County of Los Angeles
CHIEF EXECUTIVE OFFICE
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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
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First District

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Third District

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Fifth District

March 30, 2010

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
17 MARCH 30, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

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

Dear Supervisors:

FIVE-YEAR LEASE RENEWAL
FIRE DEPARTMENT
5801 SOUTH EASTERN AVENUE, COMMERCE
(FIRST DISTRICT) (3 VOTES)

SUBJECT

This recommendation is for a five-year lease renewal of a 28,474 rentable square feet of office space and 114 parking spaces for the Fire Department (Fire).

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed lease is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).

2. Approve and instruct the Chair to execute the lease for a five-year term with AMB Property, L.P, (Landlord) for 28,474 rentable square feet of office space and 114 parking spaces, located at 5801 South Eastern Avenue, Commerce, for the Fire at an annual first year rent not to exceed $563,785. The rental costs will be fully funded by Consolidated Fire District Funds.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The facility currently houses 144 Fire staff comprising the Fleet Services Division, Financial Management Division, Materials Management Division, Emergency Medical Services and the Exam Unit.

The County of Los Angeles (County) has leased the subject facility for Fire since July 1, 2002. The lease expired on June 30, 2007, and the County continued its occupancy of the facility on a month-to-month basis pursuant to the holdover provision in the lease. During the holdover period, the County has worked with the Landlord's representative to negotiate a fair market lease renewal.

Approval of the proposed lease will avoid any possible disruption of services to the public and related costs associated with relocating the program to a new location and constructing new tenant improvements. It will also allow Fire to continue occupancy of the premises pending evaluation and development of a proposed new headquarters facility.

Implementation of Strategic Plan Goals

The County Strategic Plan, Goal 1, directs the maximization of the Operational Effectiveness. The proposed lease supports this strategy by providing housing arrangements for the Fire's use pending the relocation to a proposed new headquarters while avoiding the costs associated with a possible double move. This proposed lease complies with the Strategic Asset Management Principles, as shown in Attachment A.

FISCAL IMPACT/FINANCING

The cost for the first year shall not exceed $563,785 based on the terms and conditions of the proposed lease. The increase in the basic rental rate of $43,886 represents an increase of approximately 8 percent. This is due mainly to the fact that the previous base rent was not subject to annual adjustments, but only the operating expenses portion was being adjusted. The base rent in the proposed lease is subject to annual adjustments based on the Consumer Price Index (CPI) increases and has a cap of 2 percent annually, with no minimum, and the operating expenses portion is subject to annual adjustments based on the CPI and capped at 5 percent annually, with no minimum.

5801 SOUTH EASTERN AVENUE, COMMERCE	EXISTING LEASE NO. 65930B	FIVE-YEAR LEASE RENEWAL	CHANGE
Area (square feet)	28,474	28,474	None
Term	Month–to-month as of 07/01/07	Five years, upon Board approval	+five years
Annual Base Rent	$519,899 (no annual adjustments were paid since 07/01/07)	$563,785	+$43,886 (8.4 percent increase)
Tenant Improvements	None	$189,352 included in the Base Rent, reimbursable only in the event of an early termination by County	+$189,352 new allowance
Parking (included in base rent)	114 parking spaces	114 parking spaces	None
Cancellation	Right to cancel by either Landlord or County upon 30 days' notice	Right to cancel at any time after the 30th month upon four months prior written notice	Longer initial period before cancellation right due to the longer term.
Option to Renew	None	None	None
Rental Adjustment	Annual passthrough adjustments to the operating expense portion of the rent with a cap of 5 percent	Annual CPI increases with a cap of 2 percent annually of the base year rent, and a cap of 5 percent on the operating expenses	Same cap on the operating expenses, plus a new cap of 2 percent on the base rent, with no minimum for both

Sufficient funding for the proposed five-year lease is included in the 2009-10 Rent Expense budget and will be charged back to Fire. Fire has sufficient funds in its operating budget to cover the proposed lease costs. The rental costs are fully funded by Consolidated Fire Districts funds.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed five-year lease renewal provides 28,474 rentable square feet and 114 parking spaces to the County for use by Fire. The lease contains the following provisions:

- The renewal commences upon Board approval, and ends five years thereafter.
- The lease term is on a full-service basis. All operating costs associated with the County's tenancy are the responsibility of the Landlord.
- As a consideration for the County's renewal of the lease, the Landlord agreed to provide a tenant improvement allowance up to a maximum cost of $189,352, or $6.65 per rentable square foot for new paint and new carpet tile for the premises. Should the work cost more, the County may reduce the scope of the work. Should the work cost less, the County will be reimbursed in the form of rental abatement.
- The County has the right to cancel the lease at any time after the 30th month upon 120 days' prior written notice and the reimbursement of the unearned real estate commission received by the County, and the balance of the tenant improvements expended by the Landlord at the County's request, amortized in a straight line over the term with no interest.

