lender has made or agreed to make a loan to Borrower. The Loan is or will be secured by a deed of trust or mortgage encumbering the Property (the "Deed of Trust").

C. Tenant and Borrower (as "Landlord") entered into a lease dated _____ (the "Lease") under which Borrower leased to Tenant a portion of the Improvements located within the Property and more particularly described in the Lease (the "Premises").

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a Non-Disturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The Lease shall be subject and subordinate to the lien of the Deed of Trust and to any renewals, modifications, consolidations, replacements and extensions of the Deed of Trust to the full extent of the principal sum secured by the Deed of Trust including any interest except that if Tenant is granted any option to extend the term of the Lease, right of first offer to lease additional premises, option to purchase the Property, or right of first option to purchase the Property in the Lease

such provisions shall not be affected or diminished by this subordination which is conditioned upon the agreement of Borrower and Lender in section 3 hereof.

2. Definitions of "Transfer of the Property" and "Purchaser". As used herein, the term "Transfer of the Property" means any transfer of Borrower's interest in the Property by foreclosure, trustee's sale or other action or proceeding for the enforcement of the Deed of Trust or by deed in lieu thereof. The term "Purchaser", as used herein, means any transferee, including Lender, of the interest of Borrower as a result of any such Transfer of the Property and also includes any and all successors and assigns, including Lender, of such transferee.

3. Non-Disturbance. The Transfer of the Property or any enforcement of the Deed of Trust shall not terminate the Lease or disturb Tenant in the possession and use of the leasehold estate created thereby, or deprive Tenant of any other property rights granted in the Lease.

4. Attornment. Subject to Section 3 above, if any Transfer of the Property should occur, Tenant shall and hereby does attorn to Purchaser, including Lender if it should be the Purchaser, as the landlord under the Lease, and Tenant shall be bound to Purchaser under all of the terms, covenants and conditions of the Lease for the balance of the Lease term and any extensions or renewals of it which may then or later be in effect under any validly exercised extension or renewal option contained in the Lease, all with the same force and effect as if Purchaser had been the original landlord under the Lease. This attornment shall be effective and self-operative without the execution of any further instruments upon Purchaser's succeeding to the interest of the landlord under the Lease.

5. Lender Not Obligated. Lender, if it becomes the Purchaser or if it takes possession under the Deed of Trust, and any other Purchaser shall not (a) be liable for any damages or other relief attributable to any act or omission of any prior Landlord under the Lease including Borrower; or (b) be subject to any offset or defense not specifically provided for in the Lease which Tenant may have against any prior landlord under the Lease; or (c) be bound by any prepayment by Tenant of more than one month's installment of rent; or (d) be obligated for any security deposit not actually delivered to Purchaser; or (e) be bound by any modification or amendment of or to the Lease unless the amendment or modification shall have been approved in writing by the Lender.

6. Notices. All notices given under this Agreement shall be in writing and shall be given by personal delivery, overnight receipted courier or by registered or certified United States mail, postage prepaid, sent to the party at its address appearing below. Notices shall be effective upon receipt (or on the date when proper delivery is refused). Addresses for notices may be changed by any party by notice to all other parties in accordance with this Section.

To Lender:

To Borrower:

To Tenant:

County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street, 3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding



upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

8. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one and the same instrument.

TENANT: COUNTY OF LOS ANGELES,
a body politic and corporate

APPROVED AS TO FORM

MARY C. WICKHAM
County Counsel

By: _____
Deputy:

By: _____
Christopher M. Montana
Director of Real Estate

BORROWER:

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender]*,
By: _____

A handwritten signature in cursive script, appearing to be "JL", located in the bottom right corner of the page.

DOCUMENT II
TENANT ESTOPPEL CERTIFICATE

To: [Insert name of party to rely on document]

Attn: _____

Re: Date of Certificate: _____
 Lease Dated: _____
 Current Landlord: _____
 Located at: _____
 Premises: _____
 Commencement Date of Term: _____
 Expiration Date: _____
 Current Rent: _____

County of Los Angeles ("Tenant") hereby certifies that as of the date hereof:

1. Tenant is the present owner and holder of the tenant's interest under the lease described above, as it may be amended to date (the "Lease"). The Lease covers the premises described above (the "Premises") in the building (the "Building") at the address set forth above.

2. (a) A true, correct and complete copy of the Lease (including all modifications, amendments, supplements, side letters, addenda and riders of and to it) is attached to this Certificate as Exhibit A.

