County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
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SACHI A. HAMAI
Chief Executive Officer

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ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 September 13, 2016

LORI GLASGOW
EXECUTIVE OFFICER

September 13, 2016

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

Dear Supervisors:

NEW LEASE
DEPARTMENT OF PUBLIC SOCIAL SERVICES
12851 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY
(FIRST DISTRICT)
(3 VOTES)

SUBJECT

A new fifteen-year lease for approximately 77,250 square feet of office space, and 386 on-site parking spaces for the Department of Public Social Services Human Resources and Financial Management Divisions.

IT IS RECOMMENDED THAT THE BOARD:

1. Consider the attached 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, find that the Negative Declaration reflects the independent judgment of the Board of Supervisors to approve the Negative Declaration, and adopt the Negative Declaration. Find on the basis of the whole record that the project will have no effect on fish and wildlife, and instruct the Chief Executive Officer or her designee to complete and file the appropriate determination forms as to the project.

2. Approve and instruct the Chair to sign the lease with RR & C Crossroads No. 2, LLC, for approximately 77,250 square feet of office space, and 386 on-site parking spaces at 12851 Crossroads Parkway South, City of Industry, for the Department of Public Social Services, for a maximum first year rental cost of $3,869,367. Rental costs will be 92.3 percent subvened from State and federal funds and 7.7 percent net County costs.

3. Authorize the Internal Services Department, RR & C Crossroads No. 2, 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 $2,295,000, which will be paid by the Department via lump-sum, or TESMA financed over a five-year term estimated at $558,412 annually.

4. Authorize and direct the Chief Executive Officer or her designee to execute any other ancillary documentation necessary to effectuate the lease, and authorize the Chief Executive Officer, and the Directors of Public Social Services and Internal Services or their designees 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 the Landlord or the Landlord's County approved vendor, and acceptance thereof by the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed new lease for approximately 77,250 square feet of office space, and 386 on-site parking spaces, at 12851 Crossroads Parkway South, City of Industry, will allow the Department of Public Social Services (DPSS) to relocate the Human Resources Division (HRD) from their current location at 3435 Wilshire Boulevard, Los Angeles and at 12440 East Imperial Highway, Norwalk, and a portion of the Financial Management Division (FMD) from their current location at 12860 Crossroads Parkway South, City of Industry (Headquarters) to this facility. HRD is currently co-housed with the Fiscal Operations Division (FOD). Both DPSS HRD and FOD programs will vacate the Wilshire facility and relocate to two different buildings in the same business park, positioned within walking distance of the DPSS Administrative Headquarters.

HRD provides support to over 13,000 employees in the areas of recruitment, examination, classification, position management, health and safety, payroll, policy, performance evaluation, employee relations, employment litigation, civil service representation, and internal investigations. This support is provided by Human Resources Operations Section, Discipline, Policy and Litigation Section, Risk Management & Safety Section, Internal Affairs & Employee Relations Section, and Recruitment and Position Management Section. FMD provides financial and administrative support to DPSS. FMD administers DPSS aid programs such as Medi Cal, CalFresh, CalWORKS, In-Home Supportive Services, and General Relief. FMD also manages and oversees workforce costs.

DPSS expressed a desire to relocate those Divisions to a more functional space and co-locate administrative functions near the DPSS Administrative Headquarters. The proposed new lease will provide HRD with a new, larger facility, with ample parking to accommodate daily visitors, such as applicants, promotees for Live Scan (i.e. fingerprinting), and HR employees. HRD currently occupies approximately 38,000 square feet and FMD approximately 7,500 square feet of space, collectively they propose to expand into approximately 77,250 square feet to accommodate growth in their divisions due to an increase of their workforce and workloads. HRD's current lease will expire in March 2018 with a cancellation right at any time, to allow DPSS the flexibility to schedule their relocation. The FMD vacated space will be backfilled by DPSS Project Management Division and Communications Section.

DPSS requested a new facility due to growth in their department, which created a need for more space and adequate parking for staff and visitors. DPSS requested a facility with sufficient staff parking, a better work environment, larger work space to reduce overcrowding, and a location in close proximity to the DPSS Administrative Headquarters. HRD will have 227 employees and FMD will have 56 employees for a total of 283 at the new location. DPSS will completely vacate the Wilshire facility due to severe parking shortages for staff and visitors, and an inadequate delivery area with unsafe conditions (curbside delivery) for DPSS staff receiving supply shipments.

The proposed facility will house DPSS HRD and FMD, with DPSS as the sole tenant, in a new building currently undergoing construction, with an estimated date of completion of March 2017. DPSS Administrative Headquarters offices located across the street at 12820, 12860, and 12900 Crossroads Parkway South has overflow parking available to accommodate HRD's fluctuating need for parking for staff, clients, and visitors. In order to make the new facility more accessible, RR & C Landlord No. 2, LLC (Landlord) is in the process of applying to the City of Industry for permission to install a pedestrian crossing with a traffic signal, for the safety of DPSS staff crossing the street between the proposed location and DPSS Headquarters.

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 HRD and FMD to be located within close proximity to DPSS Administrative Headquarters. This will allow DPSS to continue modernizing of business processes and to create modern, forward-looking, well-located, and cost efficient office spaces that will accommodate the staff in a better working environment, with ample parking and safer delivery areas. The lease is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed new lease will provide DPSS the use of approximately 77,250 square feet of office space, and 386 on-site parking spaces, at an initial monthly base rent of $123,600, an operating expense rent of $46,790 (which includes water, janitorial and building maintenance), and reimbursable ~~annual~~ monthly real property taxes of approximately $29,687. On an annual basis, the above costs are $2,400,930 or $31.08 per square foot per year. The maximum first year rental cost would be approximately $3,869,387, which is comprised of the initial annual base rent, operating expense rent, real property taxes and the maximum annual reimbursement of the Tenant Improvement (TI) allowance, should the entire amount be expended. The total combined rent and TI amortization cost over the 15-year term of the lease is approximately $51,443,914.

This is a modified full-service gross lease whereby Landlord is responsible for the operating costs, excluding electricity, 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 is included in the Fiscal Year (FY) 2016-17 Rent Expense budget, and will be billed back to DPSS. DPSS has sufficient funding in its FY 2016-17 operating budget to cover the projected lease costs, which are 92.3 percent funded from State and federal funds and 7.7 percent net County cost. Attachment B provides an overview of the lease terms.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed fifteen-year lease will provide approximately 77,250 square feet of office space, and 386 on-site parking spaces and contains the following provisions:

- A fifteen-year lease term commencing upon completion of the improvements by the Landlord and acceptance by the County.

- A modified full-service gross basis whereby the Landlord is responsible for the operational and maintenance costs associated with the premises. Tenant is responsible for paying electricity directly to the utility company.

- A maximum first year rental cost of $3,869,387 which includes reimbursable annual property taxes in the amount of approximately $356,426.

- A base TI allowance of $1,545,000 or $20 per square foot, included in the base rental rate.

- A reimbursable additional TI allowance of $6,180,000 or $80 per square foot which may be paid in a lump sum or amortized over the first five years of the fifteen-year term, at an annual interest rate of 7 percent.

- A cancellation provision allowing the County the right to cancel any time after the 120th month of the lease term, upon 12 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 maximum increase of 3 percent per annum.

- Annual operating expense rent adjustments with a maximum increase of 3.75 percent per year on a cumulative, compounded basis, on each anniversary of the commencement date.

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 a review of available industry data, staff has established that the base rental range for similar space is between $22.92 and $60 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 $31.08, modified 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 five-mile radius for buildings of comparable size and there are no suitable County-owned or leased facilities available for the program.

The Department of Public Works has not yet inspected the facility as it is under construction and the building and Tenant Improvements will be completed in compliance with current building codes, laws and regulations, 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 Industry pursuant to Government Code Sections 25351 and 65402.

County Counsel has reviewed the attached proposed new lease and has approved it as to form. This proposed lease was presented to the Real Estate Management Commission on July 20, 2016, and was approved unanimously.

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 effect on fish and 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. DPSS 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
DPSS
Internal Services

DEPARTMENT OF PUBLIC SOCIAL SERVICES
12851 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY
Asset Management Principles Compliance Form[1]

			Yes	No	N/A
1.	**Occupancy**				
	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, 272 sq. ft. per person due to the program's need for HR testing and training rooms, additional file rooms, conference rooms, and other shared space**		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.	**Capital**				
	A	Is it a substantial net County cost (NCC) program? **The rental costs are 92.3% funded from State and federal funds and 7.7% net County cost.**		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.	**Portfolio Management**				
	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?			
		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. __X__ The Program is being co-located.			
	E	Is lease a full service lease?[2] **Modified full-service (net electricity)**		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	**12851 Crossroads Parkway South, City of Industry**
Area	77,250 rentable square feet
Term	Fifteen years, commencing upon Board approval and completion of the Tenant Improvements (TI)
Annual Base Rent	$1,483,200 ($1.60/$19.20 per sq.ft. monthly/annually)
Annual Operating Expense Rent	$561,484 ($0.6057/$7.27 per sq.ft. monthly/annually)
Property Taxes	$356,246 ($0.38/$4.61 per sq.ft. monthly/annually)
Total Annual Rent (Base rent + Operating Expenses + property taxes)	$2,400,930 ($2.59/$31.08 per sq.ft. monthly/annually)
Base TI Allowance	$1,545,000 ($20 per sq.ft. included in Base Rent)
Additional TI Allowance	$6,180,000 (1) ($80 per sq.ft.)
Annual TI Reimbursement	$1,468,457(1) ($1.58/$19.01 per sq.ft. monthly/annually)
Maximum Annual Rent	$3,869,387 (2) ($4.17/$50.08 per sq.ft. monthly/annually)
Cancellation	Any time after the 120th month, with 365 days prior notice
Parking (included in Rent)	386 parking spaces + 100 free spaces
Option to Renew	Two five-year options
Rental Adjustment	Annual Consumer Price Index (CPI), capped at 3 percent
Operating Expense Adjustment	Annual increases of 3.75 percent

(1) $6,180,000 represents the maximum amount of reimbursable TI funds available for this project including change orders. If this entire amount is expended and amortized over 60 months at the proposed rate of 7 percent, the annual TI reimbursement amount will be $1,468,456.88 (or $122,371.41 monthly) which equates to $19.01 per square foot per year ($1.58 per sq.ft. per month).

(2) Includes total annual base rent (with operating expenses and property taxes) plus the annual reimbursement of Additional TI allowance.

ATTACHMENT C

DEPARTMENT OF PUBLIC SOCIAL SERVICES
SPACE SEARCH WITHIN A FIVE-MILE RADIUS OF DPSS HEADQUARTERS
(12820/12860/12900 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY)
12851 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY

LACO	FACILITY NAME	ADDRESS	OWNERSHIP	GROSS SQFT	NET SQFT	BLDG USE	SQFT AVAILABLE
A130	DPSS-ADMINISTRATIVE HEADQUARTERS	12860 CROSSROADS PKWYS, CITY OF INDUSTRY 91745	LEASED	55,000	41,943	OFFICE	NONE
B002	DPSS-ADMINISTRATIVE HEADQUARTERS EAST ANNEX	12900 CROSSROADS PKWYS, CITY OF INDUSTRY 91745	LEASED	34,245	31,420	OFFICE	NONE
A507	DPSS-ADMINISTRATIVE HEADQUARTERS WEST ANNEX	12820 CROSSROADS PKWYS, CITY OF INDUSTRY 91745	LEASED	33,331	28,331	OFFICE	NONE
B119	ASSESSOR-EAST DISTRICT OFFICE	1190 DURFEE AVE, SOUTH EL MONTE 91733	LEASED	38,000	34,200	OFFICE	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed Lease: New fifteen-year lease for the Department of Public Social Services (DPSS) – 12851 Crossroads Parkway South, City of Industry – 1st District

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

B. **Determination of the Service Area** –The proposed lease will allow DPSS to relocate the Human Resources Division (HRD) from the current location at 3435 Wilshire Boulevard, Los Angeles and 12440 East Imperial Highway, Norwalk, and the Financial Management Division (FMD) from 12860 Crossroads Parkway South, City of Industry 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 across the street from the DPSS Headquarter Facilities (12820/12860/12900 Crossroads Parkway South, City of Industry), providing convenience and accessibility to staff.

- Need for proximity to Los Angeles Civic Center: The current site provides a central location, 16 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 facility is located near public transportation, i.e., Rapid Transit bus service.

- Availability of affordable housing for County employees: The surrounding area provides for affordable rental opportunities.

- Use of historic buildings: N/A

- Availability and compatibility of existing buildings: There are no existing County buildings available to meet DPSS' 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 Industry. The Department of Public Works has not inspected the facility as it is under construction and the building and Tenant Improvements will be completed in compliance with current building codes, laws and regulations, seismically 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, including operating expenses and property taxes in the collective amount of $2,400,930 i.e., $2.59 per square foot per month, plus the maximum annual amortized cost of the additional tenant improvement allowances of $1,468,457, 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 DPSS. DPSS has sufficient funding to cover the proposed lease costs, which are 92.3 percent subvened from State and federal funds and 7.7 percent net County cost. 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 $2,295,000, which will be paid by DPSS via lump sum, or TESMA financed over a five-year term estimated at $46,534 per month or $558,412 annually.

D. **Analyze results and identify location alternatives**

Based upon the space and service needs of the Department, CEO 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 area, that includes sufficient parking for DPSS to house the programs.

