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COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
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Chief Executive Officer

Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

January 14, 2025

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

Dear Supervisors:

**TWO 12-YEAR LEASES
DEPARTMENT OF PUBLIC SOCIAL SERVICES
12820 AND 12860 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

Approval of two proposed 12-year leases to renew existing leases to provide the Department of Public Social Services (DPSS) continued use of 33,331 square feet of office space and 133 on-site parking spaces at 12820 Crossroads Parkway South and 55,000 square feet of office space and 219 on-site parking spaces at 12860 Crossroads Parkway South as part of DPSS' headquarters.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed leases are exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board letter and in the record of the project.
2. Authorize the Chief Executive Officer, or her designee, to execute the proposed leases with RR&C Development Company, a California general partnership (Landlord), for approximately 88,331 square feet of office space comprised of 33,331 square feet at 12820 Crossroads Parkway South (Premises A), and 55,000 square feet of at 12860 Crossroads Parkway South, City of Industry (Premises B) and a total of 352 on-site parking spaces to be occupied by DPSS. Each lease proposes a lease for a term of more than ten years, to wit, for a term of 12 years. The estimated maximum first year base rental cost for Premises A is \$1,100,000, but with a two-month rent abatement of approximately \$184,000, will equal \$916,000. The estimated total proposed lease cost, including the rent abatement, tenant improvement (TI), low-voltage and electrical is \$26,677,000 over the 12-year term for Premises A. The estimated maximum first year base rental cost for Premises B is \$1,815,000, but with a two-month rent abatement of approximately \$303,000,

will equal \$1,512,000. The estimated total proposed lease cost, including the rent abatement, TI, low-voltage, and electrical is \$41,166,000 over the 12-year term for Premises B. The rental costs for both proposed leases will be funded by 80.11 percent State and Federal funds and 19.89 percent by net County cost (NCC) that is already included in DPSS' existing budget. DPSS will not be requesting additional NCC for this action.

3. Authorize the Chief Executive Officer, or her designee, to reimburse the Landlord an aggregate amount up to \$11,484,000, for the County's total TI contribution, paid in lump sum for both proposed leases; which consists of up to \$4,334,000, for the County's TI contribution for Premises A and up to \$7,150,000, for the County's TI contribution for Premises B.

4. Authorize the Director of DPSS, or her designee, to contract with and direct the Internal Services Department, in coordination with the Chief Executive Officer, or her designee, for the acquisition and installation of telephone, data, and low-voltage systems and vendor installation (Low-Voltage Items) at a total cost not to exceed \$9,468,000, paid in a lump sum for both proposed leases, which should not exceed \$4,644,000 for Premises A, and \$4,824,000 for Premises B. The cost for the Low-Voltage Items is in addition to the rental costs and the County's TI contribution payable to the Landlord.

5. Authorize and direct the Chief Executive Officer, or her designee, to execute any other ancillary documentation necessary to effectuate the proposed leases, and to take actions necessary and appropriate to implement the terms of the proposed leases, including, without limitation, exercising any early termination rights and the options to extend at fair market value as set forth in the proposed leases.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DPSS' headquarters occupies five buildings within an office campus at 12820, 12860, 12900, 12801 and 12851 Crossroads Parkway South, City of Industry (Headquarters). Each of the buildings has their own lease and each lease has a different expiration date. To ensure operational efficiencies, DPSS intends to have all leases expire around the same time so that DPSS can retain flexibility for any future plans for consolidation and/or relocation of its Headquarters.

DPSS intends to modernize and refresh the buildings located at Premises A and B and at 12900 Crossroads Parkway South. The TI work will be completed in several phases to minimize any impact to DPSS' operations. As TI work is performed in the Premises, DPSS will use any available workstations in one of the other buildings at Headquarters to temporarily house the displaced staff, as well as implement telework where possible. All proposed leases and lease amendments have been negotiated and are being presented to the Board for approval at the same Board meeting.

DPSS has occupied Premises A since 2001 and the lease expired on May 16, 2023. DPSS has occupied Premises B since 1992 and the lease expired on February 13, 2023. Both leases have been in holdover with no holdover fee charged by the Landlord. All the programs at Premises A and B are administrative in nature and provide support for all of DPSS staff and systems.

Programs at Premises A include General Relief, CalFresh Program Division, CalWORKS Program Division, and the Greater Avenues for Independence (GAIN) Program Division. General Relief provides cash aid to indigent adults, and children in certain special circumstances who are ineligible for Federal or State programs. CalWORKS implements financial assistance to eligible families with children to assist in paying for housing, food, utilities, clothing, medical care, and other necessary

expenses. CalFresh furnishes food benefits to low-income individuals and families and provides economic benefits to communities. GAIN provides welfare-to-work case management, job preparation, job training, and employment-related services to participants.

Programs at Premises B include Charitable Giving, Civil Rights, Workforce Services Division I through VI, DPSSTATS, Government Inquiry and Response, Intergovernmental Relations, Communications, Marketing, Office Management, Program Compliance, Project Management, Research Evaluation and Quality Assurance Division, the California Statewide Automated Welfare System Support and Business Intelligence Division, and the Management and Research Services Divisions.

There are 227 staff assigned to Premises A with 258 workstations. There are 279 staff assigned to Premises B with 268 workstations. DPSS anticipates expanding programs and staff over the course of the proposed lease term and has budgeted for growth positions. However, in the interim, DPSS will use any excess workstations to backfill staff that must vacate Premises A and B, or 12900 Crossroads Parkway South due to the anticipated phased TIs that will occur at each building.

DPSS has implemented telework where possible, including both full-time and hybrid telework models depending on the requirements of the position; however, other staff are required to be onsite daily to access sensitive and confidential data that cannot be accessed remotely. Additionally, some staff are onsite daily to serve the public facing needs of DPSS.

Both Premises A and B continue to meet DPSS' space and parking needs and are located in a geographically appropriate area. The Premises are located within a half mile of the 60 and 605 freeways and are adequately served by public transportation.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan North Star 1 – “Make Investments That Transform Lives” – provides that LA County is a highly responsive organization investing in solutions that address our most complex societal challenges (health, jobs, housing, food insecurity, and recidivism) affecting our most vulnerable communities – one person at a time.

The proposed leases are also consistent with the Strategic Asset Management Goal – Maximize use of County space and achieve cost savings, and Key Objective No.4 – Guide Strategic Decision Making.

The proposed leases support the above goals and objective by providing DPSS with adequate office spaces and sufficient parking in a centrally located facility within the DPSS Headquarters campus.

The proposed leases conform with the Asset Management Principles outlined in Enclosure A.

FISCAL IMPACT/FINANCING

The estimated maximum first year base rental cost for Premises A is \$1,100,000, but with a two-month rent abatement of approximately \$184,000, will equal \$916,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease for Premises A over the entire term, including rent abatement, electrical, low-voltage, and TIs is \$26,677,000, as shown in Enclosure B-1.

The estimated maximum first year base rental cost for Premises B is \$1,815,000, but with a two-month rent abatement of \$303,000, will be approximately \$1,512,000, which includes parking at no additional cost. The aggregate cost associated with the proposed lease over the entire term, including rent abatement, electrical, Low-Voltage Items, and TIs, is \$41,166,000, as shown in Enclosure B-2.

DPSS will continue paying the current rent while under the existing holdover provisions until it surrenders Premises A or B, as applicable; will pay no rent while the respective Premises are under construction for the proposed TIs; and upon completion of TIs and County's acceptance of the respective Premises, the new rent will commence at each Premises.

The rental costs associated with the proposed leases will be funded by State and Federal funds and NCC based on the then existing subvention rates that will be included in DPSS' budget. DPSS will not be requesting additional NCC for this action. Future funding for the costs associated with the proposed lease will be addressed through the annual budget process for DPSS.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In addition to the terms previously stated, the proposed lease also contains the following provisions:

- The current annual rental rate for Premises A is \$28.18 per square, foot per year. The current annual rental rate for Premises B is \$27.88 per square, foot per year. Upon commencement of the proposed leases, the annual rental rates will be \$33 per square foot, per year. Base rent is subject to annual increases based on the Consumer Price Index with a minimum of 2 percent per annum and capped at 4 percent per annum.
- The Landlord has agreed to two months of rent abatement each at both Premises A and B. DPSS has the option to convert all or any portion of its rental abatement towards an increase in base TI allowance.
- For Premises A, the Landlord will provide a base TI allowance of approximately \$1,500,000 (\$45 per square foot). The County will reimburse the Landlord up to \$4,334,000 as the County's lump sum TI contribution.
- For Premises B, the Landlord will provide a base TI allowance of approximately \$2,475,000 (\$45 per square foot). The County will reimburse the Landlord up to \$7,150,000, as the County's lump sum TI contribution.
- The Landlord is responsible for the operating and maintenance costs of the buildings, and janitorial services. The County is responsible for electric costs within Premises A and B. The County is not subject to the building's operating expense increases.
- There are a total of 352 on-site parking spaces included in the base rent at no additional cost.
- Upon commencement of the proposed leases, the County will no longer be charged an operating expense rent by the Landlord.
- The County is currently responsible for reimbursing the Landlord for all real estate taxes at each of the Premises. Upon commencement of the proposed leases, the County will only be responsible for its share of real estate taxes over \$70,000 per year for Premises A, and over \$110,000 per year for Premises B.

- A comparison of the existing leases and the proposed lease terms are shown in Enclosure B-3.
- Both proposed leases have 12-year initial terms with one option each to extend the proposed leases for an additional five years with nine months' prior written notice, at fair market rent. If all options are exercised, the total terms for both the proposed leases would be 17 years.
- The County has the right to terminate either of the proposed leases early any time after the tenth year, with 180 days' prior written notice.
- Holdover at the proposed lease expiration is permitted on the same lease terms and conditions. The monthly base rent during the holdover periods will remain the same and subject to the regular increases.
- The proposed leases were submitted for review to the Board's appointed Real Estate Management Commission on December 5, 2024, and were unanimously approved.
- The proposed leases will be effective upon approval by the Board and full execution of the proposed leases, but the term and rent will commence on the first day of the month following 30 days after substantial completion of the TIs by the Landlord and acceptance of the Premises by the County for each proposed lease.

The Chief Executive Office (CEO) issued a flyer soliciting proposals for available space from landlords, brokers, and other owner representatives, for a new Headquarters space, through the Executive Office posting website and Real Estate's County website. None of the responses received were suitable for DPSS' needs due to being located outside of the DPSS' search area. The CEO conducted a market search of available office space for lease but was unable to identify any sites that could accommodate this requirement more economically. Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$31.80 and \$42 per square foot, per year. The base annual rental rate of \$33 per square foot, per year for the proposed leases represents a rate that is within the market range for the area. Further, relocation to new buildings would disrupt services and would place the DPSS administrative staff currently operating at these two locations too far from the Headquarters. We recommend the proposed Premises A and B as the most suitable to meet the County's space requirements.

The CEO has communicated with co-working office space companies about office space for the applicable programs, and they have informed us that their co-working office space does not have available space for long-term occupancy to accommodate the required space needs.

Enclosure C shows County-owned or leased facilities within the surveyed area, and there are no suitable County-owned or leased facilities available for this space requirement.

The Department of Public Works has inspected the facilities and found them suitable for the County's occupancy. The required notification letter to the City of Industry has been sent in accordance with Government Code Section 25351.

County Counsel has reviewed the proposed leases and approved them as to form. The proposed leases are authorized by Government Code Section 25351, which allows the County to enter into leases and agreements for the leasing of buildings, as necessary, to carry out the work of the county government.

The proposed leases will continue to provide a suitable location for DPSS' programs, which is consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012, as outlined in Enclosure D.

ENVIRONMENTAL DOCUMENTATION

This project is exempt from CEQA, as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and section 15301 of the State CEQA Guidelines (Existing Facilities). The proposed leases, which involves the leasing of existing office space with minor TIs within an existing building, with no expansion of the existing building, is within a class of projects that have been determined not to have a significant effect on the environment and meets the criteria set forth in section 15301 of the State CEQA Guidelines (Guidelines), and Class 1 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G. In addition, based on the proposed project records, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled, pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Upon the Board's approval of the recommended actions, a Notice of Exemption for each proposed lease will be filed with the Registrar-Recorder/County Clerk in accordance with section 21152 of the California Public Resources Code.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed leases will adequately provide the necessary office space and parking for this County requirement. DPSS concurs with the proposed lease and recommendations.

The Honorable Board of Supervisors

1/14/2025

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Respectfully submitted,



FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:JTC

JLC:HD:ANR:NH:gb

Enclosures

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

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
12820 & 12860 CROSSROADS PARKWAY SOUTH, CITY OF INDUSTRY**

Asset Management Principles Compliance Form¹

1. <u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions?	X		
B	Does lease co-locate with other functions to better serve clients?			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? The ratio is 147 sq. ft per person at Premises A and 197 sq. ft. per person at Premises B. This is due to new and more efficient space reconfiguration plans at each of the premises.		X	
E	Does lease meet the 4/1000 sq. ft. parking ratio guideline?	X		
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location?	X		
2. <u>Capital</u>				
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 Enclosure C?			
G	Was build-to-suit or capital project considered?			X
3. <u>Portfolio Management</u>				
A	Did department use 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 with other County departments?			
	1. ____ The program clientele requires a "stand alone" facility.			
	2. ____ 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? The County is responsible for electric costs.		X	
F	Has growth projection been considered in space request?	X		
G	¹ Has the Dept. of Public Works completed seismic review/approval?	X		
¹ As adopted by the Board of Supervisors 11/17/98				
² If not, why not?				

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

12820 Crossroads Parkway South, City of Industry
Department of Public Social Services

Basic Lease Assumptions

Leased Area (sq.ft.)	33,331				
	<table border="1"> <tr> <th>Per RSF</th> <th>Per RSF</th> </tr> <tr> <th>Per Month (\$)</th> <th>Per Year (\$)</th> </tr> </table>	Per RSF	Per RSF	Per Month (\$)	Per Year (\$)
Per RSF	Per RSF				
Per Month (\$)	Per Year (\$)				
Base Rent	\$2.75				
Term	12 years				
Annual Rent Adjustments	4.00%				
Electrical Costs	\$0.28				
	\$3.32				
	<table border="1"> <tr> <th># of Spaces</th> </tr> </table>	# of Spaces			
# of Spaces					
Parking	133				
	<table border="1"> <tr> <th>Lump Sum</th> </tr> </table>	Lump Sum			
Lump Sum					
Tenant Improvement Costs (Reimbursable to Landlord)	\$4,333,030				
	<table border="1"> <tr> <th>Lump Sum</th> </tr> </table>	Lump Sum			
Lump Sum					
Low Voltage Costs (TESMA Labor & Materials)	\$4,644,000				

	1 st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	9th Year	10th Year	11th Year	12th Year	Total 12 Years Rental Costs
Annual Base Rent Costs	\$1,100,000	\$1,144,000	\$1,190,000	\$1,238,000	\$1,288,000	\$1,340,000	\$1,394,000	\$1,450,000	\$1,508,000	\$1,569,000	\$1,632,000	\$1,698,000	\$16,551,000
Rent Abatement ⁽¹⁾	(\$184,000)												(\$184,000)
Rent Paid to Landlord	\$916,000	\$1,144,000	\$1,190,000	\$1,238,000	\$1,288,000	\$1,340,000	\$1,394,000	\$1,450,000	\$1,508,000	\$1,569,000	\$1,632,000	\$1,698,000	\$16,367,000
TI Allowance (Reimbursable)	\$4,334,000												\$4,334,000
Total Costs Paid to Landlord	\$5,250,000	\$1,144,000	\$1,190,000	\$1,238,000	\$1,288,000	\$1,340,000	\$1,394,000	\$1,450,000	\$1,508,000	\$1,569,000	\$1,632,000	\$1,698,000	\$20,701,000
Low Voltage Costs	\$4,644,000												\$4,644,000
Electrical Costs ⁽²⁾	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$111,000	\$1,332,000
Total Annual Lease Costs⁽³⁾	\$10,005,000	\$1,255,000	\$1,301,000	\$1,349,000	\$1,399,000	\$1,451,000	\$1,505,000	\$1,561,000	\$1,619,000	\$1,680,000	\$1,743,000	\$1,809,000	\$26,677,000

⁽¹⁾ Rent Abatement is months 1 & 2 of the lease term.

⁽²⁾ County pays direct to the utility provider for its electrical use. Amount is based upon the past 12-month average. Costs are subject to change.

⁽³⁾ County is also responsible for any real estate taxes above \$70K, if any.

***Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.**

OVERVIEW OF THE PROPOSED BUDGETED LEASE COSTS

12860 Crossroads Parkway South, City of Industry
Department of Public Social Services

Basic Lease Assumptions

Leased Area (sq.ft.)	55,000	
	Per RSF	Per RSF
	Per Month (\$)	Per Year (\$)
Base Rent	\$2.75	\$33.00
Term	12 years	
Annual Rent Adjustments	4.00%	
Electrical Costs	\$0.28	\$3.33
	# of Spaces	
Parking	219	
	Lump Sum	
Tenant Improvement Costs (Reimbursable to Landlord)	\$7,150,000	
	Lump Sum	
Low Voltage Costs (TESMA Labor & Materials)	\$4,824,000	

	1 st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	9th Year	10th Year	11th Year	12th Year	Total 12 Years Rental Costs
Annual Base Rent Costs	\$1,815,000	\$1,888,000	\$1,964,000	\$2,043,000	\$2,125,000	\$2,210,000	\$2,299,000	\$2,391,000	\$2,487,000	\$2,587,000	\$2,691,000	\$2,799,000	\$27,299,000
Rent Abatement ⁽¹⁾	(\$303,000)												(\$303,000)
Rent Paid to Landlord	\$1,512,000	\$1,888,000	\$1,964,000	\$2,043,000	\$2,125,000	\$2,210,000	\$2,299,000	\$2,391,000	\$2,487,000	\$2,587,000	\$2,691,000	\$2,799,000	\$26,996,000
TI Allowance (Reimbursable)	\$7,150,000												\$7,150,000
Total Costs Paid to Landlord	\$8,662,000	\$1,888,000	\$1,964,000	\$2,043,000	\$2,125,000	\$2,210,000	\$2,299,000	\$2,391,000	\$2,487,000	\$2,587,000	\$2,691,000	\$2,799,000	\$34,146,000
Low Voltage Costs	\$4,824,000												\$4,824,000
Electrical Costs ⁽²⁾	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$183,000	\$2,196,000
Total Annual Lease Costs⁽³⁾	\$13,669,000	\$2,071,000	\$2,147,000	\$2,226,000	\$2,308,000	\$2,393,000	\$2,482,000	\$2,574,000	\$2,670,000	\$2,770,000	\$2,874,000	\$2,982,000	\$41,166,000

⁽¹⁾ Rent Abatement is months 1 & 2 of the lease term.

⁽²⁾ County pays direct to the utility provider for its electrical use. Amount is based upon the past 12-month average. Costs are subject to change.

⁽³⁾ County is also responsible for any real estate taxes above \$110K, if any.

***Calculation note: All numbers are rounded up to ensure sufficient funds available to pay the specified expense.**

**COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE
12820 CROSSROADS PARKWAY S, CITY OF INDUSTRY**

	Existing Lease: 12820 Crossroads Pkwy S., City of Industry	Proposed Lease 12820 Crossroads Pkwy S., City of Industry	Change
Area (Square Feet)	33,331 sq.ft.	33,331 sq.ft.	No change.
Term (years)	7 years	12 years plus one 5-year options to renew	12 years plus one 5-year options to renew
Annual Base Rent	\$595,000	\$917,000 ⁽¹⁾	+\$322,000
Annual Operating Expense Rent	\$281,000	\$0	-\$281,000
Real Estate Taxes	\$64,000	\$0	-\$64,000
Annual Parking Cost	No cost	No cost	No change
Total Annual Lease Costs payable to Landlord	\$940,000	\$917,000	-\$23,000
Operating Expense adjustment	Fixed annual increases of 3.75%	None. No longer applicable.	None. No longer applicable.
Rental rate adjustment	Annual CPI adjustments capped at 3 percent with no minimum.	Annual CPI adjustments with a minimum of 2 percent and capped at 4 percent.	Annual CPI adjustments with a minimum of 2 percent and capped at 4 percent.

⁽¹⁾ Includes 2 months of rent abatement.

*Note: All numbers are rounded up.

**COMPARISON OF THE PROPOSED LEASE TO EXISTING LEASE
12860 CROSSROADS PARKWAY S, CITY OF INDUSTRY**

	Existing Lease: 12860 Crossroads Pkwy S., City of Industry	Proposed Lease 12860 Crossroads Pkwy S., City of Industry	Change
Area (Square Feet)	55,000 sq.ft.	55,000 sq.ft.	No change.
Term (years)	7 years	12 years plus one 5-year options to renew	12 years plus one 5-year options to renew
Annual Base Rent	\$990,000	\$1,513,000 ⁽¹⁾	+\$523,000
Annual Operating Expense Rent	\$442,000	\$0	-\$442,000
Real Estate Taxes	\$102,000	\$	-\$101,000
Annual Parking Cost	No cost	No cost	No change
Total Annual Lease Costs payable to Landlord	\$1,533,000	\$1,513,000	-\$20,000
Operating Expense adjustment	Fixed annual increases of 3.75%	None. No longer applicable.	None. No longer applicable.
Rental rate adjustment	Annual CPI adjustments capped at 3 percent with no minimum.	Annual CPI adjustments with a minimum of 2 percent and capped at 4 percent.	Annual CPI adjustments with a minimum of 2 percent and capped at 4 percent.

⁽¹⁾ Includes 2 months of rent abatement.

*Note: All numbers are rounded up.

DEPARTMENT OF PUBLIC SOCIAL SERVICES

SPACE SEARCH – 3 MILE RADIUS FROM 12820 & 12860 CROSSROADS PARKWAY
SOUTH, CITY OF INDUSTRY

PROPERTY ID	PROPERTY NAME	ADDRESS	OWNER-SHIP	GROSS SQFT	NET SQFT	VACANT SQFT
10324	ASSESSOR - EAST DISTRICT	1198 DURFEE AVE, South El Monte, CA 91733	Owned	10548	10021	None
B002	DPSS - Administrative Headquarters E Annex	12900 Crossroads Pkwy S, City Of Industry, CA 91745	Leased	34245	31420	None
4533	East Services Agency - Office Building	265 Cloverleaf Dr, Baldwin Park, CA 91706	Owned	1440	1055	None
A130	DPSS - Administrative Headquarters	12860 Crossroads Pkwy S, City Of Industry, CA 91745	Leased	55000	41943	None
A130	DPSS - Administrative Headquarters	12860 Crossroads Pkwy S, City Of Industry, CA 91745	Leased	55000	41943	None
B119	Assessor - East District Office	1190 Durfee Ave, South El Monte, CA 91733	Owned	36861	35018	None
10430	RR/CC - Crossroads Parkway Office	13401 Crossroads Parkway, City of Industry 91746	Leased	57905	55010	None
D930	San Gabriel Valley Service Center	1441 Santa Anita Ave, South El Monte, CA 91733	Owned	1230	1230	None
A507	DPSS - Administrative Headquarters W Annex	12820 Crossroads Pkwy S, City Of Industry, CA 91745	Leased	33331	28331	None
D930	San Gabriel Valley Service Center	1441 Santa Anita Ave, South El Monte, CA 91733	Owned	8124	5547	None
A507	DPSS - Administrative Headquarters W Annex	12820 Crossroads Pkwy S, City Of Industry, CA 91745	Leased	33331	28331	None
D930	San Gabriel Valley Service Center	1441 Santa Anita Ave, South El Monte, CA 91733	Owned	1250	840	None
D930	San Gabriel Valley Service Center	1441 Santa Anita Ave, South El Monte, CA 91733	Owned	5544	3785	None
D930	San Gabriel Valley Service Center	1441 Santa Anita Ave, South El Monte, CA 91733	Owned	2516	1718	None

FACILITY LOCATION POLICY ANALYSIS

Proposed lease: Leases for the Department of Public Social Services – 12820 & 12860 Crossroads Parkway South, City of Industry – First District.

A. Establish Service Function Category – Headquarters

B. Determination of the Service Area – The proposed leases will provide DPSS with adequate office space for its Headquarters.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: Continued need for operation within Service Area 3.
- Need for proximity to existing County facilities: All within the same business campus so DPSS can use as its Headquarters
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The location is adequately served by local transit services, i.e., Metro bus route 270 and Foothill Transit route 274.
- Availability of affordable housing for County employees: The surrounding area provides for affordable housing and rental opportunities.
- Use of historic buildings: N/A
- Availability and compatibility of existing buildings: There are no alternative existing County buildings available that meet DPSS' space needs.
- Compatibility with local land use plans: The City of Industry has been notified of the proposed County use which is consistent with its use and zoning for office space at this location.
- Estimated acquisition/construction and ongoing operational costs: The aggregate cost associated with the proposed leases over the entire term is \$26,677,000 for Premises A and \$41,166,000 for Premises B.

D. Analyze results and identify location alternatives

Based upon a review of available industry data, it has been established that the annual rental range for a comparable lease in the area is between \$31.80 and \$42 per square foot, per year. The base annual rental rate of \$33 per square foot, per year for the proposed leases represents a rate that is within the market range for the area. Further, relocation to a new building would disrupt services and would place the DPSS administrative staff currently operating at these two locations too far from the Headquarters. We recommend the proposed Premises as the most suitable to meet the County's space requirements.

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

The proposed leases will provide adequate and efficient office space for a total of 506 employees consistent with the County's Facility Location Policy, adopted by the Board on July 24, 2012.