Chief Executive Office (CEO) Real Estate staff surveyed the area within a six-mile radius from the Fire Headquarters. Staff was unable to identify any facility within the surveyed area that could accommodate this requirement more economically.

Based upon a market survey of similar properties in the City of Commerce area, staff has determined that the base rental rate for similar properties, including parking and utilities is between $20 and $27 per square foot per year. Although the $19.80 basic annual rent of the proposed lease represents an increase of 8.4 percent over the previous rental rate, it is within the lower range of market for the area.

There is no space available to accommodate a child care center. The facility was inspected by Department of Public Works and found to be acceptable for County occupancy.

ENVIRONMENTAL DOCUMENTATIONS

The CEO has concluded that this project is exempt from California Environmental Quality Act (CEQA) as specified in Class 1, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease will provide the space necessary for Fire to continue providing services to the public. Fire concurs with the lease recommendation.

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors return four certified copies of the Minute Order and the adopted, stamped Board letter to the CEO, Real Estate Division, 222 South Hill Street, 4th Floor, Los Angeles, CA 90012.

Respectfully submitted,

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SK:WLD
CEM:MS:hd

Attachments

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

5801Eastern.b

Attachment A

FIRE DEPARTMENT
5801 SOUTH EASTERN AVENUE, COMMERCE
Asset Management Principles Compliance Form[1]

			Yes	No	N/A
1.	**Occupancy**				
	A	Does lease consolidate administrative functions?[2] **The programs were originally housed at headquarters had to move out for lack of adequate suitable space.**		X	
	B	Does lease co-locate with other functions to better serve clients?[2]			X
	C	Does this lease centralize business support functions?			X
	D	Does this lease meet the guideline of 200 sq. ft of space per person?[2] **28,474 / 144 staff = 198 s.f. per person**	X		
2.	**Capital**				
	A	Is it a substantial net County cost (NCC) program?		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 B?	X		
	G	Was build-to-suit or capital project considered? **A capital project and or a capital lease for a new headquarters facility are under consideration.**	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. x___ No suitable County occupied properties in project area.			
		3. x___ No County-owned facilities available for the project.			
		4. ___ Could not get City clearance or approval.			
		5. ___ The Program is being co-located.			
	E	Is lease a full service lease?	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?			

Attachment B

SIX-MILE RADIUS OF 1320 SOUTH EASTERN AVENUE, LOS ANGELES (GREATER THAN 28,000 SQUARE FEET)

ADDRESS	SQUARE GROSS	FEET NET	OWNERSHIP	SQ FT AVAILABLE
900 S FREMONT AVE, ALHAMBRA 91803	43500	36975	FINANCED	NONE
900 S FREMONT AVE, ALHAMBRA 91803	536168	363876	FINANCED	NONE
1000 S FREMONT AVE, ALHAMBRA 91803	194140	165995	LEASED	NONE
2415 W 6TH ST, LOS ANGELES 90057	46228	42065	LEASED	NONE
241 N FIGUEROA ST, LOS ANGELES 90012	60924	34748	OWNED	NONE
313 N FIGUEROA ST, LOS ANGELES 90012	221359	134851	OWNED	NONE
500 W TEMPLE ST, LOS ANGELES 90012-2713	958090	592835	OWNED	NONE
201 N FIGUEROA ST, LOS ANGELES 90012	87810	83420	LEASED	NONE
222 S HILL ST, LOS ANGELES 90012	30905	27785	LEASED	NONE
320 W TEMPLE ST, LOS ANGELES 90012	438095	258537	OWNED	NONE
813 E 4TH PL, LOS ANGELES 90013	39956	25158	OWNED	NONE
2020 ZONAL AVE, LOS ANGELES 90033	142448	79494	OWNED	NONE
133 N SUNOL DR, EAST LOS ANGELES 90063	28514	21777	OWNED	NONE
101 CENTRE PLAZA DR, MONTEREY PARK 91754	37590	33831	LEASED	NONE
1320 N EASTERN AVE, LOS ANGELES 90063	39015	24288	FINANCED	NONE
1100 N EASTERN AVE, LOS ANGELES 90063	80309	58826	OWNED	NONE
1110 N EASTERN AVE, LOS ANGELES 90063	37742	28973	FINANCED	NONE
4700 W RAMONA BLVD, MONTEREY PARK 91754	125000	106250	FINANCED	NONE
2525 CORPORATE PL, MONTEREY PARK 91754	29542	27820	LEASED	NONE
3216 ROSEMEAD BLVD, EL MONTE 91731	41836	39744	LEASED	NONE
9320 TELSTAR AVE, EL MONTE 91731	163000	146700	LEASED	NONE
3350 AEROJET AVE, EL MONTE 91731	120000	108000	LEASED	NONE
3400 AEROJET AVE, EL MONTE 91731	131806	120000	LEASED	NONE
2855 E OLYMPIC BLVD, LOS ANGELES 90023	63066	29220	OWNED	NONE
5460 BANDINI BLVD, BELL 90201	31400	21815	LEASED	NONE
5770 S EASTERN AVE, COMMERCE 90040	84477	63413	LEASED	NONE
4900 S EASTERN AVE, COMMERCE 90040	38936	33247	LEASED	NONE
5500 S EASTERN AVE, COMMERCE 90040	48794	46354	LEASED	NONE
5701 S EASTERN AVE, COMMERCE 90040	61130	55017	LEASED	NONE
5801 S EASTERN AVE, COMMERCE 90040	28474	25627	LEASED	NONE
5835 S EASTERN AVE, COMMERCE 90040	38814	36873	LEASED	NONE
5445 E WHITTIER BLVD, E LA 90022	70493	49261	OWNED	NONE
5555 FERGUSON DR, COMMERCE 90022	268400	246550	OWNED	NONE
8130 S ATLANTIC AVE, CUDAHY 90201	30873	24212	OWNED	NONE
7400 E IMPERIAL HWY, DOWNEY 90242	68000	55733	FINANCED	NONE
7601 E IMPERIAL HWY, DOWNEY 90242	85879	39682	OWNED	NONE
7601 E IMPERIAL HWY, DOWNEY 90242	88104	63850	FINANCED	NONE
7601 E IMPERIAL HWY, DOWNEY 90242	66200	56002	FINANCED	NONE