Based on a survey of the area for facilities with contiguous space of 50,000 rentable square feet or larger, staff has determined that the base rental range for similar space and terms is between $22.92 and $60 per square foot per year on a full service gross basis, including parking. Thus, the base annual rental rate of $31.08 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 will provide proper accommodations for staff performing administrative services for DPSS. 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 DPSS Headquarter facilities 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

DEPARTMENT OF PUBLIC SOCIAL SERVICES
(Initial Departmental User)

TENANT: COUNTY OF LOS ANGELES

LANDLORD: RR & C CROSSROADS NO. 2, LLC, a Delaware limited liability company

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12851 Crossroads Parkway South,
City of Industry, CA

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EXHIBITS

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Exhibit B – Legal Description of the Property and Parcel Map
Exhibit C – Commencement Date Memorandum and Confirmation of Lease Terms
Exhibit D – Heating, Ventilation, and Air Conditioning Standards
Exhibit E – Cleaning and Maintenance Schedule
Exhibit F – Form of Memorandum of Acknowledgement of Tenant's Full Payment for Modular Furniture

LANDLORD'S WORK LETTER

Addendum A – Base Building Improvements
Addendum B – Tenant Improvements
Addendum C – Memorandum of Tenant Improvement Cost

SUPPLEMENTAL LEASE DOCUMENTS:

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

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT

THIS LEASE ("Lease") is entered into as of the 13th day of September, 2016 between **RR & C CROSSROADS NO. 2, LLC** ("**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:	Majestic Realty Co. 13191 Crossroads Parkway North 6th Floor City of Industry, California 91746 Attention: Property Manager
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) 217-4971
c.	Premises:	Approximately 77,250 rentable/gross square feet in the Building (defined below), as shown on Exhibit A attached hereto.
d.	Building:	The Building to be constructed at 12851 Crossroads Parkway South, City of Industry, CA 91746, which is currently

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		assessed by the County Assessor as APNs 8125-059-015 and 8125-059-016 (which are projected to be re-numbered upon the County Assessor's Office completing a pending re-parcelization that will affect said APNs), and described and depicted more particularly in Exhibit B attached hereto (the "Property")
e.	Term:	Fifteen (15) 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 15th 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 to renew has been validly exercised.
f.	Projected Commencement Date:	Subject to Section 13 of Landlord's Work Letter, twenty four (24) weeks after the later to occur of (i) the date of Landlord's receipt of notice from Tenant of Tenant's approval of the "Final Construction Budget," as defined in Section 6.1 of Landlord's Work Letter, a copy of which is attached hereto, and which has been executed concurrently herewith , and (ii) the date of Landlord's completion of the shell and core of the Building, including final regulatory approvals and clearances by applicable governmental authorities.
g.	Irrevocable Offer Expiration Date:	September 15, 2016

h.	Base Rent and Operating Expense Rent:	Initial total Base Rent and Operating Expenses Rent for the first year of the Term is $170,392.00 per month (which is based upon a rental rate of $2.2057 per rentable/gross square foot of the Premises), calculated as follows: Base Rent: $123,600.00 per month for the first year of the Term (adjusted annually as referenced in Section 5.1 below) Operating Expense Rent: $46,792.00 per month for the first year of the Term (adjusted annually as referenced in Section 6 below)
i.	Early Termination and Termination Notice:	Tenant has a right to cancel effective at any time on or after the tenth (10th) anniversary date of the Commencement Date upon at least twelve (12) months prior written notice to Landlord.
j.	Rentable/gross Square Feet in the Premises:	77,250 square feet
k.	Use:	The Premises together with all appurtenances belonging to, or in any wise appertaining, shall be used as governmental office space or for other government purposes (all of which shall be consistent with the uses of "class A" office space in the vicinity of the Building) during normal working hours, after normal working hours, and on weekends and holidays.

l.	Initial Departmental Use:	Department of Public Social Services administrative offices
m.	Parking Spaces:	386 parking spaces in the Building parking area and/or the parking area for the adjacent building (the "12801 Building") located at 12801 Crossroads Parkway South, City of Industry, CA (the "12801 Parking Area") (5/1000 rentable/gross square feet in the Premises parking ratio), plus an additional 100 parking spaces in the parking area for the 12801 Building, at no charge, pursuant to and subject to that certain temporary license agreement dated September 24, 1998.
n.	Normal Working Hours:	6:30 a.m. to 6:00 p.m., Monday through Friday.
o.	Asbestos Report:	N/A
p.	Disabled Access Survey	N/A
q.	Seismic Report	N/A (New building to comply with current Building and Safety Standards)

1.2. Defined Terms Relating to Landlord's Work Letter

a.	Base Tenant Improvement Allowance:	$1,545,000.00 (which is based on $20.00 per rentable/gross square foot in the Premises)
b.	Additional Tenant Improvement Allowance	$6,180,000.00 (which is based on $80.00 per rentable/gross square foot in the Premises)
c.	Maximum Change Order Allowance:	N/A

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 upon notice to Landlord, an assigned staff person of the Chief Executive Office, Real Estate Division ("CEO").
g.	Landlord's Work Letter Representative:	David Bui, or upon notice to Tenant, another designated individual.
h.	Landlord's Address for Work Letter Notice:	Majestic Realty Co. 13191 Crossroads Parkway North 6th Floor City of Industry, California 91746 Attention: Property Manager
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) 217-4971

1.3.	Exhibits to Lease: (Incorporated herein by this reference):	Exhibit A - Floor Plan of the Premises Exhibit B - Legal Description of Property and Parcel Map Exhibit C - Commencement Date Memorandum and Confirmation of Lease Terms

	Exhibit D	- Heating, Ventilation, and Air Conditioning Standards
	Exhibit E	- Cleaning and Maintenance Schedule
	Exhibit F	- Form of Memorandum of Acknowledgement of Tenant's Full Payment for Modular Furniture

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

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. The shell and core of the Building shall be constructed in compliance with applicable laws and codes in effect at the time of such construction to the extent required for Landlord to obtain a "C of O" (as defined in Section 4.1(c) below) for the Premises.

2.2. The Premises is hereby stipulated to have the number of rentable/gross square feet as set forth in Section 1.c of the Summary (which shall not be subject to re-measurement or modification).

2.3. For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Premises will not have undergone inspection by a Certified Access Specialist (CASp) prior to Landlord's delivery thereof to Tenant.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and other tenants of the Building: the entrances, lobbies and other public areas of the Building, walkways, landscaped areas, driveways necessary for access to the Building, parking areas and other common facilities designated by Landlord from time to time for common use of all tenants of the Building. Tenant shall comply with all reasonable, non-discriminatory rules and regulations regarding the use of the Common Areas established by Landlord. Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Building and the Common Areas.

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 and Termination Date (which shall be subject to Tenant's early termination right set forth in Section 4.4 below) by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C. Subject to Section 13 of the Landlord's Work Letter, the Commencement Date shall occur on the date which is 30 days after Tenant's Acceptance of the Premises (such 30-day period shall be referred to hereinafter as "Tenant's FF&E Period"). The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Premises are "Substantially Complete," as defined below, Tenant has inspected the Premises and Tenant has in its reasonable discretion accepted the Premises. The term "Substantial Completion" or words of similar import 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 to the extent required for Landlord to obtain a C of O for the Premises, 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 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 or temporary certificate of occupancy or its equivalent (the "C of O") for the Premises;

(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. Acceptance of Premises:

Notwithstanding any contrary provision of this Section 4.1, Tenant shall inspect the Premises for purposes of accepting same within five (5) business days following Landlord's request for such inspection, and Tenant shall notify Landlord of its acceptance or non-acceptance of the Premises within five (5) business days following the date of Tenant's inspection thereof, provided that Tenant may only non-accept the Premises if Landlord has failed to satisfy any of the conditions set forth in Section 4.1, items (a) through (c), in which case Tenant shall specify in detail the reasons for Tenant's non-acceptance of the Premises in Tenant's notice of non-acceptance. The foregoing process shall be repeated until such time as Tenant accepts the Premises in accordance with the terms hereof. Notwithstanding any contrary provision of this Lease, in the event that Tenant fails to properly give its notice of acceptance or non-acceptance on a timely basis, then the Commencement Date shall be the date reasonably determined by Landlord pursuant to the applicable provisions of this Lease.

4.3. Rent Abatement Right

If the date of Substantial Completion of the Premises has not occurred within 180 days following the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter (the "Substantial Completion Deadline"), then Tenant shall be entitled to the abatement of Base Rent (in the amount of $4,120.00 per day) and Operating Expense Rent (in the amount of $1,559.73 per day) on a day-for-day basis for each day after the Substantial Completion Deadline through the day immediately preceding the date of Substantial Completion of the Premises (but excluding any days of Tenant Delays or Force Majeure Delays occurring after the Substantial Completion Deadline through the day immediately preceding the date of Substantial Completion of the Premises), which abatement shall be applied to the Base Rent and Operating Expense Rent first coming due under this Lease.

4.4. Early Possession

Tenant shall be entitled to possession of the Premises during the 30-day period prior to the Commencement Date (which constitutes Tenant's FF&E Period) only 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.

4.5. Early Termination

Tenant shall have the right to terminate this Lease effective at any time on or after the tenth (10th) anniversary of the Commencement Date by giving Landlord not less than twelve (12) months prior written notice executed by the Chief Executive Officer of Tenant (the "Tenant's Termination Notice"), and such Tenant's Termination Notice shall set forth the effective date of termination selected by Tenant.

4.6. Option Extension Terms

a) Terms of Options. Provided that no material "Default," as that term is defined in Section 15.1 below, has occurred and is continuing under the Lease at the time the applicable option is exercised, Tenant shall have two (2) options to renew this Lease for an additional period of five (5) years each (respectively, the "First Extension Term" and the "Second Extension Term", and collectively, the " Extension Term(s)").

b) Exercise of Option. Tenant shall exercise any of its options to extend this Lease by giving Landlord written notice (the "Tenant's Exercise Notice") of its election to do so no later than one hundred eighty (180) days prior to the end of the initial Term, or the First Extension Term, as applicable. Within fifteen (15) business days following Landlord's receipt of Tenant's Exercise Notice, Landlord shall give Tenant written notice (the "Landlord's Operating Expense Rent Notice") of the amount of Operating Expense Rent to be payable by Tenant during the applicable Extension Term, including the annual increase thereto to be applicable during such Extension Term. Tenant shall thereafter have the right to rescind Tenant's Exercise Notice by giving Landlord written notice of such rescission within twenty (20) business days following Tenant's receipt of Landlord's Operating Expense Rent Notice. If Tenant timely rescinds Tenant's Exercise Notice, then the applicable option and any succeeding option shall automatically be null and void, and of no further force or effect. If Tenant does not timely rescind Tenant's Exercise Notice, then the parties acknowledge that the County Board of Supervisors must thereafter, by formal vote at a public hearing, approve Tenant's exercise of the applicable option in order for Tenant's exercise thereof to be binding. In the event that the Board of Supervisors fails to approve Tenant's exercise of any option granted pursuant to this Section 4.5 within two hundred seventy (270) days following Tenant's delivery of Tenant's Exercise Notice, then Tenant's exercise of such option (and Tenant's right to any succeeding option) shall automatically be null and void, and of no further force or effect. On the other hand, if the Board of Supervisors approves Tenant's exercise of any option granted pursuant to this Section 4.5 within two hundred seventy (270) days following Tenant's delivery of Tenant's Exercise Notice, such option will then be deemed effectively exercised. Tenant's options to renew this Lease are personal to (and may only be

exercised by) the Tenant originally named in this Lease (and not any assignee, subtenant, or other transferee), and may only be exercised if Tenant is not then subleasing any part of the Premises.

(c) Terms and Conditions of Extension Terms. Any of the Extension Terms shall be on all the terms and conditions of this Lease, provided that (i) Base Rent shall continue to be increased on every anniversary of the Adjustment Date during the applicable Extension Term in accordance with Section 5 below, and (ii) Operating Expense Rent for the applicable Extension Term shall be set forth in Landlord's Operating Expense Rent Notice. In no event shall Landlord be responsible for payment of any brokerage fees or commissions to any broker or finder retained by Tenant or representing Tenant, and (iii) Tenant shall have a one-time right to cancel each Extension Term as of the date selected by Tenant during the "Extension Term Termination Effective Date Window Period," as defined below, upon at least six (6) months prior written notice to Landlord (the "Tenant's Extension Term Termination Notice"). The Tenant's Extension Term Termination Notice shall be executed by the Chief Executive Officer of Tenant, and such set forth the effective date of termination selected by Tenant. The "Extension Term Termination Effective Date Window Period" shall mean any date commencing on the last day of the thirtieth (30th) month of the applicable Extension Term and ending on the last day of the thirty-sixth (36th) month of the applicable Extension Term. If Tenant timely exercises its right to terminate the first Extension Term early, then the succeeding option to extend this Lease shall automatically be null and void, and of no further force or effect.

(d) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 4.5, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent and Operating Expense Rent in effect.