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

**COUNTY OF LOS ANGELES - Tenant
RR&C DEVELOPMENT COMPANY - Landlord**

**12820 CROSSROADS PARKWAY SOUTH,
CITY OF INDUSTRY, CALIFORNIA**

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EXHIBITS

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprise Form
- Exhibit H – Memorandum of Lease Terms
- Exhibit I – Landlord's Work Letter

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 20__ between RR&C DEVELOPMENT COMPANY, a California general partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 Terms

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

(a) Landlord's Address for Notices:	RR&C DEVELOPMENT COMPANY c/o Majestic Realty Co. 13191 Crossroads Parkway North 6th Floor City of Industry, California 91746 Attention: Property Manager
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 33,331 rentable square feet ("RSF") at 12820 Crossroads Parkway South ("Premises"). The floor plan for the Premises is identified in the attached Exhibit A in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 12820 Crossroads Parkway South, City of Industry, California, 91746 which is currently assessed by the County Assessor as APN 8125-059-012 with respect to the Premises (the "Property");
(e) Effective Date:	The date which the Lease has been approved by the Board of Supervisors and full execution and delivery of such Lease has occurred by both parties (Effective Date).
(f) Surrender of Premises:	When (i) the Permits (as defined in <u>Section 7.4</u> of the Work Letter) are available for pick-up by Landlord, and (ii) the second (2 nd) floor of the building leased by Tenant from an affiliate of Landlord at 12801 Crossroads Parkway South, City of Industry, California is available for Tenant to legally occupy the second (2 nd) floor, Landlord shall provide written notice to Tenant and Tenant, within thirty (30) days of receipt of such notice, shall surrender the Premises to Landlord in order to allow Landlord to commence construction of the Tenant Improvements and the Landlord Work and, upon the date of such surrender, the existing Lease No. 78491 for the Premises shall terminate and any portion of the Base Rent paid by Tenant to Landlord under the existing Lease No. 78491 that is applicable to the period following the date of termination of Lease No. 78491 shall be reimbursed to Tenant via a check within thirty (30) days of Tenant's surrender of the Premises to Landlord. Landlord shall be responsible for disposing of Tenant's existing furniture, fixtures and equipment (the "FF&E") not including any electronics. If Tenant chooses to relocate its FF&E, then any relocation costs shall be deducted from the Tenant Improvement Allowance. Landlord agrees to keep Tenant advised as to the status of and anticipated timing for issuance of the Permits in coordination with Tenant's assigned Chief Executive Office (CEO) Project Manager.

(g) Term:	Twelve (12) years following the first (1 st) day of the month following thirty (30) days after Substantial Completion of the Tenant Improvements and the Landlord's Work, delivery of Premises to Tenant, and Tenant Acceptance of Premises, as defined in <u>Section 4</u> (the "Commencement Date") and terminating at midnight on the day before the twelfth (12 th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(h) Estimated Commencement Date:	Ten (10) months from the date following Tenant's written approval of the Final TI Cost Summary for the Premises.
(i) Irrevocable Offer Expiration Date: (see <u>Section 33</u>)	February 28, 2025
(j) Base Rent:	\$2.75 per rentable square foot per month (i.e., \$91,660.25 per month or \$1,099,923 per year and adjusted annually as referenced in <u>Section 5.2</u> below).
(k) Early Termination (see <u>Section 4.4</u>)	Tenant will have a right to terminate the Lease for any reason any time following the 10 th anniversary of the Commencement Date. Such right may be exercised by Tenant subject to one hundred eighty (180) days' written notice to Landlord.
(l) Rentable Square Feet in the Premises:	33,331 rentable square feet
(m) Initial Departmental Use:	Department of Public Social Services administrative office, warehouse, public facing uses and for any other lawful use, subject to <u>Section 6</u> .

(n) Parking Spaces:	133 parking spaces (3.99 parking spaces per 1,000 RSF) at no charge to Tenant, subject to adjustment based on ADA, as part of the construction permit process and/or any other Tenant design requirements.
(o) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays.
(p) Asbestos Report:	A report dated October 15, 2015 prepared by SCS Engineers, a licensed California Asbestos contractor.
(q) Seismic Report	A report dated March 2, 2011 prepared by NOVA Consulting.
(r) Disabled Access Survey	A report dated April 7, 2023 prepared by Commerce Construction Co., L.P.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	\$1,499,895.00 (\$45.00 per RSF of the Premises)
(b) Tenant's TI Contribution: (See <u>Section 6.3</u>)	\$4,333,030.00 (\$130.00 per RSF of the Premises)
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Not Applicable.
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance:	Not Applicable.
(e) Kitchen Appliance Allowance:	Up to a maximum of \$8,000.00
(f) Tenant's Work Letter Representative:	An assigned staff person of the Chief Executive Office-Real Estate Division
(g) Landlord's Work Letter Representative:	An assigned staff person of the Landlord
(h) Landlord's Address for Work Letter Notices:	RR&C Development Company c/o Majestic Realty Co. 13191 Crossroads Parkway North

	6th Floor City of Industry, California 91746 Attention: Property Manager
(i) Tenant's Address for Work Letter Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate
1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprise Form Exhibit H - Memorandum of Lease Terms Exhibit I - Landlord's Work Letter

2. LEASE OF 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 1.1 and depicted on Exhibit A attached hereto.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors 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 Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The Term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete in accordance with the Landlord's Work Letter executed concurrently

herewith and attached hereto as Exhibit I and incorporated herein by reference, Tenant has inspected the Premises and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;
- (c) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

4.2 Termination Right

If the Commencement Date has not occurred within six (6) months after the Estimated Commencement Date (the "Outside Date"), subject to Tenant Delays or Force Majeure Delays (as defined in Section 13.1 of the Landlord's Work Letter), then Tenant may, within ten (10) business days of the Outside Date, terminate this Lease effective upon the giving of written notice (the "Termination Notice"), as extended for Tenant Delays and Force Majeure Delays. In the event that Tenant properly and timely elects to terminate this Lease in accordance with this Section 4.2, then this Lease shall automatically terminate and be of no further force or effect as of the Outside Date, and the parties shall thereafter be released from their respective obligations under this Lease, except with respect to any obligations which expressly survive the expiration or earlier termination of this Lease. Tenant's termination right as set forth in this Section 4.2 shall be Tenant's sole and exclusive remedy for Landlord's failure to cause the Commencement Date to occur by the Outside Date. Tenant's rights under this Section 4.2 shall be personal to the Tenant named herein and may only be exercised by the Tenant named herein (and not any other assignee, or any sublessee or other transferee of Tenant's interest in this Lease). In addition, Tenant's rights under this Section 4.2 may only be exercised by the Tenant named herein if it is not then in default under this Lease.

4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures,

and equipment in the Premises. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time during the Early Termination Period specified in Section 1.1(i), by giving Landlord not less than one hundred and eighty days (180) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord will use commercially reasonable efforts to provide a written notice to Tenant notifying Tenant of the Termination Date; provided, however, Landlord's failure to provide such notice shall not be a default under this Lease.

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2. Base Rent Adjustments

(a) CPI. From and after the first (1st) anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.

(b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall

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

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

$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase no less than two percent (2%) and no greater than four percent (4%) per year of the Base Rent payable in the month preceding the applicable adjustment. In no event shall the Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

5.3 Rent Abatement

The Base Rent for the first (1st) and second (2nd) months of the Term shall be abated. Upon written notice to Landlord prior to the Commencement Date, Tenant shall have the option to convert all or any portion of its rental abatement toward an increase in the Landlord's TI Allowance.

5.4 Method of Payment and Required Information

The Tenant may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment for any amounts due under this Lease. Landlord further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Los Angeles County Auditor-Controller (the "A-C").

Subject to Section 5.1, Landlord shall provide the A-C with electronic banking and related information for the Landlord and/or any other payee that the Landlord designates to receive payment pursuant to this Lease. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments. Upon the Commencement Date or at any time during the duration of the Lease, a Landlord may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

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 ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease (as such Base Rent may be adjusted from time to time in accordance with this Lease), plus any 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 of this Lease, including but not limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises or if such compliance is triggered by Landlord's construction of any of the Tenant Improvements.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If 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 two hundred forty (240) days after the date of such damage (the "Repair Period"), then Landlord shall, 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 untenable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the

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

9.2 Tenant and Landlord Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, then Landlord or its agents shall, within thirty (30) days of the date of such damage, provide written notice to Tenant of Landlord's good faith estimate of the time period required to complete the work (the "Repair Notice") of the Premises to restore the Premises to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty. In the event the Repair Notice indicates the repair work will exceed two hundred forty (240) days from the date of damage occurred (the "Repair Period"), then Tenant may terminate this Lease by giving written notice of such termination to Landlord within ten (10) days after the date of the Repair Notice; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became untenable. In the event that Tenant does not terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages. In the event the insurance proceeds are not available to repair the damages, Landlord will provide written notice of such to Tenant (the "Overage Notification") together with reasonable documentation evidencing the amount (the "Overage") by which the insurance proceeds required of Landlord pursuant to Section 20 of this Lease will not fully cover such repairs and Tenant shall have the right by written notice to Landlord sent within thirty (30) days of the date of the Overage Notification (the "Overage Payment Notification") to advise Landlord whether or not Tenant will fund the Overage. In the event Tenant either (i) elects not to fund the Overage or (ii) does not timely provide the Overage Payment Notification then, in either event, Landlord shall have the right, by written notice to Tenant sent within ten (10) days of receipt of the Overage Notification, to terminate this Lease. In the event it is determined that insurance proceeds are available to repair the damages, but Landlord will not receive the proceeds within thirty (30) days of such determination, Landlord will provide written notice of such to Tenant (the "Proceeds Notification") together with anticipated time it will take for Landlord to receive the insurance proceeds and the anticipated construction cost to complete the repairs (the "Repair Cost"). Tenant shall have the right by written notice to Landlord sent within ten (10) days of the date of the Proceeds Notification (the "Funding Notification") to advance the funds for Landlord to commence construction of the repairs. In the event Tenant timely sends the Funding Notification, Tenant shall advance sufficient funds for Landlord to commence construction by payment of such funds to Landlord (the "Funding Amount") and, upon receipt of the insurance proceeds, Landlord agrees to reimburse Tenant the Funding Amount advanced to Landlord. In the event Landlord fails to complete repair of the damage within six (6) months of the Repair Period, as extended for Tenant Delays and Force Majeure Delays, then Tenant shall have the right to terminate this Lease upon thirty (30) days' prior written notice to Landlord (the "Notice Period"), provided, however, in the event Landlord substantially completes such repairs prior to expiration of the Notice Period, Tenant's termination shall be null and void this Lease shall remain in full force and effect. If this Lease is timely terminated, then (i) this Lease shall automatically terminate and be of no further force or effect as of the expiration of such thirty (30) day period, as extended for Tenant Delays and Force Majeure

Delays, and the parties shall thereafter be released from their respective obligations under this Lease, except with respect to any obligations which expressly survive the expiration or earlier termination of this Lease; and (ii) in the event any portion of Tenant's TI Contribution remains unpaid by Tenant in accordance with Section 6.4 of Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference after the application of any insurance proceeds received by Landlord for reimbursement of the cost of any Tenant Improvements paid with Tenant's TI Contribution, Tenant shall be obligated to pay Landlord such unamortized portion of the remaining Tenant's TI Contribution due within thirty (30) days of the termination date of this Lease.

9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (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 thirty (30) days after such written notice of termination.

9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, then Tenant may, at its sole election:

- (a) Declare a default hereunder, or
- (b) Exercise the Tenant's Right to Repair as set forth in Section 10.4 below.

10. REPAIRS AND MAINTENANCE

10.1 Landlord Representations

- (a) To its best knowledge without duty to investigation or research, and except as set forth in the Asbestos Report, Seismic Report and/or Disabled Access Survey, Landlord represents to Tenant that, as of the Commencement Date:
 - 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 but not limited to the

Americans With Disabilities Act, and are in good working order and condition;

- ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
- iii. The Premises, the Building and the Common Areas are free of the presence of 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.

(b) Landlord represents, based upon the Asbestos Report (as defined in Section 1.1) 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, if any, to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:

[Check the appropriate box]

Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

□ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

- (d) The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or Landlord's Work Letter. Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) 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, or replacements of:
- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);

- ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement; and
 - vii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.
- (d) Notwithstanding the above, Landlord shall have no responsibility or obligation to maintain, repair and/or replace any of Tenant's appliances used at the Premises.

10.3 Tenant Obligations

Notwithstanding Landlord's repair and maintenance obligations, and subject to Section 20.4 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) 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 Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

10.4 Tenant's Right to Repair

- (a) If Landlord fails to undertake and complete the work within the Premises that this Lease requires of Landlord under Section 10 above, following 10 days' prior written notice from Tenant, or such longer period if Landlord promptly begins and is diligently prosecuting such work completes the work requiring more than 10 days to complete, or following shorter, reasonable advance oral or written notice if emergency repairs are needed within the Premises to avoid imminent loss of life, property or injury to person(s) or the complete disruption of Tenant's business, then Tenant, may perform such work within the Premises; provided, however, if Landlord notifies Tenant in writing that such work is not Landlord's responsibility under this Lease, then Tenant shall have no right to perform such work under this Section 10.4(a).

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

- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000 and reimburse Landlord for such costs, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to any Tenant Improvements as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

- (a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other buildings of similar size, age and class and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

- (b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) 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 sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Tenant shall be solely responsible for electricity costs and pay the utility company directly, effective upon the Commencement Date. Landlord shall be responsible for paying electrical costs directly to the utility company at their sole cost and

expense during construction of the Tenant Improvements and the Landlord Work.

(c) Elevators

Subject to Landlord's maintenance and repair obligations set forth in Section 10.2(a) and except as set forth in the Work Letter, elevators for the Premises shall be delivered in their as-is condition. Tenant shall have the right to use the elevators seven (7) days a week, twenty-four (24) hours per day.

(d) Water

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) 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 D 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. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, gas, heating and common area lighting (other than electricity for such common area lighting, which is at Tenant's sole cost and expense in accordance with Section 11.1(b)), trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10)

calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord. Tenant agrees to pay, at its sole cost, when due, all charges for the use of electricity at the Premises, the Building and the Common Areas from and after the Commencement Date. Any additional lighting that Landlord elects to install in the Common Areas during the Term which would cause an increase of electricity cost to Tenant shall be subject to Tenant's prior reasonable consent, which consent shall not be unreasonably withheld, conditioned or delayed.

12. TAXES

Landlord shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Property, Premises or the Building (collectively, the "Property Taxes") during the Term of this Lease or any renewal or holdover period thereof.

Tenant shall reimburse Landlord as additional rent, all Property Taxes exceeding \$70,000.00 per annum (Expense Stop). All Property Taxes due hereunder from Tenant to Landlord shall be paid within 60 days following Tenant's receipt of Landlord's claim therefor, provided that Landlord presents to Tenant proof of payment together with the claim for reimbursement.

In the event Landlord fails or refuses to pay any or all Property Taxes when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and, provided that Landlord does not pay such Property Taxes and does not object in writing to Tenant's payment thereof, then Tenant may thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only or as otherwise requested by Tenant or agreed between Landlord and Tenant for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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 and notify Tenant immediately thereafter.

14. TENANT DEFAULT

14.1 Default

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

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent

an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;

- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (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 thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

14.2 Remedies Upon Default by Tenant

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

- (a) Terminate this Lease, in which event Tenant shall within 90 days following the issuance of a judgment against Tenant for unlawful detainer, surrender the Premises to Landlord (provided that if the Lease has previously been assigned by the County of Los Angeles to a third party, then Tenant shall instead be required to immediately surrender the Premises to Landlord), and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor; and Landlord may recover from Tenant the following:
 - (i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus
 - (ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iv) The term "rent" as used in this Section 14.2(a) shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 14.2(a)(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the current interest rate. As used in Section 14.2(a)(iii), above, the "worth at the time of award" shall be computed by discounting such

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

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

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more

of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to pursue the remedy of specific performance; or
- (b) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; or
- (c) to terminate this Lease, provided that (i) such Landlord Default materially and adversely interferes with the normal conduct of business in the Premises and Tenant is unable to operate from the entire Premises, and (ii) such Landlord Default is not capable of being cured by Tenant, provided that such termination shall be nullified if Landlord cures such default within thirty (30) days (ten (10) days in the case of monetary obligations owed by Landlord to Tenant) after receipt of Tenant's termination notice and provides written evidence reasonably acceptable to Tenant that such default has been cured and (iii) Tenant gives notice of Landlord Default to any mortgagee of whom Landlord shall have previously given Tenant notice (including its address), and such mortgagee shall not have cured Landlord Default within thirty (30) days after such notice is given (or, if such default cannot reasonably be cured within thirty (30) days, such mortgagee fails to promptly commence and diligently prosecute said cure to completion); or
- (d) to pursue any declaratory, injunctive or other equitable relief.

15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work (except to the extent expressly set forth in this Lease as Tenant's obligation).

15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any Landlord Default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and thereafter Tenant shall then be entitled to prompt reimbursement by Landlord of Tenant's reasonable out-of-pocket costs incurred in performing such work required of Landlord. Tenant shall provide Landlord with an invoice, including a reasonably particularized breakdown and explanation, of such costs. If Landlord does not object to Tenant in writing within ten (10) business days after receiving Tenant's invoice and explanation, Landlord shall pay such invoiced costs promptly. If, however, Landlord does timely object to such invoice, setting forth with reasonable particularity the reasons Landlord

contends that the Lease does not require such work of Landlord, then Tenant may continue to claim a Landlord default under the Lease per Section 15.1.

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
 - i. Name and address of new owner or other party to whom Base Rent should be paid
 - ii. Federal tax ID number for new owner
 - iii. Name of contact person and contact information (including phone number) for new owner
 - iv. Proof of insurance
 - v. an acknowledgement from the new owner that it will take Tenant thirty (30) days to complete paperwork to transfer its accounts payable records from paying Rent to the Landlord to paying Rent to the new owner

- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

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

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

If more than ten percent (10%), but not all, of the rentable/ gross square feet of the Premises is taken by Condemnation, or if access to the Premises is substantially impaired by Condemnation, in each case for a period in excess of 180 days, Tenant shall have the option to terminate this Lease effective as of the Date of Taking. Notwithstanding anything to the contrary contained in this Section 18, in the event of a temporary taking of all or any portion of the Premises for a period of 180 days or less, then Tenant may not terminate this Lease but the Base Rent shall be equitably abated for the period of such taking. Landlord shall be entitled to receive the entire "Award," as that term is defined in Section 18.5 below, made in connection with any such temporary taking. If Tenant elects to exercise its right to terminate the Lease hereunder then it shall give notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination that Tenant has designated. If neither party elects to terminate this Lease pursuant to its rights under this Section 18 then all provisions of this Lease shall remain in effect, except that Base Rent shall be equitably abated.

18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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 ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant in accordance with this Section 18.5. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Landlord shall be entitled to receive the entire award or payment in connection with any Condemnation, except that Tenant shall have the right to make a separate claim in the Condemnation proceeding for the following provided the same do not reduce the amount of the Award payable to Landlord and such claim is payable separately to Tenant: (1) the taking of the unamortized or undepreciated value of any leasehold improvements of any tenant improvements paid for by the Tenant that were not reimbursed by the Landlord; (2) reasonable removal and relocation costs for any leasehold improvements that Tenant has the right to remove and elects to remove (if Condemnor approves of the removal); (3) loss of goodwill; (4) relocation costs under California Government Code §7262, the

claim for which Tenant may pursue by separate action independent of this Lease; and (5) any other amount in addition to the foregoing. Tenant shall have the right to negotiate directly with Condemnor for the recovery of the portion of the Award that Tenant is entitled to under this paragraph provided the recovery does not reduce the amount of the Award payable to Landlord.

18.6 Waiver of Statute

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

19. **INDEMNIFICATION**

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from the active negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests or visitors, or from Landlord's breach or default under this Lease. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from the use and occupancy of the Premises, Building or Common Areas by Tenant, or its officers, contractors, licensees, agents, employees, guests or visitors, or from Tenant's breach or default under this Lease. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees. Nothing in this Lease shall be construed to waive, limit, or supersede any of Tenant's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Labor Code section 3864.

20. **INSURANCE**: During the Term of this Lease, the following insurance requirements will be in effect:

20.1 Intentionally Deleted

20.2 General Insurance Provisions – Landlord Requirements

Without limiting either party's indemnification of the other and during the Term of this Lease, and until all of its obligations pursuant to this Lease have been met,

Landlord and Tenant shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord and Tenant pursuant to this Lease. Neither Landlord nor Tenant in any way warrants that the Required Insurance is sufficient to protect the other party for liabilities which may arise from or relate to this Lease.

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") reasonably satisfactory to Tenant and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) have been given additional insured status under the Landlord's General Liability policy to the extent required pursuant to Section 20.2(b), shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than ten (10) days prior to Landlord's policy expiration dates.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, the amounts of any policy deductibles or self-insured retentions exceeding Twenty-Five Thousand Dollars (\$25,000.00) and list any Tenant required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles
Chief Executive Office - Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate

Landlord and Tenant also shall each use good faith efforts to notify the other of any third party claim or suit filed against Landlord or Tenant, as applicable, which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents") shall be named as additional insureds under Landlord's General Liability policy exclusively and only with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the Premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant, except for the negligence and liability as a result of Tenant and its Agents. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Material Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any material reduction in required limits in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation or material reduction for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change.

(d) Failure to Maintain Insurance

In the event Landlord fails to maintain the Required Insurance and such failure continues for a period of ten (10) business days after receipt of written notice of such failure, which such notice shall be in large, bold font, then such failure shall constitute a material default under this Lease.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Primary Insurance

Tenant's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to its personal property and Tenant's and its Agents' negligence relating to liability coverage. Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to its property and improvements and Landlord's negligence relating to liability coverage.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord and Tenant hereby waive its and its insurer(s) rights of recovery against the other under all required insurance policies for any property loss arising from or related to this Lease to the extent such property loss 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.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate Tenant to pay any portion of any Landlord deductible or SIR.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the Term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

- i. Commercial General Liability Insurance covering the Premises, the Building and the Common Areas, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 5 million
Products/Completed Operations Aggregate:	\$ 1 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 5 million

- ii. Commercial property insurance covering all furniture and furnishings in the Premises, and all modular furniture installed in the Premises.

Tenant named herein above, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities and provided that any self-insurance shall be deemed to contain a full waiver of subrogation). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request. If the original Tenant hereunder elects to so self-insure, then with respect to any claims which may result from incidents occurring during the Term such self-insurance obligation shall survive the expiration or earlier termination of the Lease to the same extent as the insurance required would survive.

20.4 Landlord Requirements: During the Term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance covering the Common Areas, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured to the extent required in Section 20.2(b), with limits of not less than:

General Aggregate:	\$10 million
Products/Completed Operations Aggregate:	\$10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:
 - i. cover damage to Landlord's property, including improvements and betterments installed and owned by Landlord to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), from perils covered by a special form all risk or a special causes of loss form (Accord 24 or its equivalent), and include ordinance or law coverage, and.
 - ii. be written for full replacement cost of the Property, with a deductible of no greater than \$250,000 or five percent (5%), whichever is less, of the Property value. Insurance proceeds shall be payable to Landlord, and
 - iii. include the Modular Furniture installed in the Property to the extent owned by Landlord.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times.

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 unreserved 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. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

21.2 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 other than Tenant's and/or Tenant's employees, agents or contractors gross negligence or willful misconduct, subject to adjustment based on site plan and permit requirements from Building Department (which shall not be a breach by Landlord of this Section 21), more than 10% 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), then Tenant shall have one of these remedies, available in the following priority, upon thirty (30) days' written notice to Landlord:

- (a) Landlord shall provide Tenant an alternative parking space in the parking lot of Landlord's property adjacent to the Building; or
- (b) Landlord shall provide Tenant with a valet service to accommodate additional parking within the parking lot (i.e., tandem parking); or
- (c) If such alternative parking spaces are not available in accordance with subsection 21.2(i), Landlord shall provide Tenant other reasonably comparable parking spaces with shuttle bus service from parking spaces that are located more than one-quarter (1/4) mile away from the Premises.

22. ENVIRONMENTAL MATTERS

22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity,

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

22.2 Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, 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 those 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. Either party shall promptly deliver to the other a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in Landlord's Work Letter, attached hereto and incorporated herein as Exhibit I.

25. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder. Each party hereby indemnifies, defends and holds the other party harmless from any liability or loss (including reasonable attorneys' fees and costs) from any such lien it causes or allows to attach to its interest in this Lease or the Premises.

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto 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 included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto signed by Tenant and delivered to Landlord concurrently herewith, within 30 days after the execution of this Lease.

26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

27. SURRENDER OF POSSESSION

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

28. SIGNAGE

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

29. QUIET ENJOYMENT

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

30. GENERAL

30.1 Headings

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

30.2 Successors and Assigns

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

30.3 Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any market based commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield U.S., Inc. ("Cushman") representing Tenant and Majestic Realty Co. ("MRC") representing Landlord 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. The terms of any market based commissions (the "Commission") due shall be pursuant to a separate commission agreement between MRC and Cushman. Tenant acknowledges that the payment of such Commission shall not be deemed to be a violation of Section 32.2.

30.4 Entire Agreement

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

30.5 Severability

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

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, (i) Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof; and (ii) Tenant's notices to Landlord shall not be effective if they are delivered to another address that is not set forth in Section 1.1(a) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

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

30.8 Waivers

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

30.9 Time of Essence

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

30.10 Consent

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

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which

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

30.13 Counterparts; Electronic Signatures

This Lease and any other documents necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered and had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

30.14 Landlord Exculpation

Tenant agrees to look solely to Landlord's, its partners, subpartners, and their respective officers, agents, servants, employees, and independent contractors (the "Landlord Parties") interest in the Property and the rents, profits and insurance, condemnation and other proceeds from the Premises for the satisfaction of any judgment (or any other obligation of Landlord to Tenant) and no other property or assets of the Landlord Parties shall be subject to levy, execution, or other judicial procedures for satisfaction of such judgment or other obligations. Tenant shall not seek recourse against the Landlord Parties or any of their personal assets for satisfaction of any liability with respect to this Lease. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 30.14 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Notwithstanding any contrary provision herein,

neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring. Notwithstanding anything contained in this Lease to the contrary, in no event shall Landlord or the Landlord Parties ever be liable pursuant to this Lease for incidental damages, lost profits or consequential, speculative or punitive damages.

30.15 Force Majeure

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to rent and other charges to be paid by Tenant pursuant to this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure. Notwithstanding the foregoing, for any Force Majeure delay(s), other than a Force Majeure Delay(s) causing a delay to the Outside Date (as defined in Section 4.2) that shall not be subject to the following time limitation, the Force Majeure delay shall not continue for a period of more than six (6) months in any twelve (12) month period.

30.16 Independent Covenants

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

31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. 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 Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant

hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease.

Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

32.3 Landlord Assignment

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

- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant 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 Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant 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 Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant 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 32.3.
- (g) The provisions of this Section 32.3 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.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, Tenant shall be obligated to assure that the rights and comfort of all employees shall be respected. Reasonable effort shall be made by Tenant to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated by Tenant as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be Tenant's responsibility and at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

34. OPTION TO EXTEND

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1)

option to renew this Lease for an additional period of five (5) years (the "Extension Term").