COUNTY OF LOS ANGELES

CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

DEPARTMENT: FIRE DEPARTMENT, as Tenant

LANDLORD: AMB PROPERTY, L.P., a Delaware limited partnership

77257

5801 SOUTH EASTERN AVENUE, SUITE 101 and 110

CITY OF COMMERCE

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COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AGREEMENT

THIS LEASE is entered into as of the 30th day of March, 2010 between AMB Property, L.P., a Delaware limited partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant" or "County").

Landlord and Tenant agree:

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

1.1 Defined Terms Relating to the Lease:

(a) Landlord's Address for Notice:	17777 Center Court Drive North, Suite 100 Cerritos, CA 90703
(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 28,474 rentable square feet in the Building (defined below) as shown on Exhibit A attached hereto.
(d) Building:	The building located at 5801 South Eastern Avenue, City of Commerce, CA, 90040-4001 which is located upon the real property described more particularly in Exhibit B attached hereto (the "Property");
(e) Term:	Five (5) years commencing upon adoption of this Lease by the County Board of Supervisors; and terminating at midnight on the day before the fifth anniversary of

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	the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(f) Projected Commencement Date:	May 31, 2010
(g) Commencement Date:	Upon adoption of this Lease by the County Board of Supervisors.
(h) Irrevocable Offer Expiration Date:	May 31, 2010
(i) Basic Rent:	$46,982.10 per month (which is based upon a rental rate of $1.65 per rentable square foot. The Basic Rent consists of a base rent of $27,050.30 per month (which is based upon a rental rate of $0.95 per rentable square foot), and the operating expenses rent of $19,931.80 per month (which is based upon a rental rate of $0.70 per rentable square foot.) The Basic Rent components are adjustable only as provided in Section 5(b) hereof.)
(j) Early Termination Notice Date and Early Termination:	At anytime after the end of the thirtieth month after the Commencement Date. It is the intention of the parties that the actual termination will not take effect prior to the 30th month of the Term. The cancellation right is subject to reimbursement of the balance of the tenant improvement costs, actually expanded at Tenant request, as set forth in Section 23 herein.
(k) Rentable Square Feet in the Premises:	28,474.
(l) Use:	General office use or for any other lawful purposes not incompatible with other uses in the Building.