5. BASE RENT

Tenant shall pay Landlord the Base Rent stated in Section 1.1.h during the Term hereof 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") prior to the first day of each month. Base Rent for any partial month shall be prorated in proportion to the number of days in such month. Base Rent payments shall be subject to adjustment pursuant to Section 5.1 herein and payable within fifteen days after the first day of each and every month of the Term hereof provided Landlord has caused a claim therefor for each such month to be filed with the Auditor of the County of Los Angeles prior to the first day of each month. Landlord's failure to timely file any claim shall not constitute a waiver of Tenant's obligation to pay Base Rent hereunder, provided that the Base Rent for any month for which Landlord submits a late claim shall instead be payable by Tenant within fifteen (15) days following Landlord's filing of such late claim.

5.1. Base Rent Adjustments

(a) CPI. From and after the first anniversary of the Commencement Date, on the first day of the first full calendar month thereafter (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. 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 (the "New Index") published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Index published for the month the Lease commenced. 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 Base Rent shall be as follows:

$$\frac{\text{New Index}}{\text{Base Index}} \times \$123{,}600.00 \text{ ("Original Base Rent")}$$

+ Amount needed to amortize Tenant's "Additional Tenant Improvement Allowance," as that term is defined in Section 6.2 of the Landlord's Work Letter, if any

+ Amount needed to amortize costs of "Change Orders," as that term is defined in Section 8 of the Landlord's Work Letter, if any

+ "Operating Expense Rent," term is defined in Section 6 below (as increased in accordance with Section 6 below and Section 1.1.h above, as applicable)

= New Monthly Rent

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an annual increase in the Base Rent greater than three percent (3%) of the Original Base Rent (i.e. not more than $3,708.00 per month ($44,496.00 per year).

6. OPERATING EXPENSE RENT

In addition to Base Rent, Tenant shall pay Landlord, concurrently with its payment of Base Rent, additional rent for the operating expenses ("Operating Expense Rent") associated with Landlord's ownership, maintenance, operation and management of the Building in the amount of $46,792.00 per month. The Operating Expense Rent shall be increased by 3.75% per year on a cumulative, compounded basis, on each anniversary of the Commencement Date. Prior to the first anniversary of the Commencement Date and each anniversary thereafter, Landlord shall provide Tenant with the amount due under this Lease for Operating Expense Rent for the ensuing twelve (12) months.

7. USES

The Premises are to be used only for the uses set forth in Section 1.1.k and for no other business or purpose; however, Landlord shall not unreasonably withhold its consent to a change of use provided such new use is consistent with the uses of "Class A" office space in the Building and in the vicinity of the Building. Tenant shall not allow the Premises to be used for any improper, unlawful or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises.

8. 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 at least 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly Base Rent and Operating Expense Rent payable under this Lease (as such Base Rent and Operating Expense 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.

9. 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, to the reasonable satisfaction of Tenant, except to the extent such compliance is made necessary as a result of the "Tenant Improvements," as that term is defined in Section 6.2 of the Landlord's Work Letter, or Tenant's particular use of or alterations or improvements to the Premises.

10. DAMAGE OR DESTRUCTION

10.1. 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 after Landlord's receipt of insurance proceeds covering the costs of restoration and building permits, then Landlord shall promptly (following Landlord's receipt of insurance proceeds covering the costs of restoration and building permits), 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 untenantable 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 ten (10) 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, Operating Expense Rent, and Tenant's obligation to reimburse for "Taxes," as that term is defined in Section 13 below, 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.

10.2. Tenant and Landlord 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 after Landlord's receipt of insurance proceeds covering the costs of restoration and building permits for any reason, then either Tenant or Landlord may terminate this Lease by giving written notice within ten (10) days after notice from Landlord specifying such time period of repair; and this Lease shall terminate and the Base Rent, Operating Expense Rent and Tenant's obligation to reimburse for Taxes shall be abated from the date the Premises became untenantable. In the event that neither party elects 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. In addition, notwithstanding any contrary provision of this Section 10, Landlord shall have the right to terminate this Lease if (i) the holder of any mortgage on the Building or ground lessor with respect to the Building shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be, or (ii) the damage is not fully covered by Landlord's insurance policies.

10.3. 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.

10.4. 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) Exercise the Tenant's Right to Repair as set forth in Section 11.4(a) below.

11. REPAIRS AND MAINTENANCE

11.1. Landlord Representations

To its best knowledge without duty of investigation or research, 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) shall be constructed in compliance with all laws, codes, and ordinances, including the Americans With Disabilities Act, which are applicable to the Building at the time that the Building is constructed and shall be in reasonable good working order and condition as of the Commencement Date;

(b) The Building and Premises shall comply with all covenants, conditions, restrictions and underwriter's requirements in effect as of the Commencement Date;

(c) Except to the extent set forth in that certain "Phase I Environmental Site Assessment - RR&C Crossroads #2, 12801 Crossroads Parkway South,

City of Industry, California 91746", prepared by NOVA Consulting Group, Inc., dated May 12, 2014, Project No.: B14-1707, which encompasses APNs 8125-059-015 and 8125-059-016, and also applies to 12851 Crossroads Parkway South, which is currently located in the same parcels with 12801 Crossroads Parkway South, a copy of which has been provided to Tenant, as of the date of this Lease, the Premises, Building and Common Areas are free of the presence of Hazardous Materials (as hereinafter defined); and

(d) Landlord has not received any notice from any governmental agency that the land underneath the Building is in violation of any law or regulation as of the date of this Lease.

11.2. Landlord Obligations

(a) Subject to Tenant's obligations under Section 11.3 below, 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 conduit;
(ii) mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building, and up to one (1) supplemental HVAC unit for Tenant's server room in the Premises, not to exceed a 2.0 ton unit (the "Supplemental HVAC Unit");
(iii) the Common Areas, including, without limitation, parking areas;
(iv) exterior windows of the Building; and
(v) elevators serving the Building.

(b) Subject to Tenant's obligations under Section 11.3 below, Landlord, at its sole cost and expense, 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 it shall be replaced as needed but no more often than every five years of use);
(ii) interior partitions;
(iii) doors;
(iv) the interior side of demising walls (which shall be repainted as needed but no more often than every five years);
(v) signage (which shall be comprised only of Tenant's signage on any Building directories, directional signage to Tenant's Premises, the identification signage for the Premises, and other signage in the Common Areas and/or on the Building exterior, all of which

signage shall be Building standard and consistent with Landlord's signage program for the Building);

(vi) emergency exit signage and egress battery replacement; and

(vii) Fire equipment and systems.

11.3. Tenant Obligations

Notwithstanding any contrary provision of Section 11.2 above, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area within the Building, the Premises, and the Common Areas which are damaged by Tenant or Tenant's agents, employees, invitees and visitors and for the cost of repairing any 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 Landlord and approved by Tenant, 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 applicable laws.

Tenant shall reimburse Landlord within 15 days of Tenant's receipt of an invoice for any costs incurred by Landlord under this Section 11.3.

11.4. Tenant's Right to Repair

(a) If Landlord fails to undertake and complete the work within the Premises that this Lease requires of Landlord under Section 10 above, following 10 days' prior written notice from Tenant, or such longer period if Landlord promptly begins and diligently completes the work requiring more than 10 days to complete, or following shorter, reasonable advance oral or written notice if emergency repairs are needed within the Premises to avoid imminent loss of life, property or injury to person(s) or the complete disruption of Tenant's business, then Tenant, on five (5) business days' additional written notice (the "Work Start Notice") to Landlord, may perform such work within the Premises; provided, however, if Landlord notifies Tenant in writing that such work is not Landlord's responsibility under this Lease, then Tenant shall have no right to perform such work under this Section 11.4(a).

If Tenant desires Landlord to reimburse Tenant for its out-of-pocket costs incurred in performing such work required of Landlord, Tenant shall provide Landlord with an invoice, including a reasonably particularized breakdown and explanation, of such

costs. If Landlord does not object to Tenant in writing within five (5) business days after receiving Tenant's invoice and explanation, Landlord shall pay such invoiced costs promptly or Tenant may deduct such costs from any Base Rent next due. If, however, Landlord does timely object to such invoice, setting forth with reasonable particularity the reasons Landlord contends that the Lease does not require such work of Landlord, then Tenant shall not be entitled to such deduction from Base Rent but may claim a Landlord default under the Lease.

(b) Tenant at its sole option, acting through the CEO, 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 such costs.

12. SERVICES AND UTILITIES

12.1. Services.

(a) Heating, Ventilation and Air Conditioning (HVAC) and Supplemental HVAC Unit

Landlord shall furnish heating, ventilation and air conditioning ("HVAC") by means of the Building HVAC system, 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. Landlord shall furnish additional heating, ventilation and air conditioning for the Premises by means of the Supplemental HVAC Unit.

(b) Electricity

Landlord shall furnish to the Premises adequate electrical wiring and facilities to accommodate the amount of electric current provided for in the "Working Drawings," as that term is defined in Section 5.2 of Landlord's Work Letter, 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 new transformers or sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Notwithstanding any contrary provision of this Lease, any work performed by Landlord to provide the foregoing capacity in the Premises (including, without limitation, the installation of any new equipment therefor) shall be part of the Tenant Improvements under Landlord's Work Letter and the cost thereof (including, without limitation, any design costs) shall be a "Tenant Improvement Cost," as that term is defined in Section 6.2 of Landlord's Work Letter. Tenant's use of

electricity shall never exceed the capacity of the feeders to the Building or the risers or wiring installation. Tenant shall pay the cost of all electricity furnished to the Premises, including, without limitation, for the Supplemental HVAC, directly to the utility provider.

(c) Elevators

Landlord shall furnish passenger elevator services to the Premises.

(d) Water

Landlord shall make available warm and cold water for normal kitchen use 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.

(h) Tenant's Security System

Tenant shall be solely responsible, at Tenant's sole cost and expense, for the monitoring, operation, repair, maintenance and removal of Tenant's security system in the Premises ("Tenant's Security System"). Tenant shall provide Landlord with any information reasonably required regarding Tenant's Security System in the event access to the Premises is necessary in an emergency. At Tenant's election prior to the expiration or earlier termination of this Lease, Tenant shall leave the Tenant's Security System in the Premises upon the expiration or earlier termination of this Lease, in which event Tenant's Security System shall be surrendered with the Premises upon the expiration or earlier termination of this Lease, and Tenant shall thereafter have no further rights with respect thereto. In the

event that Tenant fails to elect to have Tenant's Security System left in the Premises upon the expiration or earlier termination of this Lease, then Tenant shall remove Tenant's Security System prior to the expiration or earlier termination of this Lease, and repair all damage to the Building resulting from such removal, at Tenant's sole cost and expense.

12.2. Utilities

Subject to Tenant's obligation to pay for all electricity for the Premises pursuant to Section 12.1(b) above, and for Tenant's "overstandard" (which for purposes of this Lease, means Tenant's usage in excess of the utility usage levels that Landlord is obligated to provide under Section 12.1 above at no additional charge) or after hours utility usage as set forth hereinbelow, 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, gas, heating, 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 such charges owing by Landlord when due, Tenant may give Landlord ten (10) calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the installments of rent next due as a charge against the Landlord.

Notwithstanding any contrary provision of this Lease, if Tenant uses water or HVAC in excess of that supplied by Landlord pursuant to Section 12.1 above, Tenant shall pay to Landlord, upon billing, the actual cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord, on demand, at the rates charged by the public utility company furnishing the same, including the cost of installing, testing and maintaining of such additional metering devices. If Tenant desires to use heat, ventilation or air conditioning by means of the Building HVAC system during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 12.1 above, Tenant shall give Landlord such prior notice, if any, as Landlord shall from time to time establish as appropriate, of Tenant's desired use in order to supply such utilities, and Landlord shall supply such utilities to Tenant at such hourly cost per zone to Tenant (which shall be treated as additional rent) as Landlord shall from time to time establish, provided that Tenant shall pay all electricity therefor pursuant to Section 12.1(b) above. In no event shall Tenant be obligated to pay for after hours usage of the Supplemental HVAC Unit, provided that Tenant shall pay all electricity therefor pursuant to Section 12.1(b) above.

13. 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 ("Taxes").

Tenant shall reimburse Landlord for all Taxes paid by Landlord hereunder within 60 days following Tenant's receipt of Landlord's claim therefor, provided that Landlord presents to Tenant proof of payment together with the claim for reimbursement. In no event shall Tenant be responsible to Landlord for (a) any delinquencies, service charges of penalties incurred by Landlord in the payment of said Taxes; (b) any real property taxes attributable to alterations and improvements installed by Landlord without the prior written consent of the Tenant, provided, however, that Tenant's consent shall not be required to the extent that Landlord installs alterations or improvements which are permitted or required by this Lease where Tenant's consent is not otherwise required.

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 thirty (30) calendar days prior written notice and thereafter pay such taxes and assessments and deduct the payments from the installments of rent next due as a charge against the Landlord.

14. 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 Premises, Base Rent shall be prorated based upon the percentage of the Premises rendered untenantable 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.

15. TENANT DEFAULT

15.1. 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.

15.2. Remedies Upon Default by Tenant

Upon the occurrence of a Default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

(a) Terminate this Lease, in which event Tenant shall within 90 days following the issuance of a judgment against Tenant for unlawful detainer, surrender the Premises to Landlord (provided that if the Lease has previously been assigned by the County of Los Angeles to a third party, then Tenant shall instead be required to immediately surrender the Premises to Landlord), and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) The term "rent" as used in this Section 15.2. shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 15.2(a)(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at a rate per annum equal to the lesser of (i) ten percent (10%), and (ii) the highest rate permitted by applicable law. As used in Section 15.2(a)(iii), above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of

the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

(v) In the event that the Lease has previously been assigned by the County of Los Angeles to a third party, then in addition to the foregoing, Landlord may also recover the following from such assignee (but not from the Tenant originally named in this Lease): Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

(b) Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

(c) Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 15.2(a) and 15.2(b), above, or any law or other provision of this Lease), without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

15.3. 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.

