

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
3.8  
(ID # 4072)

**MEETING DATE:**

Tuesday, June 6, 2017

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Lease, Riverside University Health System – RUHS Care Clinics, Moreno Valley, 10 Year Lease, District 5, CEQA Exempt, [\$16,533,701]; RUHS Enterprise Fund 100% (Clerk to file Notice of Exemption)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA State Guidelines Section 15301, Existing Facilities, and Section 15061(b)(3); the common sense exemption;
2. Approve the Lease and authorize the Chairman of the Board to execute the Lease on behalf of the County; and
3. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk upon approval of the project for posting within five working days.

**ACTION:** Policy, CIP

Robert Field, Assistant County Executive Officer/EDA

5/10/2017

Zareh Sahafian, Chief Executive Officer – Health System

5/11/2017

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Washington, seconded by Supervisor Tavaglione and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Perez  
Nays: None  
Absent: Ashley  
Date: June 6, 2017  
xc: EDA, Recorder

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

| <b>FINANCIAL DATA</b>                             | <b>Current Fiscal Year:</b> | <b>Next Fiscal Year:</b> | <b>Total Cost:</b>                          | <b>Ongoing Cost</b> |
|---|-----------------------------|--------------------------|---|---------------------|
| <b>COST</b>                                       | \$1,936,037                 | \$1,522,251              | \$16,533,701                                | \$0                 |
| <b>NET COUNTY COST</b>                            | \$0                         | \$0                      | \$0   | \$0                 |
| <b>SOURCE OF FUNDS:</b> RUHS Enterprise Fund 100% |                             |                          | <b>Budget Adjustment:</b> No                |                     |
|   |                             |                          | <b>For Fiscal Year:</b> 2017/18-<br>2027/28 |                     |

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The Riverside University Health System (RUHS) – Medical Center contacted the Real Estate Division of the Economic Development Agency (EDA) requesting real estate services to locate suitable medical office space to be utilized by the RUHS Care Clinics in Riverside, Jurupa Valley, Hemet, Moreno Valley and Corona.

On February, 9, 2016, the Board of Supervisors approved Agenda Item 3.21 authorizing EDA to locate suitable medical office space for lease of approximately 25,000 square feet in Riverside, Jurupa Valley, Hemet, Moreno Valley and Corona to facilitate relocation of their existing Care Clinics. EDA issued a request for proposal and received submittals from Landlords in the Moreno Valley area. Of the proposals submitted and analyzed, Altura Credit Union was selected for their existing building located at 23520 Cactus Avenue, Moreno Valley. The building was determined to be the best option to meet the needs for RUHS – Care Clinics in Moreno Valley.

The building consists of approximately 23,394 square feet and is located in a convenient location, close to services and amenities, with easy access to I-215 and local bus routes. RUHS-Medical Center has elected to relocate its Moreno Valley Care Clinic due to the inadequate size and inefficiencies of the existing location at RUHS Medical Center in Moreno Valley. The project design will include 29 exam rooms, a lab and diagnostics center, 30 workstations, administrative offices, a physician team room, a physician team quiet room, breakrooms, locker room, conference room, group care room, a central supply and storage room in the basement, additional space to house client and administrative files, and storage for supplies and related equipment for the clinic. The improvements will include a major renovation of the interior of the building, including ceiling replacement, and column re-engineering and replacement. In addition, there will be major modifications to the parking lot to accommodate more efficient access and egress to the site. Also included will be the installation of wayfinding and building signage.

The proposed new location will provide more efficient workspace and provide for improved efficiency within the clinic while providing adequate space for future growth. In addition to the

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STATE OF CALIFORNIA**

improved communication, coordination, and efficiencies of one consolidated space, the planned move would free up valuable space in the hospital. This vacated space can be repurposed to functions more closely related to inpatient care.

Upon approval of the lease, the construction project will commence with a targeted completion and occupancy timeframe of September 2017. Until that time, there are no obligated lease cost expenditures. After completion, the Moreno Valley Care Clinic will have an updated facility with adequate staff space and improved efficiencies.

Pursuant to the California Environmental Quality Act (CEQA), the lease was reviewed and determined to be categorically exempt from CEQA pursuant to State CEQA guidelines Section 15301, Class 1 – Existing facilities and Section 15061 (b)(3) – common sense exemption. The proposed project, the lease, is the letting of property involving existing facilities, no expansion of an existing use will occur.

A summary of the proposed Lease is as follows:

|                         |   |
|-------------------------|---|
| Premises Location:      | 23520 Cactus Avenue<br>Moreno Valley, California  |
| Lessor:                 | Altura Credit Union<br>451 Fourteenth Street<br>Riverside, California 92501   |
| Size:                   | 23,394 square feet  |
| Term:                   | Ten years, commencing September 1, 2017 and expiring August 31, 2027  |
| Base Rent:              | \$41,407.38 monthly, \$1.77 per square foot,  |
| Rent Adjustments:       | Three percent   |
| Lease Extension Option: | Two extension options; each extension option shall be for five years providing Lessor with 120 days written notice prior to the expiration of the original term or any extension thereof. The rent payable by County during any Extended Term shall be increased three percent over the rent for the last year of the original Term or Option Period. |
| Improvements:           | Not to exceed \$5,430,844, to be reimbursed by County to Lessor including a contingency in the amount of 15% if needed. The actual cost is to be reduced by the amount of the tenant  |

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|                                     |   |
|-------------------------------------|---|
|                                     | improvement allowance in favor of County in the amount of \$350,910. The actual cost shall be amortized at an interest rate not to exceed 5% interest over the term of the lease at a monthly payment not to exceed \$57,602.53 per month |
| Furniture, Fixtures, and Equipment: | Not to exceed \$1,714,500 amortized at an interest rate not exceed 5% interest over the term of the lease at a monthly payment not to exceed \$18,184.93 per month.   |
| Option to Terminate:                | Due to funding, County shall pay the balance of all payments due for improvements under the Leasehold Improvement Agreement, providing 60 days written notice.  |
| Maintenance:                        | Lessor responsible  |
| Custodial:                          | Lessor responsible  |
| Utilities:                          | County shall pay separately for telephone, electric, natural gas, water, and sewer services.  |
| RCIT:                               | \$99,250.00 Estimated IT costs for RICT labor, Telco services, Network and Telephone equipment  |
| Medical Equipment:                  | \$579,106.00 Includes: Radiographic Room Equipment, DXA Equipment, Exam Tables, Misc. Lab equipment, under counter medication refrigerators, portable exam lights/misc. exam equipment.   |

The attached lease has been reviewed and approved by County Counsel as to legal form.