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(m) Initial Departmental Use:	Fire Department administrative offices
(n) Parking Spaces:	110 parking spaces on an unassigned and unreserved basis in common with other tenants. Additionally, 4 spaces directly in front of the Building shall be reserved for Tenant's use.
(o) Normal Working Hours:	7:00 a.m. to 7:00 p.m., Monday through Friday and 9:00 a.m. to 2:00 p.m. Saturday, except New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day (on the days such holidays are generally observed) and such other holidays as are generally recognized by the County of Los Angeles, California.
(p) Asbestos Report:	A report dated November 30, 2001 prepared by Versar, Inc., and based in part on a report dated February 6, 1998 prepared by Earth Tech. Inc, both are licensed California Asbestos contractor.
1.2 Exhibits to Lease:	Exhibit A - Floor Plan of Premises Exhibit B- Legal Description of Property Exhibit C - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit D - HVAC Standards Exhibit E - Cleaning and Maintenance Schedule
1.3 Supplemental Lease Documents: (delivered to Landlord and made a part hereof 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

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2. PREMISES

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 space has been measured by Landlord and verified independently by 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 Premises, 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. Notwithstanding the foregoing or anything else to the contrary and provided such actions by Landlord do not materially and adversely impair access to or parking for the Premises, Landlord shall have the right, in Landlord's sole discretion, from time to time to (a) make changes to the Common Areas, including, without limitation, changes in the locations, size, shape, and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways, and utility raceways; (b) close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available; (c) use the Common Areas while engaged in making additional improvements, repairs, or alterations to the Industrial Center, or any portion thereof; and (d) do and perform such other acts and make such other changes in, to, or with respect to the Common Areas and Industrial Center as Landlord may, in the exercise of sound business judgment, deem to be appropriate.

4. COMMENCEMENT AND EXPIRATION DATES

(a) Term. The term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date. Within 30 days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing the Commencement Date Memorandum and Confirmation of Lease Terms attached as Exhibit C.

(b) Termination Right. If the Commencement Date has not occurred within 60 days from the Projected Commencement Date, subject to Tenant Delays or Force Majeure Delays as provided in Landlord's Work Letter, which has been executed concurrently herewith, Tenant may thereafter, at any time before the Commencement Date occurs, terminate this Lease effective upon the giving of written notice to Landlord and the parties shall have no further obligations to one another hereunder.

(c) Early Possession. Tenant currently occupies the Premises on a month-to-month holdover basis based on a prior lease with Landlord for the Premises.

(d) Early Termination. Tenant shall have the right to terminate this Lease at any time after the Early Termination Notice Date, as defined in Section 1, by giving Landlord not less than 4 months prior written notice executed by the Chief Executive Officer of Tenant. Prior to the actual termination, Tenant shall reimburse the Landlord for the unamortized balance of the Tenant Improvements actually expanded to improve the Premises as requested by Tenant. The amortizations shall be based on a 60 months amortization period straight line with no interest.

5. RENT

(a) Tenant shall pay Landlord the Basic Rent stated in Section 1 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. Basic Rent for any partial month shall be prorated in proportion to the number of days in such month.

(b) For each successive twelve (12) months of the original term of this lease, the monthly Basic Rent components as set forth in Section 1 shall be subject to adjustment. At the first anniversary date of the first day of the first full calendar month following the Commencement Date of this Lease and every twelve months thereafter, the rent shall be adjusted in accordance with the CPI formula set forth in Section 5 (c) below. The "Base Index" shall be the Index published for the month the lease commences.

(c) CPI Formula: The method for computing the annual rental adjustment shall be by reference to 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), herein referred to as "Index".

The rental adjustment for the Basic Rent shall be calculated by multiplying the Landlord's Basic Rent components by a fraction, the numerator being the New Index which is the Index published for the month immediately preceding the month the adjustment is to be effective, and the denominator being the Base Index which is the Index published for the month the Lease commenced.

The formula is illustrated as follows:

$$\frac{\text{New Index}}{\text{[Base Index]}} \times \$27{,}050.30 \text{ (base rent component)}$$

$$\frac{\text{New Index}}{\text{[Base Index]}} \times \$19{,}931.80 \text{ (operating expenses rent component)}$$

= New Monthly Rent

If the Index is changed so that the base year of the Index differs from that used as of the Commencement Date of the Lease, the Index shall be converted in accordance with the

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conversion factor published by the United State 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 result as would be obtained if the Index had not been discontinued or revised. In the event the parties are unable to agree upon a substitute index (if the original index is discontinued without a replacement) then upon demand by either party, the matter shall be submitted to arbitration in accordance with Paragraph 23N for the purpose of determining an alternate method of computing the rent adjustment based upon the increase in the cost of living.

(d) General Provisions:

1. In no event shall the monthly rent adjustment based upon the CPI formula set forth in this Section 5 result in an annual increase greater than two percent (2%) per year of the monthly base rent component of $27,050.30 (i.e., no more than $541.01 per month, annually).

2. In no event shall the monthly rent adjustment based upon the CPI formula set forth in this Section 5 result in an annual increase greater than five percent (5%) per year of the monthly operating expenses rent component of $19,931.80 (i.e., no more than $996.59 per month, annually).