16. LANDLORD DEFAULT

16.1. Remedies

In addition to the provisions for Landlord's default provided by Sections 10.4, 11.4, 21.1(c) and 22.2, 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 five days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 11.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five 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 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 pursue the remedy of specific performance;

(b) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease

16.2. 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 (except to the extent expressly set forth in this Lease as Tenant's obligation).

16.3. Emergency

Notwithstanding the foregoing cure period, Tenant may cure any Landlord 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.

17. 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, which Landlord shall not unreasonably withhold if the

assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

18. ALTERATIONS AND ADDITIONS

18.1. Landlord Consent

Tenant shall not make any structural 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 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.

18.2. 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.

19. CONDEMNATION

19.1. 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.

19.2. Landlord's Right to Terminate the Lease

If all or any part of the Premises are taken by Condemnation, then Landlord shall have the option to terminate this Lease effective as of the date the Condemnor has a right to possession of the Premises (the "Date of Taking").

19.3. Tenant's Termination Right Based on a Taking of the Premises

If more than ten percent (10%), but not all, of the rentable/gross square feet of the Premises is taken by Condemnation, or if access to the Premises is substantially impaired by Condemnation, in each case for a period in excess of 180 days, Tenant shall have the option to terminate this Lease effective as of the Date of Taking. Notwithstanding anything to the contrary contained in this Section 19, in the event of a temporary taking of all or any portion of the Premises for a period of 180 days or less, then Tenant may not terminate this Lease but the Base Rent and Operating Expense Rent shall be equitably abated for the period of such taking. Landlord shall be entitled to receive the entire "Award," as that term is defined in Section 19.5 below, made in connection with any such temporary taking. If Tenant elects to exercise its right to terminate the Lease hereunder then it shall give notice to Landlord within thirty (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 thirty (30) days nor later than ninety (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 that Tenant has designated. If neither party elects to terminate this Lease pursuant to its rights under this Section 19 then all provisions of this Lease shall remain in effect, except that Base Rent and Operating Expense Rent shall be equitably abated.

19.4. 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 Base Rent and Operating Expense Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

19.5. Award

The Award 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.

19.6. 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.

20. INDEMNIFICATION

20.1. Tenant's Indemnity

Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, liability, cost and expense, including attorney's fees, arising from the use and occupancy of the Premises, Building or Common Areas by Tenant, or its officers, contractors, licensees, agents, employees, guests or visitors, or from Tenant's breach or default under this Lease. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent 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.

20.2. Landlord's Indemnity

Landlord shall indemnify, defend and hold Tenant harmless from and against all loss, liability, cost and expense, including attorneys' fees, arising from the active negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests, or visitors (but expressly excluding any tenants and subtenants of the 12801 Building and their respective officers, contractors, licensees, agents, employees, guests or visitors), or from Landlord's breach or default under this Lease. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

21. INSURANCE

21.1. 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 a special form all risk or a special causes-of-loss form (Accord 24 or its equivalent), 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 any "Modular Furniture" (as defined in Section 6.2(b) of Landlord's Work Letter) installed in the Premises to the extent owned by Landlord.

Insurance proceeds shall be payable to Landlord and to the extent set forth in Section 10 above shall be utilized for repair and restoration of the Building.

(b) General liability insurance (written on an Accord form 25 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 subject to Section 10 above, to use any insurance proceeds to repair and restore the Building after written notice from Tenant and the expiration of a reasonable opportunity for Landlord's cure shall constitute a breach of this Lease.

21.2. Insurance Requirements

All insurance policies required to be maintained by Landlord or Tenant 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 or under the Tenant's program of self-insurance as allowed by the California Government Code sections 989-991.2, County Code Chapter 5.32 and Articles 1 and 2 of the County Charter. Said insurance requirements shall be satisfied and evidenced by Tenant's execution of its self-insurance certificate in the amounts and coverages required by Landlord. Only the original Tenant hereunder shall be entitled to self-insure for the coverages required of Tenant hereunder, and any such self-insurance shall be deemed to contain all of the terms and conditions

applicable to such insurance as required in this Section 21, including, without limitation, a full waiver of subrogation. If the original Tenant hereunder elects to self-insure, then with respect to any claims which may result from incidents occurring during the Term such self-insurance obligation shall survive the expiration or earlier termination of the Lease to the same extent as the insurance required would survive.

All liability and property damage and other casualty policies of Landlord for the Common Areas only shall be written as primary policies, not contributing with, and not in excess of coverage which Tenant may carry, provided, however, that Landlord's insurance policies shall not be written as primary policies with respect to the Premises and/or any negligence of Tenant, or its officers, contractors, licensees, agents, employees, guests or visitors.

21.3. Certificates

Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter upon written request of Tenant (but in no event more than once per calendar year), certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates shall include the address of the Building and must document that each party has named the other as an additional insured (or its equivalent) on its general liability 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.

21.4. 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.

21.5. Tenant Insurance

During the Term of this Lease, Tenant shall maintain the following insurance (provided that the original Tenant hereunder shall be entitled to self-insure for such coverages, and any self-insurance shall be deemed to contain all of the terms and conditions applicable to such insurance as required in this Section 21, including, without limitation, a full waiver of subrogation. If the original Tenant hereunder elects to so self-insure, then with respect to any claims which may result from incidents occurring during the Term such self-insurance obligation shall survive the expiration or earlier termination of the Lease to the same extent as the insurance required would survive):

(a) Subject to Section 21.1(a)(iii) above, commercial property insurance covering all furniture and furnishings in the Premises, and all modular furniture installed in the Premises.

(b) General liability insurance (written on an Accord form 25 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 Tenant to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease (subject to the original Tenant's right to self-insure) shall constitute a breach of this Lease.

(d) The provisions of Sections 21.2, 21.3 and 21.4 above shall apply with respect to Tenant's insurance obligations hereunder.

22. PARKING

22.1. Tenant's Rights

Tenant shall have the right to the number of unreserved parking stalls set forth in Section 1.1.m without charge for the Term of this Lease, which parking shall be located at the Building parking area and/or the 12801 Parking Area. 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 of the Building and the 12801 Building. Tenant acknowledges that no parking spaces in the parking area for the Building and the 12801 Parking Area are 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 and the 12801 Building. The parties agree that following the date of Landlord's execution and delivery of this Lease to Tenant, Landlord shall have the right to record against the real property on which the Building is located (the "12851 Property"), and the real property on which the 12801 Building is located (the "12801 Property"), covenants, conditions and restrictions relating to parking, access, and other related matters, applicable to the 12851 Property and the 12801 Property (the "CC&Rs"), provided that such CC&Rs shall not increase Tenant's monetary obligations under this Lease, or interfere with Tenant's parking rights or access granted under this Lease except to a de minimis extent. Tenant agrees that this Lease shall automatically be subject and subordinate to such CC&Rs and, if requested by Landlord, Tenant shall promptly formalize its recognition of such CC&Rs by executing a commercially reasonable form of recognition agreement.

22.2. 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 it would be impracticable and extremely difficult to fix the actual damages for a breach of such provisions. It is therefore agreed that if, for any reason whatsoever, a material number of the Parking Spaces required above are not available to Tenant (in addition to the rights given to Tenant under Section 16 and Sections 10 and 19 in the event of casualty or condemnation) then Tenant shall have one of these remedies, available in the following priority, upon thirty (30) days' written notice to Landlord:

(a) Landlord shall provide Tenant an alternative parking space in the 12801 Parking Area;

(b) If such alternative parking spaces are not available in accordance with subsection 22.2(a), Landlord shall provide Tenant other reasonably comparable parking spaces with shuttle bus service from parking spaces that are located more than one-quarter (1/4) mile away from the Building; or

(c) If neither remedy in subsection 22.2(a) or 22.2(b) is available, then Landlord will reduce the monthly Base Rent thereafter accruing by an amount equal to Seventy-Five and 00/100 Dollars ($75.00) per unavailable parking space.

23. ENVIRONMENTAL MATTERS

23.1. Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants to cause or permit, any Hazardous Materials (defined below) to be brought upon stored, manufactured, generated, blended, handled, recycled, treated, disposed of 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 (defined below). 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.

23.2. 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 to the extent caused by Landlord. 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. Each party shall promptly deliver to the other party 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.

23.3. Methane Gas Detection System

Because Crossroads Business Park (of which the Building is a part) is located near a landfill, Landlord has previously installed a passive methane barrier system (the "Methane Gas Detection System"). Landlord (including its successors and assigns, but excluding any lender or financial institution) shall maintain and operate the Methane Gas Detection System in accordance with industry standards.

24. 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 Building.

25. 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.

26. LIENS

Tenant shall keep its interest in this Lease, the Building, and the land beneath the Building 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, the Building, and the land beneath the Building free from any liens which would impair the interest of Tenant hereunder. Each party hereby indemnifies, defends and holds the other party harmless from any liability or loss (including reasonable attorneys' fees and costs) from any such lien it causes or allows to attach to its interest in this Lease or the Premises.

27. SUBORDINATION AND MORTGAGES

27.1. 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 or the Property; 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.

27.2. Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall 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.

27.3. 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.

27.4. 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 certified 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 Landlord Default.

28. 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. Prior to the expiration of the Term of this Lease, Tenant shall be required to remove, at its own expense, all trade 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), and to repair any damage to the Premises or the Building caused by such removal.

29. SIGNAGE

Tenant shall be permitted to install, at Tenant's expense, signage at the Premises, in the Common Areas, and on the Building exterior to the extent set forth in Section 11.2(b)(v) above and in accordance with all applicable laws and ordinances.

30. 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 during the Term of this Lease, subject to the terms and conditions of this Lease.

31. GENERAL

31.1. 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.

31.2. 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 permitted assigns.

31.3. 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 Majestic Realty Co. representing Landlord, as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense (including reasonable attorney's fees and costs) 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.

31.4. 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.

31.5. 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.

31.6. 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 return receipt requested, or by a recognized overnight commercial courier providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Sections 1.1.a and 1.1.b. 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.

31.7. 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.

31.8. 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.

31.9. Time of Essence

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

31.10. 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 therefor, together with all necessary information.

31.11. 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.

31.12. 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.

31.13. Landlord Exculpation

The liability of Landlord, its partners, subpartners, and their respective officers, agents, servants, employees, and independent contractors (the "Landlord Parties") to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Property, the Building, or the Premises shall be limited solely and exclusively to an amount which is equal to the lesser of (a) the interest of Landlord in the Building or (b) the equity interest Landlord would have in the Building if the Building were encumbered by third-party debt in an amount equal to eighty percent (80%) of the value of the Building (as such value is determined by Landlord), provided that in no event shall such liability extend to any sales or insurance proceeds received by Landlord or the

Landlord Parties in connection with the Property, Building or Premises. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 31.13 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

31.14. Force Majeure

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to rent and other charges to be paid by Tenant pursuant to this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

31.15. Waiver of Redemption by Tenant

Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

31.16. Independent Covenants

This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the

rent or other amounts owing hereunder against Landlord, except as expressly set forth in this Lease.

31.17. Memorandum of Acknowledgement for Modular Furniture Acquired by Tenant from Landlord

Promptly following Tenant's final payment to Landlord for the "Modular Furniture Costs" (as defined in Section 9 of Landlord's Work Letter) and accrued interest thereon, in accordance with Section 6.3 of Landlord's Work Letter, the parties shall execute and deliver a memorandum of acknowledgement therefor (the "Modular Furniture Acknowledgement"), in substantially the form of Exhibit F attached hereto in order to memorialize that Tenant has fully paid for the Modular Furniture Costs, including accrued interest therefor, and that all of Landlord's right, title and interest in the Modular Furniture is therefore transferred to Tenant in its then existing, "as-is" condition. During the Term of this Lease prior to the consummation of the Modular Furniture Acknowledgement, Tenant shall not remove any of the Modular Furniture from the Premises, and except as expressly set forth in this Lease to the contrary, Tenant shall keep the Modular Furniture in good condition and repair, at Tenant's expense, and Tenant shall pay for Landlord's replacement of any damaged Modular Furniture which is not capable of repair.

31.18. Right to Lease

Landlord reserves the absolute right to effect such other tenancies in the Building as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Term, occupy any space in the Building.

32. 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 delegee (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.

33. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

33.1. 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.

33.2. Solicitation of Consideration

It is improper for any County officer employee or agent to solicit consideration in any form from Landlord with the implication, suggestion or statement that the Landlord's provision of the consideration may secure more favorable treatment for Landlord in the award of the Lease or that Landlord's failure to provide such consideration may negatively affect the County's consideration of Landlord's offer to lease. 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.

33.3. 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), and Landlord may execute any and all instruments providing for the payment of rent directly

to an assignee or transferee. Tenant agrees that in the event of any such assignment or transfer, Landlord shall automatically be released from all liability under this Lease and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, and Tenant shall attorn to such transferee.

(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) Landlord shall give the County notice and a copy of each Security Agreement (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least two weeks prior to the effective date thereof.

(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, which shall not be unreasonably withheld or delayed. 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.

34. 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 1.1.g.