**Impact on Residents and Businesses**

This Project will provide a positive overall economic impact to the community. In addition, the construction phase will provide temporary construction jobs throughout the period of construction. The long term occupancy by the RUHS – Public Health Clinic in this region will benefit the business community as a whole by providing an important and positive economic impact through short term construction jobs and long term employment. The residents in the region will benefit from the improved health services offered by RUHS.

**SUPPLEMENTAL:**  
**Additional Fiscal Information**

See attached Exhibits A, B, & C

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All associated costs for this lease will be budgeted in FY2017/18 through FY2027/28 through RUHS's budget. RUHS will reimburse EDA for all associated lease costs on a monthly basis.

**Contract History and Price Reasonableness**

This is a new ten year lease. The lease rate is deemed competitive based upon current market rate.

Attachments:


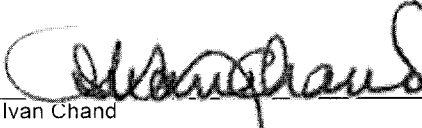
Exhibits A, B, & C

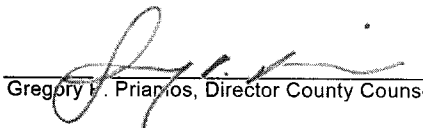
Aerial Image

Lease

Notice of Exemption

RF:JWW:VC:VY:MH:tg 006MC 18.868 13560  
MinuteTrak #4072

|   |  |
|---|--|
|  |  |
| Nehini Dasika, Principal Management Analyst   | Ivan Chand   |
| 5/30/2017   | 5/30/2017  |

|   |
|---|
|  |
| Gregory V. Priamos, Director County Counsel   |
| 5/17/2017   |



Original Negative Declaration/Notice of  
Determination was routed to County  
Clerks for posting on.  
6/6/17 kb  
Date Initial

## NOTICE OF EXEMPTION

May 17, 2017

**Project Name:** County of Riverside, Economic Development Agency (EDA) Riverside University Health System, Care Clinic, Lease Agreement – Cactus Street, Moreno Valley, County of Riverside

**Project Number:** FM0414300006

**Project Location:** 23520 Cactus Avenue, west of Heacock Street, Moreno Valley, California 92553; Assessor's Parcel Number (APN) 297-190-006; (See Attached Exhibit)

**Description of Project:** The County of Riverside (County) Riverside University Health System (RUHS) is currently seeking approximately 25,000 square feet of suitable office space. The space would allow RUHS to relocate their existing Care Clinic located at 26520 Cactus Avenue in Moreno Valley. The RUHS-Medical Center has elected to relocate its Care Clinic due to the inadequate size and inefficiencies of the existing location. The proposed new location would provide more efficient workspace and allow RUHS to improve efficiency within the clinic and enhanced the services provided. The Riverside County Economic Development Agency Real Estate Division issued a request for proposal and received submittals from Landlords in the area. Altura Credit Union was selected from the proposals submitted and analyzed, for their site located at 23520 Cactus Avenue, Moreno Valley. The site was determined to be the best option to meet the needs of the RUHS – Care Clinic. The property consists of approximately 23,394 square feet and will include tenant improvements that provide offices, interview rooms, conference rooms, space to house client and administrative files, storage for supplies, and related equipment for the clinic. The site is located in a convenient location close to services and amenities, with easy access to I-215 and local bus routes. The Lease Agreement and tenant improvements is identified as the proposed Project under the California Environmental Quality Act (CEQA). The Lease Agreement consists of a ten-year lease, with two options to extend each for a term of five years. The use of the facility by RUHS would continue to provide office services, consistent with the existing land use. The operation of the facility will not result in an expansion of existing use. No additional direct or indirect physical environmental impacts are anticipated.

**Name of Public Agency Approving Project:** County of Riverside, Economic Development Agency

**Name of Person or Agency Carrying Out Project:** County of Riverside, Economic Development Agency, and Altura Credit Union

**Exempt Status:** State CEQA Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061 and 15300 to 15301.

JUN 06 2017 3.8

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.4484

[www.rivcoeda.org](http://www.rivcoeda.org)

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Edward-Dean Museum  
Environmental Planning  
Fair & National Date Festival  
Foreign Trade  
Graffiti Abatement

Parking  
Project Management  
Purchasing Group  
Real Property  
Redevelopment Agency  
Workforce Development

**Reasons Why Project is Exempt:** The proposed Project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The Project will not cause an impact to an environmental resource of hazardous or critical concern nor does the Project have unusual circumstances that could possibly have a significant effect on the environment. The Project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the Lease Agreement and tenant improvements.