- (b) Exercise of Option. Tenant must exercise its options to extend this Lease by:
- (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than nine (9) months, nor earlier than twelve (12) months, prior to the end of the initial Term, and
 - (ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect (i.e. by the 90th day of the holdover period) then the applicable option and any succeeding option shall automatically be null and void, and of no further force or effect. On the other hand, if the Board of Supervisors approves Tenant's exercise of any option granted pursuant to this Section 36, such option will then be deemed effectively exercised. Tenant's options to renew this Lease are personal to (and may only be exercised by) the Tenant originally named in this Lease (and not any assignee, subtenant, or other transferee), and may only be exercised if Tenant is not then subleasing any part of the Premises.
- (c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to the Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, including, but not limited to, the comparable rental rate, escalation, abatement, tenant improvements and any other tenant inducements then being offered to a ready and willing tenant in comparable buildings within a 10-mile radius to the Building, with no floor or base.
- (d) Agreement on Base Rent. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively. There shall be no minimum or maximum rental rate.
- (e) Market Rental Value. The term "Market Rental Value" shall be the rental rate including escalations, that a ready and willing tenant would pay, as of the applicable Option Rental Adjustment Date, and a ready and willing landlord of property comparable Premises would accept, as monthly rent if such property were exposed for lease on the open market for a reasonable period of time and taking into account all of the purposes for which such property may be used at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building.

- (f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant or Landlord may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.
- (g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

[Signatures on following page]

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

LANDLORD:

RR&C DEVELOPMENT COMPANY,
a California general partnership

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner



BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: [Signature]

ITS: Thomas H. Purcell
Chairman & CEO

BY: [Signature]

ITS: Edward J. DiOrio
Chief Financial Officer, Secretary

[Signatures continue on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel


By:  _____
Senior Deputy

EXHIBIT A
FLOOR PLAN
FIRST FLOOR



FLOOR PLAN
SECOND FLOOR



HOA.102799113.5

Exhibit A
FLOOR PLAN OF PREMISES

Lease 12820 Crossroads v8\MH\02492-084
August 12, 2024

12820 Crossroads Parkway South, City of Industry, CA
[COUNTY OF LOS ANGELES]

EXHIBIT B

**COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated _____, 20__, between County of Los Angeles, a body corporate and politic ("Tenant"), and RR&C Development Company, a California general partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 12820 Crossroads Parkway South, City of Industry, California, 91746,

Landlord and Tenant hereby acknowledge as follow:

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

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

- 5) Base Rent per month is _____.
- 6) The Base Index month is _____.
- 7) The Base Index is _____.
- 8) The first New Index month is _____.

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

Tenant:

**COUNTY OF LOS ANGELES,
a body corporate and politic**

By: _____
Name _____
Its _____

[Signatures continue on following page]

Landlord:

**RR&C DEVELOPMENT COMPANY,
a California general partnership**

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: _____
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: _____

ITS: _____

BY: _____

ITS: _____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

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

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Day porter service from 8:30 a.m. to 4:30 p.m., which day porter service shall be shared between the Premises and Tenant's leased property at 12860 and 12900 Crossroads Parkway South, City of Industry, California.

B. WEEKLY

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

C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.

19. Upholstered furniture vacuumed, plastic and leather furniture wiped
20. Picture moldings and frames dusted.
21. Wall vents and ceiling vents vacuumed.
22. Carpet professionally spot cleaned as required to remove stains.
23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

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

E. SEMI-ANNUALLY

28. Windows washed as required inside and outside but not less frequently than twice annually.
29. All painted wall and door surfaces washed and stains removed.
30. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

31. 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.
32. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

33. 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.
34. 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.
35. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

36. 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 cleaned 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.

38. All walls repainted throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph F.32. of this Exhibit D. 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.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

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

EXHIBIT E

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

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

County of Los Angeles)
Chief Executive Office)
Real Estate Division)
320 W. Temple Street)
7th Floor)
Los Angeles, California 90012)

Space above for Recorder's Use

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

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

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

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

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

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

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance 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 or 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.

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

3. Non-disturbance. The 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.

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, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; 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, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; 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 entered into without Lender's prior written consent when such consent is required under the Deed of Trust or other documents executed by Borrower in connection with the Loan.

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
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

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

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

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, to its actual knowledge, as of the date hereof:

1. Tenant is the present 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. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

(d) 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).

(e) 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, except as set forth in Exhibit A, 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) Tenant's interest in the Lease has not been assigned or encumbered.

(d) 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.

(e) No rental payments have been made more than one (1) 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, except: _____.

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

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

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

I. 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 O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

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

2. Total Number of Ownership/Partners, Etc.: _____		III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION
3. Provide the percentage of ownership in each	All Employee	Women
Black/African American		
Hispanic/Latin American		
Asian American		
Portuguese American		
American Indian/Alaskan Native		
All Others		

Section D. OPTION TO PROVIDE REQUESTED INFORMATION

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

Firm Name: _____

Signature/Title: _____

Date: _____

EXHIBIT H

MEMORANDUM OF LEASE TERMS

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

County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th 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 _____, a _____ (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 have entered into an unrecorded lease dated _____, 20__ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20__, and ending on a date _____ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

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

[Signatures on following pages]

Dated: _____, 20__.

LANDLORD: RR&C DEVELOPMENT COMPANY,
a California general partnership

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: _____
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: _____

ITS: _____

BY: _____

ITS: _____

[Signatures continued on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

[Signatures continued on following page]

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me,
_____)
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT I

LANDLORD'S WORK LETTER

HOA.102799113.5

Exhibit I

LANDLORD'S WORK LETTER

Lease 12820 Crossroads v8\MH\02492-084
August 12, 2024

12820 Crossroads Parkway South, City of Industry, CA
[COUNTY OF LOS ANGELES]

LANDLORD'S WORK LETTER

For

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

**COUNTY OF LOS ANGELES, as Tenant
RR&C DEVELOPMENT COMPANY, as Landlord**

**12820 CROSSROADS PARKWAY SOUTH
CITY OF INDUSTRY, CALIFORNIA**

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated _____, 202__ (the "Effective Date"), executed concurrently herewith, by and between RR&C DEVELOPMENT COMPANY, a California general partnership, as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

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

- | | |
|--|---|
| (a) <u>Total TI Costs</u> | \$5,832,925.00 (i.e., \$175.00 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | \$1,499,895.00 (i.e., \$45.00 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$4,333,030.00 (i.e., \$130.00 per rentable square foot of the Premises) |
| (b) <u>Amortization Rate and Change Authorization Amortization Rate:</u> | Not applicable. |
| (c) <u>Kitchen Appliance Allowance:</u> | Up to a maximum of \$8,000.00 |
| (d) <u>Tenant's Work Letter Representative</u> | An assigned staff person of the Chief Executive Office-Real Estate Division |
| (e) <u>Landlord's Work Letter Representative</u> | An assigned staff person of the Landlord |
| (f) <u>Landlord's Address for Work Letter Notices</u> | RR&C Development Company
c/o Majestic Realty Co.
13191 Crossroads Parkway North
6th Floor
City of Industry, California 91746
Attention: Property Manager |
| (g) <u>Tenant's Address for Work Letter Notices</u> | County of Los Angeles
Chief Executive Office - Real Estate
Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate |

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Work Letter 12820 v8\MH\02491-003
August 12, 2024

LANDLORD'S WORK LETTER

12820 Crossroads Parkway S., City of Industry, CA
[COUNTY OF LOS ANGELES]

(h) Addenda

Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Preliminary and Final TI Cost Summary

2. **Construction of the Building.**

2.1 **Base Building Improvements.** Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall not be considered Tenant Improvements (as defined below) unless such changes or additions are specifically described in Addendum B hereto.

2.2 **Additional Costs Not Total TI Costs.**

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or to make existing building systems, including but not limited to electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

2.3 **Base Building Plans.** Landlord has delivered to Tenant all "as built" plans and specifications for the Building available to Landlord.

3. **Selection of Architect and Engineer.** Landlord shall not proceed with any bid solicitation for architectural or engineering services until final Space Plan (as defined below) is furnished to the Landlord. Once Landlord receives the final Space Plan, Landlord shall, subject to the last sentence of this Section 3, promptly solicit at least three (3) proposals from qualified licensed architects and engineers familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings (as defined below). Landlord shall, subject to the last sentence of this Section 3, select an architect and engineer, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the selected architect and engineer to Tenant, together with detailed proposals

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outlining the cost for design/engineering services. This procedure shall be repeated until Tenant accepts an architect (the "Architect") and engineer (the "Engineer"), and Tenant's written acceptance has been delivered to and received by Landlord.

4. **Selection of Contractor.** The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to a sufficient number of qualified contractors, selected by Landlord, so that a minimum of three (3) bids are received. Each contractor shall be requested to submit a sealed fixed price contract bid price (on an American Institute of Architects (AIA) form) to construct the Tenant Improvements depicted on the Final Plans. Within five (5) business days following Landlord's receipt of the three (3) bids, Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and who commits to Landlord's schedule for the construction of the Tenant Improvements, and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

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

5.1 **Preparation of Space Plan.** Prior to Landlord's execution of this Lease, Tenant has submitted to Landlord and Landlord has approved that certain preliminary space plan and specifications, and low voltage and furniture plans showing on a preliminary basis all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "Preliminary Space Plan"). Concurrently with Tenant's execution and delivery of this Lease, Tenant shall submit to Landlord a final space plan and specifications for the Premises (the "Space Plan"), which Space Plan shall be a logical extension of and consistent with the Preliminary Space Plan. The Space Plan shall be subject to Landlord's reasonable approval within ten (10) business days following Tenant's submittal thereof, provided that it shall only be reasonable for Landlord to disapprove the Space Plan to the extent that it is not a logical extension of or is inconsistent with the Preliminary Space Plan. If Landlord reasonably disapproves the Space Plan for the foregoing reasons, then Tenant shall resubmit a revised Space Plan to Landlord for approval within ten (10) business days following Tenant's receipt of Landlord's disapproval. The foregoing process shall be repeated until such time as Landlord approves the Space Plan submitted by Tenant, and any delay caused by the necessity for Tenant to revise the Space Plan because of Landlord's initial disapproval thereof shall be a Tenant Delay.

5.2 **Preparation and Review of Working Drawings.** Within ten (10) days after the selection of the Architect (the "Selection of Architect Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), which shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance. Landlord shall be solely responsible for ensuring that the Working Drawings fully

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

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("Engineering Drawings"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance, provided that Tenant shall in no event disapprove of the Engineering Drawings, or the applicable portion thereof, to the extent such disapproval would (i) cause such Engineering Drawings to not be compatible with the design, construction and equipment of the Building or in compliance with applicable laws, including, without limitation, building codes, (ii) create errors or omissions in such Engineering Drawings, or (iii) cause such Engineering Drawings to not be a logical extension of and/or consistent with the Space Plan, and Low Voltage Plans or the Working Drawings or Engineering Drawings previously approved by Tenant hereunder. Tenant shall approve the Engineering Drawings, or the applicable portion thereof, in its reasonable discretion (subject to the foregoing limitations), in writing within ten (10) business days following Landlord's submittal thereof to Tenant. In the event that Tenant timely and properly disapproves the Engineering Drawings, or the applicable portion thereof, then the parties shall promptly meet and diligently work in good faith to resolve Tenant's objections. The revised Engineering Drawings, or the applicable portion thereof, shall be resubmitted by Landlord to Tenant for Tenant's approval in accordance with the foregoing limitations, and Tenant shall approve such Engineering Drawings, or the applicable portion thereof, in its reasonable discretion, in writing within ten (10) business days following Landlord's resubmittal thereof to Tenant. The process set forth in the immediately preceding two sentences shall be repeated until the Engineering Drawings, or the applicable portion thereof, are approved by Tenant.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate

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the accepted Working Drawings with the accepted Engineering Drawings (collectively "Final Plans") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via a web-based download link. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements. Landlord's review of the Space Plan, Working Drawings, Engineering Drawings, and Final Plans shall be at Landlord's sole cost and expense.

5.5 Tenant's Plan Review and Acceptance. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility.

5.6 Schedule. Within twenty-one (21) calendar days of the Selection of Architect Date, Landlord shall submit to Tenant a detailed construction schedule for Tenant's information setting forth the projected dates for completion of certain project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, and the date of Substantial Completion. As the construction continues, Landlord shall amend the construction schedule from time to time to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. Except as expressly set forth in the Lease or this Work Letter, Landlord shall have no liability or responsibility to Tenant for any failure to complete project benchmarks by the projected dates set forth in any construction schedule provided by Landlord.

5.7 Submittals. The Landlord shall submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. "Shop Drawings" include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. "Product Data Sheets / Samples" include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. "Samples" are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

6. **Landlord's TI Cost Summary and Payment of Total TI Costs.**

6.1 **Cost Summary.** Within seven (7) calendar days after the Space Plan has been approved by Landlord, Landlord shall submit to Tenant a preliminary cost summary for the Tenant Improvements in a format similar to Addendum C attached hereto (the "Preliminary TI Cost Summary"). The Preliminary TI Cost Summary shall be revised into final form following Contractor's review including the Modular Furniture Costs within thirty (30) calendar days from the date that all permits for the construction of the Tenant Improvements have been issued by the applicable governmental authorities, and will be referred to herein as the "Final TI Cost Summary". The Preliminary Budget and the Final TI Costs Summary shall include the Modular Furniture Costs, and notwithstanding any contrary provision of this Work Letter, Tenant shall have five (5) business days from the date of receipt of the Final TI Cost Summary (the "Budget Approval Deadline") to approve or disapprove the Final TI Cost Summary in writing. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval of the Final TI Cost Summary. In the event that Tenant rejects the Final TI Cost Summary in writing due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements, at Tenant's sole expense and any delay in excess of ten (10) business days caused by the necessity to rebid or redesign the Tenant Improvements shall be a Tenant Delay.

6.2 **Landlord's TI Allowance and Tenant's TI Contribution.**

(a) Tenant shall be entitled to a one-time Landlord's TI Allowance in the amount set forth in Section 1(a)(i) above for the costs relating to the design and construction of the Tenant Improvements (including the Modular Furniture Costs (as defined in Section 9.1 below). Subject to the Landlord/Tenant Additional Responsibility Provision, as defined and set forth in Section 6.2(b) below, in no event shall Landlord be obligated to pay a total amount for the design, construction, purchase and installation of the Tenant Improvements which exceeds the Landlord's TI Allowance and the Tenant's TI Contribution. Any unused portion of the Landlord TI Allowance following completion of the Tenant Improvements shall be credited toward the Base Rent.

(b) All improvements required by the Final Plans, as further described in Addendum B hereto, and any and all modular furniture described in the Modular Specifications (as defined below) shall be referred to herein, collectively, as "Tenant Improvements" or "TI." Costs of Tenant Improvements shall include costs for furniture, soft costs, and any other costs approved in writing by Tenant and Landlord's reasonable approval (collectively "Total TI Costs"), all of which must not exceed, in the aggregate, the sum of Landlord's TI Allowance, Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties. Subject to Section 8 below, the parties agree that the "Tenant's TI Contribution" set forth in Section 1(a)(ii) above shall be used to pay for the Total TI Costs in excess of Landlord's TI Allowance. Notwithstanding any contrary provision of this Work Letter (but subject to the Landlord/Tenant Additional Responsibility Provision), in no event shall Tenant Improvements be permitted to the extent they will cause the Total TI Costs to exceed the sum of the Landlord's TI Allowance and the Tenant's TI Contribution, unless a Change Order has been approved therefor by Tenant in accordance with Section 8 below. Landlord shall be solely responsible for any Total TI Costs in excess of the total amount of the Final Construction Budget approved by Tenant, except for costs arising from Change Orders requested by Tenant (which HOA.102799113.5

LANDLORD'S WORK LETTER

shall be a Tenant cost and shall be payable from any remaining available portion of the Tenant's TI Contribution, provided that notwithstanding any contrary provision of this Work Letter, any amount owing by Tenant to Landlord therefor in excess of the remaining available portion of the Tenant's TI Contribution shall be payable to Landlord, as additional rent, within thirty (30) days of billing) (the "Landlord/Tenant Additional Responsibility Provision"). It is anticipated that the Total TI Costs will exceed the Landlord TI Allowance, and Landlord shall pay the overage, but only to the extent of the Tenant's TI Contribution paid by Landlord for the Total TI Costs, and such amount of the Tenant's TI Contribution shall be repaid to Landlord by Tenant as provided in Section 6.3 below.

6.3 Method of Payment. Tenant shall be obligated to pay Landlord that portion of Tenant's TI Contribution used to pay for any Total TI Costs in excess of Landlord's TI Allowance thirty (30) calendar days after the later of (A) all of the following conditions have been met: (i) Tenant improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all reasonable documentation substantiating all Tenant Improvements' expenses, including proof of payment, unconditional lien releases and approved change orders; and (iii) Tenant has reconciled all Tenant Improvements' costs to determine and confirm the total Tenant Improvements amount spent and the amount of Tenant's TI Contribution owed to Landlord or (B) July 1, 2025. Tenant shall make such payment to Landlord in a lump sum payment. The foregoing obligation of Tenant to repay the amount of the Tenant's TI Contribution which is used to pay for the Total TI Costs shall constitute additional rent under the Lease.

7. Construction of Tenant Improvements.

7.1 Surrender of Premises. When (i) the Permits (as defined in Section 7.4 of this Work Letter) are available for pick -up by Landlord, and (ii) the second (2nd) floor of the building leased by Tenant from an affiliate of Landlord at 12801 Crossroads Parkway South, City of Industry, California is available for Tenant to legally occupy the second (2nd) floor, Landlord shall provide written notice to Tenant and Tenant, within thirty (30) days of receipt of such notice, shall surrender the Premises to Landlord in order to allow Landlord to commence construction of the Tenant Improvements and the Landlord Work. Landlord shall be responsible for disposing of Tenant's existing FF&E not including any electronics. If Tenant chooses to relocate its FF&E, then any relocation costs shall be deducted from the Tenant Improvement Allowance. Landlord agrees to keep Tenant advised as to the status of and anticipated timing for issuance of the Permits in coordination with Tenant's assigned Chief Executive Office (CEO) Project Manager.

7.2 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto, provided that in the event of any conflict between the Working Drawings and Addendum B, the Working Drawings shall control. Notwithstanding any contrary provision of this Work Letter, any Tenant Improvements described in Addendum B which are not reflected on the Working Drawings shall not be constructed by Landlord hereunder. Landlord agrees that, in the event of an unforeseen condition is discovered during construction of the Tenant Improvements which are not reflected on Working Drawings, any cost to correct such unforeseen condition shall be at Landlord's cost unless waived by the PM in writing.

7.3 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall, subject to the last sentence of this Section 7.2, be selected only after a minimum of three (3) bids have

been solicited from responsible and qualified persons. Landlord shall, subject to the last sentence of this Section 7.2, submit at least three (3) sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed by Landlord and Tenant within five (5) business days following Landlord's receipt of a sufficient number of bids. The bids shall include an itemized list of all materials and labor and shall include all additional costs, as applicable, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.4 Permits. Landlord shall obtain the approval of all applicable governmental authorities and all permits (collectively, the "Permits") required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans. Landlord shall obtain plan check approval prior to soliciting bids from contractors pursuant to Section 4 hereof.

7.5 Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within five (5) business days following the later to occur of (i) Tenant's approval of the Final Construction Budget, (ii) Landlord's receipt of all required permits for the Tenant Improvements, and (iii) construction contract awarded to Contractor. Once commenced, Landlord shall thereafter diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays and Tenant Delays (as defined below).

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

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant in accordance with Tenant's Space Plan and Outline Specifications shall be provided by Landlord as part of the Total TI Costs to which the Landlord's TI Allowance and the Tenant's TI Contribution shall be applied. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than two (2) years from the date of Substantial Completion (as defined in the Lease), as may be extended for any warranty for a period in excess of two (2) years. Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects.

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(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises or in other areas utilized by Landlord or its contractors. In the event that Tenant claims that there has been substandard Tenant Improvement work or clean-up (as reasonably determined according to the usual standards of work in the Building), then Tenant shall notify Landlord in writing thereof (with reasonable detail specifying the substandard work or clean-up claimed by Tenant) and to the extent that Landlord agrees that the work or clean-up was substandard, then Landlord shall perform additional work or clean-up as is required hereunder within ten (10) business days of Landlord's receipt of Tenant's notice (provided that if such work or clean-up cannot reasonably be completed within such ten (10) business day period, then Landlord shall commence such work or clean-up within such ten (10) business day period and shall diligently perform and complete such work or clean-up thereafter). If Landlord fails to timely perform such additional work or clean-up (or to respond that the work or clean-up requested by Tenant is not required to be performed by Landlord), then Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of the substandard work or clean-up performed by Landlord's contractor or contractors, within thirty (30) days following Landlord's receipt of Tenant's notice (which shall include a reasonably detailed itemization of the costs incurred by Tenant).

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site. Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.**

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonable good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work; provided, however, in the event of a conflict in completing any work, Landlord's right to complete the Tenant Improvements shall have priority over Tenant's early access rights.

7.7 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans

and Section 4.1 of the Lease, subject only to the completion of minor punch-list items that will not interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection (provided that if such work or clean-up cannot reasonably be completed within such thirty (30) day period, then Landlord shall commence such punch-list items within such thirty (30) day period and shall diligently perform and complete such punch-list items thereafter). If Landlord fails to complete any of the punch-list items within such 30-day period (as may be extended), then Tenant, after giving ten (10) days written notice to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be completed, and Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of the completion of such punch-list items within thirty (30) days following Landlord's receipt of Tenant's notice (which shall include a reasonably detailed itemization of the costs incurred by Tenant).

7.8 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes and as a TI Cost, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via a web-based download link.

7.9 Security During Construction. Tenant, at its sole cost, shall continue to provide its onsite security patrol on Monday through Thursday from 7:00 AM through 9:00 PM and on Friday from 7:00 AM through 6:30 PM. Landlord, at their sole cost and expense, shall provide onsite security on Monday through Thursday from 12:00 AM – 7:00 AM and 9:00 PM – 12:00 AM, Friday from 12:00 AM – 7:00 AM and from 6:30 PM through 12:00 AM, and at all times on Saturday and Sunday.

8. Requests for Change. Tenant and Landlord may make changes, additions, deletions or substitutions, alterations in the Final Plans (each a "Request for Change Order") provided that the requesting party must submit a written request to the other party and that Requests for Change (Change Order) will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"), which, if approved, shall be approved within thirty (30) days of notice from the requesting party. Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Tenant Improvements after the Final Plans and the Final TI Cost Summary have been accepted ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant as part of the lump sum payment per Section 6.3, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Landlord shall submit to the Chief Executive Officer or his/her designee with each requested Change Order (i) the specific cost of the requested change,

(ii) the cumulative net total cost of all Tenant requested Change Authorizations previously approved; and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Authorization must be signed and dated by Landlord and the Chief Executive Officer or his/her designee in order to be effective.

9. **Furniture System.**

9.1 Tenant shall deliver to Landlord within fourteen (14) calendar days after the date of full execution of this Work Letter, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, either Tenant, Landlord and /or Landlord's Architect shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors which approval shall be granted or denied within thirty (30) days of notice from the requesting party. The bid package shall be broken down into separate line items for material, delivery, and sales tax, and each furniture item shall be broken down by unit price, quantities, description and specification. Prior to submission for bids, Landlord shall review the bid package with Tenant, and Tenant shall have the right to accept or reject the bid package. Landlord shall order the modular furniture set forth in the Modular Specifications and install the same within the Premises, all of which shall be a Total TI Cost, payable by Landlord and/or Tenant as provided in Section 6.2 and Section 6.3 hereof. Within thirty (30) days following Landlord's delivery thereof to Tenant, provided that any disapproval by Tenant shall be limited to items included in the bid package which are inconsistent with the Modular Specifications. Landlord shall select the furniture vendor that (i) commits to Landlord's schedule for the construction of the Tenant Improvements, (ii) is able to provide all of the Modular Furniture included in the bid package, and (iii) offers the lowest price (after adjustment of the bids for inconsistent assumptions). Notwithstanding any contrary provision of this Section 9.1, if the Modular Furniture Costs will exceed the remaining available Landlord's TI Allowance and Tenant's TI Contribution, as reasonably determined by Landlord and Tenant, then upon written notice from Landlord (the "Excess Furniture Notice") Tenant shall revise the Modular Specifications as necessary to reduce the Modular Furniture Costs to the extent specified by Landlord, in which event the foregoing bidding process shall be repeated and the period of time following Landlord's delivery of the Excess Furniture Notice to Tenant through the date that the Modular Furniture is ordered shall be a Tenant Delay.

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

Landlord shall provide the Modular Furniture set forth in the Modular Specifications as part of the Tenant Improvements and the design related, and purchase and installation costs therefor (the Modular Furniture Costs") shall be part of the Total TI Costs. Tenant shall repay to Landlord the Modular Furniture Costs in accordance with Section 6.3 above.

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LANDLORD'S WORK LETTER

Work Letter 12820 v8\MH\02491-003
August 12, 2024

12820 Crossroads Parkway S., City of Industry, CA
[COUNTY OF LOS ANGELES]

9.2 Alternatively, Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("Creditor"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "Personal Property") through a Creditor, Landlord expressly agrees as follows:

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

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building, and Landlord shall have no liability to Tenant in connection with any actions by Tenant's creditors in the Premises or with respect to any Modular Furniture removed by such creditors from the Premises.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

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

10. **Total TI Costs Adjustment and Right to Audit.** Within ninety (90) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing (a) all Total TI Costs in reasonable detail, and (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord. Payments by Tenant for the Tenant's TI Contribution and/or Change Orders shall be calculated and adjusted as appropriate, based upon such statement. Tenant shall have the right to audit the Total TI Costs at any time during the Term. If the audit shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the audit summary for Landlord's review and reasonable approval. Until such time as Tenant's audit is approved by Landlord, Tenant shall continue pay Landlord based upon the amounts originally billed to Tenant for the Tenant's TI Contribution and/or Change Orders. If it is determined that Tenant has overpaid any amounts to Landlord, then Landlord shall, within thirty (30) calendar days following approval of the audit, refund to Tenant the amount of any overpayment made by Tenant and all future payments owing by Tenant to Landlord under this Work Letter shall be adjusted as appropriate based upon the agreed upon audit results.

11. **Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan, Low-Voltage Plans and specifications provided by Tenant at least thirty (30) calendar days prior to the Estimated Commencement Date pursuant to Section 4.3 of the Lease. Landlord agrees that the telephone equipment room(s) will be lockable.

12. **Kitchen Appliances.** In addition to the Tenant Improvements, Landlord agrees to order and install certain kitchen appliances requested by Tenant (the "**Appliance Work**") at a cost not to exceed the Kitchen Appliance Allowance set forth in Section 1.(c) above; provided, however, in no event shall the Appliance Work be deemed to be part of the Tenant Improvements or required to be completed to achieve Substantial Completion of the Tenant Improvements.