(Signatures continue on following page)

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

LANDLORD:

RR & C CROSSROADS NO. 2, LLC,
a Delaware limited liability company

BY: RR&C DEVELOPMENT COMPANY,
a California general partnership
Its: Sole Member

By: _____
EDWARD P. ROSKI, JR., Trustee of the Roski Community Property Trust dated November 1, 1987, as amended

By: CURCI INVESTMENTS, LLC,
a California limited liability company

By: _____

Its: Thomas H. Purcell
Chairman

By: _____

Its: Michael T. Curci
President

APPROVED

78526

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: Hilda L. Solis
HILDA L. SOLIS
Chair, Board of Supervisors

ATTEST:

LORI GLASGOW
Executive Officer-Clerk
of the Board of Supervisors

By: Lachelle Smitherman
Deputy

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: Lachelle Smitherman
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#19 SEP 13 2016

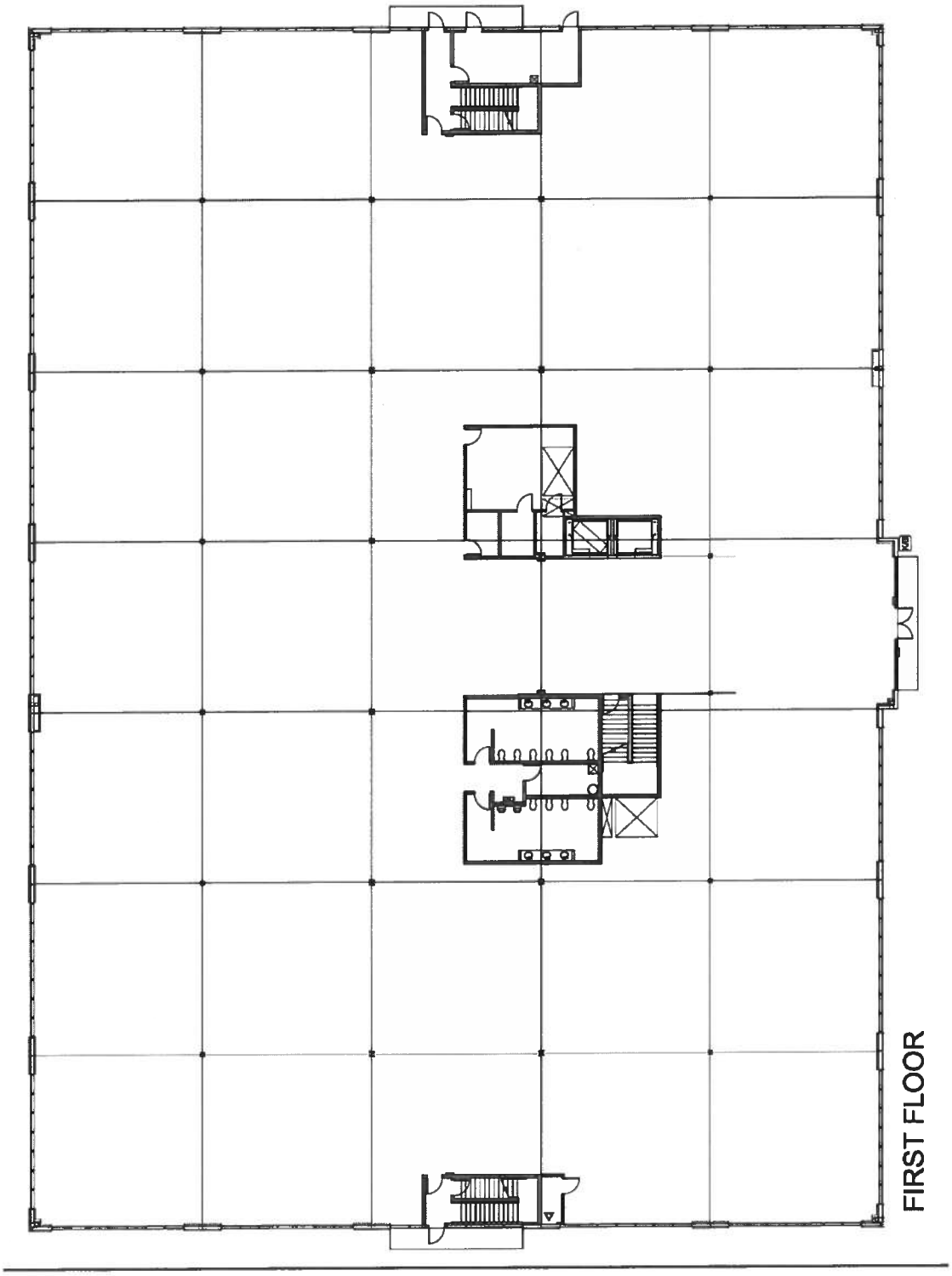
Lori Glasgow
LORI GLASGOW
EXECUTIVE OFFICER

APPROVED AS TO FORM
MARY C. WICKHAM
County Counsel

By: _____
Deputy County Counsel

EXHIBIT A

FLOOR PLAN OF THE PREMISES



756421.06/WLA
375893-00001/6-3-16/csp/SMH

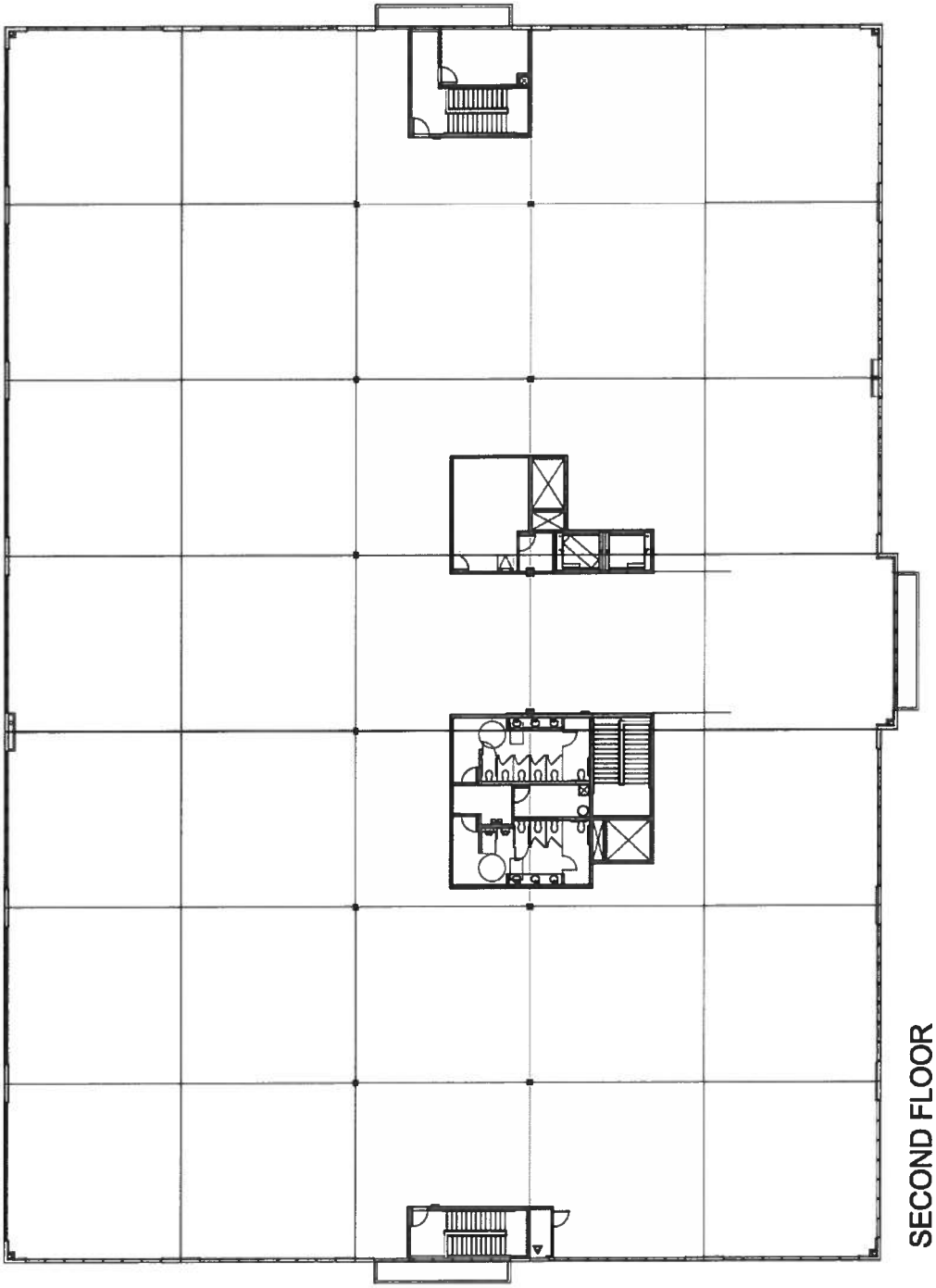

SECOND FLOOR

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY AND PARCEL MAP

All that certain real property situated in Los Angeles County, State of California more particularly described as follows:

LEGAL DESCRIPTION

THAT PORTION OF PARCEL 1 OF PARCEL MAP No. 249, IN THE CITY OF INDUSTRY, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, FILED IN BOOK 208, PAGES 36, 37 AND 38 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 1, SAID POINT ALSO BEING ON THE SOUTHERLY RIGHT OF WAY OF THE UNION PACIFIC RAILROAD RIGHT OF WAY, 100.00 FEET WIDE; THENCE ALONG SAID RIGHT OF WAY AND THE NORTHERLY LINE OF SAID PARCEL 1, S82°56'28"W, A DISTANCE OF 436.83 FEET; THENCE LEAVING SAID NORTHERLY LINE, S07°04'29"E, A DISTANCE OF 403.87 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF CROSSROADS PARKWAY SOUTH, HAVING A NORTHERLY HALF WIDTH OF 50.00 FEET; THENCE ALONG SAID NORTHERLY RIGHT OF WAY OF CROSSROADS PARKWAY SOUTH AND THE SOUTHERLY LINE OF SAID PARCEL 1, N89°17'27"E, A DISTANCE OF 439.46 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ALONG THE EASTERLY LINE OF SAID PARCEL, N07°03'52"W, A DISTANCE OF 452.48 FEET TO ***THE POINT OF BEGINNING.***

SAID PARCEL CONSISTS OF 4.29 ACRES, MORE OR LESS.

AS SHOWN ON EXHIBIT "B" ATTACHED HERETO AND MADE A PART HERE OF.