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The Project, as proposed, is limited to a Lease Agreement to an existing facility, in which tenant improvements are limited to interior alterations. The use of the facility by RUHS Care Clinic would be consistent with the current land use and would not result in an increase in intensity of use or exceed the planned capacity of the site. The Project would not require any expansion of public services and facilities; therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the Project may have a significant effect on the environment. The proposed Lease Agreement is limited a contractual transaction and indirect effects would be limited to existing use of an office building. The Lease Agreement will not result in any direct or indirect physical environmental impacts. The use and operation of the facility will not differ from the existing office related land use, with be consistent with the planned capacity of the building, and will not create any new environmental impacts to the surrounding area. No impacts beyond the minor interior alterations and continued use of the facility would occur. Therefore, in no way, would the Project as proposed have the potential to cause a significant environmental impact and the Project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

Mike Sullivan, Senior Environmental Planner  
County of Riverside, Economic Development Agency

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: RUHS Care Clinic Cactus Street Lease Agreement, Moreno Valley,  
Riverside County, California**

**Accounting String: 524830-47220-7200400000 - FM0414300006**

DATE: May 17, 2017

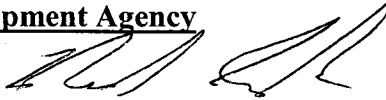
AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND  
HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic  
Development Agency

Signature: \_\_\_\_\_



PRESENTED BY: Maribel Hyer, Senior Real Property Agent, Economic Development  
Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: \_\_\_\_\_

DATE: \_\_\_\_\_

RECEIPT # (S) \_\_\_\_\_





Date: May 17, 2017

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # FM0414300006**  
RUHS Care Clinic Cactus Street Lease Agreement, Moreno Valley, Riverside County, California

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

**After posting, please return the document to:**

**Mail Stop #1330**

**Attention: Mike Sullivan, Senior Environmental Planner,**

**Economic Development Agency,**

**3403 10<sup>th</sup> Street, Suite 400, Riverside, CA 92501**

**If you have any questions, please contact Mike Sullivan at 955-8009.**

Attachment

cc: file

Riverside University Health System – Care Clinic  
23520 Cactus Avenue, Moreno Valley

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## EXHIBITS

The following exhibits are attached hereto and made a part of this Lease:

|  |              |
|--|--------------|
| Site Plan  | Exhibit A    |
| Leasehold Improvement Agreement                          | Exhibit B    |
| Final Space Plan   | Exhibit B-1  |
| Final Working Drawings                                   | Exhibit B-2  |
| Construction Costs                                       | Addendum 1   |
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| Actual Leasehold Improvement Costs - Payment Schedule    | Exhibit B-5  |
| Furniture, Fixtures, and Equipment Payment Schedule      | Exhibit B-6  |

Schedule of Furniture, Fixtures, and Equipment and Cost  
Actual Costs of FF&E – Payment Schedule

Exhibit B-7  
Exhibit B-8

Asbestos

Exhibit C

Confirmation of Lease Information

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Custodial Services Scope

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General Construction Specifications for Leased Facilities

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Estoppel Certificate

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Subordination, Non-Disturbance & Attornment Agreement

Exhibit H

Signage Criteria

Exhibit I

Donated Furniture

Exhibit J

LEASE  
COUNTY OF RIVERSIDE  
23520 Cactus Avenue, Moreno Valley, California

**1. Parties.**

**1.1** This Lease ("Lease") is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California, hereinafter referred to as "County" and **ALTURA CREDIT UNION**, a California state chartered credit union, hereinafter referred to as "Lessor." County and Lessor are hereinafter collectively referred to as the "Parties" or individually as a "Party."

**2. Premises.**

**2.1 Letting.** Lessor hereby leases to County, and County hereby leases from Lessor, the Premises, for the term, at the rental, and upon all terms, covenants and conditions set forth in this Lease.

**2.2 Defined.** The Premises shall consist of that certain real property, including all improvements therein or to be provided by Lessor under the terms of this Lease, and commonly known as 23520 Cactus Avenue, located in the City of Moreno Valley, County of Riverside, State of California, also identified as Assessor Parcel Number 297-190-006 and generally described as a free standing building consisting of approximately 23,394 square feet with approximately 135 unreserved parking spaces, all as shown on the site plan attached as Exhibit "A" (the "Premises"). It is understood that the Premises include all appurtenances and easements thereto and the non-exclusive right of ingress and egress at all times to and from the public streets and highways for County, its employees and invitees.

**2.3 Preparation of Premises/Acceptance.** The rights and obligations of the Parties regarding the construction of the Premises before the commencement of the Lease Term are stated in the attached Leasehold Improvement Agreement, Exhibit "B." If this Lease conflicts with the Leasehold Improvement Agreement, the Leasehold Improvement Agreement shall prevail.

**2.4 Condition of Premises.** Lessor shall deliver the Premises to County in a broom-clean and safe condition, free of hazards and debris, entirely permitted and inspected by local authorities, on the Commencement Date, and Lessor

warrants that as of the Commencement Date, all systems and equipment, including, but not limited to, electrical, plumbing, fire sprinkler, fire suppression system, fire/life/safety system, elevators, security systems, lighting, heating, ventilating and air conditioning systems ("HVAC"), that serve the Premises and all other such elements in the Premises (herein defined as the "Base Building Systems"), other than those installed or constructed by County, shall be in safe, hazard free, good operating condition, and, the roof, bearing walls and foundation of the Premises shall be free of material defect.

The Premises have not undergone an inspection by a Certified Access Specialist (CASp). A 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 County from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the County, if requested by the County. 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.

### **3. Use.**

**3.1** County shall use and occupy the Premises for the purpose of providing medical and office space for use by the Riverside University Health System as a Public Health Clinic, but the Premises may be used for any related official business of County government or any other legal use which is reasonably comparable thereto. Nothing contained in this Lease shall be construed to require County to occupy the Premises continuously.

### **4. Term.**

**4.1 Commencement.** This Lease shall be effective upon the date of its full execution by the Parties hereto. The Term of this Lease shall be for a period of Ten (10) years ("Original Term") commencing on the later of (a) August 1, 2017, or (b) upon Substantial Completion of the Leasehold Improvements as defined under Exhibit "B" and Exhibit "F" ("Commencement Date"). Lessor shall deliver to County a copy of

the Certificate of Occupancy executed by the appropriate governing authority, if applicable, prior to or on the Commencement Date. The Original Term shall expire at midnight on the last day of the Ten (10) Year Term ("Expiration Date").