3. In no event shall the monthly rent be adjusted by the CPI formula to result in a lower monthly rent than was payable during the previous year of the Lease.

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

7. HOLDOVER. If Tenant remains in possession of the Premises or any part thereof after the expiration of the Term of this Lease, such occupancy shall be a tenancy which is terminable only upon 90 days written notice from Landlord or 30 days written notice from the Chief Executive Officer of Tenant at the last monthly Basic Rent payable under this Lease (as such Basic Rent may be adjusted from time to time in accordance with this Lease) plus all other charges payable under this Lease, and subject to all of the terms, covenants and conditions of this Lease.

8. COMPLIANCE WITH LAW. Tenant shall, at Tenant's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect during the term hereof, regulating the use, occupancy or improvement of the Premises by Tenant. Landlord, not Tenant, shall, at its sole cost, at all times cause the Premises and the Building to comply with all applicable statutes, ordinances, rules, regulations, orders and requirements in effect and binding upon Tenant or Landlord during the term hereof, including without limitation, the Americans

with Disabilities Act, except to the extent such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises.

9. DAMAGE OR DESTRUCTION.

(a) Damage. In the event any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable and the Premises may be restored to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty in less than 180 days, then Landlord shall promptly, at Landlord's expense, repair such damage and this Lease shall continue in full force and effect. If all or any portion of the Premises shall be made 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 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 tenantable again using standard working methods. The failure to do so shall be a material default hereunder. Basic Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the provisions of California Civil Code Sections 1932(2) and 1933(4) with respect to any partial or total destruction of the Premises.

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

(c) 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.

(d) 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 declare a default hereunder.

10. REPAIRS AND MAINTENANCE.

(a) Landlord Representations. Landlord, to its actual and current knowledge, represents to Tenant that (i) the Premises, the Building and all Common Areas, (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including use the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined); and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(b) Landlord Obligations. 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 intrabuilding network cable; (ii) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (iii) the Common Areas; (iv) exterior windows of the Building; and (v) elevators serving the Building. 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: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five years of use); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed but not less often than every five years); and (5) signage.

(c) Tenant Obligations Without limiting Landlord's Obligations, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made and performed by contractors or mechanics 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 laws.

(d) Intentionally Deleted.

11. SERVICES AND UTILITIES.

Landlord shall furnish and pay for the following services and utilities to the Premises:

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

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

(c) Intentionally Deleted

(d) Water. Landlord shall make available water for normal lavatory and potable water meeting all applicable governmental standards for drinking purposes in the Premises.

(e) Janitorial. Landlord 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.

12. 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 or for performing any of Landlord's obligations under this Lease. If Landlord temporarily closes any portion of the Building or Premises, Basic Rent shall be prorated based upon the percentage of the Premises or Building rendered 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.

13. TENANT DEFAULT.

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

(i) The failure by Tenant to make any payment of Basic Rent or any other payment required to be made by Tenant hereunder (except to the extent

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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;

(ii) 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 Tenant 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.

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

(c) 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.

14. LANDLORD DEFAULT.

(a) Remedies. In addition to the provisions for Landlord's default provided by Sections 9(d), 10(c) 19 and 20(b), Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within thirty days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10(c)) ; provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such thirty day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. Notwithstanding the foregoing, 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 five business days, then Tenant shall have the right, at its option, after five days' further written notice to Landlord setting forth the cost to repair Landlord's Default, to remedy such default or breach and Landlord shall reimburse Tenant for such costs.

(b) 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.

(c) Emergency Notwithstanding the foregoing cure period, Tenant may cure any default without notice where the failure promptly to cure such default would, in

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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.

15. 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, that 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 and such assignment may not be to any department of Tenant that serves the public or to any other public entity for any use which directly serves the public.

16. ALTERATIONS AND ADDITIONS.

(a) 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: (1) complies with all Laws; (2) is not visible from the exterior of the Premises or Building; (3) will not materially affect the systems or structure of the Building; and (4) 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. Except to the extent that Tenant is exempt from personal property taxes, Tenant shall be responsible for all personal property taxes on the Alterations and such personal property taxes shall not be charged to Landlord by Tenant or any subdivision of Tenant.

(b) 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.

17. CONDEMNATION.

(a) 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.

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

(c) Partial Taking. If any portion, but not all, of the Premises is taken by Condemnation, this Lease shall remain in effect, except that Tenant may elect to terminate this Lease if, in Tenant's reasonable judgment, the remaining portion of the Premises (including the space available for parking) is rendered unsuitable for Tenant's continued use of the Premises. If Tenant elects to so terminate this Lease, Tenant must exercise its right to terminate by giving notice to Landlord within 30 days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than 30 days nor later than 90 days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination as designated by Tenant. If Tenant does not so notify Landlord within 30 days after the Determination Date, all obligations of Tenant under this Lease shall remain in effect, except that Basic Rent shall be equitably abated.