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LANDLORD'S WORK LETTER

Work Letter 12820 v8\MH\02491-003
August 12, 2024

12820 Crossroads Parkway S., City of Industry, CA
[COUNTY OF LOS ANGELES]

13. **Delay.**

13.1 **Tenant Delays and Force Majeure Delays.** Except as set forth in this Section 13, no delay in the design or completion of construction of the Tenant Improvements shall be considered in the determination of the Estimated Commencement Date, the date upon which the Premises are deemed to be Substantially Complete, or the Commencement Date of the Lease and, except as set forth in this Work Letter or in the Lease, Tenant shall not be charged as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Estimated Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals or performs acts as required herein or within the time periods required herein, or that the commencement or completion of construction of the Tenant Improvements is delayed as the result of Change Orders requested by Tenant or Department of Building and Safety changes (DBS Changes) which are related to Change Orders requested by Tenant, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (b) Substantial Completion of the Tenant Improvements is delayed as the result of DBS Changes which are unrelated to Change Orders requested by Tenant, or by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, acts of God, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)"). In addition, the date upon which the Premises are deemed to be Substantially Complete, and the Commencement Date, shall be accelerated one (1) day for each day of Tenant Delay.

13.2 **Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, within forty-eight (48) hours Landlord has provided written notice of the event giving rise to such claim, in compliance with the Lease, to Tenant specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord. For purposes of notices of Tenant Delays and/or Force Majeure Delays, the email addresses set forth in Section 17 below shall be used for any electronic confirmations of such notices delivered by facsimile, provided Landlord also concurrently advises the Tenant by telephone in accordance with Section 17 below.

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

(c) **Concurrent Delays.** Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) **Change Authorizations.** Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule..

14. **Tenant Remedies.** Any default by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. **Representatives.**

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

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

16. **Intentionally Deleted.**

17. **Construction Meetings.** During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week or biweekly, unless Landlord or Tenant directs otherwise, at a time and place that is mutually convenient. An initial construction meeting shall be held within five (5) business days after the date the Contractor is selected. Landlord, Architect or Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) business days after the date of the construction meeting.

18. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant. Any electronic deliveries shall be delivered to Landlord at the following email addresses: dbui@majesticrealty.com and lgoldstein@majesticrealty.com (or to such other person as Landlord may designate from time to

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LANDLORD'S WORK LETTER

time), and to Tenant at the following email addresses: vhasanovic@ceo.lacounty.gov and daardema@ceo.lacounty.gov, provided that the delivering party shall also concurrently advise the receiving party by telephone of the forthcoming email at the applicable telephone number, as follows: For Landlord: David Bui at (562) 948-4388 and Louis Goldstein at (562) 576-1611. For Tenant: Vedad Hasanovic at (213) 246-9997 and Dean Aardema at (213) 893-2471.

19. **Miscellaneous**. This Landlord's Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord's Work Letter. This Landlord's Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord's Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord's Work Letter will not be effective unless and until signed and delivered by both Parties. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

20. **Counterparts; Electronic Signatures**. This Work Letter and any other documents necessary for the consummation of the transaction contemplated by this Work Letter may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Work Letter and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Work Letter had been delivered and had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Work Letter is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Work Letter based on the foregoing forms of signature. If this Work Letter has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

[Signatures on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

RR&C DEVELOPMENT COMPANY,
a California general partnership

By: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner



BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

By: [Signature]
Thomas H. Purcell
Chairman & CEO

By: [Signature]
Its: Edward J. DiOrto
Chief Financial Officer, Secretary

Date Signed: 8/2/24

[Signatures continue on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____
Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

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

(a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by Building and Safety having jurisdiction and Certificate of Occupancy has been received;

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

(c) refurbish the toilet rooms (restrooms) using building standard materials including, but not limited to, new toilet partitions, lavatories, floor tile, counter tops, sinks, and "touchless" faucets, soap dispensers, and hand dryers, provided, however, for any other change to the toilet rooms, including, without limitation, an increase in size or additional restrooms, shall be deemed to be a Tenant Improvement and subject to the Total TI Costs, unless required to bring the toilet rooms in compliance with code. The toilet rooms per code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) Drywall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:

(e) public stairways;

(f) passenger and freight elevators;

(g) parking facilities;

(h) ground floor lobby;

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

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) water bottle filling stations/drinking fountains at the core;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the

telephone closets on the first (1st) floor, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;

(p) supply air or mechanical exhaust fan (12820 has 1st floor supply air and 2nd floor exhaust fan);

(q) floors ready for tenants floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(r) standard window coverings with the exception of any doors;

(s) roof top units and primary HVAC duct for heating (heating is for perimeter zone only) and cooling stubbed to the building core;

(t) cold air loops and hot water piping loop for heating within the Premises;

(u) primary fire sprinkler distribution, including secondary piping, and sprinkler heads as required for the unoccupied Premises;

(v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;

(w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building;

(x) drywall on the service core walls, columns and sills in the Premises;

(y) Demolition and removal of any existing improvements or equipment situated within the Premises unless the Final Plans show that such improvements and/or equipment will remain in the Premises;

(z) A third party HVAC subcontractor to certify that the HVAC system is in good operating order and meets the County's performance specifications per the Lease, airbalanced and provide an airbalance report;

(aa) Ensure that the roof and windows are watertight; and

(bb) Ensure that the elevators are in "good-working" order and Landlord shall refresh elevator interiors, i.e., new flooring, lighting and walls.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors, and hardware within the Premises;
- (e) Ducting distribution terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture (including fixtures and equipment for the Modular Furniture per the Modular Specifications);
- (g) Distribution of electrical services, plumbing services, and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms, and extinguishers;
- (j) Additional and/or above standard electrical capacity;
- (k) Fiber optic access;
- (l) Rekeying of the Premises;
- (m) Any modifications or additions to the project scope that necessitate modifications or additions to the Landlord Base Building Improvements, resulting in additional costs to Landlord's Base Building Work, shall be considered a Tenant Improvement; and
- (n) Supplemental air units required for tenant's equipment.

ADDENDUM C To Landlord's Work Letter

PRELIMINARY AND FINAL TI COST SUMMARY

___ Preliminary TI Cost Summary
___ Final TI Cost Summary

Lease No. _____
Address _____

Cost Category	
Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$

**COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE**

LEASE AGREEMENT

**COUNTY OF LOS ANGELES - Tenant
RR&C DEVELOPMENT COMPANY - Landlord**

**12860 CROSSROADS PARKWAY SOUTH,
CITY OF INDUSTRY, CALIFORNIA**

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EXHIBITS

- Exhibit A – Floor Plan of the Premises
- Exhibit B – Commencement Date Memorandum and Confirmation of Lease Terms
- Exhibit C – Heating, Ventilation, and Air Conditioning Standards
- Exhibit D – Cleaning and Maintenance Schedule
- Exhibit E – Subordination, Non-disturbance and Attornment Agreement
- Exhibit F – Tenant Estoppel Certificate
- Exhibit G – Community Business Enterprise Form
- Exhibit H – Memorandum of Lease Terms
- Exhibit I – Landlord's Work Letter

COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE

LEASE AGREEMENT

This LEASE AGREEMENT ("Lease") is entered into as of the _____ day of _____, 20__ between RR&C DEVELOPMENT COMPANY, a California general partnership ("Landlord"), and COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant" or "County").

Landlord and Tenant agree:

1. BASIC LEASE INFORMATION

1.1 Terms

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

(a) Landlord's Address for Notices:	RR&C DEVELOPMENT COMPANY c/o Majestic Realty Co. 13191 Crossroads Parkway North 6th Floor City of Industry, California 91746 Attention: Property Manager
(b) Tenant's Address for Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate With a copy to: County of Los Angeles Office of the County Counsel 648 Kenneth Hahn Hall of Administration 500 West Temple Street, Suite 648 Los Angeles, CA 90012-2713 Attention: Property Division
(c) Premises:	Approximately 55,000 rentable square feet ("RSF") at 12860 Crossroads Parkway South ("Premises"). The floor plan for the Premises is identified in the attached Exhibit A in the Building (defined below), as shown on <u>Exhibit A</u> attached hereto.

(d) Building:	The Building located at 12860 Crossroads Parkway South, City of Industry, California, 91746 which is currently assessed by the County Assessor as APN 8125-059-013 with respect to the Premises (the "Property");
(e) Effective Date:	The date which the Lease has been approved by the Board of Supervisors and full execution and delivery of such Lease has occurred by both parties (Effective Date).
(f) Surrender of Premises:	When (i) the Permits (as defined in <u>Section 7.4</u> of the Work Letter) are available for pick-up by Landlord, and (ii) the second (2 nd) floor of the building leased by Tenant from an affiliate of Landlord at 12801 Crossroads Parkway South, City of Industry, California is available for Tenant to legally occupy the second (2 nd) floor, Landlord shall provide written notice to Tenant and Tenant, within thirty (30) days of receipt of such notice, shall surrender the Premises to Landlord in order to allow Landlord to commence construction of the Tenant Improvements and the Landlord Work and, upon the date of such surrender, the existing Lease No. 63808 for the Premises shall terminate and any portion of the Base Rent paid by Tenant to Landlord under the existing Lease No. 63808 that is applicable to the period following the date of termination of Lease No. 63808 shall be reimbursed to Tenant via a check within thirty (30) days of Tenant's surrender of the Premises to Landlord. Landlord shall be responsible for disposing of Tenant's existing furniture, fixtures and equipment (the "FF&E") not including any electronics. If Tenant chooses to relocate its FF&E, then any relocation costs shall be deducted from the Tenant Improvement Allowance. Landlord agrees to keep Tenant advised as to the status of and anticipated timing for issuance of the Permits in coordination with Tenant's assigned Chief Executive Office (CEO) Project Manager.

(g) Term:	Twelve (12) years following the first (1 st) day of the month following thirty (30) days after Substantial Completion of the Tenant Improvements and the Landlord's Work, delivery of Premises to Tenant, and Tenant Acceptance of Premises, as defined in <u>Section 4</u> (the "Commencement Date") and terminating at midnight on the day before the twelfth (12 th) annual anniversary of the Commencement Date (the "Termination Date"), subject to earlier termination by Tenant as provided herein. The phrase "Term of this Lease" or "the Term hereof" as used in this Lease, or words of similar import, shall refer to the initial Term of this Lease together with any additional Extension Term for which an option has been validly exercised.
(h) Estimated Commencement Date:	Ten (10) months from the date following Tenant's written approval of the Final TI Cost Summary for the Premises.
(i) Irrevocable Offer Expiration Date: (see <u>Section 33</u>)	February 28, 2025
(j) Base Rent:	\$2.75 per rentable square foot per month (i.e., \$151,250.00 per month or \$1,815,000.00 per year and adjusted annually as referenced in <u>Section 5.2</u> below).
(k) Early Termination (see <u>Section 4.4</u>)	Tenant will have a right to terminate the Lease for any reason any time following the 10 th anniversary of the Commencement Date. Such right may be exercised by Tenant subject to one hundred eighty (180) days' written notice to Landlord.
(l) Rentable Square Feet in the Premises:	55,000 rentable square feet
(m) Initial Departmental Use:	Department of Public Social Services administrative office, warehouse, public facing uses and for any other lawful use, subject to <u>Section 6</u> .

(n) Parking Spaces:	219 parking spaces (3.99 parking spaces per 1,000 RSF) at no charge to Tenant, subject to adjustment based on ADA, as part of the construction permit process and/or any other Tenant design requirements.
(o) Tenant's Hours of Operation:	6 a.m. to 8 p.m. Monday through Friday, and 9 a.m. to 2 p.m. on Saturdays.
(p) Asbestos Report:	A report dated October 15, 2015 prepared by SCS Engineers, a licensed California Asbestos contractor.
(q) Seismic Report	A report dated March 2, 2011 prepared by NOVA Consulting.
(r) Disabled Access Survey	A report dated April 13, 2023 prepared by Commerce Construction Co., L.P.

1.2 Defined Terms Relating to Landlord's Work Letter

(a) Landlord's TI Allowance:	\$2,475,000.00 (\$45.00 per RSF of the Premises)
(b) Tenant's TI Contribution: (See <u>Section 6.3</u>)	\$7,150,000.00 (\$130.00 per RSF of the Premises)
(c) Tenant's TI Contribution Amortization Rate and Change Authorization Amortization Rate:	Not Applicable.
(d) Estimated Monthly Payments Attributable to Total TI Costs in Excess of Landlord's TI Allowance:	Not Applicable.
(e) Kitchen Appliance Allowance:	Up to a maximum of \$8,000.00
(f) Tenant's Work Letter Representative:	An assigned staff person of the Chief Executive Office-Real Estate Division
(g) Landlord's Work Letter Representative:	An assigned staff person of the Landlord
(h) Landlord's Address for Work Letter Notices:	RR&C Development Company c/o Majestic Realty Co. 13191 Crossroads Parkway North

	6th Floor City of Industry, California 91746 Attention: Property Manager
(i) Tenant's Address for Work Letter Notices:	County of Los Angeles Chief Executive Office - Real Estate Division 320 West Temple Street, 7th Floor Los Angeles, CA 90012 Attention: Director of Real Estate
1.3 <u>Exhibits to Lease</u>	Exhibit A - Floor Plan of Premises Exhibit B - Commencement Date Memorandum and Confirmation of Lease Terms Exhibit C - HVAC Standards Exhibit D - Cleaning and Maintenance Schedule Exhibit E - Subordination, Non-Disturbance and Attornment Agreement Exhibit F - Tenant Estoppel Certificate Exhibit G - Community Business Enterprise Form Exhibit H - Memorandum of Lease Terms Exhibit I - Landlord's Work Letter

2. LEASE OF 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 1.1 and depicted on Exhibit A attached hereto.

3. COMMON AREAS

Tenant may use the following areas ("Common Areas") in common with Landlord and any other tenants of the Building: the entrances, lobbies, corridors 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 Area established by Landlord.

4. COMMENCEMENT AND EXPIRATION DATES

4.1 Term

The Term of this Lease shall commence upon the Commencement Date and terminate on the Termination Date Within thirty (30) days of determining the Commencement Date, Landlord and Tenant shall acknowledge in writing the Commencement Date by executing a Commencement Date Memorandum and Confirmation of Lease Terms in the form attached hereto as Exhibit B. The term "Tenant's Acceptance of the Premises" as used in this Lease shall mean the date upon which the Tenant Improvements and the Premises are Substantially Complete in accordance with the Landlord's Work Letter executed concurrently

herewith and attached hereto as Exhibit I and incorporated herein by reference, Tenant has inspected the Premises and Tenant has accepted the Tenant Improvements and the Premises in writing. The terms "Substantial Completion" or "Substantially Complete" as used in this Lease shall mean compliance with all of the following:

- (a) The shell and core of the Building are complete and in compliance with all applicable laws and codes, and all of the building systems are operational to the extent necessary to service the Premises;
- (b) Landlord has sufficiently completed all the work required to be performed by Landlord in accordance with this Lease and Landlord's Work Letter (if any), including the installation of modular furniture systems, if so required (except minor punch list items which Landlord shall thereafter promptly complete), such that Tenant can conduct normal business operations from the Premises;
- (c) Landlord has obtained a certificate of occupancy for the Building, or a temporary certificate of occupancy for that portion of the Building that includes all of the Premises, or its equivalent;
- (d) Tenant has been provided with the number of parking privileges and spaces to which it is entitled under this Lease; and
- (e) If Landlord is responsible for the installation of telecommunications systems, then such systems shall be completely operational.

4.2 Termination Right

If the Commencement Date has not occurred within six (6) months after the Estimated Commencement Date (the "Outside Date"), subject to Tenant Delays or Force Majeure Delays (as defined in Section 13.1 of the Landlord's Work Letter), then Tenant may, within ten (10) business days of the Outside Date, terminate this Lease effective upon the giving of written notice (the "Termination Notice"), as extended for Tenant Delays and Force Majeure Delays. In the event that Tenant properly and timely elects to terminate this Lease in accordance with this Section 4.2, then this Lease shall automatically terminate and be of no further force or effect as of the Outside Date, and the parties shall thereafter be released from their respective obligations under this Lease, except with respect to any obligations which expressly survive the expiration or earlier termination of this Lease. Tenant's termination right as set forth in this Section 4.2 shall be Tenant's sole and exclusive remedy for Landlord's failure to cause the Commencement Date to occur by the Outside Date. Tenant's rights under this Section 4.2 shall be personal to the Tenant named herein and may only be exercised by the Tenant named herein (and not any other assignee, or any sublessee or other transferee of Tenant's interest in this Lease). In addition, Tenant's rights under this Section 4.2 may only be exercised by the Tenant named herein if it is not then in default under this Lease.

4.3 Early Entry

Tenant shall be entitled to enter the Premises not less than thirty (30) days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures,

and equipment in the Premises. Such early entry shall be subject to all provisions hereof, but shall not advance the Termination Date, and Tenant shall not pay Base Rent nor any other charges for such early entry period.

4.4 Early Termination

Tenant shall have the right to terminate this Lease at any time during the Early Termination Period specified in Section 1.1(i), by giving Landlord not less than one hundred and eighty days (180) days prior written notice, executed by Tenant's Chief Executive Officer or his/her designee.

4.5 Lease Expiration Notice

No later than twelve (12) months, nor earlier than eighteen (18) months, prior to the expiration of the Lease Term, Landlord will use commercially reasonable efforts to provide a written notice to Tenant notifying Tenant of the Termination Date; provided, however, Landlord's failure to provide such notice shall not be a default under this Lease.

5. RENT

5.1 Base Rent

Tenant shall pay Landlord the Base Rent stated in Section 1.1 during the Term hereof within fifteen (15) days after (a) the Commencement Date, and (b) the first day of each calendar month thereafter, provided that at least fifteen (15) business days prior to the Commencement Date, Landlord must provide the Auditor of the County of Los Angeles with the following information: (i) name and address of Landlord or other party to whom Base Rent should be paid, (ii) Landlord's federal tax ID number; (iii) name of contact person and contact information (including phone number) for Landlord; (iv) a completed IRS form W-9, and (v) evidence of insurance in compliance with Section 20.2. If Landlord fails to timely provide the information required pursuant to this Section 5.1, or to provide updates for any changed information, then Tenant shall not be required to pay Base Rent to Landlord until fifteen (15) business days after Landlord provides such information. Base Rent for any partial calendar month during the Term shall be prorated in proportion to the number of days during the Term within such calendar month.

5.2. Base Rent Adjustments

(a) CPI. From and after the first (1st) anniversary of the Commencement Date (the "Adjustment Date") and on every anniversary of the Adjustment Date thereafter, Base Rent shall be adjusted by applying the CPI Formula set forth below. The "Base Index" shall be the Index published for the month the Lease commences.

(b) CPI Formula. The Index means the Consumer Price Index for all Urban Consumers for the Los Angeles-Long Beach-Anaheim area, all items, published by the United States Department of Labor, Bureau of Labor Statistics (1982-84=100). The "CPI Formula" means Base Rent for the first full month after the Commencement Date multiplied by a fraction, the numerator being the Index published for the month immediately preceding the month in which the adjustment is to be effective (the "New Index"), and the denominator being the Base Index. If the Index is changed so that the Index differs from that used as of the Commencement Date of the Lease, the Index shall

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

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

$$\frac{\text{New Index}}{\text{Base Index}} \times \text{Base Rent at the Commencement Date} = \text{Adjusted Base Rent}$$

(d) Limitations on CPI Adjustment. In no event shall the monthly Base Rent adjustment based upon the CPI Formula result in an increase no less than two percent (2%) and no greater than four percent (4%) per year of the Base Rent payable in the month preceding the applicable adjustment. In no event shall the Base Rent be adjusted by the CPI Formula to result in a lower monthly Base Rent than was payable during the previous year of the Lease.

5.3 Rent Abatement

The Base Rent for the first (1st) and second (2nd) months of the Term shall be abated. Upon written notice to Landlord prior to the Commencement Date, Tenant shall have the option to convert all or any portion of its rental abatement toward an increase in the Landlord's TI Allowance.

5.4 Method of Payment and Required Information

The Tenant may, at its sole discretion, determine the most appropriate, efficient, secure, and timely form of payment for any amounts due under this Lease. Landlord further agrees that the default form of payment shall be Electronic Funds Transfer (EFT) or direct deposit, unless an alternative method of payment is deemed appropriate by the Los Angeles County Auditor-Controller (the "A-C").

Subject to Section 5.1, Landlord shall provide the A-C with electronic banking and related information for the Landlord and/or any other payee that the Landlord designates to receive payment pursuant to this Lease. Such electronic banking and related information includes, but is not limited to: bank account number and routing number, legal business name, valid taxpayer identification number or TIN, a working e-mail address capable of receiving remittance advices and other payment related correspondence, and any other information that the A-C determines is reasonably necessary to process the payment and comply with all accounting, record keeping, and tax reporting requirements.

Any provision of law, grant, or funding agreement requiring a specific form or method of payment other than EFT or direct deposit shall supersede this requirement with respect to those payments. Upon the Commencement Date or at any time during the duration of the Lease, a Landlord may submit a written request for an exemption to this requirement. Such request must be based on specific legal, business or operational needs and explain why the payment method designated by the A-C is not feasible and an alternative is necessary. The A-C, in consultation with the contracting department(s), shall decide whether to approve exemption requests.

6. USES

Landlord agrees that the demised Premises, together with all appurtenances thereto, shall be used by the Tenant for the government department set forth in Section 1.1, any other County Department the County designates, any other governmental purposes, or other lawful purposes that do not materially adversely interfere with other uses in the Building, during Tenant's Hours of Operation, after Tenant's Hours of Operation, and on weekends and holidays.

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 ninety (90) days written notice from Landlord or thirty (30) days written notice from Tenant's Chief Executive Officer or his/her designee at the last monthly Base Rent payable under this Lease (as such Base Rent may be adjusted from time to time in accordance with this Lease), plus any 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 of this Lease, including but not limited to the Americans with Disabilities Act ("ADA"), except if such compliance is made necessary as a result of Tenant's particular use of or alterations or improvements to the Premises or if such compliance is triggered by Landlord's construction of any of the Tenant Improvements.

9. DAMAGE OR DESTRUCTION

9.1 Damage

If 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 two hundred forty (240) days after the date of such damage (the "Repair Period"), then Landlord shall, 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 untenable by fire or other casualty, Landlord shall immediately secure the area to prevent injury to persons and/or vandalism to the improvements. Landlord shall promptly, but in any event within ten (10) days, cause an architect or general contractor selected by Landlord to provide Landlord and Tenant with a written estimate of the amount of time required to substantially complete the repair and restoration of the Premises and make the Premises leasable again using standard working methods. The failure to do so shall be a material default hereunder. Base Rent shall abate to the extent that the Premises are unusable by Tenant. Tenant waives the

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

9.2 Tenant and Landlord Termination Right

If any portion of the Premises is damaged by fire or any other cause rendering the Premises totally or partially inaccessible or unusable, then Landlord or its agents shall, within thirty (30) days of the date of such damage, provide written notice to Tenant of Landlord's good faith estimate of the time period required to complete the work (the "Repair Notice") of the Premises to restore the Premises to a complete architectural unit of the same value, condition and character that existed immediately prior to such casualty. In the event the Repair Notice indicates the repair work will exceed two hundred forty (240) days from the date of damage occurred (the "Repair Period"), then Tenant may terminate this Lease by giving written notice of such termination to Landlord within ten (10) days after the date of the Repair Notice; and this Lease shall terminate and the Base Rent shall be abated from the date the Premises became untenable. In the event that Tenant does not terminate this Lease, then Landlord shall promptly commence and diligently prosecute to completion the repairs to the Building or Premises, provided that insurance proceeds are available to repair the damages. In the event the insurance proceeds are not available to repair the damages, Landlord will provide written notice of such to Tenant (the "Overage Notification") together with reasonable documentation evidencing the amount (the "Overage") by which the insurance proceeds required of Landlord pursuant to Section 20 of this Lease will not fully cover such repairs and Tenant shall have the right by written notice to Landlord sent within thirty (30) days of the date of the Overage Notification (the "Overage Payment Notification") to advise Landlord whether or not Tenant will fund the Overage. In the event Tenant either (i) elects not to fund the Overage or (ii) does not timely provide the Overage Payment Notification then, in either event, Landlord shall have the right, by written notice to Tenant sent within ten (10) days of receipt of the Overage Notification, to terminate this Lease. In the event it is determined that insurance proceeds are available to repair the damages, but Landlord will not receive the proceeds within thirty (30) days of such determination, Landlord will provide written notice of such to Tenant (the "Proceeds Notification") together with anticipated time it will take for Landlord to receive the insurance proceeds and the anticipated construction cost to complete the repairs (the "Repair Cost"). Tenant shall have the right by written notice to Landlord sent within ten (10) days of the date of the Proceeds Notification (the "Funding Notification") to advance the funds for Landlord to commence construction of the repairs. In the event Tenant timely sends the Funding Notification, Tenant shall advance sufficient funds for Landlord to commence construction by payment of such funds to Landlord (the "Funding Amount") and, upon receipt of the insurance proceeds, Landlord agrees to reimburse Tenant the Funding Amount advanced to Landlord. In the event Landlord fails to complete repair of the damage within six (6) months of the Repair Period, as extended for Tenant Delays and Force Majeure Delays, then Tenant shall have the right to terminate this Lease upon thirty (30) days' prior written notice to Landlord (the "Notice Period"), provided, however, in the event Landlord substantially completes such repairs prior to expiration of the Notice Period, Tenant's termination shall be null and void this Lease shall remain in full force and effect. If this Lease is timely terminated, then (i) this Lease shall automatically terminate and be of no further force or effect as of the expiration of such thirty (30) day period, as extended for Tenant Delays and Force Majeure

Delays, and the parties shall thereafter be released from their respective obligations under this Lease, except with respect to any obligations which expressly survive the expiration or earlier termination of this Lease; and (ii) in the event any portion of Tenant's TI Contribution remains unpaid by Tenant in accordance with Section 6.4 of Landlord's Work Letter executed concurrently herewith and attached hereto as Exhibit I and incorporated herein by reference after the application of any insurance proceeds received by Landlord for reimbursement of the cost of any Tenant Improvements paid with Tenant's TI Contribution, Tenant shall be obligated to pay Landlord such unamortized portion of the remaining Tenant's TI Contribution due within thirty (30) days of the termination date of this Lease.

9.3 Damage In Last Year

Notwithstanding the foregoing provisions, if any material destruction to the Premises occurs during the last year of the Term, then either Landlord or Tenant may terminate this Lease by giving written notice to the other not more than thirty (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 thirty (30) days after such written notice of termination.