**4.2 Confirmation of Lease Information.** At such time as the Commencement Date of this Lease has been determined, either Party may deliver to the other Party a notice in the form set forth in the attached Exhibit "D," which the receiving Party shall execute, after making any corrections necessary to conform the information to the provisions of this Lease, and return to the forwarding Party within thirty (30) days after receipt. Either Party will use reasonable efforts to deliver the notice to the other Party within thirty (30) days after the Lease Commencement Date. Anything to the contrary notwithstanding, failure to forward or execute said notice shall not invalidate or nullify the provisions of this Lease.

**4.3 Delay in Delivery of Premises.**

If Substantial Completion as set forth in 4.1 of this Lease has not been achieved and the Original Term of this Lease has not commenced by 240 days from County's execution of this Lease, through no fault of County, County may cancel this Lease, and Lessor hereby waives any and all rights that it may have against County for any costs, expenses and/or charges that Lessor may have incurred as a result of preparing the Premises for occupancy, provided however, that in the event Lessor has exercised all due diligence and best efforts to achieve Substantial Completion, the Parties agree that Lessor shall have an additional sixty (60) days to achieve Substantial Completion. In this event Lessor will hereby waive any and all rights that it may have against County for any costs, expenses and/or charges that Lessor may have incurred as a result of preparing the Premises for occupancy.

**4.4 Holding Over.** Any holding over by County after the expiration of said term or any extension thereof shall be deemed a month to month tenancy upon the same terms and conditions of this Lease except as to the Lease term and Rent. Monthly rent installments shall be increased to one hundred and fifty (150%) of the rent of the Original Term or, if applicable, the last Extended Term. Such monthly rent shall be payable in advance on or before the first day of each month. If either Party desires



to terminate such month to month tenancy, it shall give the other Party not less than thirty (30) days advance written notice of the date of termination.

**5. Rent.** The anniversary dates shall be deemed to fall on the first day of the first full month of each lease year following the Commencement Date of the Lease term.

**5.1 Rent.** County shall pay the sum of \$41,407.38 per month to Lessor as rent for the Leased Premises, without deduction, offset, prior demand or notice, payable, in advance, on the first day of the month or as soon thereafter as a warrant can be issued in the normal course of County's business; provided, however, that rent shall not be paid any later than the 15<sup>th</sup> day of the month, except for the month of July of each year, in which case the rent shall be paid no later than July 31st. In the event rent for any period during the term hereof which is for less than one (1) full calendar month said rent shall be pro-rated based upon the actual number of days of said month.

**5.2 Percentage Increase.** Notwithstanding the provisions of Section 5.1 herein, the monthly rent shall be increased on each anniversary date by an amount equal to three percent (3%) of such monthly rental.

**5.3 Tenant Improvement Reimbursement.** Notwithstanding the provisions of Section 5.1 and 5.2 above, County shall pay to Lessor monthly tenant improvement reimbursement and furniture, fixtures, and equipment reimbursement payments including interest on the first day of each and every month as set forth in Section 8 of Exhibit "B" of this lease as reimbursement for the required tenant improvements included in this Lease and required furniture, fixtures, and equipment.

**6. Options.**

**6.1 Option to Extend Term.** Lessor grants to County two (2) option(s) to extend the Lease term ("Extension Option(s)"). Each Extension Option shall be for a period of five (5) years ("Extended Term"), subject to the conditions described in this Section 6.1.

**6.1.1 Exercise of Option.** The Extension Option(s) shall be exercised by County delivering to Lessor written notice thereof no later than one hundred twenty (120) days prior to the expiration of the Original Term or any extension thereof.

**6.1.2 Option Rent.** The rent payable by County during any Extended Term shall be a three (3%) percent over the rent for the last year of the Original Term or Option Period.

**6.1.3** All terms and conditions of this Lease with exception of Rent and Lease Term shall remain in full force and effect during the Extended Term.

**6.2 Right of First Refusal to Extend Lease Term.** During the one hundred twenty (120) day period prior to the expiration of the Original Term and/or Extended Terms (the "Expiration Notice Period"), in further consideration of the Rent, covenants, and conditions to be paid, performed, and observed by County, Lessor hereby grants to County a right of first refusal to extend the Lease of the Premises. In the event Lessor receives a bona fide offer from a third party to lease the Premises during the Expiration Notice Period, which offer is acceptable to Lessor, Lessor shall promptly notify County in writing of the offer, including the amount of rent offered and other terms and conditions of the offer. County shall have fifteen (15) business days within which to notify Lessor in writing whether County agrees to extend the Lease of the Premises on the same terms and conditions as the third party offer, subject to approval of a Lease amendment by the County Board of Supervisors which in no event shall be obtained any later than ninety (90) days after County notifies the Lessor of its intent to exercise this right of first refusal. In the event County elects to extend the Lease of the Premises, the Lease shall be subject to the same terms and conditions as the third party offer, including, but not limited to, amount of rent, term, and commencement date. In the event County fails to give written notice of its election to extend the Lease of the Premises, Lessor shall be free to accept the bona fide offer and lease the Premises to the third party. If the third party fails to lease the Premises and the Premises remains available, County shall have the same right of first refusal granted herein with respect to a bona fide offer to lease the Premises by a subsequent third party offeror so long as County remains at the Premises at the time of the offer.

**6.3 County's Right to Early Termination.** The Parties hereto recognize and understand that the rental consideration hereunder originates from County, State, and/or Federal sources, and therefore County shall have the right to terminate this Lease after the eighty fourth (84<sup>th</sup>) month of the lease term (a) if such funding is reduced

or otherwise becomes unavailable, based on the County's annual fiscal budget, or (b) if any law, rule or regulation precludes, prohibits or materially adversely impairs County's ability to use the Premises for the use permitted herein.

**6.3.1 Notice.** County shall provide Lessor with written notification of its election to terminate this Lease sixty (60) days prior to the date of termination. County's notice shall state the reason for its termination of this Lease. County's obligation to pay Rent shall continue through the termination date.