 (b) The current Rent is set forth above.

 (c) The term of the Lease commenced on the Commencement Date set forth above and will expire on the Expiration Date set forth above, including any presently exercised option or renewal term. Except as specified in the Lease, Tenant has no option or right to renew, extend or cancel the Lease.

 (d) Except as specified in the Lease, Tenant has no option or right to lease additional space in the Premises or Building or to use any parking.

 (e) Except as specified in the Lease, Tenant has no option or preferential right to purchase all or any part of the Premises (or the land of which the Premises are a part).

 (f) Tenant has made no agreement with Landlord or any agent, representative or employee of Landlord concerning free rent, partial rent, rebate of rental payments or any other similar rent concession except as expressly set forth in the Lease.

Jul

3. (a) The Lease constitutes the entire agreement between Tenant and Landlord with respect to the Premises, has not been modified, changed, altered or amended and is in full force and effect. There are no other agreements, written or oral, which affect Tenant's occupancy of the Premises.

(b) To the knowledge of Tenant, Tenant has not given Landlord written notice of a material default under the Lease which has not been cured.

(c) The interest of Tenant in the Lease has not been assigned or encumbered. Tenant is not entitled to any credit against any rent or other charge or rent concession under the Lease except as set forth in the Lease. No rental payments have been made more than one month in advance.

4. All contributions required to be paid by Landlord to date for improvements to the Premises have been paid in full and all of Landlord's obligations with respect to tenant improvements have been fully performed.

5. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Agreement shall be conducted in the County of Los Angeles, State of California.

IN WITNESS WHEREOF, the Tenant has executed this Tenant Estoppel Certificate as of the day set forth above.

TENANT:

COUNTY OF LOS ANGELES

By: _____
Christopher M. Montana
Director of Real Estate

APPROVED AS TO FORM
MARY C. WICKHAM
County Counsel

By: _____
Deputy County Counsel



DOCUMENT III

COMMUNITY BUSINESS ENTERPRISES FORM

INSTRUCTIONS: All Landlords shall submit this form on an annual basis on or before December 30th of each year of the term of this agreement as evidence of MBE/WBE participation. The information requested below is for statistical purposes only. On final analysis and consideration of lease will be selected without regard to gender, race, creed, or color. Categories listed below are based on those described in 49 CFR Section 23.5.

I. MINORITY/WOMEN PARTICIPATION IN FIRM (Partners, Associates Partners, Managers, Staff, etc.)

FIRM: NAME

ADDRESS

CONTACT

TELEPHONE NO.

TOTAL NUMBER OF EMPLOYEES IN FIRM: _____

	OWNERS/PARTNERS ASSOCIATE PARTNERS	MANAGERS	STAFF
Black/African American	_____	_____	_____
Hispanic/Latin America	_____	_____	_____
Asian American	_____	_____	_____
Portuguese American	_____	_____	_____
American Indian/ Alaskan Native	_____	_____	_____
All Others	_____	_____	_____
Women (Should be included in counts above <u>and</u> also reported here separately)	_____	_____	_____

Jd

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

TYPE OF BUSINESS STRUCTURE: _____ (Corporation, Partnership,
Sole Proprietorship, etc.)

TOTAL NUMBER OF OWNERSHIP/PARTNERS, ETC.: _____

PERCENTAGE OF OWNERSHIP

Black/African American	_____
Hispanic/Latin American	_____
Asian American	_____
Portuguese American	_____
American Indian/ Alaskan Native	_____
All Others	_____
Women	_____
(Should be included in counts above and also reported here separately)	

III. CURRENT CERTIFICATION AS MINORITY/WOMEN-OWNED FIRM

IS YOUR FIRM CURRENTLY CERTIFIED AS A MINORITY OWNED BUSINESS
FIRM BY THE:

State of California?	Yes	No
City of Los Angeles?	Yes	No
Federal Government?	Yes	No

IV. FIRM'S DESIRE NOT TO RESPOND TO INFORMATION

WE DO NOT WISH TO PROVIDE THE INFORMATION REQUIRED IN THIS
FORM.

Firm Name: Equity Office

Signed: 

Date: March 9, 2016

Title: **Frank Campbell**
Managing Director



DOCUMENT IV

MEMORANDUM OF LEASE

**RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

This document is recorded for the benefit of the County of Los Angeles and recording is exempt from recording fees pursuant to California Government Code Section 27383. This transaction is exempt from documentary transfer tax pursuant to California Revenue and Taxation Code Section 11922.