9.4 Default By Landlord

If Landlord is required to repair and restore the Premises as provided for in this Section 9, and Landlord thereafter fails to diligently prosecute said repair and restoration work to completion, then Tenant may, at its sole election:

- (a) Declare a default hereunder, or
- (b) Exercise the Tenant's Right to Repair as set forth in Section 10.4 below.

10. REPAIRS AND MAINTENANCE

10.1 Landlord Representations

- (a) To its best knowledge without duty to investigation or research, and except as set forth in the Asbestos Report, Seismic Report and/or Disabled Access Survey, Landlord represents to Tenant that, as of the Commencement Date:
 - 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 but not limited to the

Americans With Disabilities Act, and are in good working order and condition;

- ii. The Building and the Premises comply with all covenants, conditions, restrictions and insurance underwriter's requirements;
- iii. The Premises, the Building and the Common Areas are free of the presence of 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.

(b) Landlord represents, based upon the Asbestos Report (as defined in Section 1.1) 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, if any, to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

(c) CASp Inspection:

In accordance with California Civil Code Section 1938, Landlord hereby states that the Premises and the Common Areas:

[Check the appropriate box]

Have undergone inspection by a Certified Access Specialist (a "CASp") and have been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord shall provide Tenant with a copy of the CASp inspection report and a current disability access inspection certificate for the Premises within seven (7) days after the execution of this Lease.

Have undergone inspection by a Certified Access Specialist and have not been determined to meet all applicable construction related accessibility standards pursuant to California Civil Code Section 55.53. Landlord has provided Tenant with a copy of the CASp inspection report at least 48 hours prior to the execution of this Lease. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

□ Have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

- (d) The foregoing statement is provided solely for the purpose of complying with California Civil Code Section 1938 and shall not affect the Landlord's and Tenant's respective responsibilities for compliance with any design and construction related accessibility obligations as provided under this Lease or Landlord's Work Letter. Landlord agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a material breach of Landlord's representations contained in this Section 10.1.

10.2 Landlord Obligations

- (a) Landlord shall keep and maintain the Property in good condition and repair 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, foundations, roof, concealed plumbing, stairways, concealed electrical systems and intra-building telephone network cables;
 - ii. mechanical (including HVAC), electrical, plumbing and fire/life systems serving the Building;
 - iii. the Common Areas;
 - iv. exterior windows of the Building; and
 - v. elevators serving the Building.
- (b) 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, or replacements of:
- i. the floor covering (if such floor covering is carpeting it shall be replaced as needed, but not less often than after five (5) years of use);

- ii. interior partitions;
 - iii. doors, door frames and hardware;
 - iv. the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years);
 - v. signage;
 - vi. emergency exit signage and battery replacement; and
 - vii. Light fixtures, bulbs, tubes and ballasts.
- (c) Landlord shall, to the best of its ability, provide all reports, maintenance records, or other documentation as may be requested from time to time.
- (d) Notwithstanding the above, Landlord shall have no responsibility or obligation to maintain, repair and/or replace any of Tenant's appliances used at the Premises.

10.3 Tenant Obligations

Notwithstanding Landlord's repair and maintenance obligations, and subject to Section 20.4 hereof, Tenant shall be responsible for (i) the cost of repairing any area of the Property damaged by Tenant or by Tenant's agents, employees, invitees or visitors, and (ii) 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 Landlord, which consent shall not be unreasonably withheld, conditioned or delayed;
- (b) be at least equal in quality, value and utility to the original work or installation; and
- (c) be in accordance with all applicable laws.

10.4 Tenant's Right to Repair

- (a) If Landlord fails to undertake and complete the work within the Premises that this Lease requires of Landlord under Section 10 above, following 10 days' prior written notice from Tenant, or such longer period if Landlord promptly begins and is diligently prosecuting such work completes the work requiring more than 10 days to complete, or following shorter, reasonable advance oral or written notice if emergency repairs are needed within the Premises to avoid imminent loss of life, property or injury to person(s) or the complete disruption of Tenant's business, then Tenant, may perform such work within the Premises; provided, however, if Landlord notifies Tenant in writing that such work is not Landlord's responsibility under this Lease, then Tenant shall have no right to perform such work under this Section 10.4(a).

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

- (b) Notwithstanding any provisions of this Lease to the contrary, Tenant, acting through the County's Chief Executive Office, may request that the Landlord perform, supply and administer any repairs, maintenance, building services and/or alterations that are the responsibility of the Tenant, not to exceed \$5,000 and reimburse Landlord for such costs, as part of a separate purchase order issued by the County on Tenant's behalf. Any improvements by Landlord shall be subject to compliance with County Internal Services Department Purchasing Policy and Procedure No. A-0300, effective November 22, 2016, delivered to Landlord and incorporated by reference herein. This Section shall not apply to any Tenant Improvements as defined in Section 24.

11. SERVICES AND UTILITIES

11.1 Services

- (a) Heating, Ventilation and Air Conditioning (HVAC)

Landlord shall furnish heating, ventilation and air conditioning ("HVAC"), during Tenant's Hours of Operations in amounts required for the use and occupancy of the Premises for normal office purposes to a standard comparable to other buildings of similar size, age and class and not less than the standard set forth in Exhibit C attached hereto. In addition, Landlord shall furnish HVAC at all times (i.e., twenty-four (24) hours per day, seven (7) days per week, three hundred sixty-five (365) days per year) to the mechanical rooms housing Tenant's computer servers and related equipment.

- (b) Electricity

Landlord shall furnish to the Premises the amount of electric current provided for in the Landlord's Work Letter (if applicable) but in any event not less than seven (7) 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 sub-panels on each floor of the Premises necessary for Tenant to utilize such capacity in the Premises. Tenant shall be solely responsible for electricity costs and pay the utility company directly, effective upon the Commencement Date. Landlord shall be responsible for paying electrical costs directly to the utility company at their sole cost and

expense during construction of the Tenant Improvements and the Landlord Work.

(c) Elevators

Subject to Landlord's maintenance and repair obligations set forth in Section 10.2(a) and except as set forth in the Work Letter, elevators for the Premises shall be delivered in their as-is condition. Tenant shall have the right to use the elevators seven (7) days a week, twenty-four (24) hours per day.

(d) Water

Landlord shall make available in the Premises warm and cold water for normal lavatory and kitchen purposes and potable water for drinking purposes, all of which shall meet applicable government standards.

(e) Janitorial

Landlord, at its sole cost and expense, shall provide janitorial service five (5) 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 D 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. If required, Landlord shall provide access cards or fobs to all Tenant employees for Building entry, elevators, and/or floor access, at Landlord's sole cost and expense.

(g) Pest Control

Landlord at its sole cost and expense shall provide any and all pest control services to the Premises per the specifications set forth in Exhibit D attached hereto.

11.2 Utilities

Landlord agrees to pay when due, all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, sprinkler standby charges, gas, heating and common area lighting (other than electricity for such common area lighting, which is at Tenant's sole cost and expense in accordance with Section 11.1(b)), trash removal service, fire/life safety systems, charges associated with the HVAC, and other utility rents and charges accruing or payable in connection with the Premises and the Common Areas during the Term of this Lease or any renewal, extension, or holdover thereof, whether the same are pro-rated or measured by separate meters. In the event Landlord fails or refuses to pay any or all of such charges when due, Tenant may give Landlord ten (10)

calendar days prior written notice and thereafter pay directly such charges and deduct the payments from the next installments of rent due as a charge against the Landlord. Tenant agrees to pay, at its sole cost, when due, all charges for the use of electricity at the Premises, the Building and the Common Areas from and after the Commencement Date. Any additional lighting that Landlord elects to install in the Common Areas during the Term which would cause an increase of electricity cost to Tenant shall be subject to Tenant's prior reasonable consent, which consent shall not be unreasonably withheld, conditioned or delayed.

12. TAXES

Landlord shall pay, prior to delinquency, all real property taxes, assessments and special assessments which may be levied or assessed against the Property, Premises or the Building (collectively, the "Property Taxes") during the Term of this Lease or any renewal or holdover period thereof.

Tenant shall reimburse Landlord as additional rent, all Property Taxes exceeding \$110,000.00 per annum (Expense Stop). All Property Taxes due hereunder from Tenant to Landlord shall be paid within 60 days following Tenant's receipt of Landlord's claim therefor, provided that Landlord presents to Tenant proof of payment together with the claim for reimbursement.

In the event Landlord fails or refuses to pay any or all Property Taxes when due, Tenant may, at its sole discretion, give Landlord thirty (30) calendar days prior written notice and, provided that Landlord does not pay such Property Taxes and does not object in writing to Tenant's payment thereof, then Tenant may thereafter pay such taxes and assessments and deduct the payments from the next installments of rent due as a charge against the Landlord.

13. LANDLORD ACCESS

Tenant shall permit Landlord and its agents to enter the Premises during Tenant's Hours of Operations upon prior written notice only or as otherwise requested by Tenant or agreed between Landlord and Tenant for the purpose of inspecting the Premises for any reasonable purpose. If Landlord temporarily closes any portion of the Building or the Premises, Base Rent shall be prorated based upon the percentage of the Premises or the Building rendered unusable 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 and notify Tenant immediately thereafter.

14. TENANT DEFAULT

14.1 Default

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

- (a) the failure by Tenant to make any payment of Base Rent or any other payment required to be made by Tenant hereunder (except to the extent

an offset is expressly permitted hereunder) as and when due, and the failure continues for a period of ten (10) days after written notice to Tenant;

- (b) the failure by Tenant to observe or perform any of the other covenants, conditions or provisions of this Lease, where such failure shall continue for a period of thirty (30) days after written notice from Landlord specifying in detail the nature of the default; provided, however, if more than thirty (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 thirty (30)-day period and thereafter diligently prosecutes such cure to completion.

14.2 Remedies Upon Default by Tenant

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

- (a) Terminate this Lease, in which event Tenant shall within 90 days following the issuance of a judgment against Tenant for unlawful detainer, surrender the Premises to Landlord (provided that if the Lease has previously been assigned by the County of Los Angeles to a third party, then Tenant shall instead be required to immediately surrender the Premises to Landlord), and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim for damages therefor; and Landlord may recover from Tenant the following:
 - (i) The worth at the time of award of any unpaid rent which has been earned at the time of such termination; plus
 - (ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus
 - (iv) The term "rent" as used in this Section 14.2(a) shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 14.2(a)(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the current interest rate. As used in Section 14.2(a)(iii), above, the "worth at the time of award" shall be computed by discounting such

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

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

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

14.3 No Effect on Indemnity

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

15. LANDLORD DEFAULT

15.1 Remedies

In addition to the provisions for Landlord's default provided by Sections 9.4, 10.4, 19, 21.2 and 32.3, Landlord shall be in default ("Landlord Default") in the performance of any obligation required to be performed by Landlord under this Lease if Landlord has failed to perform such obligation within five (5) days after the giving of written notice with respect thereto by Tenant (which notice shall be, if appropriate, the same notice given under Section 10.4); provided, however, that if the nature of the Landlord Default is such that the same cannot reasonably be cured within such five day period, Landlord shall not be deemed to be in Landlord Default if Landlord shall within such period commence such cure and thereafter diligently prosecute the same to completion. If the Landlord Default is of such a nature that it materially and substantially interferes with Tenant's occupancy and use of the Premises and if such Landlord Default is not cured within the foregoing cure period, then Tenant shall have the right, at its option, with or without further notice or demand of any kind to Landlord or any other person, to any one or more

of the following described remedies in addition to all other rights and remedies provided at law or in equity or elsewhere herein:

- (a) to pursue the remedy of specific performance; or
- (b) to seek money damages for loss arising from Landlord's failure to discharge its obligations under this Lease or offset such damages against Base Rent next coming due; or
- (c) to terminate this Lease, provided that (i) such Landlord Default materially and adversely interferes with the normal conduct of business in the Premises and Tenant is unable to operate from the entire Premises, and (ii) such Landlord Default is not capable of being cured by Tenant, provided that such termination shall be nullified if Landlord cures such default within thirty (30) days (ten (10) days in the case of monetary obligations owed by Landlord to Tenant) after receipt of Tenant's termination notice and provides written evidence reasonably acceptable to Tenant that such default has been cured and (iii) Tenant gives notice of Landlord Default to any mortgagee of whom Landlord shall have previously given Tenant notice (including its address), and such mortgagee shall not have cured Landlord Default within thirty (30) days after such notice is given (or, if such default cannot reasonably be cured within thirty (30) days, such mortgagee fails to promptly commence and diligently prosecute said cure to completion); or
- (d) to pursue any declaratory, injunctive or other equitable relief.

15.2 Waiver

Nothing herein contained shall relieve Landlord from its duty to effect the repair, replacement, correction or maintenance required to restore any affected services, or to perform any other obligations to the standard prescribed in this Lease, nor shall this Section be construed to obligate Tenant to undertake any such work (except to the extent expressly set forth in this Lease as Tenant's obligation).

15.3 Emergency

Notwithstanding the foregoing cure period, Tenant may cure any Landlord Default without notice where the failure promptly to cure such default would, in the reasonable opinion of Tenant, create or allow to persist an emergency condition, or materially and adversely affect the operation of Tenant's business in the Premises. In such cases, Tenant may perform the necessary work through its Internal Services Department and thereafter Tenant shall then be entitled to prompt reimbursement by Landlord of Tenant's reasonable out-of-pocket costs incurred in performing such work required of Landlord. Tenant shall provide Landlord with an invoice, including a reasonably particularized breakdown and explanation, of such costs. If Landlord does not object to Tenant in writing within ten (10) business days after receiving Tenant's invoice and explanation, Landlord shall pay such invoiced costs promptly. If, however, Landlord does timely object to such invoice, setting forth with reasonable particularity the reasons Landlord

contends that the Lease does not require such work of Landlord, then Tenant may continue to claim a Landlord default under the Lease per Section 15.1.

16. ASSIGNMENT AND SUBLETTING

16.1 Assignment and Subletting

Tenant may assign, mortgage, encumber or otherwise transfer this Lease or sublet the whole or any part of the Premises without first obtaining Landlord's prior consent; provided, however, no such assignment, subletting or other transfer shall relieve Tenant of any liability under this Lease unless Landlord has given its written consent thereto, which Landlord shall not unreasonably withhold if the assignee has a financial condition which is reasonably sufficient for it to be responsible for all future obligations under this Lease.

16.2 Sale

If Landlord sells or conveys the Property, then all liabilities and obligations of Landlord accruing under this Lease after the sale or conveyance shall be binding upon the new owner, and the transferor shall be released from all liability under this Lease accruing subsequent to such sale or conveyance, provided that the transferee assumes Landlord's remaining obligations hereunder in writing. Nothing in this Section 16.2 shall be deemed to release Landlord's successor in interest from responsibility for any condition (including but not limited to deferred maintenance) existing on the date of transfer.

Upon any sale or transfer of the Property by Landlord, Landlord shall provide written notice of said sale or transfer to Tenant. In addition, Landlord shall provide the following information to Tenant, at Tenant's Address for Notice (set forth in Section 1.1 hereof), as a condition of Tenant's obligation to pay Base Rent to the new owner:

- (a) A letter from the Landlord confirming that the Property was transferred to the new owner, along with written evidence of the transfer of the Property (e.g., a recorded deed).
- (b) A signed letter from the new owner including the following information:
 - i. Name and address of new owner or other party to whom Base Rent should be paid
 - ii. Federal tax ID number for new owner
 - iii. Name of contact person and contact information (including phone number) for new owner
 - iv. Proof of insurance
 - v. an acknowledgement from the new owner that it will take Tenant thirty (30) days to complete paperwork to transfer its accounts payable records from paying Rent to the Landlord to paying Rent to the new owner

- (c) A W-9 form for new owner.

Tenant shall not be obligated to pay any rental amounts to any party other than the Landlord named herein until such time as all the requirements of this Section 16.2 are satisfied.

17. ALTERATIONS AND ADDITIONS

17.1 Landlord Consent

Tenant shall not make any structural alterations, improvements, additions, or utility installations in or about the Premises (collectively, "Alterations") without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed. If Landlord fails to respond in writing within thirty (30) days after Tenant's request, then Landlord shall be deemed to have approved the requested Alterations. However, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria:

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

17.2 End of Term

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

18. CONDEMNATION

18.1 Controlling Terms

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

18.2 Total Taking

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

18.3 Partial Taking

If more than ten percent (10%), but not all, of the rentable/ gross square feet of the Premises is taken by Condemnation, or if access to the Premises is substantially impaired by Condemnation, in each case for a period in excess of 180 days, Tenant shall have the option to terminate this Lease effective as of the Date of Taking. Notwithstanding anything to the contrary contained in this Section 18, in the event of a temporary taking of all or any portion of the Premises for a period of 180 days or less, then Tenant may not terminate this Lease but the Base Rent shall be equitably abated for the period of such taking. Landlord shall be entitled to receive the entire "Award," as that term is defined in Section 18.5 below, made in connection with any such temporary taking. If Tenant elects to exercise its right to terminate the Lease hereunder then it shall give notice to Landlord within thirty (30) days after the date that the nature and the extent of the Condemnation have been determined (the "Determination Date"), which notice shall set forth the date of termination. Such termination date shall not be earlier than thirty (30) days nor later than ninety (90) days after Tenant has notified Landlord of its election to terminate; except that this Lease shall terminate on the Date of Taking if the Date of Taking falls on a date before the date of termination that Tenant has designated. If neither party elects to terminate this Lease pursuant to its rights under this Section 18 then all provisions of this Lease shall remain in effect, except that Base Rent shall be equitably abated.

18.4 Restoration

Notwithstanding the preceding paragraph, if, within thirty (30) days after the Determination Date, Landlord notifies Tenant that Landlord, at its sole cost, will add to the remaining Premises and/or the Common Areas so that the Premises and the space available for parking, will be substantially the same (as reasonably determined by Tenant) 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 ninety (90) days after Landlord so notifies Tenant, then this Lease shall continue in effect. In such event, all obligations of Tenant under this Lease shall remain in effect, except that Base Rent shall be equitably abated or reduced during the period from the Date of Taking until the completion of such restoration.

18.5 Award

The Award (as defined below) shall be divided between Landlord and Tenant in accordance with this Section 18.5. "Award" shall mean all compensation, sums or anything of value awarded, paid or received on a total or partial Condemnation of the Premises. Landlord shall be entitled to receive the entire award or payment in connection with any Condemnation, except that Tenant shall have the right to make a separate claim in the Condemnation proceeding for the following provided the same do not reduce the amount of the Award payable to Landlord and such claim is payable separately to Tenant: (1) the taking of the unamortized or undepreciated value of any leasehold improvements of any tenant improvements paid for by the Tenant that were not reimbursed by the Landlord; (2) reasonable removal and relocation costs for any leasehold improvements that Tenant has the right to remove and elects to remove (if Condemnor approves of the removal); (3) loss of goodwill; (4) relocation costs under California Government Code §7262, the

claim for which Tenant may pursue by separate action independent of this Lease; and (5) any other amount in addition to the foregoing. Tenant shall have the right to negotiate directly with Condemnor for the recovery of the portion of the Award that Tenant is entitled to under this paragraph provided the recovery does not reduce the amount of the Award payable to Landlord.

18.6 Waiver of Statute

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

19. INDEMNIFICATION

19.1 Landlord's Indemnity

The Landlord shall indemnify, defend and hold harmless the Tenant from and against any and all liability, loss, injury or damage including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from the active negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees, guests or visitors, or from Landlord's breach or default under this Lease. The foregoing provisions shall not be construed to make Landlord responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Tenant, or its officers, contractors, licensees, agents, employees or invitees.

19.2 Tenant's Indemnity

The Tenant shall indemnify, defend and hold harmless the Landlord, from and against any and all liability, loss, injury or damage, including (but not limited to) demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees) arising from the use and occupancy of the Premises, Building or Common Areas by Tenant, or its officers, contractors, licensees, agents, employees, guests or visitors, or from Tenant's breach or default under this Lease. The foregoing provisions shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties to the extent caused by the negligence or willful misconduct of Landlord, or its officers, contractors, licensees, agents, employees or invitees. Nothing in this Lease shall be construed to waive, limit, or supersede any of Tenant's rights or immunities under the California Labor Code, including but not limited to a waiver pursuant to Labor Code section 3864.

20. INSURANCE: During the Term of this Lease, the following insurance requirements will be in effect:

20.1 Intentionally Deleted

20.2 General Insurance Provisions – Landlord Requirements

Without limiting either party's indemnification of the other and during the Term of this Lease, and until all of its obligations pursuant to this Lease have been met,

Landlord and Tenant shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this Lease. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Landlord and Tenant pursuant to this Lease. Neither Landlord nor Tenant in any way warrants that the Required Insurance is sufficient to protect the other party for liabilities which may arise from or relate to this Lease.

(a) Evidence of Coverage and Notice to Tenant

- i. Certificate(s) of insurance coverage ("Certificate") reasonably satisfactory to Tenant and a copy of an Additional Insured endorsement confirming that Tenant and its Agents (defined below) have been given additional insured status under the Landlord's General Liability policy to the extent required pursuant to Section 20.2(b), shall be delivered to Tenant at the address shown below and provided prior to the start day of this Lease.
- ii. Renewal Certificates shall be provided to Tenant not less than ten (10) days prior to Landlord's policy expiration dates.
- iii. Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Lease by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Landlord identified in this Lease. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, the amounts of any policy deductibles or self-insured retentions exceeding Twenty-Five Thousand Dollars (\$25,000.00) and list any Tenant required endorsement forms.
- iv. Neither the Tenant's failure to obtain, nor the Tenant's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Landlord, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- v. Certificates and copies of any required endorsements, and/or notices of cancellation shall be delivered to:

County of Los Angeles
Chief Executive Office - Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate

Landlord and Tenant also shall each use good faith efforts to notify the other of any third party claim or suit filed against Landlord or Tenant, as applicable, which arises from or relates to this Lease, and could result in the filing of a claim or lawsuit against Landlord and/or Tenant.

(b) Additional Insured Status and Scope of Coverage

The Tenant, which is the County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively, "Tenant and its Agents") shall be named as additional insureds under Landlord's General Liability policy exclusively and only with respect to liability arising from or connected with the Landlord's acts, errors, and omissions arising from and/or relating to the Landlord's operations on and/or its ownership of the Premises. Tenant's additional insured status shall apply with respect to liability and defense of suits arising out of the Landlord's acts or omissions, whether such liability is attributable to the Landlord or to the Tenant, except for the negligence and liability as a result of Tenant and its Agents. The full policy limits and scope of protection also shall apply to the Tenant as an additional insured, even if they exceed the Tenant's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

(c) Cancellation of or Material Changes in Insurance

Landlord shall provide the Tenant with, or Landlord's insurance policies shall contain a provision that the Tenant shall receive, written notice of cancellation or any material reduction in required limits in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to the Tenant at least ten (10) days in advance of cancellation or material reduction for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change.

(d) Failure to Maintain Insurance

In the event Landlord fails to maintain the Required Insurance and such failure continues for a period of ten (10) business days after receipt of written notice of such failure, which such notice shall be in large, bold font, then such failure shall constitute a material default under this Lease.

(e) Insurer Financial Ratings

Insurance is to be provided by an insurance company authorized to do business in California and acceptable to the Tenant, with an A.M. Best rating of not less than A:VII, unless otherwise approved by the Tenant.

(f) Primary Insurance

Tenant's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to its personal property and Tenant's and its Agents' negligence relating to liability coverage. Landlord's insurance policies, with respect to any claims related to this Lease, shall be primary with respect to its property and improvements and Landlord's negligence relating to liability coverage.

(g) Waiver of Subrogation

To the fullest extent permitted by law, the Landlord and Tenant hereby waive its and its insurer(s) rights of recovery against the other under all required insurance policies for any property loss arising from or related to this Lease to the extent such property loss 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.

(h) Deductibles and Self-Insured Retentions ("SIRs")

Landlord's policies shall not obligate Tenant to pay any portion of any Landlord deductible or SIR.

(i) Claims Made Coverage

If any part of the Required Insurance is written on claims made basis, any policy retroactive date shall precede the start date of this Lease. Landlord understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Lease expiration, termination or cancellation.

(j) Application of Excess Liability Coverage

Landlord may use a combination of primary and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

(k) Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

20.3 Insurance Coverage Types And Limits

(a) Tenant Requirements: During the Term of this Lease, Tenant shall maintain a program of insurance coverage as described below:

- i. Commercial General Liability Insurance covering the Premises, the Building and the Common Areas, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Landlord and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$ 5 million
Products/Completed Operations Aggregate:	\$ 1 million
Personal and Advertising Injury:	\$ 1 million
Each Occurrence:	\$ 5 million

- ii. Commercial property insurance covering all furniture and furnishings in the Premises, and all modular furniture installed in the Premises.

Tenant named herein above, at its sole option, may satisfy all or any part of this insurance requirement through use of a program of self-insurance (self-funding of its liabilities and provided that any self-insurance shall be deemed to contain a full waiver of subrogation). Certificate evidencing coverage or letter evidencing self-funding will be provided to Landlord after execution of this Lease at Landlord's request. If the original Tenant hereunder elects to so self-insure, then with respect to any claims which may result from incidents occurring during the Term such self-insurance obligation shall survive the expiration or earlier termination of the Lease to the same extent as the insurance required would survive.

20.4 Landlord Requirements: During the Term of this Lease, Landlord shall provide and maintain the following programs of insurance coverage:

- (a) Commercial General Liability Insurance covering the Common Areas, providing scope of coverage equivalent to ISO policy form CG 00 01, naming Tenant and Tenant's Agents as an additional insured to the extent required in Section 20.2(b), with limits of not less than:

General Aggregate:	\$10 million
Products/Completed Operations Aggregate:	\$10 million
Personal and Advertising Injury:	\$ 5 million
Each Occurrence:	\$ 5 million

- (b) Commercial Property Insurance. Such insurance shall:
 - i. cover damage to Landlord's property, including improvements and betterments installed and owned by Landlord to the Premises; this coverage shall be at least as broad as that provided by the Causes-of-Loss Special Form (ISO form CP 10 30), from perils covered by a special form all risk or a special causes of loss form (Accord 24 or its equivalent), and include ordinance or law coverage, and.
 - ii. be written for full replacement cost of the Property, with a deductible of no greater than \$250,000 or five percent (5%), whichever is less, of the Property value. Insurance proceeds shall be payable to Landlord, and
 - iii. include the Modular Furniture installed in the Property to the extent owned by Landlord.