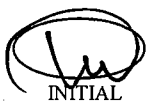
(d) Restoration. Notwithstanding the preceding paragraph, if, within 30 days after the Determination Date, Landlord notifies Tenant that Landlord at its cost will add to the remaining Premises so that the area of the Premises and the space available for parking, will be substantially the same after the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

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

(f) 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.

18. INDEMNIFICATION.

(a) Tenant's Indemnity. Tenant shall indemnify, defend and hold Landlord harmless from and against all loss, cost and expense, including attorneys' fees, arising from any injury or damage to any person or property, occurring in or about the Building or Premises as a result of any negligent act, omission or willful misconduct of Tenant or its employees, or arising from any breach or default under this Lease by Tenant. The



foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees.

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

19. INSURANCE.

(a) Landlord's Insurance. During the term of this Lease, Landlord shall maintain the following insurance:

(i) Commercial property insurance which shall (1) cover damage to Landlord's property, including improvements and betterments, from perils covered by the causes-of-loss special form (ISO form CP 10 30) 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 (2) be written for full replacement cost of the property, with a deductible of no greater than 5% of the property value.

(ii) General liability insurance (written on ISO policy form CG 00 01 (or its equivalent) with limits of not less than the following: (1) per occurrence and general aggregate amount of $5,000,000; (2) products/completed operations aggregate of $2,000,000; and (3) personal and advertising injury of $1,000,000.

(iii) Failure by Landlord to maintain the insurance required by this Section and deliver evidence thereof as required by this Lease or to use any insurance proceeds to timely repair and restore the Premises shall constitute a material breach of this Lease.

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

(c) Certificates. Landlord shall deliver to Tenant on the Commencement Date of this Lease and thereafter at least 30 days prior to expiration of any insurance

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required to be carried hereunder, certificates of insurance evidencing this coverage with limits not less than those specified above. Certificates must document that each party has named the other as an additional insured (or its equivalent) on its general liability and property insurance policy, and that Tenant has been named a loss payee on Landlord's commercial property insurance policy, as required. 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.

(d) 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.

20. PARKING.

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

(b) Remedies. Landlord acknowledges that it is a material term of this Lease that Tenant receives 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 14 and Sections 9 and 17 in the event of casualty or condemnation) Tenant may (a) terminate this Lease by giving written notice of such termination to Landlord, which notice shall be effective thirty (30) days thereafter or (b) deduct from the Basic Rent thereafter accruing hereunder an amount each month equal to the Basic Rent times the percentage of Parking Spaces not so provided times 1.5 but such deduction from Basic Rent shall be not less than ten percent (10%) nor more than one hundred percent (100%).

21. ENVIRONMENTAL MATTERS

(a) 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 to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for

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

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

22. ESTOPPEL CERTIFICATES. Tenant shall, within 30 days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently herewith (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.

23. TENANT IMPROVEMENTS Landlord, within fifteen (15) days after receipt of a duly executed copy of this Lease, and upon receiving three bids for the contemplated work and review of the bids by Tenant, shall contract to paint the interior of the Premises and to replace the carpet in the Premises with Mannington carpet tiles or equivalent, and VCT if needed, up to a maximum cost of $189,352.10 (i.e., $6.65 per rentable square foot). Said work shall be completed no later than six months from the date this Lease is executed by the parties.

Should the cost of said work exceed $189,352.10, Tenant shall review the scope of work with the proposed contractor(s) hired by Landlord to ensure that the work requested would fit within the budget.

The costs of the Tenant Improvements shall not be subject to amortization by Tenant to Landlord, except in the event of an early cancellation by Tenant; in which event the amortization will be based on a straight line amortization over the Term at zero percent interest.

Should the cost of said work be less than $189,352.10, Landlord agrees to reimburse Tenant in the form of rental abatement.

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

25. SUBORDINATION AND MORTGAGES

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

(b) 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.

(c) 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.

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

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

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

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

29. GENERAL

(a) 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.

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

(c) 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 as disclosed to the other in writing and shall indemnify and hold harmless each other against any loss, cost, liability or expense incurred by the other party as a result of any claim asserted by any such broker, finder or other person on the basis of any arrangements or agreements made or alleged to have been made in variance with this representation.

(d) 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.

(e) 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.