MEMORANDUM OF LEASE

This Memorandum of Lease ("Memorandum") is made and entered into by and between _____ (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20____, and ending on a date _____ () years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in a certain unrecorded Lease between Landlord and Tenant dated _____, 20____.

[Tenant has the option to extend the term of the Lease for a period of ____ () years, subject to the terms and conditions of the Lease.]

This Memorandum has been prepared for the purpose of giving notice of the Lease and of its terms, covenants, and conditions, and for no other purposes. The provisions of this Memorandum shall not in any way change or affect the provisions of the Lease, the terms of which remain in full force and effect.

Jee

Dated: _____, 20__.

LANDLORD:

TENANT:

By: _____

Its: _____

By: _____

Its: _____

No

DOCUMENT V

REQUEST FOR NOTICE

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

County of Los Angeles
Chief Executive Office
Real Estate Division
222 South Hill Street
3rd Floor
Los Angeles, California 90012
Attention: Director of Real Estate

REQUEST FOR NOTICE

(UNDER SECTION 2924B CIVIL CODE)

In accordance with Section 2924b, Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust described below:

Date of Recording of Deed of Trust

Instrument Number of Deed of Trust

Trustor

Trustee

Beneficiary

To be mailed to County of Los Angeles, Chief Executive Office, Real Estate Division, 222 South Hill Street, 3rd Floor, Los Angeles, California 90012, Attention: Director of Real Estate.

"LENDER":

_____ ,

a _____

By: _____

SIGNEE'S NAME

Its: SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

COUNTY OF _____ ss.

On this ____ day of _____, 20__, before me, _____
_____ a Notary Public in and for the State of California, personally appeared _____
_____ personally known to me (or proved on the
basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

WITNESS my hand and official seal

Signature _____

My commission expires _____.

LANDLORD'S WORK LETTER

For

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AND AGREEMENT**

FIRE DEPARTMENT, as Tenant

**LANDLORD: LOS ANGELES CORPORATE CENTER, LLC, a Delaware limited
liability company**

1255 Corporate Center Drive, Monterey Park, CA

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease (the "Lease") dated _____, 2016, executed concurrently herewith, by and between **Los Angeles Corporate Center, LLC**, a Delaware limited liability company ("Landlord") as Landlord, and COUNTY OF LOS ANGELES ("Tenant" or "County") as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

1. **Basic Work Letter Information.** The following terms as used herein shall have the meanings provided in this Section unless otherwise specifically modified by provisions of this Work Letter.

(a) <u>Base Tenant Improvement Allowance:</u>	\$1,485,280 (i.e., \$40 per rentable square foot of the Premises).
(b) <u>Additional Tenant Improvement Allowance:</u>	\$2,042,260 (i.e., \$55 per rentable square foot of the Premises).
(c) <u>Maximum Change Order Allowance:</u>	N/A
(d) <u>Additional Tenant Improvement and Change Order Amortization Rate:</u>	7 % per annum.
(e) <u>Basic Rent Reduction per \$1,000:</u>	Not Applicable.
(f) <u>Tenant's Work Letter Representative:</u>	Farron Chavarria or an assigned staff person of the Chief Executive Office-Real Estate Division.
(g) <u>Landlord's Work Letter Representative:</u>	Lisa Foyston or an assigned staff person of the Landlord.
(h) <u>Landlord's Address for Work Letter Notice:</u>	See Section 1.2 (h) of the Lease.
(i) <u>Tenant's Address for Work Letter Notice:</u>	Board of Supervisors Kenneth Hahn Hall of Administration Room 383 500 West Temple Street Los Angeles, California 90012



	With a copy to: Chief Executive Office- Real Estate Division 222 South Hill Street, 3 rd Floor Los Angeles, California 90012 Attention: Director of Real Estate Fax Number: (213) 217-4971
(j) <u>Addenda:</u>	Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Memorandum of Tenant Improvement Costs

2. **Construction of the Building.**

2.1 **Base Building Improvements.** Landlord has constructed or shall construct the base Building improvements as a part of the Building described on Addendum A hereto (the "Base Building Improvements"). To the extent that the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall be considered Tenant Improvements (as defined below) only to the extent such changes or additions are specifically described in Addendum B hereto.

2.2 **Additional Costs Not Tenant Improvement Costs.**

(a) In the event that the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred had the Building been in compliance with such codes, such costs shall not be included in the calculation of Tenant Improvement Costs as defined below and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or make existing building systems, including, but not limited to, electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Tenant Improvement Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes"; (ii) fire sprinkler system installation or upgrade; (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere; (iv) utility costs incurred during construction; (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease; or (vi) supervision or overhead costs of Landlord.