21. PARKING

21.1 Tenant's Rights

Tenant shall have the right to the number of parking spaces set forth in Section 1.1, without charge, for the Term of this Lease. No tandem parking shall be required or allowed, and Tenant shall be entitled to full in/out privileges at all times.

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 unreserved 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. Landlord, at its sole expense, shall provide Tenant with at least one (1) parking access card or key fob for each reserved or unreserved parking space set forth in Section 1.1, if applicable.

21.2 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 other than Tenant's and/or Tenant's employees, agents or contractors gross negligence or willful misconduct, subject to adjustment based on site plan and permit requirements from Building Department (which shall not be a breach by Landlord of this Section 21), more than 10% 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), then Tenant shall have one of these remedies, available in the following priority, upon thirty (30) days' written notice to Landlord:

- (a) Landlord shall provide Tenant an alternative parking space in the parking lot of Landlord's property adjacent to the Building; or
- (b) Landlord shall provide Tenant with a valet service to accommodate additional parking within the parking lot (i.e., tandem parking); or
- (c) If such alternative parking spaces are not available in accordance with subsection 21.2(i), Landlord shall provide Tenant other reasonably comparable parking spaces with shuttle bus service from parking spaces that are located more than one-quarter (1/4) mile away from the Premises.

22. ENVIRONMENTAL MATTERS

22.1 Hazardous Materials

Tenant shall not cause nor permit, nor allow any of Tenant's employees agents, customers, visitors, invitees, licensee, contractor, assignees or subtenants to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, the Building or the Common Areas, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity,

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

22.2 Landlord Indemnity

Landlord shall indemnify, protect, defend (by counsel acceptable to Tenant) and hold harmless Tenant from and against any and all claims, judgments, causes of action, damage, penalties, fines, 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 those 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. Either party shall promptly deliver to the other a copy of any notice received from any governmental agency during the Term of this Lease concerning the presence of Hazardous Materials in the Building or the Premises. Landlord's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Lease. A default by Landlord under this Section shall constitute a material default under this Lease.

23. ESTOPPEL CERTIFICATES

Tenant shall, within 30 business days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Exhibit F attached hereto (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 in the Premises or a holder of any mortgage upon Landlord's interest in the Premises.

24. TENANT IMPROVEMENTS

Prior to the Commencement Date, Landlord shall construct the Tenant Improvements in the manner set forth in Landlord's Work Letter, attached hereto and incorporated herein as Exhibit I.

25. LIENS

Tenant shall keep its interest in this Lease and the Premises free from any liens arising out of any work performed or materials ordered or obligations incurred by Tenant. Landlord shall keep its interest in this Lease and the Premises free from any liens which would impair the interest of Tenant hereunder. Each party hereby indemnifies, defends and holds the other party harmless from any liability or loss (including reasonable attorneys' fees and costs) from any such lien it causes or allows to attach to its interest in this Lease or the Premises.

26. SUBORDINATION AND MORTGAGES

26.1 Subordination and Non-Disturbance

Tenant agrees, at Landlord's option, to subordinate this Lease to the lien of any mortgages or deeds of trust now or hereafter in force against the Building; provided, however, Tenant's obligation to subordinate this Lease is expressly conditioned upon Tenant receiving a written agreement in the form of Exhibit E attached hereto 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 included herein.

26.2 Existing Deeds of Trust

The beneficiary under any existing deed of trust affecting the Building shall provide a written agreement to Tenant in the form of Exhibit E attached hereto signed by Tenant and delivered to Landlord concurrently herewith, within 30 days after the execution of this Lease.

26.3 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 and requests copies of any notice of default that Tenant serves upon Landlord, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee or beneficiary a copy of any notice of default that Tenant serves upon Landlord which could permit Tenant to terminate this Lease, along with an additional ten days within which to cure such default.

27. SURRENDER OF POSSESSION

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

28. SIGNAGE

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

29. QUIET ENJOYMENT

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

30. GENERAL

30.1 Headings

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

30.2 Successors and Assigns

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

30.3 Brokers

Landlord and Tenant each represent and warrant to each other that it has not engaged any broker, finder or other person who would be entitled to any market based commission or fees in respect of the negotiation, execution or delivery of this Lease other than Cushman & Wakefield U.S., Inc. ("Cushman") representing Tenant and Majestic Realty Co. ("MRC") representing Landlord 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. The terms of any market based commissions (the "Commission") due shall be pursuant to a separate commission agreement between MRC and Cushman. Tenant acknowledges that the payment of such Commission shall not be deemed to be a violation of Section 32.2.

30.4 Entire Agreement

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

30.5 Severability

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

30.6 Notices

The parties shall give all notices in writing by (i) personal delivery, (ii) national-recognized, next-day courier service, or (iii) first-class registered or certified mail, postage prepaid, to the Landlord's Address for Notice and Tenant's Address for Notice as set forth in Section 1.1. Without limiting the generality of the foregoing, (i) Landlord's notices to Tenant shall not be effective if they are delivered to the Premises or to another address that is not set forth in Section 1.1(b) hereof; and (ii) Tenant's notices to Landlord shall not be effective if they are delivered to another address that is not set forth in Section 1.1(a) hereof. Any notice given under this Lease shall be deemed effective upon the date of delivery (whether accepted or refused), which, for certified mail and courier service, shall be established by U.S. Post Office return receipt or the courier's proof of delivery, respectively.

30.7 Governing Law and Venue

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

30.8 Waivers

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

30.9 Time of Essence

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

30.10 Consent

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

30.11 Community Business Enterprises

Landlord shall complete and deliver to Tenant concurrently with the execution hereof a Community Business Enterprises form set forth as Exhibit G attached hereto.

30.12 Memorandum of Lease

If requested by Tenant, Landlord and Tenant shall execute and acknowledge a Memorandum of Lease in the form of Exhibit H attached hereto, which

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

30.13 Counterparts; Electronic Signatures

This Lease and any other documents necessary for the consummation of the transaction contemplated by this Lease may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Lease and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Lease had been delivered and had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Lease is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Lease based on the foregoing forms of signature. If this Lease has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

30.14 Landlord Exculpation

Tenant agrees to look solely to Landlord's, its partners, subpartners, and their respective officers, agents, servants, employees, and independent contractors (the "Landlord Parties") interest in the Property and the rents, profits and insurance, condemnation and other proceeds from the Premises for the satisfaction of any judgment (or any other obligation of Landlord to Tenant) and no other property or assets of the Landlord Parties shall be subject to levy, execution, or other judicial procedures for satisfaction of such judgment or other obligations. Tenant shall not seek recourse against the Landlord Parties or any of their personal assets for satisfaction of any liability with respect to this Lease. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 30.14 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Notwithstanding any contrary provision herein,

neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring. Notwithstanding anything contained in this Lease to the contrary, in no event shall Landlord or the Landlord Parties ever be liable pursuant to this Lease for incidental damages, lost profits or consequential, speculative or punitive damages.

30.15 Force Majeure

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to rent and other charges to be paid by Tenant pursuant to this Lease (collectively, a "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure. Notwithstanding the foregoing, for any Force Majeure delay(s), other than a Force Majeure Delay(s) causing a delay to the Outside Date (as defined in Section 4.2) that shall not be subject to the following time limitation, the Force Majeure delay shall not continue for a period of more than six (6) months in any twelve (12) month period.

30.16 Independent Covenants

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

31. AUTHORITY

Only the County's Board of Supervisors ("Board of Supervisors") has the authority, by formally approving and/or executing this Lease, to bind Tenant to the terms included herein. 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 Tenant. Tenant shall not reimburse Landlord for any expenses which exceed this ceiling. Notwithstanding the foregoing, the Chief Executive Office of the County (the "Chief Executive Office") may take any administrative act on behalf of Tenant

hereunder which does not have the effect of increasing Base Rent or other financial obligations of Tenant under this Lease, including without limitation, granting any approvals, terminating this Lease in the manner provided herein by an early termination notice or otherwise, signing estoppel certificates, signing the Commencement Date Memorandum and Confirmation of Lease Terms or subordinating this Lease. Each individual executing this Lease on behalf of Landlord represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Landlord, and that this Lease is binding upon Landlord in accordance with its terms.

32. ACKNOWLEDGEMENT BY LANDLORD

Landlord acknowledges that it is aware of the following provisions:

32.1 Consideration of GAIN Program Participants

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

32.2 Solicitation of Consideration

It is improper for any County officer, employee or agent to solicit consideration in any form from a landlord. A landlord shall not offer or give, either directly or through an intermediary, consideration in any form to a County officer, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of a lease.

Landlord shall immediately report any attempt by a County officer, employee or agent to solicit such improper consideration. The report shall be made to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

Landlord hereby represents and warrants that it has not provided, and will not provide, any financial benefits to any County official, employee or agent who has had any involvement in the procurement, negotiation, consummation, administration or management of this Lease.

Landlord hereby agrees that if it violates any of the terms of this Section 32.2, then the County may declare this Lease null and void, and the County reserves the right to exercise any and all other remedies available under applicable law.

32.3 Landlord Assignment

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

- (b) Any document or agreement purporting to assign, transfer, mortgage, hypothecate or encumber Landlord's right, title and interest in and to this Lease, or any portion thereof, is hereinafter referred to as a "Security Agreement." Any Security Agreement which is executed without full compliance with the requirements of this Section shall be void.
- (c) Each assignee or transferee under the Security Agreement shall certify and agree in writing that such assignee or transferee has read and is familiar with the requirements of Sections 5950-5955 of California Government Code, which prohibits the offer or sale of any security constituting a fractional interest in this Lease or any portion thereof, without the prior written consent of the Tenant. Notwithstanding the foregoing, the Tenant hereby acknowledges and agrees that Landlord shall have the right to encumber the Property with CMBS (commercial mortgage backed securities) financing or other traditional real estate financing. However, Landlord may not encumber the Property through any type of bond financing vehicle, including but not limited to certificate of participation financing.
- (d) Violation by Landlord of the provisions of Section 5951 of the California Government Code will constitute a material breach of this Lease, upon which the Tenant may impose damages in an amount equal to the greater of \$500,000 or 10% of the aggregate principal portion of all rental payments payable by the Tenant 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 Tenant may exercise or pursue any other right or remedy it may have under this Lease or applicable law.
- (e) Landlord shall give Tenant written notice and a copy of each and every assignment, transfer, hypothecation or encumbrance of Landlord's interest in this Lease and any instrument relating thereto (including, but not limited to, instruments providing for the payment of Base Rent directly to an assignee or transferee) at least thirty (30) days prior to the effective date thereof.
- (f) Landlord shall not furnish any information concerning Tenant 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 Tenant) to any person or entity, except with Tenant's prior written consent. Landlord shall indemnify, defend and hold Tenant 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 32.3.
- (g) The provisions of this Section 32.3 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.

32.4 Smoking in County Facilities. The Surgeon General of the United States has concluded that passive smoke exposure is the third leading cause of preventable death in the United States. The United States Environmental Protection Agency has found second-hand smoke to be a known carcinogen. It is recognized that the County has a responsibility to establish, maintain and promote a healthful and safe working environment and to reduce health and safety risks of its employees and the public at large. Tobacco smoke is a hazard to the health of County employees and the general public and represents an annoyance which should be regulated and banned in all county facilities to the end that air quality in all such facilities be improved for the preservation and improvement of the health of all County employees and the public. Therefore, to the greatest extent possible, Tenant shall be obligated to assure that the rights and comfort of all employees shall be respected. Reasonable effort shall be made by Tenant to provide smokers a place to smoke in areas open to the sky or otherwise located outside County facilities and, except as provided under Los Angeles County, California - Code of Ordinances Chapter 2.126 ("LAMC 2.126"), all portions of County-owned facilities and all portions of facilities leased by or from the County, which areas are not open to the sky, shall be designated by Tenant as "no smoking" areas. Smoking, including the use of electronic smoking devices, shall be prohibited in the following areas of County facilities: (1) Within 50 feet of any operable entry or exit door or operable window of any County building and within 25 feet of any access ramp or handicap path; (2) Within any County parking lot, parking structure, or parking garage, whether enclosed or open to the sky; or (3) Within any driving range and eating area, including outdoor eating areas, of any County golf course. International no-smoking signs and other appropriate signs which designate no-smoking areas shall be clearly, sufficiently and conspicuously posted in every room, building or other place so covered by LAMC 2.126. The manner of such posting, including the wording, size, color and place of posting, whether on the walls, doors, tables, counters, stands or elsewhere, shall be Tenant's responsibility and at the discretion of the building proprietor so long as clarity, sufficiency and conspicuousness are apparent in communicating the intent. (Los Angeles County, California - Code of Ordinances Chapter 2.126.)

33. IRREVOCABLE OFFER

In consideration for the time and expense that Tenant will invest in this Lease, 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, as necessary, in reliance on Landlord's agreement to lease the Premises to Tenant under the terms of this Lease, Landlord irrevocably offers to enter into this Lease and not to revoke this offer until the Irrevocable Offer Expiration Date, as defined in Section 1.1.

34. OPTION TO EXTEND

(a) Option Terms. Provided that no material Default has occurred and is continuing under the Lease at the time the option is exercised, Tenant shall have one (1)

option to renew this Lease for an additional period of five (5) years (the "Extension Term").

- (b) Exercise of Option. Tenant must exercise its options to extend this Lease by:
- (i) giving Landlord written notice of its intention to do so (its "Notice of Intent") no later than nine (9) months, nor earlier than twelve (12) months, prior to the end of the initial Term, and
 - (ii) after Market Rental Value has been determined as provided below, and after the Board of Supervisors has approved the exercise of the option to renew, by giving written notice of its election to exercise such option. It is understood that Tenant will not exercise its option until after the Board of Supervisors has approved doing so, which will not be prior to the determination of the Market Rental Value, as provided below. If the Board of Supervisors has not approved the exercise of such option prior to ninety (90) days after the expiration of the Term of this Lease as then in effect (i.e. by the 90th day of the holdover period) then the applicable option and any succeeding option shall automatically be null and void, and of no further force or effect. On the other hand, if the Board of Supervisors approves Tenant's exercise of any option granted pursuant to this Section 36, such option will then be deemed effectively exercised. Tenant's options to renew this Lease are personal to (and may only be exercised by) the Tenant originally named in this Lease (and not any assignee, subtenant, or other transferee), and may only be exercised if Tenant is not then subleasing any part of the Premises.
- (c) Terms and Conditions of the Extension Terms. The Extension Terms shall be on all the terms and conditions of this Lease, except that the Base Rent during Extension Terms shall be equal to the Market Rental Value for the Premises as of the commencement of the applicable Extension Term ("Adjusted Market Rental Value") to be determined as set forth below, including, but not limited to, the comparable rental rate, escalation, abatement, tenant improvements and any other tenant inducements then being offered to a ready and willing tenant in comparable buildings within a 10-mile radius to the Building, with no floor or base.
- (d) Agreement on Base Rent. Landlord and Tenant shall have ninety (90) days after Landlord receives the Notice of Intent in which to agree on the Base Rent during the applicable Extension Term. Base Rent during the Extension Term(s) shall be the Adjusted Market Rental Value of the Premises calculated as of the date Tenant gives its Notice of Intent with respect to its first and second options to extend, respectively. There shall be no minimum or maximum rental rate.
- (e) Market Rental Value. The term "Market Rental Value" shall be the rental rate including escalations, that a ready and willing tenant would pay, as of the applicable Option Rental Adjustment Date, and a ready and willing landlord of property comparable Premises would accept, as monthly rent if such property were exposed for lease on the open market for a reasonable period of time and taking into account all of the purposes for which such property may be used at the time Tenant provides its Notice of Intent, as determined jointly by Landlord and Tenant. For purposes hereof, the term "comparable Premises" shall mean premises in a Building similar in size and location to the Building, excluding any improvements installed by Tenant in the Building.

- (f) Opinions. Landlord shall submit its opinion of Market Rental Value to Tenant within fifteen (15) days after Landlord's receipt of the Notice of Intent, and Tenant shall respond thereto within ten (10) days thereafter by either (a) accepting Landlord's opinion of Market Rental Value (in which case, such Market Rental Value shall be used to determine Base Rent during the Extension Term) or (b) submitting Tenant's opinion of Market Rental Value. If Landlord and Tenant cannot agree upon the Market Rental Value of the Premises within fifteen (15) days thereafter, then Landlord and Tenant within five (5) days shall each submit to each other their final written statement of Market Rental Value ("Final Statement"). Within ten (10) days thereafter Landlord and Tenant shall together appoint one real estate appraiser (who shall be a Member of the American Institute of Real Estate Appraisers) (or, if both Landlord and Tenant agree, a certified property manager with ten (10) years' experience) who will determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraiser's opinion) Market Rental Value of the Premises. If Landlord and Tenant cannot mutually agree upon an appraiser within said ten (10) day period, Tenant or Landlord may apply to the Presiding Judge of the Superior Court for Los Angeles County, requesting said Judge to appoint the M.A.I. qualified appraiser. The appraiser so appointed shall promptly determine whether Landlord's or Tenant's Final Statement of Market Rental Value is the closest to the actual (in such appraisers' opinion) Market Rental Value of the Premises, and such Final Statement of Market Rental Value shall be the Market Rental Value used in determining Base Rent during the Extension Term. The fees and expenses of the appraiser shall be borne equally by Landlord and Tenant. The appraiser appointed or selected pursuant to this Section shall have at least ten (10) years' experience appraising commercial properties in Los Angeles County.
- (g) Amendment of Lease. Immediately after the Board of Supervisors approves the exercise of any option granted pursuant to this Section 34, and such option is exercised, Landlord and Tenant shall execute an amendment to this Lease setting forth the new Base Rent in effect.

[Signatures on following page]

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

LANDLORD:

RR&C DEVELOPMENT COMPANY,
a California general partnership

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner



BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: [Signature]

ITS: [Signature] Thomas H. Purcell
Chairman & CEO

BY: [Signature]

ITS: [Signature] Edward J. DiOrto
Chief Financial Officer, Secretary

[Signatures continue on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk
of the County of Los Angeles

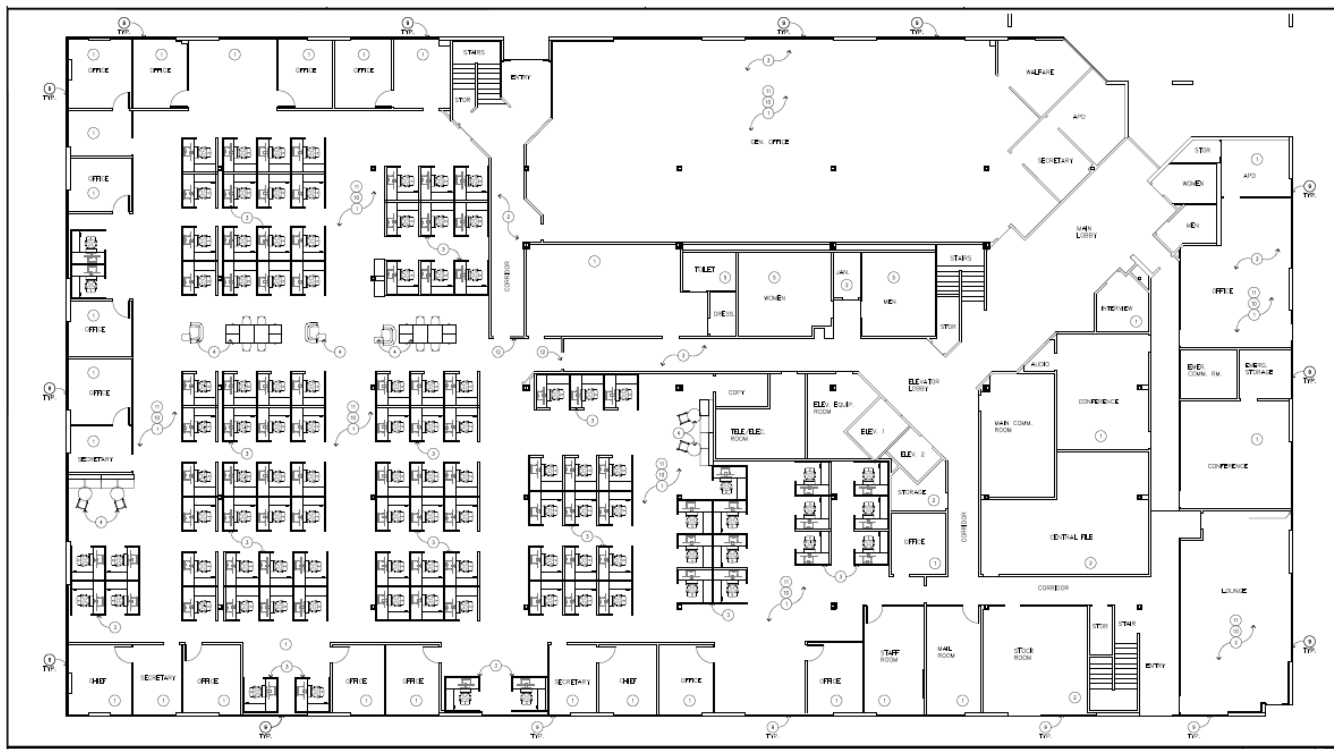
By: _____
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By:  _____
Senior Deputy

EXHIBIT A
FLOOR PLAN
FIRST FLOOR



CONSULTANT:
ARCHITECT OF RECORD:
PROFESSIONAL STAMP:
DISCLOSURE: All information shown or described herein is the property of DPSS. Plans prepared for the public domain, or incorporated in any law, statute, or contract, without written authorization of DPSS. PERMITS - PERMS © Copyright DPSS - PERMS 026 All Rights Reserved.
CONTRACTOR SHALL BUILD ONLY FROM SETS STAMPED "CONSTRUCTION SET" HEREIN.
ISSUE DATE: _____
ISSUED BY: _____ DATE: _____
NO REVISION ISSUED: _____ DATE: _____

FIRST FLOOR PROPOSED FLOOR PLAN

SCALE: 1/8"=1'-0" **1**

GENERAL NOTES:

A. ARCHITECT MUST COORDINATE WITH ELECTRICAL ENGINEER TO INCORPORATE ALL DPSS LOW VOLTAGE ELECTRICAL REQUIREMENTS INTO ELECTRICAL DRAWINGS.

B. DO NOT SCALE DRAWINGS.

C.

- REFERENCE NOTES:**
1. NEW CARPET THROUGH ENTIRE WORK AREA AND WHERE NOTED.
 2. NEW VINYL TILE AT ALL STOCK ROOMS, STORAGE ROOMS, AND BREAK AREAS.
 3. NEW FURNITURE SYSTEM. G.C. TO PROVIDE RIGID CONDUITS, FLOOR BOX FOR POWER AND DATA PER DPSS REQUIREMENTS, WHERE REQUIRED.
 4. FREE STANDING FURNITURE. G.C. TO PROVIDE POWER & DATA THROUGH FLOOR BOXES PER DPSS REQUIREMENTS AND WHERE REQUIRED.
 5. NEW CERAMIC TILE FLOORING, NEW CERAMIC WALL TILE, NEW HPL PARTITIONS WITH NEW HARDWARE, NEW PLUMBING FIXTURES ALONG WITH ALL ASSOCIATED RESTROOM ACCESSORIES.
 6. NEW BREAK AREA CABINETRY WITH SINK ALONG WITH ALL ASSOCIATED PLUMBING REQUIREMENTS.
 7. NEW 48" TALL WALL PARTITION.
 8. NEW FULL HT. POWER/DATA WALL.
 9. NEW 0% TO 3% ROLLER SHADES AT ALL PERIMETER WINDOWS & EXISTING DOOR SIDELIGHTS. COORDINATE TYPE W/ DPSS.
 10. NEW CEILING GRID WITH A.C. TILE THROUGHOUT TYP. & WHERE NOTED.
 11. NEW LED CEILING LIGHTS THROUGHOUT. REFER TO ENGINEER DRAWINGS.
 12. NEW GLASS DOOR W/ NEW GLASS WALL.

LEGEND:

— EXISTING WALL TO REMAIN - G.C. TO PATCH AND PAINT ALL EXISTING WALLS - LEVEL 4 FINISH

— NEW WALL CONSTRUCT - G.C. TO BRING ALL NEW WALLS TO LEVEL 5 FINISH

⊙ REFERENCE NOTE. REFER TO REFERENCE NOTES FOR FURTHER INFORMATION.

PROJECT NUMBER:	230201
Drawn by:	She Name
Checked by:	She Floor
Project No.:	230201
Scale:	1/8"=1'-0"
The	MAIN BUILDING - FIRST FLOOR PROPOSED FLOOR PLAN
Sheet No.:	MAIN -1B

EXHIBIT B

**COMMENCEMENT DATE MEMORANDUM
AND CONFIRMATION OF LEASE TERMS**

Reference is made to that certain Lease Agreement ("Lease") dated _____, 20__, between County of Los Angeles, a body corporate and politic ("Tenant"), and RR&C Development Company, a California general partnership ("Landlord"), whereby Landlord leased to Tenant and Tenant leased from Landlord certain premises in the building located at 12860 Crossroads Parkway South, City of Industry, California, 91746,

Landlord and Tenant hereby acknowledge as follow:

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

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

- 5) Base Rent per month is _____.
- 6) The Base Index month is _____.
- 7) The Base Index is _____.
- 8) The first New Index month is _____.

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

Tenant:

**COUNTY OF LOS ANGELES,
a body corporate and politic**

By: _____
Name _____
Its _____

[Signatures continue on following page]

Landlord:

**RR&C DEVELOPMENT COMPANY,
a California general partnership**

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: _____
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: _____

ITS: _____

BY: _____

ITS: _____

EXHIBIT C

HEATING, VENTILATION AND AIR CONDITIONING

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

EXHIBIT D

CLEANING AND MAINTENANCE SCHEDULE

A. DAILY (Monday through Friday)

1. Carpets vacuumed.
2. Composition floors dust-mopped.
3. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
4. Waste baskets, other trash receptacles emptied.
5. Chairs and waste baskets returned to proper position.
6. Fingerprints removed from glass doors and partitions.
7. Drinking fountains cleaned, sanitized and polished.
8. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
9. Bulb and tube replacements, as required.
10. Emergency exit signage and egress battery replacement (if applicable)
11. Graffiti expunged as needed within two working days after notice by Tenant
12. Floors washed as needed.
13. Standard kitchen/lunchroom/restroom supplies replenished, including, but, not limited to, paper supplies and soap.
14. Day porter service from 8:30 a.m. to 4:30 p.m., which day porter service shall be shared between the Premises and Tenant's leased property at 12820 and 12900 Crossroads Parkway South, City of Industry, California.