(f) Notices. All notices and communications to any party hereunder shall be in writing and shall be deemed properly given if delivered personally, sent by registered or certified mail, postage prepaid, or by a recognized overnight commercial messenger providing proof of delivery, facsimile (electronically confirmed) to Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1. Any notice so given shall be deemed to have been given as of the date of delivery (whether accepted or refused) established by U.S. Post Office return receipt or the overnight carrier's proof of delivery, as the case may be. Any such notice not so given shall be deemed given upon receipt of the same by the party to whom the same is to be given.

(g) 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.

(h) 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.

(i) Time of Essence. Time is of the essence for the performance of all of the obligations specified hereunder.

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

(k) 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.

(l) 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.

(m) Force Majeure Whenever a period of time is herein prescribed for the taking of any action by Landlord or Tenant, as the case may be, Landlord or Tenant, as applicable, shall not be liable or responsible for, and there shall be excluded from the computation of such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, or any other cause whatsoever completely beyond the control of Landlord or Tenant, as applicable. The foregoing provisions of this Paragraph are inapplicable to any payments of money due under this Lease.

30. 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 Basic 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.

31. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

(a) 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.

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

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

(c) Landlord Assignment.

(i) Landlord may assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease or any portion thereof (including the right to receive rental payments but excluding its duties and obligations hereunder), and Landlord may execute any and all instruments providing for the payment of Basic Rent directly to an assignee or transferee, but only if the conditions set forth in this Section are met.

(ii) 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.

(iii) 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 the 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.

(iv) 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 (a) $500,000 or (b) 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.

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

(vi) 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. 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.

(vii) 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.

32. IRREVOCABLE OFFER. In consideration for the time and expense that Tenant will invest, including, but not limited to, preliminary space planning, legal review, and preparation and noticing for presentation to the Tenant Real Estate Management Commission of Los Angeles County in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.

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

LANDLORD:

AMB PROPERTY, L.P.
a Delaware limited partnership

By: AMB PROPERTY CORPORATION, a Maryland corporation, its general partner

By: _____
Martin J Coyne,
Senior Vice President

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
Gloria Molina
Chair, Board of Supervisors

77257

ATTEST:

Sachi A. Hamai
Executive Officer-Clerk
of the Board of Supervisors

By: _____
Deputy

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: _____
Deputy

APPROVED AS TO FORM:

Andrea Sheridan Ordin
County Counsel

By: _____
Amy M. Tarres, Senior Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 MAR 30 2010

SACHI A. HAMAI
EXECUTIVE OFFICER

INITIAL

EXHIBIT A

FLOOR PLAN OF PREMISES

EXHIBIT B

LEGAL DESCRIPTION OF PROPERTY

A PARCEL OF LAND LOCATED IN THE STATE OF CALIFORNIA, COUNTY OF LOS ANGELES, WITH A SITUS ADDRESS OF 5801 SOUTH EASTERN AVENUE, COMMERCE, CA 90040-4001 CURRENTLY OWNED BY AMB PROPERTY HAVING A TAX ASSESSOR NUMBER OF 6332-013-028 AND BEING THE SAME PROPERTY MORE FULLY DESCRIBED AS PM 250-51-57 LOT 2 AND DESCRIBED IN DOCUMENT NUMBER 2224692 DATED 11/19/2001 AND RECORDED 11/21/2001.

EXHIBIT C

MEMORANDUM OF COMMENCEMENT DATE 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 AMB Property, L.P., a Delaware limited partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 5801 South Eastern Avenue, City of Commerce, CA ("Premises"),

Landlord and Tenant hereby acknowledge as follows:

(1) Tenant has been in possession of the Premises and now occupies the same;

(2) Landlord has substantially completed the Tenant Improvements required by Tenant as specified in the Lease.

(3) The Lease commenced on _____ ("Commencement Date");

(4) The Premises contain 28,474 rentable square feet of space; and

(5) Basic Rent per Month is $46,982.10.

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

"Tenant"

COUNTY OF LOS ANGELES,
a body politic and corporate

By: _____
William L. Dawson
Director of Real Estate

"Landlord"

AMB PROPERTY, L.P.
a Delaware limited partnership

By: AMB PROPERTY CORPORATION
a Maryland corporation, its general partner

By: _____
Martin J Coyne,
Senior Vice President

EXHIBIT D

HVAC 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 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. Graffiti expunged as needed within two working days after notice by Tenant.
K. Floors washed as needed.
L. Kitchen/Lunchroom supplies replenished including paper supplies and soap.

2. WEEKLY

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

3. MONTHLY

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

4. QUARTERLY

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

5. SEMI-ANNUALLY

A. Windows washed as required inside and outside but not less frequently than twice annually.

B. All painted wall and door surfaces washed and stains removed.

C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.

B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.

B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

C. 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.

D. 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"). The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute an Occurrence for the purpose of determining the frequency of this work.

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.