**6.3.2 Satisfaction.** In the event County terminates this Lease for the reasons provided in Section 6.3(a) or 6.3(b) herein, and said termination occurs during the Original Term, County agrees to pay Lessor as full satisfaction the balance of all payments which otherwise would be due monthly for improvements under the Leasehold Improvement Agreement.

## **7. Compliance.**

**7.1 Compliance.** Lessor warrants that the Premises and Leasehold Improvements, as and when delivered, shall comply with all applicable State and Federal laws, covenants or restrictions of record, building codes, regulations and ordinances ("Applicable Requirements") in effect on the Commencement Date of this Lease, as it pertains to the office use contemplated in this Lease. If the Premises do not comply with said warranty, Lessor shall, promptly after receipt of written notice from County or any governmental agency having jurisdiction over such matters setting forth the nature and extent of such non-compliance, rectify the same at Lessor's expense. If the Applicable Requirements are hereinafter changed so as to require during the term of this Lease, unless same is the result of the use to which County puts the Premises, the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance as hereinafter defined, or the reinforcement or other physical modification of the Premises Lessor shall, promptly after receipt of written notice from County or any governmental agency having jurisdiction over such matters setting forth the nature and extent of such non-compliance, rectify the same at Lessor's expense.

County warrants and represents that it shall (i) use the Premises solely for the purposes set forth in the County's use clause, (ii) not use or occupy the Premises in violation of Applicable Requirements, and (iii) not do or permit to be done anything

which will invalidate or increase the cost of any fire, extended coverage or other insurance policy covering the building or project, and/or property located therein.

**7.2 Americans with Disabilities.** Lessor warrants and represents the Premises shall be readily accessible to and usable by individuals with disabilities in compliance with Title III of the Americans with Disabilities Act of 1990 and California Title 24, as amended from time to time and regulations issued pursuant thereto and in effect from time to time. Any cost incurred to cause the Premises to comply with said Act shall be borne by Lessor.

**7.3 Asbestos and Lead Based Paint.** Lessor warrants and represents the Premises shall be constructed, operated and maintained free of hazard from asbestos and lead based paint, as more fully set forth in the attached Exhibit "C."

**7.4 Hazardous Substance.** It is the intent of the Parties to construe the term "Hazardous Substances" in its broadest sense. Hazardous Substance shall be defined as any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials, is either: (a) potentially injurious to the public health, safety or welfare, the environment or the Premises; (b) regulated or monitored by any governmental authority; or (c) a basis for potential liability of County to any governmental agency or third party under any applicable statute or common law theory.

Lessor acknowledges that County's use may from time to time require the presence of Hazardous Substances at the Premises. County agrees that all such Hazardous Substances located in, at, or on the Premises shall be used, stored, handled, treated, transported, and disposed of in compliance with all Applicable Requirements. Costs of removal, and all liability imposed upon or damages suffered by Lessor as a result of the Hazardous Substances so introduced by County, shall be borne by County.

Lessor warrants and represents to County that Lessor has not used, discharged, dumped, spilled or stored any Hazardous Substances (except storage of standard office supplies) on or about the Premises, whether accidentally or intentionally, legally or illegally, and has received no notice of such occurrence and has no knowledge that any such condition exists at the Premises.

If any claim is ever made against County relating to Hazardous Substances present at or around the Premises, for substances that are present on or before the date hereof, or any such Hazardous Substances are hereafter discovered at the Premises (unless introduced by County, its agents or employees), all costs of removal incurred by, all liability imposed upon, or damages suffered by County because of the same shall be borne by Lessor.

Subject to receipt of written notice by the other Party, the respective Party shall defend, indemnify and hold the other Party harmless from and against all such costs, losses, liabilities and damages, including, without limitation, all third-party claims (including sums paid in settlement thereof, with or without legal proceedings) for personal injury or property damage and other claims, actions, administrative proceedings, judgments, compensatory and punitive damages, lost profits, penalties, fines, costs, losses, attorneys' fees and expenses (through all levels of proceedings), consultants or experts fees and costs incurred in enforcing this indemnity, relating to Hazardous Substances brought onto the Premises by the indemnifying Party. The representation, warranty and indemnity of the Parties described in this Paragraph shall survive the termination or expiration of this Lease.

**7.5 Sick Building Syndrome.** Lessor warrants and represents the Premises shall be constructed, operated and maintained free of certain hazards, including, but not limited to: spores, fungus, molds, bacteria, chemicals or fumes or other causes of any hazardous micro-environments, sometimes known as "Sick Building Syndrome," emanating from or within the Premises that may potentially cause discomfort, bodily injury, sickness or death. Should it be determined that remediation is necessary based on a report by a trained investigator, Lessor will promptly contract with a qualified and experienced company to safely remove the micro-environments using remediation guidelines recommended or required by the appropriate governmental agency. Any cost incurred to cause the Premises to be free of such hazard (except to the extent such hazard is introduced by County) shall be borne by Lessor.

**7.6 Waste Water.** Lessor shall be responsible for compliance with all applicable Federal, state or local laws, regulations or permits pertaining to storm water pollution, prevention plans ("SWPP") and all National Pollution Discharge Elimination

System ("NPDES") laws or regulations adopted or to be adopted by the United States Environmental Protection Agency. Parking lot sweeping shall be done as required by NPDES rules or as needed, at least two times per year, once prior to the rainy season.

## **8. Custodial Services.**

**8.1 Custodial Services.** Lessor shall provide, or cause to be provided, and pay for all custodial services in connection with the Leased Premises and such services shall be provided as set forth in the attached Exhibit "E." The provider of such custodial services will perform background checks through LiveScan or in the manner specified by County, of qualified permanent and temporary employees to determine their suitability for employment. The provider will be bonded in the sum of \$10,000.00, and proof of such insurance, as supplied by the Lessor, shall be furnished prior to occupancy of Premises by County. In addition to bonding as required herein, Lessor shall also receive proof of statutory workers' compensation insurance, commercial general liability and vehicle liability insurance from the provider of any custodial functions performed at the Premises location.