(c) Intentionally Omitted.

2.3 **Base Building Plans.** Landlord has delivered to Tenant "as built" plans and specifications for the Building in an AutoCAD 2000 format. In the event Tenant incurs additional costs because such plans and specifications are incomplete or inaccurate, such increased costs will

be reimbursed to Tenant and any delay caused thereby shall not be a Tenant Delay, as defined below.

3. **Selection of Architect and Engineer.** Landlord shall promptly solicit at least three proposals from qualified licensed architects ("Architect") and engineers ("Engineer") familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings as defined below. The Architect and the Engineer shall be selected by Landlord subject to Tenant's consent, which consent shall not be unreasonably withheld, and which consent (or refusal to consent for reasonable reasons) shall be granted within three business days after Landlord has submitted the name of the Architect and the Engineer to Tenant together with detailed proposals outlining the cost for design/engineering services. This procedure shall be repeated until the Architect and the Engineer is/are finally approved by Tenant and written consent has been delivered to and received by Landlord.

4. **Selection of Contractor.** The Final Plans, as defined below, and a proposed construction contract approved by Tenant, shall be submitted to contractors, selected by Landlord and approved by Tenant, sufficient in number so that a minimum of three bids are received. Each approved contractor shall be requested to submit a sealed fixed price contract bid price (on such contract form as Landlord shall designate) to construct the Tenant Improvements designated on the Final Plans. Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

5. **Preparation of Plans and Specifications and Construction Schedule.**

5.1 **Preparation of Space Plan.** Concurrently with the execution of this Lease, Tenant shall submit to Landlord a space plan and specifications for the Premises showing all demising walls, corridors, entrances, exits, doors, interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively the "Space Plan").

5.2 **Preparation and Approval of Working Drawings.** Within ten days of the date the Space Plan is submitted to Landlord (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of Working Drawings (the "Working Drawings"), which shall be compatible with the design, construction and equipment of the Building, comply with all applicable laws, be capable of physical measurement and construction, contain all such information as may be required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion as has from time to time been submitted, for review. Landlord shall be solely responsible for insuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect.

5.3 Preparation and Approval of Engineering Drawings. Landlord shall cause the Architect to coordinate all engineering drawings prepared by the Engineer, showing complete mechanical, electrical, plumbing, and HVAC plans ("Engineering Drawings") to be integrated into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has approved the Engineering Drawings, Landlord shall cause the Architect to integrate the approved Working Drawings with the approved Engineering Drawings (collectively "Final Plans") and deliver five sets of the Final Plans to Tenant. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements) and power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements.

5.5 Approval of Plans by Tenant. Approval by Tenant shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements.

5.6 Schedule. Within 30 days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule, subject to approval by Tenant which approval shall not be unreasonably withheld, setting forth the dates specific completion of certain project benchmarks including, but not limited to, completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of construction contract, construction commencement, construction completion, Projected Commencement Date and other similar dates. As the construction continues, Landlord shall amend the schedule from time to time to reflect any changes to the projected dates.

6. Final Construction Budget and Payment of Tenant Construction Costs.

6.1 Construction Budget. Within three days after the Plan Submission Date, Landlord shall submit to Tenant a preliminary budget (the "Preliminary Budget"). Such budget shall be revised into final form within ten days from of the date the Contractor is selected and will be referred to herein as the "Final Construction Budget". Tenant shall have five days from the date of receipt of the Final Construction Budget to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval or disapproval of the Final Construction Budget or the five day period expires without any response from Tenant. In the event Tenant disapproves the Final Construction Budget due to matters related to cost and the Final Construction Budget is ten percent (10%) or more higher in cost than was projected in the Preliminary Construction Budget (excluding cost increases in connection with changes in the Tenant Improvements that were made by Tenant after approval of the Preliminary Budget), then any delay caused by the necessity to rebid or redesign the Tenant Improvements shall not be considered a Tenant Delay. Landlord shall review the Space Plan,

Working Drawings, Engineering Drawings and Final Plans at its sole cost and expense. No fee for profit, overhead or general conditions in connection with the construction of the Tenant Improvements shall be included in the Final Construction Budget unless approved by Tenant, which approval shall not be unreasonably withheld, conditioned or delayed.