LICENSED LAND SURVEYOR
CARLOS UREÑA
Exp. 12/31/17
NO. 8234
STATE OF CALIFORNIA

01/12/2016

CARLOS URENA P.L.S. 8234
EXPIRES 12/31/2017

SHEET 1 of 1

756421.06/WLA
375893-00001/6-3-16/csp/SMH

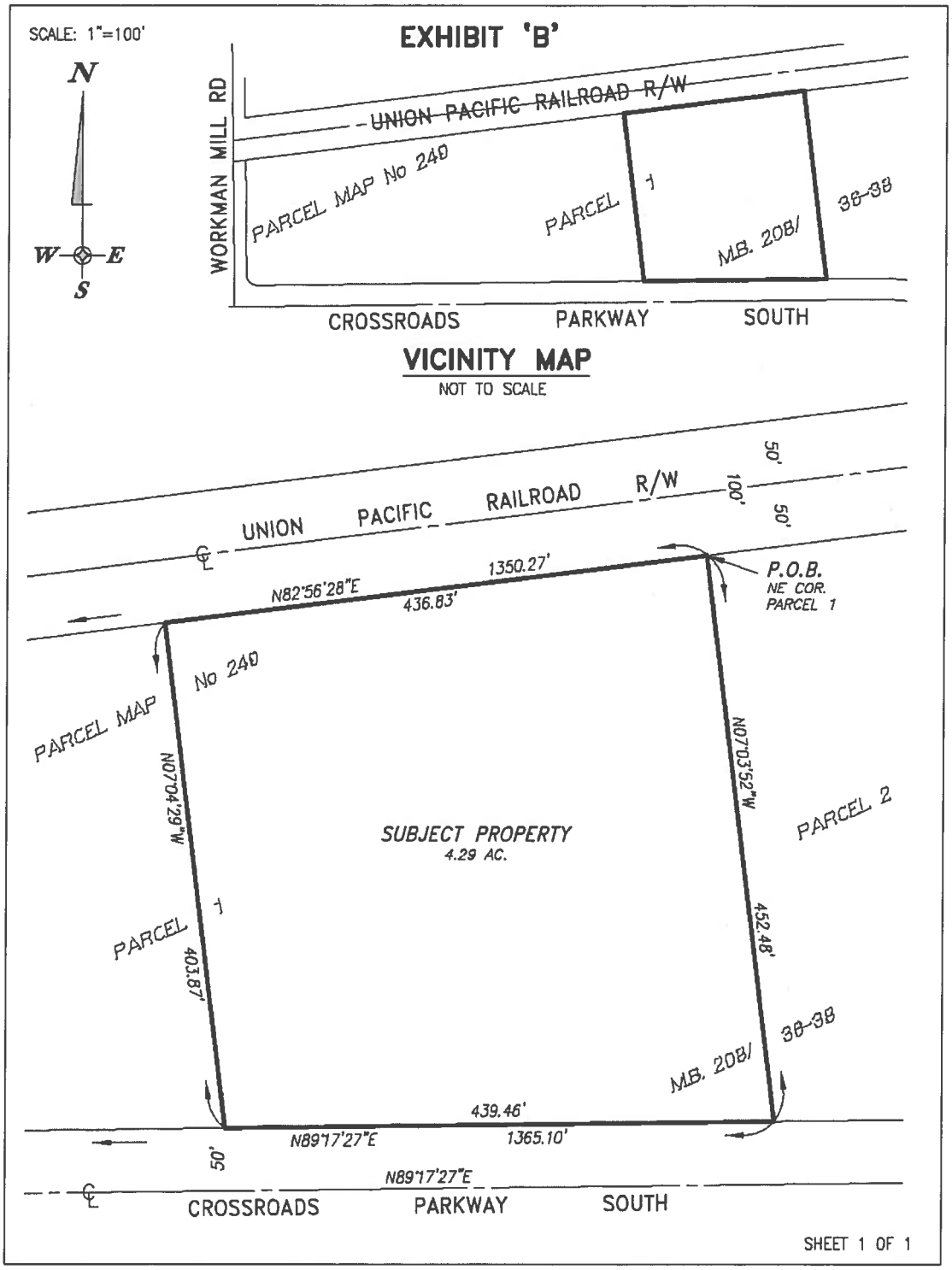

SCALE: 1"=100'
EXHIBIT 'B'
N
W
E
S
WORKMAN MILL RD
UNION PACIFIC RAILROAD R/W
PARCEL MAP No 240
PARCEL 1
MB. 208/
38-38
CROSSROADS PARKWAY SOUTH
VICINITY MAP
NOT TO SCALE
UNION PACIFIC RAILROAD R/W
50'
100'
50'
℄
N82°56'28"E
1350.27'
436.83'
P.O.B.
NE COR.
PARCEL 1
PARCEL MAP No 240
N07°04'29"W
403.87'
N07°03'52"W
452.48'
SUBJECT PROPERTY
4.29 AC.
PARCEL 2
PARCEL 1
MB. 208/
38-38
439.46'
N89°17'27"E
1365.10'
50'
N89°17'27"E
℄
CROSSROADS PARKWAY SOUTH
SHEET 1 OF 1

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") and the Termination Date of the Lease is _____;

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 is $_____ per month as of the date hereof.

2) The Base Index Month is _____.

3) The Base Index is _____.

4) The New Index Month is _____.

5) Operating Expense Rent is $_____per month as of the date hereof.

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

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

EXHIBIT D

HEATING, VENTILATION AND AIR CONDITIONING STANDARDS

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.

EXHIBIT E

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. Day porter service from 8:00 a.m. to 5:00 p.m. (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. If applicable, 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.

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. 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.
B. 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 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 shall not constitute an 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.

EXHIBIT F

FORM OF MEMORANDUM OF ACKNOWLEDGEMENT OF TENANT'S FULL PAYMENT FOR MODULAR FURNITURE

This Memorandum of Acknowledgement of Tenant's Full Payment for Modular Furniture ("**Agreement**") is made and entered into as of _____, 20__, by and between _____ ("**Seller**") and _____ ("**Buyer**").

RECITALS

A. Seller, as landlord, and Buyer, as tenant, previously entered into that certain Lease Agreement dated _____, 2016 (the "**Lease**"), with respect to Buyer's lease of certain premises as more particularly described in the Lease (the "**Premises**") at the building located at 12801 Crossroads Parkway South, City of Industry, California.

B. Pursuant to the Lease, Buyer has made its final payment to Seller for the purchase of Seller's right, title and interest in certain modular furniture located in the Premises, as set forth in Schedule 1 attached hereto (the "**Modular Furniture**").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, Seller and Buyer agree as follows:

TERMS AND CONDITIONS

1. Consideration. The parties acknowledge that Buyer has previously paid to Seller the full amount of the consideration owing to Seller pursuant to the Lease for the Modular Furniture.

2. Transfer and Assignment. As of the date of this Agreement, Seller transfers and conveys to Buyer all of its right, title and interest in and to the Modular Furniture, free and clear of all liens, encumbrances and security interests created by Seller. Buyer accepts the transfer and conveyance of the right, title and interest of Seller in and to the Modular Furniture, subject to the provisions contained herein. Buyer accepts the Modular Furniture in its currently existing "as-is" condition.

3. Buyer's Prior Use of the Modular Furniture. The parties acknowledge that Buyer has been using the Modular Furniture prior to the date hereof pursuant to the Lease. Therefore, Buyer confirms that the condition of the Modular Furniture is acceptable to Buyer. Seller has not made, and shall not be bound by, any statements, agreement, or representations regarding the Modular Furniture, not specifically set forth herein.

4. NO WARRANTY FOR MERCHANTABILITY AND FITNESS. BUYER AGREES THAT SELLER MAKES NO WARRANTIES, EXPRESSED OR IMPLIED AND ALL WARRANTIES OF ANY KIND, INCLUDING ANY EXPRESSED OR IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR PURPOSE OR CONDITION OF SAME, ARE HEREBY EXCLUDED BOTH AS TO THE MODULAR FURNITURE AND AS

TO MAINTENANCE OR REPAIR WORK PERFORMED BY SELLER, IF ANY, ON THE MODULAR FURNITURE. BUYER HEREBY ACCEPTS THE MODULAR FURNITURE ON AN "AS-IS" "WHERE-IS" BASIS WITH ALL FAULTS. IT IS EXPRESSLY AGREED THAT SELLER SHALL HAVE NO RESPONSIBILITY TO REPAIR, MAINTAIN, REPLACE, OR OTHERWISE CARE FOR THE MODULAR FURNITURE ON AND AFTER THE DATE HEREOF. SELLER AND BUYER AGREE THAT THE DISCLAIMERS OF WARRANTIES AS CONTAINED IN THIS PARAGRAPH ARE CONSPICUOUS.

5. RELEASE AND COVENANT NOT TO SUE. AS AN INDUCEMENT TO, AND AS FURTHER CONSIDERATION FOR SELLER AGREEING TO TRANSFER TITLE TO THE MODULAR FURNITURE TO BUYER UPON THE TERMS AND CONDITIONS SET FORTH IN THIS AGREEMENT, BUYER COVENANTS AND AGREES THAT IT SHALL FOREVER RELEASE SELLER, AND COVENANTS NOT TO SUE SELLER, WITH RESPECT TO ANY MATTER ARISING OUT OF THE MODULAR FURNITURE, INCLUDING, WITHOUT LIMITATION, THEIR CONDITION REGARDLESS OF WHETHER SUCH CONDITION IS KNOWN OR UNKNOWN AND/OR WHETHER SUCH CONDITION IS LATENT OR PATENT. THE FOREGOING RELEASE AND COVENANT NOT TO SUE SHALL APPLY TO ALL CLAIMS AT LAW OR IN EQUITY, INCLUDING, BUT NOT LIMITED TO, CLAIMS OR CAUSES OF ACTION FOR PERSONAL INJURY OR DEATH, PROPERTY DAMAGE AND CLAIMS FOR CONTRIBUTION.

6. Entire Agreement. This Agreement constitutes the entire agreement between Seller and Buyer regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except to the extent expressly set forth in this Agreement, no representations, warranties, or agreements have been made by Seller or Buyer with respect to this Agreement or the obligations of Seller or Buyer in connection therewith.

7. Severability. If any provisions of this Agreement shall be held to be invalid, void or unenforceable, the remaining provisions hereof shall not be affected or impaired, and such remaining provisions shall remain in full force and effect.

8. Voluntary Agreement. The parties hereto, and each of them, further represent and declare that they have carefully read this Agreement and know the contents thereof and that they sign the same freely and voluntarily. This Agreement and each provision of this Agreement was negotiated by the parties and therefore, neither this Agreement nor any provision of this Agreement shall be interpreted for or against any party on the basis such party or its attorney drafted the agreement or provision in question.

9. Successor and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, representatives, successors and permissible assigns.

10. Counterparts. This Agreement may be executed in counterparts, all of which executed counterparts shall together constitute a single document. Signature pages may be detached from the counterparts and attached to a single copy of this document to physically form one document.

Seller and Buyer have executed this Memorandum of Acknowledgement of Tenant's Full Payment for Modular Furniture as of the date first set forth above.

"SELLER":

[TO BE COMPLETED]

"BUYER":

[TO BE COMPLETED]

COUNTY OF LOS ANGELES

a body politic and corporate

By:_____

Name_____

Its_____

SCHEDULE 1 TO EXHIBIT F

LIST OF MODULAR FURNITURE

[TO BE COMPLETED]

LANDLORD'S WORK LETTER

[TO BE INSERTED]

LANDLORD'S WORK LETTER

For

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT

DEPARTMENT OF PUBLIC SOCIAL SERVICES
(Initial Departmental User)

TENANT: COUNTY OF LOS ANGELES

LANDLORD: RR & C CROSSROADS NO. 2, LLC, a Delaware limited liability company

12851 Crossroads Parkway South

City of Industry, CA

LANDLORD'S WORK LETTER

This Landlord's Work Letter (the "Work Letter") supplements the Lease Agreement (the "Lease") dated _____, 2016, executed concurrently herewith, by and between **RR & C CROSSROADS NO. 2, LLC** ("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)	Base Tenant Improvement Allowance:	$1,545,000.00 (i.e., $20.00 per rentable/gross square foot of the Premises).
(b)	Additional Tenant Improvement Allowance:	$6,180,000.00 (i.e., $80.00 per rentable/gross square foot of the Premises).
(c)	Maximum Change Order Allowance:	N/A
(d)	Additional Tenant Improvement and Change Order Amortization Rate:	Seven (7%) per annum, but in no event in excess of the highest rate allowed by applicable law.
(e)	Basic Rent Reduction per $1,000:	Not Applicable.
(f)	Tenant's Work Letter Representative:	Farron Chavarria, or upon notice to Landlord, an assigned staff person of the Chief Executive Office-Real Estate Division.
(g)	Landlord's Work Letter Representative:	David Bui, or upon notice to Tenant, another designated individual.
(h)	Landlord's Address for Work Letter Notice:	See Section 1.2(h) of the Lease.

(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 Fax Number: (213) 260-0636 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) 217-4971
(j)	Addenda:	Addendum A: Base Building Improvements Addendum B: Tenant Improvements Addendum C: Memorandum of Tenant Improvements Cost

2. **Construction of the Building**.

2.1. Base Building Improvements. Landlord has constructed or shall construct the base Building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. 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.

2.3. Base Building Plans. Landlord has delivered to Tenant 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 and engineers 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 (the "Architect" and "Engineer," respectively), 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 (3) business days after Landlord has submitted the names 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 Engineer is/are finally approved by Tenant and written consent has been delivered to and received by Landlord.

4. **Selection of Contractor**. 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 in its reasonable discretion within ten (10) business days following Landlord's request for approval, sufficient in number so that a minimum of three (3) bids are received. Tenant's approval of the proposed construction contract shall not be unreasonably withheld, and Tenant's consent (or refusal to consent for reasonable reasons) shall be granted within ten (10) business days after Landlord has submitted the proposed construction contract to Tenant. This procedure for Tenant's approval of the proposed construction contract shall be repeated until the proposed construction contract is finally approved by Tenant and written consent has been delivered to and received by Landlord. Each bidding 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 as designated on the Final Plans. Within five (5) business days following Landlord's receipt of a sufficient number of bids, 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 who commits to Landlord's schedule for the construction of the Tenant Improvements, 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. Prior to Landlord's execution of the Lease, Tenant has submitted to Landlord, and Landlord has approved that certain

preliminary space plan and specifications for the Premises identified as DPSS – 12851 Crossroads Parkway South, City of Industry, showing on a preliminary basis 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 "Preliminary Space Plan"). Concurrently with Tenant's execution and delivery of this Lease, Tenant shall submit to Landlord a final space plan and specifications for the Premises (the "Space Plan"), which Space Plan shall be a logical extension of and consistent with the Preliminary Space Plan. The Space Plan shall be subject to Landlord's reasonable approval within ten (10) business days following Tenant's submittal thereof, provided that it shall only be reasonable for Landlord to disapprove the Space Plan to the extent that it is not a logical extension of or is inconsistent with the Preliminary Space Plan. If Landlord reasonably disapproves the Space Plan for the foregoing reasons, then Tenant shall resubmit a revised Space Plan to Landlord for approval within ten (10) business days following Tenant's receipt of Landlord's disapproval. The foregoing process shall be repeated until such time as Landlord approves the Space Plan submitted by Tenant, and any delay caused by the necessity for Tenant to revise the Space Plan because of Landlord's initial disapproval thereof shall be a Tenant Delay.