## **8.2 County's Right to Provide Custodial Service and Deduct Cost.**

If County provides written notice to Lessor of an event or circumstance that requires the action of Lessor with respect to the custodial services as set forth in Section 8.1 and Exhibit "E," and Lessor fails to provide such action as required by the terms of this Lease within five (5) days of County's notice, County may take the required action to provide custodial services by its staff or those of a custodial contractor if: (1) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required action within seventy two (72) hours after the written notice; and (2) Lessor fails to begin the required work within this seventy two (72) hour period. Upon demand by County, Lessor shall promptly reimburse County the actual cost and expenses thereof, provided said costs and expenses are reasonable. For purposes of this Section, notice given by fax or e-mail to the contact person mentioned in Section 21.18, shall be deemed sufficient.

## **9. Utilities.**

**9.1** Lessor warrants and represents to County that during the term of this Lease and any extension thereof that sufficient utility services to provide water,

telecommunications, electric power, natural gas and sewers necessary to meet County's reasonable requirements exists or are available for use by County within the Premises.

**9.2** County shall pay separately for all telephone, electric, natural gas, water and sewer services utilized within the leased space which will be used in connection with the leased Premises. Lessor shall provide, or cause to be provided, and pay for all other utility services, including, but not limited to refuse collection, exterior electric and water services as may be required in the maintenance, operation and use of the Leased Premises.

**10. Repairs and Maintenance.**

**10.1 Lessor's Repair and Maintenance Obligations.** Lessor shall, at Lessor's sole expense and in accordance with the terms of this Lease, maintain, replace in good order, condition, and repair throughout the term in accordance with Exhibit "F," General Construction Specifications for Leased Facilities, (a) the structural portions of the Premises (understood to include the roof, foundation and load bearing walls); (b) the nonstructural portions of the Premises (understood to include the roof covering and membrane) including but not limited to all improvements, alterations, fixtures, but excluding furnishings, (c) all systems and equipment, including but not limited to, Base Building Systems as heretofore described in Section 2.4, that serve the Premises; and (d) the exterior portions of the Premises, and real property including, but not limited to, landscaping, driveways, sidewalks, lighting and parking facilities servicing the Premises. It is the intent of this paragraph that Lessor performs any and all building repairs, replacements and maintenance. Lessor agrees to make all repairs to or alterations of the Premises that may become necessary by reason of industry standard for age, wear and tear, deferred maintenance or defects in any construction thereof by Lessor. For purposes of this Section 10, "Improvements" are defined as the core and shell of the building, the Base Building Systems pursuant to section 2.4, all Leasehold Improvements, and all site improvements; "Alterations" are defined as all Alterations made pursuant to Section 11; all "Fixtures" are defined as shelving, counters, attached file cabinets, racks, and attached medical exam room counter, sink, and related electrical systems.

**10.2 Lessor's Default.** Repairs shall be made promptly when appropriate to keep the applicable portion of the Premises and other items in the condition described in this Section. Lessor understands certain response time is required to ensure County operations continue with minimal interruption to ensure the safety of employees and delivery of services. The commencement of repairs within eight (8) hours from written notice include electrical power, HVAC operations and certain essential daily custodial services. If, due to the nature of the particular repair or maintenance obligation, more than eight (8) hours are reasonably required to complete it, Lessor shall not be in default of its repair and maintenance obligations under this Section 10 if Lessor commences the repairs and maintenance within twenty-four (24) hours of the aforementioned areas. Lessor shall have thirty (30) days for all other repairs after written notice by County to Lessor of the need for such repairs and maintenance. If, due to the nature of the particular repair or maintenance obligation, more than thirty (30) days are reasonably required to complete it, Lessor shall not be in default under this Section 10 if Lessor begins work within this thirty (30) day period and diligently pursues this work to completion.

**10.3 County's Right to Make Repairs and Deduct Cost.** If County provides notice to Lessor of an event or circumstance that requires the action of Lessor with respect to the replacement, repair or maintenance to the Premises or Base Building Systems serving the Premises as set forth in Section 10.1 and Lessor fails to provide such action as required by the terms of this Lease within the period specified in Section 10.2, County may (but shall not be obligated to do so) take the required action if: (1) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required repair or maintenance within seventy two (72) hours, after the written notice; and (2) Lessor fails to begin the required work within this seventy two (72) hour period.

**10.3.1** Lessor grants to County a license, effective during the Lease Term, to enter upon those portions of the Premises access to which is reasonably necessary for County to take such action.

**10.3.2** If such action was required under the terms of this Lease to be taken by Lessor, County shall be entitled to prompt reimbursement by Lessor of



County's reasonable costs and expenses in taking such action. Lessor's obligation to reimburse County shall survive expiration or earlier termination of this Lease.

#### **10.4 Emergency Repairs.**

**10.4.1** An "Emergency Repair Situation" is defined as the existence of any condition that requires prompt repair, replacement or service to minimize the impact of an event or situation which affects County's ability to conduct business in a clean, safe and functional environment.

**10.4.2** If County notifies Lessor of an Emergency Repair Situation which occurs in or about the Premises which is the responsibility of the Lessor to repair or maintain, then Lessor shall commence appropriate repairs or maintenance immediately after notice of the condition is given by County, which notice may be via telephone, facsimile, personal contact or any other means, and Lessor shall thereafter diligently pursue to completion said repairs or maintenance.

**10.4.3** If Lessor fails to commence repairs within twenty-four (24) hours of the aforementioned notice, or if the County is unable to contact Lessor or any designated agent within a reasonable time based upon the seriousness of the event or situation, County may, but shall not be so obligated to, cause said repairs or replacements to be made or such maintenance to be performed. Upon demand by County, Lessor shall promptly reimburse County the actual cost and expenses thereof, provided said costs and expenses are reasonable.