6.2 Additional Tenant Improvement Allowance. All improvements required by the Final Plans and modular furniture described in the Modular Specifications, as further described in Addendum B hereto (collectively, the "Tenant Improvements") shall be at Landlord's sole cost and expense up to the amount of the Base Tenant Improvement Allowance. Costs of Tenant Improvements shall include, without limitation, construction costs for furniture, telecommunications equipment, soft costs and any other costs designated in writing by Tenant not to exceed, in the aggregate, the sum of the Base Tenant Improvement Allowance, the Additional Tenant Improvement Allowance and costs of Change Orders, as defined below (collectively "Tenant Improvement Costs"). Landlord shall be solely responsible for any delay or increased cost in completing the Tenant Improvements except for delays or costs arising from Tenant Delays as defined below. It is anticipated that the Tenant Improvement Costs will exceed the Tenant Improvement Allowance, and Tenant's Chief Executive Office may authorize Landlord to pay the overage in an amount not exceeding the Additional Tenant Improvement Allowance. The Additional Tenant Improvement Allowance shall be paid to Landlord as provided herein.

6.3 Method of Payment. That portion of the Additional Tenant Improvement Allowance used to pay for the Tenant Improvement Costs may, at Tenant's election be paid to Landlord (i) in a lump sum when the Tenant Improvements are Substantially Complete, or (ii) in equal amortized monthly payments over the initial eighty-four (84) months of the Lease term, at the Tenant Improvement Amortization Rate. Tenant may at any time during the Term prepay Landlord in a lump sum for all or any portion of the Tenant Improvement Costs, amortizing any remaining amount in monthly payments over the initial eighty-four (84) months of the Lease term at the Tenant Improvement Amortization Rate.

7. Construction of Tenant Improvements.

7.1 Tenant Improvements. Tenant Improvements to be constructed by Landlord and included in the Final Plans are described more particularly on Addendum B hereto. Notwithstanding any contrary provision of this Work Letter or the Lease, if: (i) any portion of the Common Areas are not in compliance with applicable Law (a "**Code Violation**"); and (ii) such Code Violation must be corrected as a condition to the performance of the Base Building Work, Tenant Improvement Work or legal occupancy of the Premises; then Landlord, at its sole cost and expense and without deduction from the Base Tenant Improvement Allowance or Additional Tenant Improvement Allowance, shall perform such work as is necessary to correct such Code Violation (the "**Code Compliance Work**"). So long as the same does not materially delay the performance of the Tenant Improvement Work, Landlord shall have the right to contest any alleged Code Violation in good faith, including, without limitation, the right to apply for and obtain a waiver or deferment of compliance.

7.2 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and materials providers providing labor and/or materials for the Tenant Improvements shall be selected only after at least three bids have been solicited from responsible and qualified persons. Landlord shall submit at least three sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed. The bids shall include an itemized list of all materials and labor and shall include all additional costs, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. At least three bids for the purchase and installation of the office furniture system, prepared by the furniture dealer, shall be included in the construction estimates, if applicable.

(a) Permits. Landlord shall secure the approval of governmental authorities, and all permits required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after approval of the Final Plans.

(b) Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within 15 days after issuance of all such necessary permits. Landlord shall commence and, once commenced, shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays.

7.3 Construction. Construction of the Tenant Improvements will be subject to the following terms and conditions:

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant.

(b) Decorating Decisions. Except to the extent that Tenant elects to retain a third-party designer, architect, space planner or consultant to assist Tenant in such matters, all design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, carpeting and any or all other decorator selection efforts required by Tenant, shall be provided by Landlord at Landlord's expense in accordance with Tenant's Space Plan. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises themselves or in other areas utilized by Landlord or its contractors, and agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of substandard work performed by Landlord's contractor or contractors (as reasonably determined by Tenant according to the usual standards of work in the Building) or as a result of inadequate clean-up. Tenant acknowledges that the cost of such clean-up will be included in the contract with Contractor for the performance of the Tenant Improvements. Tenant will not incur any expenses under this section for the correction of substandard work without first notifying Landlord of the conditions considered to be substandard and providing Landlord with a reasonable opportunity to correct such conditions.

(d) Compliance with Laws. Construction of the Tenant Improvements shall comply with all applicable laws and regulations and shall be subject to the general inspection of Tenant. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including, but not limited to, all

provisions of the Labor Code of the State of California. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly rate in dollars and details pertinent thereto for each craft, classification or type of workman or mechanic needed for the construction of the improvements. Particulars of the current Prevailing Wage Scale as approved by the Board of Supervisors which are applicable to the work are filed with the Clerk of the Board of Supervisors and must be posted at the site.