5.2. Preparation and Approval of Working Drawings. Within ten (10) days following Landlord's receipt of Tenant's approval of the Architect (the "Plan Submission Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), which shall (i) be compatible with the design, construction and equipment of the Building, (ii) comply with all applicable laws, (iii) be capable of physical measurement and construction, (iv) 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 (v) contain all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and electrical for special security systems. The Working Drawings may be submitted by Landlord to Tenant 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 completed, for review. Landlord shall be solely responsible for ensuring that the Working Drawings fully comply with all applicable building codes and are free from errors or omissions on the part of the Architect, provided that Tenant shall in no event disapprove of the Working Drawings, or the applicable portion thereof, to the extent such disapproval would (i) cause such Working Drawings to not be compatible with the design, construction and equipment of the Building or in compliance with applicable laws, including, without limitation, building codes, (ii) create errors or omissions in such Working Drawings, or (iii) cause such Working Drawings to not be a logical extension of and/or consistent with the Space Plan, or the Working Drawings or Engineering Drawings previously approved by Tenant hereunder. Tenant shall approve the Working Drawings, or the applicable portion thereof, in its reasonable discretion (subject to the foregoing limitations), in writing within ten (10) business days following Landlord's submittal thereof to Tenant. Landlord shall use Building standard methods, materials and finishes in the construction of the Tenant Improvements unless expressly set forth to the contrary in the Space Plan. In the event that Tenant timely and properly disapproves the Working Drawings, or the applicable portion thereof, then the parties shall promptly meet and diligently work in good faith to resolve

Tenant's objections. The revised Working Drawings, or the applicable portion thereof, shall be resubmitted by Landlord to Tenant for Tenant's approval in accordance with the foregoing limitations, and Tenant shall approve such Working Drawings, or the applicable portion thereof, in its reasonable discretion, in writing within ten (10) business days following Landlord's resubmittal thereof to Tenant. The process set forth in the immediately preceding two sentences shall be repeated until the Working Drawings, or the applicable portion thereof, are approved by Tenant.

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, provided that Tenant shall in no event disapprove of the Engineering Drawings, or the applicable portion thereof, to the extent such disapproval would (i) cause such Engineering Drawings to not be compatible with the design, construction and equipment of the Building or in compliance with applicable laws, including, without limitation, building codes, (ii) create errors or omissions in such Engineering Drawings, or (iii) cause such Engineering Drawings to not be a logical extension of and/or consistent with the Space Plan, or the Working Drawings or Engineering Drawings previously approved by Tenant hereunder. Tenant shall approve the Engineering Drawings, or the applicable portion thereof, in its reasonable discretion (subject to the foregoing limitations), in writing within ten (10) business days following Landlord's submittal thereof to Tenant. In the event that Tenant timely and properly disapproves the Engineering Drawings, or the applicable portion thereof, then the parties shall promptly meet and diligently work in good faith to resolve Tenant's objections. The revised Engineering Drawings, or the applicable portion thereof, shall be resubmitted by Landlord to Tenant for Tenant's approval in accordance with the foregoing limitations, and Tenant shall approve such Engineering Drawings, or the applicable portion thereof, in its reasonable discretion, in writing within ten (10) business days following Landlord's resubmittal thereof to Tenant. The process set forth in the immediately preceding two sentences shall be repeated until the Engineering Drawings, or the applicable portion thereof, are approved by Tenant.

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 correctness of the design of the Tenant Improvements.

5.6. Schedule. Within thirty (30) calendar days after the Plan Submission Date, Landlord shall submit to Tenant a detailed construction schedule for Tenant's information, setting forth the projected dates for 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 permits, submission of plans to bidding 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. Except as expressly set forth in the Lease or this Work Letter, Landlord shall have no liability or responsibility to Tenant for any failure to complete project benchmarks by the projected dates set forth in any construction schedule provided by Landlord.

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

6.1. Construction Budget. Within ten (10) business days after Landlord's approval of the Space Plan, Landlord shall submit to Tenant a preliminary budget (the "Preliminary Budget"). Such budget shall be revised into final form (but excluding the Modular Furniture Costs) within thirty (30) calendar days from the date that all permits for the construction of the Tenant Improvements have been issued by the applicable governmental authorities, and will be referred to herein as the "Final Construction Budget". The Preliminary Budget and the Final Construction Budget will not include the Modular Furniture Costs, and notwithstanding any contrary provision of this Work Letter, Landlord shall not be penalized in any manner arising from the Modular Furniture Costs not being included in the Preliminary Budget or the Final Construction Budget. Tenant shall have five (5) business days from the date of receipt of the Final Construction Budget (the "Budget Approval Deadline") to approve or disapprove the Final Construction Budget. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval of the Final Construction Budget. In the event that Tenant timely disapproves or fails to timely approve the Final Construction Budget then any delay caused by such disapproval or failure to timely approve and the necessity to rebid or redesign the Tenant Improvements shall be 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.

6.2. Tenant Improvement Allowance and Additional Tenant Improvement Allowance.

(a) Tenant shall be entitled to a one-time Base Tenant Improvement Allowance in the amount set forth in Section 1(a) above for the costs relating to the design and construction of the Tenant Improvements (but excluding the Modular Furniture Costs (as defined in Section 9 below)). Subject to the Landlord/Tenant Additional Responsibility Provision, as defined and set forth in Section 6.2(b) below, in no event shall Landlord be obligated to pay a total amount for the design, construction, purchase and installation of the Tenant Improvements which exceeds the Base Tenant Improvement Allowance and the Additional Tenant Improvement Allowance. Any unused portion of the Base Tenant Improvement Allowance following

completion of the Tenant Improvements shall remain with Landlord and Tenant shall have no further right thereto.

(b) The "Tenant Improvements" shall consist of all improvements required by the Final Plans and the modular furniture described in the Modular Specifications (the "Modular Furniture"), as further described in Section 9 hereto. Costs of Tenant Improvements shall include, without limitation, purchase, installation, and construction costs for Modular Furniture, telecommunications equipment, soft costs, the costs set forth in Section 7.3(b) below, and any other costs designated in writing by Tenant and approved by Landlord, 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"). Subject to Section 8 below, the parties agree that the "Additional Tenant Improvement Allowance" set forth in Section 1(b) above shall be used to pay for the Modular Furniture Costs and the amount of all other Tenant Improvement Costs which exceed the Base Tenant Improvement Allowance. Notwithstanding any contrary provision of this Work Letter (but subject to the Landlord/Tenant Additional Responsibility Provision), (i) in no event shall Tenant Improvements be permitted to the extent they will cause the Tenant Improvement Costs to exceed the sum of the Base Tenant Improvement Allowance and the Additional Tenant Improvement Allowance, unless a Change Order has been approved therefor by Tenant in accordance with Section 8 below. If excess cost arises from a requirement of the Department of Building and Safety which is reasonably anticipated to cause the Tenant Improvement Costs to exceed the sum of the Base Tenant Improvement Allowance and the Additional Tenant Improvement Allowance, then Tenant shall be required to redesign the Tenant Improvements in order that the Tenant Improvement Costs will not exceed the sum of the Base Tenant Improvement Allowance and the Additional Tenant Improvement Allowance, and any corresponding revisions to the Space Plan, Working Drawings, Engineering Drawings, Final Plans, Tenant Improvements, or Final Construction Budget shall be subject to approval by Tenant or Landlord, as the case may be, to the extent set forth in the applicable provisions of this Work Letter, and (subject to Section 13.1 below with respect to DBS Changes which are related to Change Orders requested by Tenant and shall constitute a Tenant Delay) shall constitute a Force Majeure Delay (as defined below). Landlord shall be solely responsible for any Tenant Improvement Costs in excess of the total amount of the Final Construction Budget approved by Tenant, except for costs arising from Change Orders requested by Tenant or any requirements of the Department of Building and Safety (which shall be a Tenant cost and shall be payable from any remaining available portion of the Additional Tenant Improvement Allowance, provided that notwithstanding any contrary provision of this Work Letter, any amount owing by Tenant to Landlord therefor in excess of the remaining available portion of the Additional Tenant Improvement Allowance shall be payable to Landlord, as additional rent, within thirty (30) days of billing) (the "Landlord/Tenant Additional Responsibility Provision"). It is anticipated that the Tenant Improvement Costs will exceed the Base Tenant Improvement Allowance, and Landlord shall pay the overage, but only to the extent of the Additional Tenant Improvement Allowance paid by Landlord for Tenant Improvement Costs, and such amount of the Additional Tenant Improvement Allowance shall be repaid to Landlord by Tenant as provided in Section 6.3 below.

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 (with interest thereon at the Additional Tenant Improvement and

Change Order Amortization Rate (as defined in Section 1(d) above) commencing as of the date(s) that Landlord expends the Additional Tenant Improvement Allowance), when the Tenant Improvements are Substantially Complete, or (ii) in equal amortized monthly payments over the first five (5) years of the initial Term of the Lease, or shorter time period within the first five (5) years of the initial Term of the Lease at its discretion, with interest on the unpaid balance commencing as of the Commencement Date at the Additional Tenant Improvement and Change Order Amortization Rate. Tenant may at any time during the first five (5) years of the initial Term prepay Landlord in a lump sum for all or any portion of the Additional Tenant Improvement Allowance used for Tenant Improvement Costs (with interest thereon at the Additional Tenant Improvement and Change Order Amortization Rate commencing as of the Commencement Date, in which event Tenant shall thereafter pay any remaining amount of the Additional Tenant Improvement Allowance still owing to Landlord on an amortized basis in equal monthly payments over the then remaining period during the first five (5) years of the initial Term of the Lease with interest on the unpaid balance commencing as of the Commencement Date at the Additional Tenant Improvement and Change Order Amortization Rate. The foregoing obligation of Tenant to repay the amount of the Additional Tenant Improvement Allowance which is used to pay for Tenant Improvement Costs shall constitute additional rent under the Lease and all monthly payments owing by Tenant hereunder shall be due and payable commencing on the Commencement Date (but not prior to Landlord's delivery to Tenant of Landlord's reconciliation of the Tenant Improvement Costs, provided that if Landlord's reconciliation is delivered to Tenant after the Commencement Date then notwithstanding any contrary provision of this Section 6.3, Tenant's first monthly payment shall be due on the first (1st) day of the calendar month which immediately follows Landlord's delivery of such reconciliation to Tenant and such first monthly payment shall also include the retroactive amounts owing by Tenant for the period commencing on the Commencement Date through the date immediately preceding the due date of such first monthly payment by Tenant) and continuing on or before the first (1st) day of each successive calendar month during the first five (5) years of the initial Term of the Lease (or shorter period within the first five (5) years of the initial Term of the Lease as Tenant may elect).

7. **Construction of Tenant Improvements**.

7.1. Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto, provided that in the event of any conflict between the Working Drawings and Addendum B, the Working Drawings shall control. Notwithstanding any contrary provision of this Work Letter, any Tenant Improvements described in Addendum B which are not reflected on the Working Drawings shall not be constructed by Landlord hereunder.

7.2. Pre-Construction.

(a) Permits. Landlord shall secure the approval of applicable 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 fifteen (15) business days following the later to occur of (i)

Tenant's approval of the Final Construction Budget, and (ii) Landlord's receipt of all required permits for the Tenant Improvements, and (iii) the date of Landlord's completion of the shell and core of the Building, including final regulatory approvals and clearances by the applicable governmental authorities, . Once commenced, Landlord shall thereafter diligently proceed to construct and complete all Tenant Improvements, subject to any cessation that may be caused by Force Majeure Delays and Tenant 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. 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 in accordance with Tenant's Space Plan, shall be provided by Landlord as part of the Tenant Improvement Costs to which the Base Tenant Improvement Allowance and the Additional Tenant Improvement Allowance shall be applied. 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. In the event that Tenant claims that there has been substandard Tenant Improvement work or clean-up (as reasonably determined according to the usual standards of work in the Building), then Tenant shall notify Landlord in writing thereof (with reasonable detail specifying the substandard work or clean-up claimed by Tenant) and to the extent that Landlord agrees that the work or clean-up was substandard, then Landlord shall perform additional work or clean-up as is required hereunder within ten (10) business days of Landlord's receipt of Tenant's notice (provided that if such work or clean-up cannot reasonably be completed within such ten (10) business day period, then Landlord shall commence such work or clean-up within such ten (10) business day period and shall diligently perform and complete such work or clean-up thereafter). If Landlord fails to timely perform such additional work or clean-up (or to respond that the work or clean-up requested by Tenant is not required to be performed by Landlord), then Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of the substandard work or clean-up performed by Landlord's contractor or contractors, within thirty (30) days following Landlord's receipt of Tenant's notice (which shall include a reasonably detailed itemization of the costs incurred by Tenant).

(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 Tenant Improvements. Particulars of the current Prevailing

Wage Scale as approved by the Board of Supervisors which are applicable to the Tenant Improvements are filed with the Clerk of the Board of Supervisors and must be posted at the site.

7.4. Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and receipt from the Contractor of all field changes, and as a Tenant Improvement Cost, 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.

7.5. 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 (3) bids have been solicited from responsible and qualified persons. Landlord shall submit at least there (3) 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 by Landlord and Tenant within five (5) business days following Landlord's receipt of a sufficient number of bids. The bids shall include an itemized list of all materials and labor and shall include all additional costs, as applicable, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees.

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. Change Orders requested by either party shall be subject to approval by the non-requesting party in its reasonable discretion, which approval shall be granted or denied within thirty (30) days of notice from the requesting party. Construction of the Tenant Improvements may continue without regard to a requested change pending approval of such change by the non-requesting party. Notwithstanding any contrary provision of this Section 8, Tenant shall not be required to approve any change required by the Department of Building and Safety (and the cost of any such change shall be payable by Tenant as a Tenant requested Change Order), although Landlord shall deliver Tenant written notice thereof. Tenant may elect to pay for Change Orders by: (a) payment in a lump sum (with interest thereon at the Additional Tenant Improvement and Change Order Amortization Rate commencing as of the date(s) that Landlord pays for the applicable Change Order) upon Substantial Completion of the Tenant Improvements, or (b) amortization of such costs over the first five (5) years of the initial Term of the Lease in accordance with the terms of Section 6.3 below, to the extent of any remaining available portion of the Additional Tenant Improvement Allowance, which shall be elected by Tenant upon written notice to Landlord prior to the Commencement Date. Landlord shall submit to the Chief Executive Office, Real Estate Division with each requested Change Order or any Change Order arising from a requirement of the Department of Building and Safety ("DBS Changes") (i) the specific cost of the requested change, (ii) the cumulative net total cost of all Tenant requested Change Orders previously approved and all previous DBS Changes, and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved or the DBS Change is implemented. Except for Change Orders arising from DBS

Changes, each Change Order must be signed and dated by the Chief Executive Office, Real Estate Division.