B. WEEKLY

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

C. MONTHLY

17. Floors washed and waxed in uncarpeted office area.
18. High-reach areas, door frames and tops of partitions dusted.

19. Upholstered furniture vacuumed, plastic and leather furniture wiped
20. Picture moldings and frames dusted.
21. Wall vents and ceiling vents vacuumed.
22. Carpet professionally spot cleaned as required to remove stains.
23. HVAC chiller water checked for bacteria, water conditioned as necessary.

D. QUARTERLY

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

E. SEMI-ANNUALLY

28. Windows washed as required inside and outside but not less frequently than twice annually.
29. All painted wall and door surfaces washed and stains removed.
30. All walls treated with vinyl covering washed and stains removed.

F. ANNUALLY

31. 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.
32. Touch-up paint all interior painted surfaces in a color and finish to match existing.

G. AS NEEDED

33. 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.
34. 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.
35. Interior and exterior pest control inspections and remediation frequency is to be determined by a licensed exterminator.

36. 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 cleaned 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.

38. All walls repainted throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence") except for touch-up paint as provided in Paragraph F.32. of this Exhibit D. 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.

39. All HVAC ducts cleaned as needed, but no less than every five (5) years.

H. GENERAL

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

EXHIBIT E

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

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

County of Los Angeles)
Chief Executive Office)
Real Estate Division)
320 W. Temple Street)
7th Floor)
Los Angeles, California 90012)

Space above for Recorder's Use

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

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

This Subordination, Non-disturbance and Attornment Agreement ("Agreement") is entered into as of the ____ day of _____, 20__ by and among COUNTY OF LOS ANGELES, a body corporate and politic ("Tenant"), [*Insert name of Landlord*], ("Borrower") and [*Insert name of Lender*], ("Lender").

Factual Background

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

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

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

D. Tenant is willing to agree to subordinate certain of Tenant's rights under the Lease to the lien of the Deed of Trust and to attorn to Lender on the terms and conditions of this Agreement. Tenant is willing to agree to such subordination and attornment and other conditions, provided that Lender agrees to a non-disturbance 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 or 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.

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

3. Non-disturbance. The 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.

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, unless such act or omission continues after the date that Lender or Purchaser succeeds to the interest of such prior landlord; 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, unless resulting from a default or breach by such prior landlord which continues after Lender or Purchaser succeeds to the interest of such prior landlord; and provided that any offsets deducted by Tenant prior to the date that Lender or Purchaser succeeds to the interest of such prior landlord shall not be subject to challenge; or

(c) be bound by any prepayment by Tenant of more than one (1) month's installment of rent, unless the Lease expressly requires such prepayment; 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 entered into without Lender's prior written consent when such consent is required under the Deed of Trust or other documents executed by Borrower in connection with the Loan.

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
320 W. Temple Street, 7th Floor
Los Angeles, California 90012
Attention: Director of Real Estate

7. Miscellaneous Provisions. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns. This Agreement is governed by the laws of the State of California without regard to the choice of law rules of that State.

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

By: _____
Name: _____
Title: _____

BORROWER: *[Insert name of Landlord]*

By: _____
Name: _____
Title: _____

LENDER: *[Insert name of Lender],*

By: _____
Name: _____
Title: _____

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me, _____
Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT F

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, to its actual knowledge, as of the date hereof:

1. Tenant is the present 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. Tenant has no option or right to renew, extend or cancel the Lease, or to lease additional space in the Premises or Building, or to use any parking other than that specified in the Lease.

(d) 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).

(e) 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, except as set forth in Exhibit A, 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) Tenant's interest in the Lease has not been assigned or encumbered.

(d) 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.

(e) No rental payments have been made more than one (1) 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, except: _____.

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

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____

EXHIBIT G

COMMUNITY BUSINESS ENTERPRISE FORM

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

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

1. Firm Name: _____		3. Contact Person/Telephone Number: _____				
2. Address: _____		_____				
_____		_____				
_____		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 O,P & AP	Women	All Managers	Women	All Staff	Women
Black/African American						
Hispanic/Latin American						
Asian American						
Portuguese American						
American Indian/Alaskan Native						
All Others						

II. PERCENTAGE OF MINORITY/WOMEN OWNERSHIP IN FIRM

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

2. Total Number of Ownership/Partners, Etc.: _____			III. MINORITY/WOMEN-OWNED FIRM CERTIFICATION		
3. Provide the percentage of ownership in each	All Employee	Women	Is your firm currently certified as a minority owned business firm by the:		
Black/African American			State of California?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Hispanic/Latin American			City of Los Angeles?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Asian American			Federal Government?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Portuguese American			Section D. OPTION TO PROVIDE REQUESTED INFORMATION		
American Indian/Alaskan Native			<input type="checkbox"/> We do not wish to provide the information required in this form.		
All Others			Firm Name: _____		

Signature/Title: _____

Date: _____

EXHIBIT H

MEMORANDUM OF LEASE TERMS

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

County of Los Angeles
Chief Executive Office
Real Estate Division
320 W. Temple Street, 7th 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 _____, a _____ (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 have entered into an unrecorded lease dated _____, 20__ (the "Lease") of certain real property located in the County of Los Angeles, State of California, described in Exhibit A attached hereto and incorporated herein by reference, for a term commencing on _____, 20__, and ending on a date _____ years after the commencement date, unless such term is extended or sooner terminated pursuant to the terms and conditions set forth in the Lease.

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

[Signatures on following pages]

Dated: _____, 20__.

LANDLORD: RR&C DEVELOPMENT COMPANY,
a California general partnership

BY: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: _____
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: _____
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

BY: _____

ITS: _____

BY: _____

ITS: _____

[Signatures continued on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Chief Executive Officer

By: _____
John T. Cooke
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk
of the County of Los Angeles

By: _____
Deputy

[Signatures continued on following page]

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: _____
Senior Deputy

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

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, before me,

Date Name And Title Of Officer (e.g. "Jane Doe, Notary Public")

personally appeared _____,
Name of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature (Seal)

EXHIBIT I

LANDLORD'S WORK LETTER

HOA.102799113.5

Exhibit I

LANDLORD'S WORK LETTER

Lease 12860 Crossroads v4\MH\02492-018
August 12, 2024

12860 Crossroads Parkway South, City of Industry, CA
[COUNTY OF LOS ANGELES]

LANDLORD'S WORK LETTER

For

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

**COUNTY OF LOS ANGELES, as Tenant
RR&C DEVELOPMENT COMPANY, as Landlord**

**12860 CROSSROADS PARKWAY SOUTH
CITY OF INDUSTRY, CALIFORNIA**

LANDLORD'S WORK LETTER

This Work Letter supplements the Lease Agreement (the "Lease") dated _____, 202__ (the "Effective Date"), executed concurrently herewith, by and between RR&C DEVELOPMENT COMPANY, a California general partnership, as Landlord, and COUNTY OF LOS ANGELES, a body corporate and politic, as Tenant, covering certain Premises described in the Lease. Terms capitalized but not otherwise defined herein shall have the meanings ascribed to them in the Lease.

The parties hereby agree as follows:

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

- | | |
|--|---|
| (a) <u>Total TI Costs</u> | \$9,625,000.00 (i.e., \$175.00 per rentable square foot of the Premises) |
| (i) <u>Landlord's TI Allowance</u> | \$2,475,000.00 (i.e., \$45.00 per rentable square foot of the Premises) |
| (ii) <u>Tenant's TI Contribution</u> | \$7,150,000.00 (i.e., \$130.00 per rentable square foot of the Premises) |
| (b) <u>Amortization Rate and Change Authorization Amortization Rate:</u> | Not applicable. |
| (c) <u>Kitchen Appliance Allowance:</u> | Up to a maximum of \$8,000.00 |
| (d) <u>Tenant's Work Letter Representative</u> | An assigned staff person of the Chief Executive Office-Real Estate Division |
| (e) <u>Landlord's Work Letter Representative</u> | An assigned staff person of the Landlord |
| (f) <u>Landlord's Address for Work Letter Notices</u> | RR&C Development Company
c/o Majestic Realty Co.
13191 Crossroads Parkway North
6th Floor
City of Industry, California 91746
Attention: Property Manager |
| (g) <u>Tenant's Address for Work Letter Notices</u> | County of Los Angeles
Chief Executive Office - Real Estate
Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate |

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(h) Addenda

Addendum A: Base Building Improvements
Addendum B: Tenant Improvements
Addendum C: Form of Preliminary and Final TI Cost Summary

2. **Construction of the Building.**

2.1 **Base Building Improvements.** Landlord has constructed or shall construct the base building improvements described on Addendum A hereto (the "Base Building Improvements") as a part of the Building. If the Base Building Improvements must be changed or added to in order to accommodate the special needs of Tenant in the Premises, such changes or additions shall not be considered Tenant Improvements (as defined below) unless such changes or additions are specifically described in Addendum B hereto.

2.2 **Additional Costs Not Total TI Costs.**

(a) If the Building as initially constructed does not comply with current life-fire safety codes, disabled access codes (including, without limitation, the Americans with Disabilities Act of 1990 (ADA), and/or earthquake safety codes, and Landlord incurs increased design or construction costs that it would not have incurred if the Building had been in compliance with such codes, then such costs shall not be included in the calculation of Total TI Costs (as defined below), and Tenant shall have no financial responsibility for such costs.

(b) Any work that Landlord must undertake to cause the Premises to comply with the access requirements of the ADA or to make existing building systems, including but not limited to electrical service and HVAC equipment, fully operational shall be at Landlord's sole cost and expense. Total TI Costs shall not include any costs associated with (i) asbestos abatement or compliance with the Hazardous Materials provision of the Lease, including all expenses associated with curing any "Sick Building Syndromes", (ii) fire sprinkler system installation or upgrade, (iii) conversion of air conditioning systems to eliminate use of CFC refrigerants that are harmful to the atmosphere, (iv) utility costs incurred during construction, (v) costs incurred in order to cause the Premises to comply with any mechanical or electrical requirements set forth in the Lease, nor (v) supervision or overhead costs of Landlord.

2.3 **Base Building Plans.** Landlord has delivered to Tenant all "as built" plans and specifications for the Building available to Landlord.

3. **Selection of Architect and Engineer.** Landlord shall not proceed with any bid solicitation for architectural or engineering services until final Space Plan (as defined below) is furnished to the Landlord. Once Landlord receives the final Space Plan, Landlord shall, subject to the last sentence of this Section 3, promptly solicit at least three (3) proposals from qualified licensed architects and engineers familiar with all applicable laws and building requirements detailing a scope of work sufficient to complete the Working Drawings (as defined below). Landlord shall, subject to the last sentence of this Section 3, select an architect and engineer, subject to Tenant's acceptance, which shall not be unreasonably withheld, and which acceptance (or rejection for reasonable reasons) shall be granted within three (3) business days after Landlord has submitted the name of the selected architect and engineer to Tenant, together with detailed proposals

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outlining the cost for design/engineering services. This procedure shall be repeated until Tenant accepts an architect (the "Architect") and engineer (the "Engineer"), and Tenant's written acceptance has been delivered to and received by Landlord.

4. **Selection of Contractor.** The Final Plans (as defined below) and a proposed construction contract accepted by Tenant shall be submitted to a sufficient number of qualified contractors, selected by Landlord, so that a minimum of three (3) bids are received. Each contractor shall be requested to submit a sealed fixed price contract bid price (on an American Institute of Architects (AIA) form) to construct the Tenant Improvements depicted on the Final Plans. Within five (5) business days following Landlord's receipt of the three (3) bids, Landlord and Tenant shall jointly open and review the bids. Landlord and Tenant, after adjustments for inconsistent assumptions, shall select the most qualified bidder offering the lowest price and who commits to Landlord's schedule for the construction of the Tenant Improvements, and such contractor ("Contractor") shall enter into a construction contract ("Construction Contract") with Landlord consistent with the terms of the bid to construct the Tenant Improvements.

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

5.1 **Preparation of Space Plan.** Prior to Landlord's execution of this Lease, Tenant has submitted to Landlord and Landlord has approved that certain preliminary space plan and specifications, and low voltage and furniture plans showing on a preliminary basis all demising walls, corridors, entrances, exits, doors, and interior partitions, and the locations of all offices, conference rooms, computer rooms, mini-service kitchens, and the reception area, library, and file room (collectively, the "Preliminary Space Plan"). Concurrently with Tenant's execution and delivery of this Lease, Tenant shall submit to Landlord a final space plan and specifications for the Premises (the "Space Plan"), which Space Plan shall be a logical extension of and consistent with the Preliminary Space Plan. The Space Plan shall be subject to Landlord's reasonable approval within ten (10) business days following Tenant's submittal thereof, provided that it shall only be reasonable for Landlord to disapprove the Space Plan to the extent that it is not a logical extension of or is inconsistent with the Preliminary Space Plan. If Landlord reasonably disapproves the Space Plan for the foregoing reasons, then Tenant shall resubmit a revised Space Plan to Landlord for approval within ten (10) business days following Tenant's receipt of Landlord's disapproval. The foregoing process shall be repeated until such time as Landlord approves the Space Plan submitted by Tenant, and any delay caused by the necessity for Tenant to revise the Space Plan because of Landlord's initial disapproval thereof shall be a Tenant Delay.

5.2 **Preparation and Review of Working Drawings.** Within ten (10) days after the selection of the Architect (the "Selection of Architect Date"), Landlord shall instruct the Architect to commence preparation of working drawings (the "Working Drawings"), which shall (a) be consistent with the Space Plan and the Preliminary TI Cost Summary (as defined below), (b) be compatible with the design, construction and equipment of the Building, (c) comply with all applicable laws, (d) be capable of physical measurement and construction, (e) contain all information required for the construction of the Tenant Improvements and the preparation of the Engineering Drawings (as defined below), and (f) include all partition locations, plumbing locations, air conditioning system and duct work, special air conditioning requirements, reflected ceiling plans, office equipment locations, and special security systems. The Working Drawings may be submitted in one or more stages and at one or more times. Landlord shall provide Tenant the Working Drawings, or such portion thereof as has been submitted, for Tenant's review and acceptance. Landlord shall be solely responsible for ensuring that the Working Drawings fully

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

5.3 Preparation and Review of Engineering Drawings. Landlord shall cause the Architect to coordinate with the Engineer and to integrate all engineering drawings prepared by the Engineer, including but not limited to complete mechanical, electrical, and plumbing plans ("Engineering Drawings"), into the Working Drawings. The Engineering Drawings may be submitted in one or more stages and at one or more times for Tenant's review and acceptance, provided that Tenant shall in no event disapprove of the Engineering Drawings, or the applicable portion thereof, to the extent such disapproval would (i) cause such Engineering Drawings to not be compatible with the design, construction and equipment of the Building or in compliance with applicable laws, including, without limitation, building codes, (ii) create errors or omissions in such Engineering Drawings, or (iii) cause such Engineering Drawings to not be a logical extension of and/or consistent with the Space Plan, and Low Voltage Plans or the Working Drawings or Engineering Drawings previously approved by Tenant hereunder. Tenant shall approve the Engineering Drawings, or the applicable portion thereof, in its reasonable discretion (subject to the foregoing limitations), in writing within ten (10) business days following Landlord's submittal thereof to Tenant. In the event that Tenant timely and properly disapproves the Engineering Drawings, or the applicable portion thereof, then the parties shall promptly meet and diligently work in good faith to resolve Tenant's objections. The revised Engineering Drawings, or the applicable portion thereof, shall be resubmitted by Landlord to Tenant for Tenant's approval in accordance with the foregoing limitations, and Tenant shall approve such Engineering Drawings, or the applicable portion thereof, in its reasonable discretion, in writing within ten (10) business days following Landlord's resubmittal thereof to Tenant. The process set forth in the immediately preceding two sentences shall be repeated until the Engineering Drawings, or the applicable portion thereof, are approved by Tenant.

5.4 Integration of Working Drawings and Engineering Drawings into Final Plans. After Tenant has accepted the Engineering Drawings, Landlord shall cause the Architect to integrate

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the accepted Working Drawings with the accepted Engineering Drawings (collectively "Final Plans") and deliver the Final Plans to Tenant for Tenant's review in an AutoCAD 2015 (or later version) and Adobe PDF electronic format via a web-based download link. The Final Plans shall be suitable for plan check review and permitting by local agencies having jurisdiction, for the layout, improvement and finish of the Premises consistent with the design and construction of the Base Building Improvements, including electrical and mechanical drawings, capacity reports, dimensioned partition plans, floor and wall finish plans, reflected ceiling plans, power, telephone communications and data plans, life safety devices, construction detail sheets including millwork detail plans showing the location of partitions, light fixtures, electrical outlets, telephone outlets, sprinklers, doors, equipment specifications (including weight specifications and cooling requirements), power requirements (including voltage, amps, phase, and special plugs and connections), wall finishes, floor coverings, millwork and other Tenant Improvements. Landlord's review of the Space Plan, Working Drawings, Engineering Drawings, and Final Plans shall be at Landlord's sole cost and expense.

5.5 Tenant's Plan Review and Acceptance. Tenant's acceptance of the Working Drawings, Engineering Drawings and/or the Final Plans shall not be deemed to be a representation by Tenant as to the adequacy or correctness of the design of the Tenant Improvements, which shall be Landlord's sole responsibility.

5.6 Schedule. Within twenty-one (21) calendar days of the Selection of Architect Date, Landlord shall submit to Tenant a detailed construction schedule for Tenant's information setting forth the projected dates for completion of certain project milestones, including but not limited to completion of Working Drawings, completion of Engineering Drawings, submission of plans to local jurisdiction for review, issuance of building permit, submission of plans to contractors for bidding, award of the Construction Contract, construction commencement date, and the date of Substantial Completion. As the construction continues, Landlord shall amend the construction schedule from time to time to reflect any changes to the projected dates, and Landlord shall promptly submit the revised construction schedules to Tenant. Except as expressly set forth in the Lease or this Work Letter, Landlord shall have no liability or responsibility to Tenant for any failure to complete project benchmarks by the projected dates set forth in any construction schedule provided by Landlord.

5.7 Submittals. The Landlord shall submit to Tenant any Shop Drawings, Product Data Sheets / Samples or similar submittals required by the Final Plans in coordination with the construction schedule and with reasonable promptness, so as not to cause any delay in the construction of the Tenant Improvements. The purpose of Shop Drawings, Product Data, Samples and similar submittals is to demonstrate the way by which the Contractor proposes to construct a design concept expressed in the Final Plans. "Shop Drawings" include drawings, diagrams, schedules and other data specially prepared by the Contractor or a subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Tenant Improvements. "Product Data Sheets / Samples" include illustrations, summary performance charts, instructions, brochures, diagrams, manufacturer specifications and other information furnished by the Landlord to illustrate materials or equipment for some portion of the Tenant Improvements. "Samples" are physical examples that illustrate materials, equipment or workmanship for some portion of the Tenant Improvements. The Contractor shall construct no portion of the Tenant Improvements for which the Final Plans require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been reviewed and accepted by the Architect.

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6. **Landlord's TI Cost Summary and Payment of Total TI Costs.**

6.1 **Cost Summary.** Within seven (7) calendar days after the Space Plan has been approved by Landlord, Landlord shall submit to Tenant a preliminary cost summary for the Tenant Improvements in a format similar to Addendum C attached hereto (the "Preliminary TI Cost Summary"). The Preliminary TI Cost Summary shall be revised into final form following Contractor's review including the Modular Furniture Costs within thirty (30) calendar days from the date that all permits for the construction of the Tenant Improvements have been issued by the applicable governmental authorities, and will be referred to herein as the "Final TI Cost Summary". The Preliminary Budget and the Final TI Costs Summary shall include the Modular Furniture Costs, and notwithstanding any contrary provision of this Work Letter, Tenant shall have five (5) business days from the date of receipt of the Final TI Cost Summary (the "Budget Approval Deadline") to approve or disapprove the Final TI Cost Summary in writing. Construction of the Tenant Improvements shall not begin until such time as Tenant indicates its approval of the Final TI Cost Summary. In the event that Tenant rejects the Final TI Cost Summary in writing due to matters related to cost and the Final TI Cost Summary is ten percent (10%) or more higher in cost than projected in the Preliminary TI Cost Summary, then, at Tenant's request, Landlord shall cause the Architect and the Engineer to redesign the Tenant Improvements, at Tenant's sole expense and any delay in excess of ten (10) business days caused by the necessity to rebid or redesign the Tenant Improvements shall be a Tenant Delay.

6.2 **Landlord's TI Allowance and Tenant's TI Contribution.**

(a) Tenant shall be entitled to a one-time Landlord's TI Allowance in the amount set forth in Section 1(a)(i) above for the costs relating to the design and construction of the Tenant Improvements (including the Modular Furniture Costs (as defined in Section 9.1 below). Subject to the Landlord/Tenant Additional Responsibility Provision, as defined and set forth in Section 6.2(b) below, in no event shall Landlord be obligated to pay a total amount for the design, construction, purchase and installation of the Tenant Improvements which exceeds the Landlord's TI Allowance and the Tenant's TI Contribution. Any unused portion of the Landlord TI Allowance following completion of the Tenant Improvements shall be credited toward the Base Rent.

(b) All improvements required by the Final Plans, as further described in Addendum B hereto, and any and all modular furniture described in the Modular Specifications (as defined below) shall be referred to herein, collectively, as "Tenant Improvements" or "TI." Costs of Tenant Improvements shall include costs for furniture, soft costs, and any other costs approved in writing by Tenant and Landlord's reasonable approval (collectively "Total TI Costs"), all of which must not exceed, in the aggregate, the sum of Landlord's TI Allowance, Tenant's TI Contribution, and the cost of any Change Authorizations (as defined below) that are approved in writing by both parties. Subject to Section 8 below, the parties agree that the "Tenant's TI Contribution" set forth in Section 1(a)(ii) above shall be used to pay for the Total TI Costs in excess of Landlord's TI Allowance. Notwithstanding any contrary provision of this Work Letter (but subject to the Landlord/Tenant Additional Responsibility Provision), in no event shall Tenant Improvements be permitted to the extent they will cause the Total TI Costs to exceed the sum of the Landlord's TI Allowance and the Tenant's TI Contribution, unless a Change Order has been approved therefor by Tenant in accordance with Section 8 below. Landlord shall be solely responsible for any Total TI Costs in excess of the total amount of the Final Construction Budget approved by Tenant, except for costs arising from Change Orders requested by Tenant (which HOA.102799113.5

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shall be a Tenant cost and shall be payable from any remaining available portion of the Tenant's TI Contribution, provided that notwithstanding any contrary provision of this Work Letter, any amount owing by Tenant to Landlord therefor in excess of the remaining available portion of the Tenant's TI Contribution shall be payable to Landlord, as additional rent, within thirty (30) days of billing) (the "Landlord/Tenant Additional Responsibility Provision"). It is anticipated that the Total TI Costs will exceed the Landlord TI Allowance, and Landlord shall pay the overage, but only to the extent of the Tenant's TI Contribution paid by Landlord for the Total TI Costs, and such amount of the Tenant's TI Contribution shall be repaid to Landlord by Tenant as provided in Section 6.3 below.

6.3 Method of Payment. Tenant shall be obligated to pay Landlord that portion of Tenant's TI Contribution used to pay for any Total TI Costs in excess of Landlord's TI Allowance thirty (30) calendar days after the later of (A) all of the following conditions have been met: (i) Tenant improvements are Substantially Complete (as defined in the Lease); (ii) Landlord has provided Tenant with all reasonable documentation substantiating all Tenant Improvements' expenses, including proof of payment, unconditional lien releases and approved change orders; and (iii) Tenant has reconciled all Tenant Improvements' costs to determine and confirm the total Tenant Improvements amount spent and the amount of Tenant's TI Contribution owed to Landlord or (B) July 1, 2025. Tenant shall make such payment to Landlord in a lump sum payment. The foregoing obligation of Tenant to repay the amount of the Tenant's TI Contribution which is used to pay for the Total TI Costs shall constitute additional rent under the Lease.

7. Construction of Tenant Improvements.

7.1 Surrender of Premises. When (i) the Permits (as defined in Section 7.4 of this Work Letter) are available for pick -up by Landlord, and (ii) the second (2nd) floor of the building leased by Tenant from an affiliate of Landlord at 12801 Crossroads Parkway South, City of Industry, California is available for Tenant to legally occupy the second (2nd) floor, Landlord shall provide written notice to Tenant and Tenant, within thirty (30) days of receipt of such notice, shall surrender the Premises to Landlord in order to allow Landlord to commence construction of the Tenant Improvements and the Landlord Work. Landlord shall be responsible for disposing of Tenant's existing FF&E not including any electronics. If Tenant chooses to relocate its FF&E, then any relocation costs shall be deducted from the Tenant Improvement Allowance. Landlord agrees to keep Tenant advised as to the status of and anticipated timing for issuance of the Permits in coordination with Tenant's assigned Chief Executive Office (CEO) Project Manager.

7.2 Tenant Improvements. Tenant Improvements to be constructed by Landlord are described more particularly on Addendum B hereto, provided that in the event of any conflict between the Working Drawings and Addendum B, the Working Drawings shall control. Notwithstanding any contrary provision of this Work Letter, any Tenant Improvements described in Addendum B which are not reflected on the Working Drawings shall not be constructed by Landlord hereunder. Landlord agrees that, in the event of an unforeseen condition is discovered during construction of the Tenant Improvements which are not reflected on Working Drawings, any cost to correct such unforeseen condition shall be at Landlord's cost unless waived by the PM in writing.

7.3 Bids. Unless waived by Tenant in writing, any major contractors, subcontractors and material suppliers providing labor and/or materials for the Tenant Improvements shall, subject to the last sentence of this Section 7.2, be selected only after a minimum of three (3) bids have
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been solicited from responsible and qualified persons. Landlord shall, subject to the last sentence of this Section 7.2, submit at least three (3) sealed fixed price bids for the construction of the Tenant Improvements to Tenant for its review prior to the award of the Construction Contract. The bids shall be jointly opened and reviewed by Landlord and Tenant within five (5) business days following Landlord's receipt of a sufficient number of bids. The bids shall include an itemized list of all materials and labor and shall include all additional costs, as applicable, including architects and engineering fees, permits, reasonable contractor's profit and overhead, and project management fees. Landlord shall also obtain a minimum of three (3) bids from responsible and qualified bidders for the purchase and installation of Tenant's office furniture system, if applicable, in accordance with Section 9.1 below.

7.4 Permits. Landlord shall obtain the approval of all applicable governmental authorities and all permits (collectively, the "Permits") required by governmental authorities having jurisdiction over such approvals and permits for the Tenant Improvements, promptly after Tenant's acceptance of the Final Plans. Landlord shall obtain plan check approval prior to soliciting bids from contractors pursuant to Section 4 hereof.