7.4 **Conformed Plans.** Within 60 days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted on Compact Disc (CD), in Auto CAD R 13.dwg (or later version) format or .DXF format, along with three (3) complete printed sets of drawings and three (3) complete sets of specifications.

8. **Change Orders.** Tenant and Landlord may make changes, additions, deletions or alterations in the Final Plans ("Change Order") provided both Tenant and Landlord approve such changes in writing. The amount of the Additional Tenant Improvement Allowance in Section 1.2 (b) has been authorized by the Board of Supervisors of the County to also be used towards payment of the costs of all authorized Change Orders, in lieu of having a separate Change Order Allowance, but only the Chief Executive Officer is authorized to approve Change Orders on behalf of Tenant and then only if the aggregate amount of such approved Change Orders does not exceed the funds available through the Additional Tenant Improvement Allowance. Tenant may elect to pay for Change Orders by: (a) payment in a lump sum upon Substantial Completion of the Tenant Improvements, or (b) amortization of such costs over the initial eighty-four (84) months of the Lease Term at the Additional Tenant Improvement Amortization Rate specified in section 1.2 (d) of the Lease, payable in equal monthly installments over the initial eighty-four (84) months of the Lease Term. Landlord shall submit to the Chief Executive Officer with each requested Change Order (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Change Orders previously approved, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Order must be signed and dated by the Chief Executive Officer.

9. **Furniture System.**

9.1 Tenant shall deliver to Landlord within ten days after execution hereof, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, Landlord and /or Landlord's Architect, shall prepare a modular furniture specifications bid package for submission to no less than three furniture vendors. Prior to submission for bids, Landlord shall review the bid package with Tenant and Tenant shall have the right to approve or disapprove the bid package. Landlord shall provide at its cost the modular furniture set forth in the Modular Specifications and shall not be responsible for the cost of such modular furniture in excess of the Additional Tenant Improvement Allowance. Tenant shall reimburse the Landlord in a lump sum or in accordance with a financed transaction entered into

between Landlord and the furniture vendor acceptable to the Tenant, including, but not limited to, a lease purchase agreement, provided the outstanding balance can be no more than One Dollar (\$1) at the end of a term not to exceed eighty-four (84) months.

9.2 Tenant may opt to finance the lump-sum payment for the cost of modular furniture through lease-purchase financing with a third-party vendor ("Creditor"). In the event the Tenant elects to enter into a lease-purchase financing of the furniture and telecommunications equipment (the "Personal Property") through a Creditor, Landlord expressly agrees as follows:

(a) The Personal Property shall not become part of the realty or real property, but shall remain personal property removable by the Creditor and its assigns, provided that any damage occasioned by such removal shall be repaired by Creditor.

(b) Landlord shall be notified by Creditor of any plan by Creditor to remove the Personal Property.

(c) This section shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

(d) Landlord does hereby waive any right to gain possession of any of Personal Property during the term of this Lease.

10. **Tenant Improvement Costs Adjustment and Right to Audit.** Within five days of the issuance of a Certificate of Occupancy, or a final sign-off by the City of Monterey Park (or other City with jurisdiction), whichever occurs first, Landlord shall provide to Tenant a statement showing in reasonable detail all Tenant Improvement Costs and the total amount payable hereunder by Tenant to Landlord. Upon approval of the statement by Tenant, payments by either party pursuant to the Lease and this Landlord's Work Letter shall be adjusted as appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of 24 months from the date of acceptance by Tenant of the Premises. In the event the audit shows that Tenant is entitled to a reduction in payments to the Landlord under this Landlord's Work Letter, Tenant shall provide Landlord with a copy of the audit summary and Landlord, within 30 days, shall refund to Tenant the amount of any overpayment made by Tenant and all future payments shall be adjusted as appropriate based upon the audit results.

11. **Exclusions.** The Tenant Improvement Costs shall not include any costs incurred for asbestos abatement, fire sprinkler system, or conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere. All work for required asbestos abatement, fire sprinkler system, or air conditioning system conversion shall be performed at the sole cost and expense of Landlord.

12. **Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s) including permanent power and HVAC, in compliance with the Space Plan and specifications provided by Tenant, at least 30 days prior to the Projected Commencement Date.