SUPPLEMENTAL LEASE DOCUMENTS

For

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LEASE AND AGREEMENT

DEPARTMENT: FIRE DEPARTMENT, as Tenant

LANDLORD: ANB PROPERTY, L.P., a Delaware limited partnership

5801 SOUTH EASTERN AVENUE, CITY OF COMMERCE

****

Document I - Subordination, Non-disturbance and Attornment Agreement

Document II - Tenant Estoppel Agreement

Document III - Community Business Enterprises Form

Document IV - Memorandum of Lease

Document V - Request for Notice

DOCUMENT I

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

AND WHEN RECORDED MAIL TO:	)
	)
County of Los Angeles	)
Chief Executive Office	)
Real Estate Division	)
222 South Hill Street	)
3rd Floor	)
Los Angeles, California 90012	**Space above for Recorder's Use**

SUBORDINATION, NONDISTURBANCE AND ATTORNMENT AGREEMENT

NOTICE: THIS SUBORDINATION, NONDISTURBANCE 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 _____, 2010 by and among COUNTY OF LOS ANGELES, a body politic and corporate ("Tenant"), and AMB Property, L.P., a Delaware limited partnership, ("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, right of first offer to lease additional premises, option to purchase the Property, or right of first offer to purchase the Property in the Lease, such provisions shall not be affected or diminished by any such subordination, which is conditioned upon the nondisturbance 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. Nondisturbance. 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 Lessee 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. 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.

APPROVED AS TO FORM

ANDREA SHERIDAN ORDIN
County Counsel

By: _____
Amy M. Caves
Senior Deputy

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: _____
William L. Dawson
Director of Real Estate

BORROWER:

AMB PROPERTY, L.P.
a Delaware limited partnership

By: AMB PROPERTY CORPORATION
a Maryland corporation,
its general partner

By:_____

LENDER:

[*Insert name of Lender*],

By: _____
Name: _____
Title: _____

DOCUMENT II

TENANT ESTOPPEL CERTIFICATE

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

_____

_____

_____

Attn: _____

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

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

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

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

(b) The current Rent is set forth above.

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

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

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

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

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.

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

COUNTY OF LOS ANGELES

By: _____
William L. Dawson
Director of Real Estate

APPROVED AS TO FORM
Andrea Sheridan Ordin
County Counsel

By: _____
Amy M. Caves, Senior Deputy

DOCUMENT III

COMMUNITY BUSINESS ENTERPRISE FORM (CBEF)

INSTRUCTIONS: As evidence of MBE/WBE participation, all landlords are required to annually submit a completed CBEF to the Chief Administrative Office on or before December 30th. As the requested information is for statistical purposes only, final lease analysis and consideration will be determined without regard to race, creed, color or gender. *(Categories based on 49 CFR Section 23.5)*

Section A. Minority/Women Participation in Firm (Partners, Associate Partners, Managers, Staff, etc.)

1. Firm Name: _____

2. Address: _____

3. Contact Person/Telephone Number: _____

4. Total Number of employees in the firm: _____

5. Provide the number of all minority employees and women in each category.	Owners, Partners and Associate Partners		Managers		Staff	
	All Employees	Women	All Employees	Women	All Employees	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

Section B. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

1. Type of Business Structure: (Corporation, Partnership, Sole Proprietorship, Etc.) _____

2. Total Number of Ownership/Partners, Etc.: _____

3. Provide the Percentage of Ownership in each category.	All Employees	Women
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others		

Section C. MINORITY/WOMEN-OWNED FIRM CERTIFICATION

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

Section D. OPTION TO RESPOND TO THE CBEF

☐ We do not wish to provide the information required in this form.

Firm Name: _____

Signature/Title: _____

Date: _____

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 AMB PROPERTY, L.P., a Delaware limited partnership (the "Landlord"), and the COUNTY OF LOS ANGELES, a public body corporate and politic duly organized and existing under the laws of the State of California (the "Tenant") who agree as follows:

Landlord and Tenant hereby enter a Lease of certain property (the "Lease") in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 2010, and ending on a date five (5) 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 _____, 2010.

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:

AMB PROPERTY, L.P.
a Delaware limited partnership

By: AMB Property Corporation

By:_____
Martin J. Coyne
Senior Vice President

TENANT:

County of Los Angeles, a body corporate and politic

By:_____
William L. Dawson
Director of Real Estate

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

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

"LENDER:

_____,
a _____

By:_____
SIGNEE'S NAME

Its: SIGNEE'S TITLE

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

COUNTY OF _____ ss.

On this ____ day of _____, 200__, before me, _____ _____ a Notary Public in and for the State of California, 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.

WITNESS my hand and official seal

Signature_____

My commission expires _____.