**10.5 Periodic Services.** Lessor shall provide, or cause to be provided, and pay for all Periodic Services, including, interior painting of common areas every three years, if so requested by County; monthly pest control services, quarterly HVAC standard preventative maintenance and changing of air filters; annual fire extinguisher inspections; reset interior and exterior time clocks for time changes; annual roof inspections and maintenance to include roof repairs/replacement; cleaning of roof gutters, drains, and down spouts prior to rainy season.

**10.6 Lessor's Right of Entry.** Lessor and the authorized representatives of Lessor may enter the Premises, except in the event of an emergency, upon advance 48 hour notice to County for the purpose of exhibiting the same to prospective purchasers and/or tenants during the final ninety (90) days of the Term of

this Lease or any renewal term, and in the event County has not exercised option rights, may exhibit the Premises for lease and display thereon, in such manner as not unreasonably to interfere with County's business, "For Lease" signs on the property.

Lessor and its agents shall also have reasonable access to the Premises during reasonable hours with 48 hour advanced notice to County for the purpose of inspection of the Premises.

**11. Alterations and Additions.**

**11.1 Improvements by Lessor.**

**11.1.1** Lessor recognizes and understands that any County improvements requested by the County to be completed by Lessor during the term of this Lease shall be undertaken according to Exhibit "B," Leasehold Improvement Agreement, and Exhibit "F," General Construction Specifications for Leased Facilities.

**11.1.2.1** Lessor shall require that Contractor comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.

**11.1.2.2** The Lessor shall require that Contractor furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates at which Lessor will post at the job site. All prevailing wages shall be obtained by the Lessor/Contractor from:

Department of Industrial Relations  
Division of Labor Statistics and Research  
455 Golden Gate Avenue, 8th Floor  
San Francisco, CA 94102

**11.1.2.3** Lessor shall require that Contractor comply with the payroll record keeping and availability requirement of §1776 of the Labor Code.

**11.1.2.4** Lessor shall require that Contractor make travel and subsistence payments to workers needed for performance of work in accordance with §1773.8 of the Labor Code.

**11.1.2.5** Prior to commencement of work, Lessor shall require that Contractor contact the Division of Apprenticeship Standards and comply with §1777.5, §1777.6 and §1777.7 of the Labor Code and applicable regulations.

**11.1.3** Lessor shall require that Contractor comply with all applicable local, state and federal building codes and laws as from time to time amended, including, but not limited to, the Americans with Disabilities Act requirements in providing the County with any requested County improvements.

**11.1.4** If any agency, division or department of any governmental entity with appropriate jurisdiction condemns the Premises or any part of the Premises as unsafe or not in conformity with any of the laws or regulations controlling their construction, occupation or use, or orders or requires any alteration, repair or reconstruction of the Premises the responsible party shall be the Lessor who at its sole cost and expense (and without any right of reimbursement from County, except if condition is caused by County's negligence or intentional misconduct) immediately effect all necessary alterations and repairs required for the Premises full and exact compliance.

**11.1.5** Lessor shall cause all County improvements to be lien free, completed at Lessor's cost in a workmanlike manner and in compliance with all applicable law.

**11.1.6** County agrees when requested by Lessor to execute and deliver any applications, consents or other instruments required to permit Lessor to complete such County improvements or to obtain permits for the work.

**11.1.7** Post occupancy tenant improvements requested by County and completed by Lessor shall be reimbursed by County at Lessor's cost plus 10%. Lessor's invoices for such improvements shall be itemized according to material, sales tax, labor and Lessor's 10% overhead handling charge.

**11.1.8** Due to County fiscal year funding and accounting practices, any costs due to Lessor for reimbursement of tenant improvements during the term must be invoiced and received by the County prior to May 1st of each fiscal year in which services to County were provided to ensure payment.

## **11.2 Improvements by County.**

**11.2.1** Any alterations, improvements or installation of fixtures to be undertaken by County shall have the prior written consent of Lessor. Such consent shall not be unreasonably withheld, conditioned or delayed by Lessor.

**11.2.2** All alterations and improvements made, and fixtures installed ("County's Property"), by County shall remain County property and may be removed by County at or prior to the expiration of this Lease; provided, however, that such removal does not cause injury or damage to the Leased Premises beyond normal wear and tear. If any of County's Property is removed, County shall promptly repair any damage to the Premises or to the Building resulting from such removal. "Fixtures" are defined as shelving, counters, attached file cabinets, racks, and attached medical exam room counter, sink, and electrical systems.

Notwithstanding the foregoing, Lessor may require County, at County's sole cost and expense, to remove any of County's furnishings at the conclusion of the Lease.

**11.3 Communications Equipment.** County may, from time to time, install maintain, replace and/or remove any satellite dishes, links, duct bank or antennas on the grounds, roof and/or exterior walls or parapet of the Premises as County deems reasonably necessary or desirable, provided County shall first obtain Lessor's written approval, which approval shall not be unreasonably withheld, conditioned, or delayed. Upon the removal by County of any such satellite dishes, links or antennas, County shall repair any damage incurred in connection with such removal.

## **12. Exculpation**

**12.1 Exculpation.** To the fullest extent permitted by law, except as resulting for the County's provision of medical or other related services, Lessor, on its behalf and on behalf of all Lessor Parties, as hereinafter defined, waives all claims (in law, equity, or otherwise) against County Parties, as hereinafter defined, arising out of, knowingly and voluntarily assumes the risk of, and agrees that County Parties shall not be liable to Lessor Parties for any of the following: (1) injury to or death of any person; or (2) loss of, injury or damage to, or destruction of any tangible or intangible property, including the resulting loss of use, economic losses, and consequential or resulting

damage of any kind from any cause. This Exculpation Section shall not apply to claims against County Parties to the extent that a final judgment of a court of competent jurisdiction establishes that the injury, loss, damage, or destruction was proximately caused by County Parties' negligence, fraud, willful injury to person or property, or violation of law, in which case Lessor shall have all the rights and remedies as provided in this Lease, including without limitation, Section 13, hold harmless, and Section 22.6, attorneys' fees.