7.5 Commencement of Construction. Landlord shall commence construction of the Tenant Improvements within five (5) business days following the later to occur of (i) Tenant's approval of the Final Construction Budget, (ii) Landlord's receipt of all required permits for the Tenant Improvements, and (iii) construction contract awarded to Contractor. Once commenced, Landlord shall thereafter diligently proceed to construct and complete all Tenant Improvements in a good and workmanlike manner, subject only to any cessation that may be caused by Force Majeure Delays and Tenant Delays (as defined below).

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

(a) Notice of Nonresponsibility. Landlord and the Contractor shall cooperate with Tenant in posting a notice or notices of nonresponsibility by Tenant in compliance with California Civil Code Section 8444.

(b) Decorating Decisions. All design and programming, space planning and interior decorating services, such as selection of wall paint colors and/or wall coverings, furniture, fixtures, flooring and base, and any other decor selection efforts required by Tenant in accordance with Tenant's Space Plan and Outline Specifications shall be provided by Landlord as part of the Total TI Costs to which the Landlord's TI Allowance and the Tenant's TI Contribution shall be applied. Landlord shall consult with Tenant with respect to all such decorating services and decisions.

(c) Warranties. Landlord warrants that the Tenant Improvements shall be free from any defects in workmanship and materials for a period of not less than two (2) years from the date of Substantial Completion (as defined in the Lease), as may be extended for any warranty for a period in excess of two (2) years. Landlord shall require each contractor and subcontractor to provide warranties of like duration in all construction contracts relating to the Tenant Improvements and, upon Tenant's request, Landlord shall assign to Tenant any such warranties relating to the Tenant Improvements. Patent defects in the Tenant Improvements shall be brought to Landlord's attention promptly. Latent or hidden defects in the Tenant Improvements shall be brought to Landlord's attention promptly upon Tenant's becoming aware of such defects.

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(d) Clean-Up and Substandard Work. Landlord will be responsible for all clean-up with respect to the Tenant Improvements, whether in the Premises or in other areas utilized by Landlord or its contractors. In the event that Tenant claims that there has been substandard Tenant Improvement work or clean-up (as reasonably determined according to the usual standards of work in the Building), then Tenant shall notify Landlord in writing thereof (with reasonable detail specifying the substandard work or clean-up claimed by Tenant) and to the extent that Landlord agrees that the work or clean-up was substandard, then Landlord shall perform additional work or clean-up as is required hereunder within ten (10) business days of Landlord's receipt of Tenant's notice (provided that if such work or clean-up cannot reasonably be completed within such ten (10) business day period, then Landlord shall commence such work or clean-up within such ten (10) business day period and shall diligently perform and complete such work or clean-up thereafter). If Landlord fails to timely perform such additional work or clean-up (or to respond that the work or clean-up requested by Tenant is not required to be performed by Landlord), then Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of the substandard work or clean-up performed by Landlord's contractor or contractors, within thirty (30) days following Landlord's receipt of Tenant's notice (which shall include a reasonably detailed itemization of the costs incurred by Tenant).

(e) Compliance with Laws. The Premises shall comply with all applicable city, county, state and federal building codes, regulations and ordinances required for beneficial occupancy, including but not limited to all provisions of the California Labor Code. **Without limiting the generality of the foregoing, construction of the Tenant Improvements shall comply with all applicable laws and regulations, including but not limited to the provisions of the California Labor Code relating to the payment of prevailing wages on public works projects, unless the work is otherwise exempt therefrom pursuant to the California Labor Code. Under the provisions of the Labor Code, the State Department of Industrial Relations will ascertain the prevailing hourly wage rate and details pertinent thereto for each craft, classification, or type of workman or mechanic needed for the construction of the Tenant Improvements. Particulars of the current prevailing wage scale, as approved by the Board of Supervisors, which are applicable to the work, are filed with the Clerk of the Board of Supervisors and must be posted at the site. Notwithstanding the foregoing or any language to the contrary contained herein, the payment of prevailing wages according to the current prevailing wage scale and compliance with applicable prevailing wage statutes shall be required where there is a Tenant's TI Contribution made towards the Total TI Costs of the Tenant Improvements to be performed.**

(f) Access During Construction. Tenant shall have the right to conduct site visits to observe progress of the Tenant Improvements during the course of construction. Additionally, pursuant to Section 4.3 of the Lease, Tenant shall be entitled to enter the Premises at least thirty (30) calendar days prior to the Commencement Date for the purpose of installing Tenant's furniture, fixtures and equipment in the Premises. Landlord and Tenant shall use reasonable good faith efforts to coordinate the work of their respective contractors to achieve timely completion of the Tenant Improvements and Tenant's installation work; provided, however, in the event of a conflict in completing any work, Landlord's right to complete the Tenant Improvements shall have priority over Tenant's early access rights.

7.7 Completion/Close Out. The Premises shall not be considered Substantially Complete until the Tenant Improvements have been completed in accordance with the Final Plans

and Section 4.1 of the Lease, subject only to the completion of minor punch-list items that will not interfere with Tenant's use and occupancy of the Premises for Tenant's permitted and intended use under the Lease. Upon Substantial Completion of the Tenant Improvements, Landlord shall notify Tenant in writing and, within fourteen (14) calendar days of Tenant's receipt of such notice, Landlord and Tenant shall conduct a "walk-through" inspection of the Premises and prepare a punch-list of known or apparent deficiencies or incomplete work required to be corrected or completed by Landlord. Landlord, at Landlord's sole cost and expense, shall cause all punch-list items to be repaired or completed as soon as possible, but in no event later than thirty (30) days following the walk-through inspection (provided that if such work or clean-up cannot reasonably be completed within such thirty (30) day period, then Landlord shall commence such punch-list items within such thirty (30) day period and shall diligently perform and complete such punch-list items thereafter). If Landlord fails to complete any of the punch-list items within such 30-day period (as may be extended), then Tenant, after giving ten (10) days written notice to Landlord, shall have the right, but not the obligation, to cause such punch-list items to be completed, and Landlord agrees to reimburse Tenant for any and all expenses incurred by Tenant by reason of the completion of such punch-list items within thirty (30) days following Landlord's receipt of Tenant's notice (which shall include a reasonably detailed itemization of the costs incurred by Tenant).

7.8 Conformed Plans. Within sixty (60) days after Substantial Completion of the Tenant Improvements and Landlord's receipt from the Contractor of all field changes and as a TI Cost, Landlord shall submit to Tenant a set of conformed plans ("as-builts") incorporating, in accordance with standard industry custom and practice, field changes made and changes and/or revisions that have been made subsequent to the submission of the Final Plans. Such "as-built" or "record documents" shall be submitted in an AutoCAD 2015 (or later version) format, along with one complete set of plans and specifications Adobe PDF electronic format via a web-based download link.

7.9 Security During Construction. Tenant, at its sole cost, shall continue to provide its onsite security patrol on Monday through Thursday from 7:00 AM through 9:00 PM and on Friday from 7:00 AM through 6:30 PM. Landlord, at their sole cost and expense, shall provide onsite security on Monday through Thursday from 12:00 AM – 7:00 AM and 9:00 PM – 12:00 AM, Friday from 12:00 AM – 7:00 AM and from 6:30 PM through 12:00 AM, and at all times on Saturday and Sunday.

8. Requests for Change. Tenant and Landlord may make changes, additions, deletions or substitutions, alterations in the Final Plans (each a "Request for Change Order") provided that the requesting party must submit a written request to the other party and that Requests for Change (Change Order) will not be effective unless approved in writing by both Tenant and Landlord (a "Change Authorization"), which, if approved, shall be approved within thirty (30) days of notice from the requesting party. Only the County's Chief Executive Officer or his/her designee is authorized to execute Change Authorizations on behalf of Tenant. If Tenant requests any changes or substitutions to the Tenant Improvements after the Final Plans and the Final TI Cost Summary have been accepted ("Tenant-Requested Changes"), then any additional costs related thereto in excess of Landlord's TI Allowance shall be paid by Tenant as part of the lump sum payment per Section 6.3, provided that Tenant executes a written Change Authorization prior to the performance of the applicable work. Landlord shall submit to the Chief Executive Officer or his/her designee with each requested Change Order (i) the specific cost of the requested change,

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(ii) the cumulative net total cost of all Tenant requested Change Authorizations previously approved; and (iii) an estimate of the construction time which will be increased or shortened if the Change Order is approved. Each Change Authorization must be signed and dated by Landlord and the Chief Executive Officer or his/her designee in order to be effective.

9. **Furniture System.**

9.1 Tenant shall deliver to Landlord within fourteen (14) calendar days after the date of full execution of this Work Letter, modular furniture plans and specifications (the "Modular Specifications"). Based on the Modular Specifications, either Tenant, Landlord and /or Landlord's Architect shall prepare a modular furniture specifications bid package for submission to no less than three (3) furniture vendors which approval shall be granted or denied within thirty (30) days of notice from the requesting party. The bid package shall be broken down into separate line items for material, delivery, and sales tax, and each furniture item shall be broken down by unit price, quantities, description and specification. Prior to submission for bids, Landlord shall review the bid package with Tenant, and Tenant shall have the right to accept or reject the bid package. Landlord shall order the modular furniture set forth in the Modular Specifications and install the same within the Premises, all of which shall be a Total TI Cost, payable by Landlord and/or Tenant as provided in Section 6.2 and Section 6.3 hereof. Within thirty (30) days following Landlord's delivery thereof to Tenant, provided that any disapproval by Tenant shall be limited to items included in the bid package which are inconsistent with the Modular Specifications. Landlord shall select the furniture vendor that (i) commits to Landlord's schedule for the construction of the Tenant Improvements, (ii) is able to provide all of the Modular Furniture included in the bid package, and (iii) offers the lowest price (after adjustment of the bids for inconsistent assumptions). Notwithstanding any contrary provision of this Section 9.1, if the Modular Furniture Costs will exceed the remaining available Landlord's TI Allowance and Tenant's TI Contribution, as reasonably determined by Landlord and Tenant, then upon written notice from Landlord (the "Excess Furniture Notice") Tenant shall revise the Modular Specifications as necessary to reduce the Modular Furniture Costs to the extent specified by Landlord, in which event the foregoing bidding process shall be repeated and the period of time following Landlord's delivery of the Excess Furniture Notice to Tenant through the date that the Modular Furniture is ordered shall be a Tenant Delay.

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

Landlord shall provide the Modular Furniture set forth in the Modular Specifications as part of the Tenant Improvements and the design related, and purchase and installation costs therefor (the Modular Furniture Costs") shall be part of the Total TI Costs. Tenant shall repay to Landlord the Modular Furniture Costs in accordance with Section 6.3 above.

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9.2 Alternatively, Tenant may elect to finance the cost of modular furniture through lease-purchase financing with a third-party lender ("Creditor"). If Tenant elects to enter into a lease-purchase financing of any furniture or telecommunications equipment (individually or collectively, "Personal Property") through a Creditor, Landlord expressly agrees as follows:

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

(b) Landlord must receive written notice from Creditor of any plan by Creditor to remove the Personal Property from the Building, and Landlord shall have no liability to Tenant in connection with any actions by Tenant's creditors in the Premises or with respect to any Modular Furniture removed by such creditors from the Premises.

(c) This Section 9.2 shall be binding on the representatives, successors and assigns of all parties hereto and shall inure to the benefit of the successors-in-interest to all parties hereto.

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

10. **Total TI Costs Adjustment and Right to Audit.** Within ninety (90) calendar days of the issuance of a Certificate of Occupancy for the Premises or a final sign-off by the County of Los Angeles, whichever occurs first, Landlord shall provide to Tenant a statement showing (a) all Total TI Costs in reasonable detail, and (b) the amount of Total TI Costs that is in excess of Landlord's TI Allowance and payable hereunder by Tenant to Landlord. Payments by Tenant for the Tenant's TI Contribution and/or Change Orders shall be calculated and adjusted as appropriate, based upon such statement. Tenant shall have the right to audit the Total TI Costs at any time during the Term. If the audit shows that Tenant is entitled to a reduction in payments made by Tenant to the Landlord pursuant to this Work Letter, then Tenant shall provide Landlord with a copy of the audit summary for Landlord's review and reasonable approval. Until such time as Tenant's audit is approved by Landlord, Tenant shall continue pay Landlord based upon the amounts originally billed to Tenant for the Tenant's TI Contribution and/or Change Orders. If it is determined that Tenant has overpaid any amounts to Landlord, then Landlord shall, within thirty (30) calendar days following approval of the audit, refund to Tenant the amount of any overpayment made by Tenant and all future payments owing by Tenant to Landlord under this Work Letter shall be adjusted as appropriate based upon the agreed upon audit results.

11. **Telephone/Computer Room and Equipment.** Landlord shall complete the telephone equipment room(s), including permanent power and HVAC, in compliance with the Space Plan, Low-Voltage Plans and specifications provided by Tenant at least thirty (30) calendar days prior to the Estimated Commencement Date pursuant to Section 4.3 of the Lease. Landlord agrees that the telephone equipment room(s) will be lockable.

12. **Kitchen Appliances.** In addition to the Tenant Improvements, Landlord agrees to order and install certain kitchen appliances requested by Tenant (the "**Appliance Work**") at a cost not to exceed the Kitchen Appliance Allowance set forth in Section 1.(c) above; provided, however, in no event shall the Appliance Work be deemed to be part of the Tenant Improvements or required to be completed to achieve Substantial Completion of the Tenant Improvements.

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13. **Delay.**

13.1 **Tenant Delays and Force Majeure Delays.** Except as set forth in this Section 13, no delay in the design or completion of construction of the Tenant Improvements shall be considered in the determination of the Estimated Commencement Date, the date upon which the Premises are deemed to be Substantially Complete, or the Commencement Date of the Lease and, except as set forth in this Work Letter or in the Lease, Tenant shall not be charged as a result of any delay in the construction of Tenant Improvements. Subject to the provisions of Section 13.2, the Estimated Commencement Date set forth in the Lease shall be extended one (1) day for each day that: (a) Tenant fails or refuses to give authorizations or approvals or performs acts as required herein or within the time periods required herein, or that the commencement or completion of construction of the Tenant Improvements is delayed as the result of Change Orders requested by Tenant or Department of Building and Safety changes (DBS Changes) which are related to Change Orders requested by Tenant, but only to the extent such delays delay the commencement or completion of construction of the Tenant Improvements (referred to herein as "Tenant Delay(s)"); or (b) Substantial Completion of the Tenant Improvements is delayed as the result of DBS Changes which are unrelated to Change Orders requested by Tenant, or by lightning, earthquake, fire, storm, tornado, flood, washout, explosion, strike, lockout, labor disturbance, civil disturbance, acts of God, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, riot, war, act of a public enemy, sabotage or other similar causes beyond the reasonable control of Landlord (referred to herein as "Force Majeure Delay(s)"). In addition, the date upon which the Premises are deemed to be Substantially Complete, and the Commencement Date, shall be accelerated one (1) day for each day of Tenant Delay.

13.2 **Limitations.**

(a) **Notice.** No Tenant Delay or Force Majeure Delay shall be deemed to have occurred unless, within forty-eight (48) hours Landlord has provided written notice of the event giving rise to such claim, in compliance with the Lease, to Tenant specifying that a delay is claimed to have occurred because of actions, inaction or circumstances specified in the notice in reasonable detail. If such actions, inaction, or circumstances qualify as a Tenant Delay or Force Majeure Delay, then a Tenant Delay or Force Majeure Delay, as applicable, shall be deemed to have occurred, commencing as of the date Tenant received such notice from Landlord. For purposes of notices of Tenant Delays and/or Force Majeure Delays, the email addresses set forth in Section 17 below shall be used for any electronic confirmations of such notices delivered by facsimile, provided Landlord also concurrently advises the Tenant by telephone in accordance with Section 17 below.

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

(c) **Concurrent Delays.** Tenant Delays and Force Majeure Delays shall be recognized hereunder only if they are not concurrent with any other Tenant Delay or Force Majeure Delay that is effective hereunder. For example, if fourteen (14) calendar days of Tenant Delays and six (6) calendar days of Force Majeure Delays occur during the same fourteen (14) calendar day period, then the Estimated Commencement Date would be extended by only fourteen (14) calendar days; on the other hand, if such Tenant Delays and Force Majeure Delays did not occur during the same period, then the Estimated Commencement Date would be extended by twenty (20) calendar days.

(d) **Change Authorizations.** Landlord may not claim that a Tenant-Requested Change was the cause of a delay in the construction of the Tenant Improvements unless the anticipated delay is specified in writing in the executed Change Authorization and affects the Critical Path of the Construction Schedule..

14. **Tenant Remedies.** Any default by Landlord under the terms of this Work Letter shall constitute a Landlord Default under the Lease and shall entitle Tenant to exercise all remedies set forth in the Lease.

15. **Representatives.**

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

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

16. **Intentionally Deleted.**

17. **Construction Meetings.** During the course of construction, meetings shall be held between the Contractor, Landlord and Tenant at least once per week or biweekly, unless Landlord or Tenant directs otherwise, at a time and place that is mutually convenient. An initial construction meeting shall be held within five (5) business days after the date the Contractor is selected. Landlord, Architect or Contractor shall provide minutes of each construction meeting to Tenant within a reasonable time thereafter, but not later than three (3) business days after the date of the construction meeting.

18. **Delivery.** Delivery of all plans and drawings referred to in this Work Letter shall be either by commercial messenger service, personal hand delivery or Landlord can set up a web-based download, unless otherwise agreed by Landlord and Tenant. Any electronic deliveries shall be delivered to Landlord at the following email addresses: dbui@majesticrealty.com and lgoldstein@majesticrealty.com (or to such other person as Landlord may designate from time to

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time), and to Tenant at the following email addresses: vhasanovic@ceo.lacounty.gov and daardema@ceo.lacounty.gov, provided that the delivering party shall also concurrently advise the receiving party by telephone of the forthcoming email at the applicable telephone number, as follows: For Landlord: David Bui at (562) 948-4388 and Louis Goldstein at (562) 576-1611. For Tenant: Vedad Hasanovic at (213) 246-9997 and Dean Aardema at (213) 893-2471.

19. **Miscellaneous.** This Landlord's Work Letter sets forth the entire understanding and agreement between the Parties with respect to the subject matter of this Landlord's Work Letter. This Landlord's Work Letter may be amended only in a writing signed by both Parties. Any notice to a party for a breach of this Landlord's Work Letter must be delivered in writing per the terms as set forth in Section 30.6 of the Lease. This Landlord's Work Letter will not be effective unless and until signed and delivered by both Parties. This Landlord Work Letter will be binding upon, enforceable by and inure to the benefit of the Parties and each of their successors and permitted assigns. This Landlord Work Letter is hereby incorporated into and made part of the Lease. All the terms and conditions of the Lease remain in full force and effect, except as expressly indicated otherwise in this Landlord Work Letter. This Landlord Work Letter will become effective as of the Effective Date and shall continue in effect, except to the extent it is amended or terminated in accordance with terms of the Lease.

20. **Counterparts; Electronic Signatures.** This Work Letter and any other documents necessary for the consummation of the transaction contemplated by this Work Letter may be executed in counterparts, including both counterparts that are executed on paper and counterparts that are in the form of electronic records and are executed electronically. An electronic signature means any electronic sound, symbol or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or e-mail electronic signatures. All executed counterparts shall constitute one agreement, and each counterpart shall be deemed an original. The parties hereby acknowledge and agree that electronic records and electronic signatures, as well as facsimile signatures, may be used in connection with the execution of this Work Letter and electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called pdf format shall be legal and binding and shall have the same full force and effect as if a paper original of this Work Letter had been delivered and had been signed using a handwritten signature. Landlord and Tenant (i) agree that an electronic signature, whether digital or encrypted, of a party to this Work Letter is intended to authenticate this writing and to have the same force and effect as a manual signature, (ii) intended to be bound by the signatures (whether original, faxed or electronic) on any document sent or delivered by facsimile or, electronic mail, or other electronic means, (iii) are aware that the other party will rely on such signatures, and (iv) hereby waive any defenses to the enforcement of the terms of this Work Letter based on the foregoing forms of signature. If this Work Letter has been executed by electronic signature, all parties executing this document are expressly consenting under the United States Federal Electronic Signatures in Global and National Commerce Act of 2000 ("E-SIGN") and California Uniform Electronic Transactions Act ("UETA")(Cal. Civ. Code § 1633.1, et seq.), that a signature by fax, email or other electronic means shall constitute an Electronic Signature to an Electronic Record under both E-SIGN and UETA with respect to this specific transaction.

[Signatures on following page]

IN WITNESS WHEREOF, Landlord and Tenant have executed this Work Letter as of the dates set forth below.

LANDLORD:

RR&C DEVELOPMENT COMPANY,
a California general partnership



By: ROSKI FAMILY PARTNERSHIP, L.P.,
a California limited partnership

BY: Roski & Roski, LLC,
a Delaware limited liability company,
its general partner

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended, Manager

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the
Edward P. Roski, Jr. Living Trust UID
11/1/1987, as amended

BY: [Signature]
EDWARD P. ROSKI, JR., Trustee of the Roski
Marital Trust UID 11/1/1987, as amended

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

By: [Signature]
Thomas H. Purcell
Chairman & CEO

By: [Signature]
Its: Edward J. DiOrio
Chief Financial Officer, Secretary

Date Signed: 8-12-24

[Signatures continue on following page]

TENANT:

COUNTY OF LOS ANGELES,
a body corporate and politic

By: _____
Name: _____
Title: _____
Date Signed: _____

ADDENDUM A To Landlord's Work Letter

BASE BUILDING IMPROVEMENTS

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

(a) the Building shell and exterior, including perimeter window systems and mullions in good condition. If building has not been constructed or is still under construction, no tenant improvements work shall commence until building has been signed off by Building and Safety having jurisdiction and Certificate of Occupancy has been received;

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

(c) refurbish the toilet rooms (restrooms) using building standard materials including, but not limited to, new toilet partitions, lavatories, floor tile, counter tops, sinks, and "touchless" faucets, soap dispensers, and hand dryers, provided, however, for any other change to the toilet rooms, including, without limitation, an increase in size or additional restrooms, shall be deemed to be a Tenant Improvement and subject to the Total TI Costs, unless required to bring the toilet rooms in compliance with code. The toilet rooms per code, including necessary plumbing fixtures, ceramic tile floors, accessories, ceilings and lighting, with running hot and cold water;

(d) Drywall or lath and plaster covering the exposed side of all exposed core walls, core and perimeter columns and the interior exposed side of all exterior building wall areas except at and under windows. Also included:

(e) public stairways;

(f) passenger and freight elevators;

(g) parking facilities;

(h) ground floor lobby;

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

(j) exterior plazas and landscaping;

(k) loading dock and/or area;

(l) water bottle filling stations/drinking fountains at the core;

(m) electrical/telephone closet with not less than seven (7) watts per square foot of rentable area of normal power in the floor electrical closet;

(n) conduit access sufficient for Tenant's electrical wiring (no additional improvement to increase conduit access will be furnished by Landlord unless there is not sufficient riser space as required for a 1.5" diameter signal cable from the Building main telecommunication vault to the

telephone closets on the first (1st) floor, in which case Landlord, at no cost to Tenant and without deduction from Landlord's TI Allowance, shall cause such riser space to be made available to Tenant, and provided further that Tenant shall be responsible for the cost for removing the riser floor seal at each floor and the patching of each seal after installation of Tenant's cable);

(o) two (2) 208/120 and one (1) 480/277 Volt (VAC) panels connected to the Building power system;

(p) supply air or mechanical exhaust fan;

(q) floors ready for tenants floor finish, level to specified tolerances and designed to support a minimum live load of fifty (50) pounds per square foot and a partition load of twenty (20) pounds per square foot;

(r) standard window coverings with the exception of any doors;

(s) roof top units and primary HVAC duct for heating (heating is for perimeter zone only) and cooling stubbed to the building core;

(t) cold air loops and hot water piping loop for heating within the Premises;

(u) primary fire sprinkler distribution, including secondary piping, and sprinkler heads as required for the unoccupied Premises;

(v) primary fire-life safety enunciation system "backbone" and panels suitable for Tenant's secondary distribution;

(w) access at panels in the service core for distribution of Building requirements electrical power (initially 120/208 V for power and 277V for fluorescent lighting) up to the limits permitted under applicable law at the time the Building receives the initial temporary certificate of occupancy for the Building;

(x) drywall on the service core walls, columns and sills in the Premises;

(y) Demolition and removal of any existing improvements or equipment situated within the Premises unless the Final Plans show that such improvements and/or equipment will remain in the Premises;

(z) A third party HVAC subcontractor to certify that the HVAC system is in good operating order and meets the County's performance specifications per the Lease, airbalanced and provide an airbalance report;

(aa) Ensure that the roof and windows are watertight; and

(bb) Ensure that the elevators are in "good-working" order and Landlord shall refresh elevator interiors, i.e., new flooring, lighting and walls.

ADDENDUM B To Landlord's Work Letter

TENANT IMPROVEMENTS

Tenant improvements shall include:

- (a) Tenant ceilings and lighting;
- (b) Floor finish in the Premises (except elevator lobbies and public corridors on multi-tenant floors and toilet rooms);
- (c) Interior finishes of any kind within the Premises (except elevator lobbies and public corridors on multi-tenant floors and core area toilet rooms);
- (d) Interior partitions, doors, and hardware within the Premises;
- (e) Ducting distribution terminal boxes and reheat coils or other HVAC or air distribution devices to or within the Premises;
- (f) Tenant's furniture (including fixtures and equipment for the Modular Furniture per the Modular Specifications);
- (g) Distribution of electrical services, plumbing services, and sprinklers from the core to the Premises, and domestic hot water heater and associated hot water piping;
- (h) Any and all signs for Tenant and the power therefor;
- (i) Security, fire and life-safety systems throughout the Premises, including exit signs, intercoms, and extinguishers;
- (j) Additional and/or above standard electrical capacity;
- (k) Fiber optic access;
- (l) Rekeying of the Premises;
- (m) Any modifications or additions to the project scope that necessitate modifications or additions to the Landlord Base Building Improvements, resulting in additional costs to Landlord's Base Building Work, shall be considered a Tenant Improvement; and
- (n) Supplemental air units required for tenant's equipment.

ADDENDUM C To Landlord's Work Letter

PRELIMINARY AND FINAL TI COST SUMMARY

___ Preliminary TI Cost Summary
___ Final TI Cost Summary

Lease No. _____
Address _____

Cost Category	
Architecture and Engineering Contract	\$
Plan Check Fees & Permits	\$
General Contractor	\$
(Profit)	\$
(Overhead)	\$
Furniture	\$
Other (Specify)	\$
Total TI Costs	\$