During this 30 day period, the Landlord shall be solely responsible for any telephone/data equipment delivered to the site for programming prior to the Projected Commencement Date.

13. **Delay.**

13.1. **Tenant Delays and Force Majeure Delays.** Except as set forth herein, no delay in the completion of construction of the Tenant Improvements shall be considered in the determination of the Commencement Date of the Lease and, except as set forth herein or in the Lease, under no circumstance shall Tenant be charged with any delay whatsoever as a result of delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Projected Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (i) Tenant fails or refuses to give authorizations or approvals within the time periods required herein but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (ii) Substantial Completion of the Tenant Improvements is delayed by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)").

13.2. **Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless Landlord has provided written notice, within 48 hours of the event giving rise to such claim, in compliance with the Lease, to Tenant specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred only commencing as of the date Tenant received such notice from Landlord.

(b) **Mitigation.** Tenant Delays and Force Majeure Delays shall delay the Projected Commencement Date only in the event that Substantial Completion of the Tenant Improvements is delayed, despite Landlord's reasonable efforts to adapt and compensate for such delays, which efforts Landlord shall be obligated to make (provided such additional cost incurred by Landlord due to such effort does not exceed \$1,000 on a cumulative basis, unless Tenant agrees to pay to such excess).

(c) **Concurrent Delays.** Tenant Delays and Force Majeure Delays shall be recognized hereunder only to the extent the same are not concurrent with any other Tenant Delay or Force Majeure Delay which is effective hereunder. For example, if there are ten days of Tenant Delays and four days of Force Majeure Delays which occur during the same ten day period of such Tenant Delays, then the Projected Commencement Date would be extended by only ten days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, the Projected Commencement Date would be extended by 14 days.

(d) **Change Orders.** Landlord may not claim that a Change Order requested by Tenant was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the Change Order authorization.

14. **Tenant Remedies.** If Landlord fails to obtain the building permit to construct the Tenant Improvements within a reasonable time, taking all factors into consideration, or if Tenant Improvements have not been completed within 60 days after the Projected Commencement Date, Tenant may, at its option:

14.1. Intentionally Omitted; or

14.2. Upon 30 days written notice to Landlord, assume the responsibility for providing the Tenant Improvements itself. If Tenant elects to provide Tenant Improvements itself, then:

(a). Tenant, its officers, employees, agents, contractors and assignees, shall have free access to the Premises and the Building at all reasonable times for the purpose of constructing the Tenant Improvements and for any other purposes reasonably related thereto; and

(b). Rent shall be reduced by Tenant's total expense in constructing the Tenant Improvements, including any financing charges for capital and a reasonable amount for its administrative costs, and including interest at the rate of six percent (6%) (collectively, "Tenant's Total Expense"). The rent reduction schedule shall be as mutually agreed to between the parties or, if no such agreement is made, Tenant's Total Expense shall be fully amortized in equal monthly amounts over five years and deducted from the rent payable hereunder and under the Lease.

14.3 Any default by Landlord under the terms of this Landlord's Work Letter shall constitute a default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. **Representatives.**

15.1 Tenant Representative. Tenant has designated Tenant's Work Letter Representative as its sole representative with respect to the matters set forth in this Landlord's Work Letter who, until further notice to Landlord, shall have the full authority and responsibility to act on behalf of Tenant as required in this Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1.

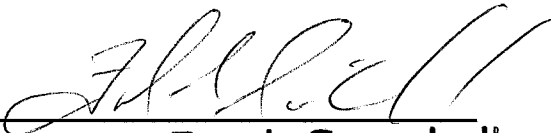
15.2 Landlord Representative. Landlord has designated Landlord's Work Letter Representative as its sole representative with respect to the matters set forth in this Work Letter who, until further notice to Tenant, shall have the full authority and responsibility to act on behalf of Landlord as required in this Landlord's Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Landlord's Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1.

16. **Elevator Usage During Move-In.** In the event that the use of the freight elevators and/or hoists is not sufficient to meet Tenant's requirements, Landlord shall cause to be made operational (a) a temporary construction elevator and hoist, or (b) Tenant shall have priority usage of two passenger elevators in the elevator bank that services the Premises in order to assist Tenant in the installation of Tenant's fixtures, furniture and equipment. Use of the elevators for move in of Tenant's equipment, fixtures and furniture is to be at times designated by the Landlord.

17. **Construction Meetings.** During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week, unless Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five days of the date the Contractor is selected.

18. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be by commercial messenger service or personal hand delivery, unless otherwise agreed by Landlord and Tenant.