9. **Furniture System**. Tenant shall deliver to Landlord within ten (10) business days following the consummation of this Lease, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, Landlord and/or the Architect shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors approved by Tenant in its reasonable discretion within ten (10) business days following Landlord's request for approval. 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 within thirty (30) days following Landlord's delivery thereof to Tenant, provided that any disapproval by Tenant shall be limited to items included in the bid package which are inconsistent with the Modular Specifications. Landlord shall select the furniture vendor that (i) commits to Landlord's schedule for the construction of the Tenant Improvements, (ii) is able to provide all of the Modular Furniture included in the bid package, and (iii) offers the lowest price (after adjustment of the bids for inconsistent assumptions). Notwithstanding any contrary provision of this Section 9, if the Modular Furniture Costs will exceed the remaining available Additional Tenant Improvement Allowance, as reasonably determined by Landlord, then upon written notice from Landlord (the "Excess Furniture Notice") Tenant shall revise the Modular Specifications as necessary to reduce the Modular Furniture Costs to the extent specified by Landlord, in which event the foregoing bidding process shall be repeated and the period of time following Landlord's delivery of the Excess Furniture Notice to Tenant through the date that the Modular Furniture is ordered shall be a Tenant Delay.

The Modular Furniture shall not become part of the realty or real property but shall remain personal property. Upon Tenant's payment in full of the amounts owing to Landlord under Section 6.3 above, the Modular Furniture shall constitute Tenant's personal property and shall be removable from the Premises by Tenant's creditors and their assigns during the Term of this Lease, provided that any damage occasioned by such removal shall be repaired by such creditors, and Landlord shall have no liability to Tenant in connection with any actions by Tenant's creditors in the Premises or with respect to any Modular Furniture removed by such creditors from the Premises. The foregoing provisions relating to Tenant's creditors' rights shall be binding upon the representatives, successors and assigns of the parties hereto, and shall inure to the benefit of the successors and assigns of the parties hereto.

Landlord shall provide the Modular Furniture set forth in the Modular Specifications as part of the Tenant Improvements and the design related, and purchase and installation costs therefor (the "Modular Furniture Costs") shall be part of the Tenant Improvement Costs to which the Additional Tenant Improvement Allowance (but not the Base Tenant Improvement Allowance) shall be applied. Tenant shall repay to Landlord the Modular Furniture Costs (with interest as set forth in Section 6.3 above) in accordance with Section 6.3 above.

10. **Tenant Improvement Costs Adjustment and Right to Audit**. Within ninety (90) calendar days after the issuance of a Certificate of Occupancy (permanent or temporary), or a final sign-off by the City of Industry, 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. Payments by Tenant for the Additional Tenant

Improvement Allowance and/or Change Orders shall be calculated and adjusted as appropriate, based upon such statement. Tenant shall have the right to audit these costs for a period of twelve (12) calendar 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 Work Letter, Tenant shall provide Landlord with a copy of the audit for Landlord's review, and Landlord shall have the right to object to Tenant's audit within sixty (60) calendar days after Landlord's receipt thereof (the "Outside Audit Response Date") if Landlord reasonably believes that Tenant's audit is inaccurate or incorrect. In the event that Landlord timely objects to Tenant's audit, then the parties shall work together diligently and in good faith to promptly resolve their disagreement and finalize the statement of Tenant Improvement Costs. Until such time as Tenant's audit is approved by Landlord or the parties resolve any disagreement with respect thereto, Tenant shall continue pay Landlord based upon the amounts originally billed to Tenant for the Additional Tenant Improvement Allowance and/or Change Orders. In the event that Landlord fails to timely object to Tenant's audit, or upon the parties' resolution of any disagreement with respect thereto, if it is determined that Tenant has overpaid any amounts to Landlord, then Landlord shall, within thirty (30) calendar days following the Outside Audit Response Date or the date of the parties' resolution of their disagreement, as applicable, refund to Tenant the amount of any overpayment made by Tenant and all future payments owing by Tenant to Landlord under this Work Letter shall be adjusted as appropriate based upon the agreed upon audit results.

11. **Intentionally Omitted.**

12. **Telephone/Computer Room and Equipment**. Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Final Plans during "Tenant's FF&E Period" (defined in Section 4.1 of the Lease).

13. **Delay**.

13.1. Tenant Delays and Force Majeure Delays. Except as set forth herein, no delay in the design or completion of construction of the Tenant Improvements shall be considered in the determination of the Projected Commencement Date, the date upon which the Premises are deemed to be Substantially Complete, or the Commencement Date of the Lease and, except as set forth in this Work Letter or in the Lease, under no circumstance shall Tenant be charged with any delay whatsoever as a result of delay in the design and construction of the 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 or perform acts as required herein or within the time periods required herein, or that the commencement or completion of construction of the Tenant Improvements is delayed as the result of Change Orders requested by Tenant or DBS Changes which are related to Change Orders requested by Tenant, 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 as the result of DBS Changes which are unrelated to Change Orders requested by Tenant, or by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, acts of God, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, 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)"). In addition, the date upon which the Premises are deemed to be Substantially Complete, and the Commencement Date, shall be accelerated one (1) day for each day of Tenant Delay.

13.2. Limitations.

(a) Notice. No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless Landlord has provided written notice 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 that Tenant receives such notice from Landlord. For purposes of notices of delays, the email addresses set forth in Section 18 below shall be used for any electronic confirmations of such notices delivered by facsimile.

(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 in writing to pay such excess, as additional rent (in which event Tenant shall be obligated to pay 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 (10) days of Tenant Delays and four (4) days of Force Majeure Delays which occur during the same ten (10) day period of such Tenant Delays, then the Projected Commencement Date would be extended by only ten (10) days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Projected Commencement Date would be extended by fourteen (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 estimated delay is specified in writing in the Change Order authorization (although the number of days of any Tenant Delay relating thereto shall be based on the actual number of days of such Tenant Delay).

14. **Tenant Remedies**. Any default by Landlord under the terms of this 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 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 Work Letter only, is Tenant's Address for Work Letter Notice as set forth in Section 1(i) above.

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 Work Letter and whose address, for purposes of any notices to be given regarding matters pertaining to this Work Letter only, is Landlord's Address for Work Letter Notice as set forth in Section 1(h) above.

16. **Intentionally Omitted**.

17. **Construction Meetings**. During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week or biweekly, unless Landlord or Tenant directs otherwise, at a time and place which is mutually convenient. An initial construction meeting shall be held within five (5) business 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, electronic delivery, or personal hand delivery (and in the case of any personal hand deliveries to Tenant, shall be delivered to the first address for notices to Tenant set forth in Section 1(i) above), unless otherwise agreed by Landlord and Tenant. Any electronic deliveries shall be delivered to Landlord at the following email address: dbui@majesticrealty.com (or to such other person as Landlord may designate from time to time), and to Tenant at the following email addresses: FChavarria@ceo.lacounty.gov and vyen@isd.lacounty.gov, provided that the delivering party shall also concurrently advise the receiving party by telephone of the forthcoming email at the applicable telephone number, as follows: For Landlord: David Bui at (562) 948-4388. For Tenant: Farron Chavarria at (213) 974-4155.

(*Signatures are on following page*)

LANDLORD:

RR & C CROSSROADS NO. 2, LLC,
a Delaware limited liability company

By: RR&C DEVELOPMENT COMPANY,
a California general partnership
Its: Sole Member

By: _____
EDWARD P. ROSKI, JR., Trustee of the
Roski Community Property Trust dated
November 1, 1987, as amended

By: CURCI INVESTMENTS, LLC,
a California limited liability company

By: _____
Thomas H. Purcell
Chairman

Its: _____

By: _____

Its: _____
Michael T. Curci
President

TENANT:

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
Name: Christopher M. Montana
Title: Director of Real Estate
Date Signed: 8/9/16

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 elevator;

(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 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 1 and 2, 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 as existing, 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, only to the extent of the existing distribution, piping and sprinkler heads currently in place in the Building as of the date of this Lease;

(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 received 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 toilet rooms);

(c) Interior finishes of any kind within the Premises (except toilet rooms);

(d) Interior partitions, doors, door frames, 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, provided that the Modular Furniture is addressed in Section 9 of the Work Letter;

(g) Distribution of electrical services, plumbing services and sprinklers from the core to the Premises and throughout 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 and extinguishers;

(j) Additional and/or above standard electrical capacity;

(k) Fiber optic access;

(l) Millwork as required by the Final Plans;

(m) Building modifications as necessary to accommodate the Tenant Improvements pursuant to the Final Plans;

(n) Miscellaneous specialties (e.g., CTTV, wall boards, marker boards, and sound insulation systems) pursuant to the Final Plans; and

(o) Structural floor loading modifications for Tenant's libraries, file rooms, unusual live loads and other such uses.

ADDENDUM C
To Landlord's Work Letter

MEMORANDUM OF TENANT IMPROVEMENTS COST

Reference is made to that certain Lease Agreement ("Lease") dated the ____ day of _____, 20__, between **COUNTY OF LOS ANGELES**, a body politic and corporate ("Tenant"), and **RR & C CROSSROADS NO. 2, LLC**, a Delaware limited liability company ("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 ("Commencement Date").

2) Landlord and Tenant hereby confirm the final total cost of the Tenant Improvements 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 :

Lease Budget:		Actual Cost:
$	Base Tenant Improvement Allowance	$
$	Additional Tenant Improvement Allowance	$
$	Total	$ _

(b) Per the terms of the Lease, Tenant shall amortize the Additional Tenant Improvement Allowance of **$**_____ at **7%** per annum (with interest commencing as of the Commencement Date) over the first 5 years of the initial Term of the Lease. As such, Tenant shall pay to the Landlord **$**_____ per month beginning upon the Commencement Date and continuing on the first (1st) day of each full calendar month during the first 5 years of the initial Term of the Lease. Tenant may at any time during the first 5 years of the initial Term prepay Landlord in a lump sum for all or any portion of the Additional Tenant Improvement Allowance, subject to the terms of Section 6.3 of the Landlord's Work Letter attached to the Lease.

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

Tenant:	Landlord:
COUNTY OF LOS ANGELES, a body politic and corporate	**RR & C CROSSROADS NO. 2, LLC,** a Delaware limited liability company
By: _____ Name: Christopher M. Montana Its: Director of Real Estate	By: _____ Name: Its: Authorized Representative

SUPPLEMENTAL LEASE DOCUMENTS

For

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT

DEPARTMENT OF PUBLIC SOCIAL SERVICES
(Initial Departmental User)

TENANT: COUNTY OF LOS ANGELES

LANDLORD: RR & C CROSSROADS NO. 2, LLC, a Delaware limited liability company

12851 Crossroads Parkway South

City of Industry, CA

****

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

DOCUMENT I

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

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

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, Nondisturbance 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"), [*Insert name of Landlord*] ("Borrower") and [*Insert name of Lender*], ("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 nondisturbance provision, all as set forth more fully below.

Agreement

Therefore, the parties agree as follows:

1. Subordination. The lien of the Deed of Trust and all amendments, modifications and extensions thereto shall be and remain at all times a lien on the Property prior and superior to the Lease, except that if Tenant is granted any option to extend the Term of the Lease, such provisions shall not be affected or diminished by any such subordination, which is conditioned upon the non-disturbance agreement of Borrower and Lender in Section 3 of this Agreement.

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. So long as Tenant is not in default, beyond the applicable notice and cure periods, under the Lease, 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 pursuant to 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. Tenant shall give Lender notice of Borrower's default under the Lease and an opportunity to cure as provided for in Section 27.4 of the Lease. 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 and construed in accordance with the internal laws of the State of California without regard to the choice of law rules of that State. Any litigation with respect to this Agreement shall be conducted in the County of Los Angeles, State of California.

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

APPROVED AS TO FORM

County Counsel

By: _____
Deputy

By: _____
Christopher M. Montana
Director of Real Estate

BORROWER:[*Insert name of Landlord*]

By: _____
Name: _____
Title: _____

LENDER: [*Insert name of Lender*],

By: _____
Name: _____
Title: _____

[ALL SIGNATURES MUST BE ACKNOWLEDGED]

Exhibit "A" to Document I

Legal Description

Assessor Parcel Number (APN): _____

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) Tenant has no option or right to lease additional space in the Premises or Building or to use any parking.

(e) 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.

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 Estoppel shall be governed by and construed in accordance with the internal laws of the State of California. Any litigation with respect to this Estoppel 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:
OFFICE OF THE 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 and also reported here separately)	_____	_____	_____

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:

Signed:

Date:

Title:

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 entered into a Lease of premises located on that certain real 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.

Dated: _____, 20___.

LANDLORD:	TENANT:
_____	_____
By:_____	By:_____
Its: _____	Its: _____

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)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____,
(insert name of notary)
Notary Public, personally appeared _____,
who proved to me 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____ (Seal)