LANDLORD:
LOS ANGELES CORPORATE CENTER, LLC
a Delaware limited liability company

By: 

Name: **Frank Campbell**
Title: **Managing Director**
Date Signed: **March 1, 2016**

TENANT:
COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____

Name: Christopher M. Montana
Title: Director of Real Estate
Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

Landlord has constructed (or will construct) the Building to include the following:

(a) The Building shell and exterior, including perimeter window frames, mullions and glazing in good condition;

(b) The core area, including mechanical, electrical, sprinkler, plumbing, life safety, heating, air conditioning, ventilation and structural systems within the Building core, stubbed out to the face of the core wall at locations determined by Landlord;

(c) Men's and women's toilet rooms, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) Unpainted exterior dry wall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows;

(e) Public stairways;

(f) Passenger and freight elevators;

(g) Parking facilities;

(h) Ground floor lobby;

(i) Finished elevator lobbies (with carpet, lights, finished walls and ceiling);

(j) Exterior plazas and landscaping;

(k) Loading dock and/or area;

(l) Drinking fountains at the core;

(m) Electrical/telephone closet with not less than seven watts per square foot of rentable area of normal power in the floor electrical closet;

(n) Conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the telephone closets on floors_____, in which case Landlord, at no cost to Tenant and without deduction from the Tenant Improvement Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) Two 208/120 and one 480/277 volt panels connected to the Building power system;

(p) Mechanical equipment room with ducted mechanical exhaust system;

(q) Concrete floors with trowelled finish, level to specified tolerances and designed to support a minimum live load of 50 pounds per square foot and a partition load of 20 pounds per square foot;

- (r) Standard window coverings;
- (s) Primary HVAC duct for cooling and primary HVAC duct for heating (heating is for perimeter zone only) to loop from the mechanical equipment room around the building core;
- (t) Hot and cold air loops located within the Premises;
- (u) Primary fire sprinkler distribution, including secondary piping and sprinkler heads as required for the unoccupied Premises;
- (v) Primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;
- (w) Access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building; and
- (x) Gypsum board on the service core walls, columns and sills in the Premises.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors and hardware within the Premises;
- (e) Terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) As applicable, Tenant's furniture, fixtures and equipment, including telephones, computers and cabling therefor;
- (g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms and extinguishers;
- (j) Additional and/or above standard electrical capacity; and
- (k) Fiber optic access.



ADDENDUM C TO Landlord's Work Letter

MEMORANDUM OF TENANT IMPROVEMENT COST

Reference is made to that certain Lease ("Lease") dated the ____ day of ____, 20__, between County of Los Angeles, a body politic and corporate ("Tenant"), and _____, a _____ ("Landlord"), whereby Landlord leases to Tenant and Tenant leases from Landlord certain premises in the building located at _____ ("Premises"),

Landlord and Tenant hereby acknowledge the following:

- 1) Landlord represents that Tenant Improvement Work to the Premises has been in substantially complete condition as of MONTH DD, YYYY, and the Lease commenced on MONTH DD, YYYY ("Lease Commencement").
- 2) Landlord and Tenant hereby confirm the final total cost of the Tenant Improvement Work for the demised Premises which have been completed pursuant the Work Letter to this Lease is: HUNDRED THOUSAND,
 HUNDRED DOLLARS AND xx/100 (\$.XX).

(a) The aforementioned final total cost is comprised of :

<u>Lease Budget:</u>		<u>Actual Cost:</u>
\$	Base Tenant Improvement Allowance	\$
\$	Additional Tenant Improvement Allowance	\$
\$	Change Order Allowance	\$
\$	Total	\$

- (b) Per the terms of the Lease, Tenant shall amortize the combined total of Additional Tenant Improvement Costs and Change Order Allowance of \$_____ at ____% per annum over the term of the Lease. As such, Tenant shall pay to the Landlord \$_____ per month beginning upon the Lease Commencement through the initial term of the Lease. Tenant may at any time during the term prepay Landlord in a lump sum for all or any portion of the Tenant Improvement Costs.

IN WITNESS WHEREOF, this memorandum is executed this ____ day of _____, 20__.

<p>Tenant:</p> <p>COUNTY OF LOS ANGELES a body politic and corporate</p> <p>By: _____ Name: Christopher M. Montana Its: Director of Real Estate</p>	<p>Landlord:</p> <p>a _____</p> <p>By: _____ Name: _____ Its: Authorized Representative</p>
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