**12.1.1 Definition of "County Parties" and "Lessor Parties."** For purposes of this Section 12, the term "County Parties" refers singularly and collectively to County, Special Districts, their respective Directors, Officers, Board of Supervisors, agents, employees, and independent contractors as well as to all persons and entities claiming through any of these persons or entities. The term "Lessor Parties" refers singularly and collectively to Lessor and the partners, venturers, trustees, and ancillary trustees of Lessor and the respective officers, directors, shareholders, members, parents, subsidiaries, and any other affiliated entities, personal representatives, executors, heirs, assigns, licensees, invites, beneficiaries, agents, servants, employees, and independent contractors of these persons or entities.

**12.1.2 Survival of Exculpation.** The paragraphs of this Section 12 shall survive the expiration or earlier termination of this Lease until all claims within the scope of this Section 12 are fully, finally, and absolutely barred by the applicable statutes of limitations.

**12.1.3 Lessor's Acknowledgment of Fairness.** Lessor acknowledges that this Section 12 was negotiated with County, that the consideration for it is fair and adequate, and that Lessor had a fair opportunity to negotiate, accept, reject, modify, or alter it.

### **13. Indemnification/Hold Harmless.**

County shall defend, indemnify and hold Lessor harmless against and from liability and claims of any kind for loss or damage to property of County or any other person, or for any injury to or death of any person, arising out of: (1) County's use and occupancy of the Premises, or any work, activity or other things allowed or suffered by

County to be done in, on or about the Premises; (2) any breach or default by County of any of County's obligations under this Lease; or (3) any negligent or otherwise intentional act or omission of County, its agents, employees, invitees or contractors. County shall at County's expense, defend Lessor in any action or proceeding arising from any such claim and shall indemnify Lessor against all costs, attorneys' fees, expert witness fees and any other expenses incurred in such action or proceeding.

LESSOR shall indemnify and hold harmless the COUNTY of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of LESSOR, its officers, employees, subtenants, agents or representatives arising out of or in any way relating to this Lease, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from any breach or default in performance of an obligation on LESSOR's part to be performed under the terms of this Lease. LESSOR shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defends and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions. Notwithstanding the foregoing, this indemnity shall be inapplicable if any such damage, loss or claim is the result of the gross negligence or intentional misconduct of County, its employees, agents, invitees or contractors.

With respect to any action or claim subject to indemnification herein by either Party, that Party shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the indemnified Party; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Party's indemnification to the indemnified Party as set forth herein.

The specified insurance limits required in this Lease shall in no way limit or circumscribe the Party's obligations to indemnify and hold harmless the indemnified Party herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve either Party from indemnifying the indemnified Party to the fullest extent allowed by law.

**14. Insurance: Lessor**

Without limiting or diminishing the LESSOR'S obligation to indemnify or hold the COUNTY harmless, LESSOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

**A. Workers' Compensation:**

If the LESSOR has employees as defined by the State of California, the LESSOR shall maintain statutory Workers' Compensation. Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The COUNTY of Riverside.

**B. Commercial General Liability:**

Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of LESSOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

**C. Vehicle Liability:**

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then LESSOR shall maintain liability insurance for all

owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

D. Property (Physical Damage).

(1) All-Risk real property insurance coverage, including earthquake and flood, if applicable, for the full replacement cost value of buildings, structures, fixtures, all improvements therein, and building systems on the Project as the same exists at each early anniversary of the term.

(2) Boiler and Machinery insurance providing coverage for at least but not limited to, all high voltage electrical and rotating mechanical equipment on a full replacement cost value basis.

(3) During such time, prior to the commencement of this Lease while Lessor is preparing the Premises in accordance with Exhibit "B," Lessor shall keep or require its Contractor to keep in full force and effect, a policy of Course of Construction Insurance covering loss or damage to the Premises for the full replacement value of such work. The Named Insured shall include the Lessor, County and Contractor as their interests appear. Lessor or their Contractor shall be responsible for any deductible payments that result from a loss at the Premises under this coverage. If, at the time of any loss to the property described on Exhibit "B," it is determined that the insurance has not been carried or the insurance does not cover the loss of property being installed, the Lessor shall be responsible to pay the loss without contribution from the County.

E. General Insurance Provisions – All lines:

(1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the COUNTY'S Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.



(2) The LESSOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the COUNTY'S Risk Manager, LESSOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

(3) LESSOR shall cause LESSOR'S insurance carrier(s) to furnish the COUNTY of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the COUNTY Risk Manager, provide original Certified copies of policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the COUNTY of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If LESSOR'S insurance carrier(s) policies does not meet the minimum notice requirement found herein, LESSOR shall cause LESSOR'S insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

(4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the COUNTY of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. LESSOR shall not commence operations until the COUNTY has been furnished original Certificate(s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance

carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

(5) It is understood and agreed to by the parties hereto that the LESSOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

(6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of the Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the COUNTY Risk Manager's reasonable judgment, the amount or type of insurance carried by the LESSOR has become inadequate.

(7) LESSOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

(8) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

(9) LESSOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

#### **15. Insurance: County**

It is understood and agreed by both parties that the COUNTY, is a self-insured public entity for purposes of addressing the following lines of insurance:

1. Workers' Compensation
2. Commercial General Liability (Including Auto)

It is the intent of the COUNTY to treat LESSOR as an Additional Insured under its self-insured General Liability program. The COUNTY shall provide to LESSOR written notice of its intent along with a Certificate of Insurance within thirty (30) days of the signing of this lease Agreement.

**16. Damage and Destruction.**

**16.1 Repair of Damage.** County agrees to notify Lessor in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises, whether covered by insurance or not, are materially damaged by a Casualty, or the Casualty results in the Premises not being provided with Base Building Systems or parking facilities, and if Lessor has not elected to terminate this Lease under this Section 16, Lessor shall promptly and diligently restore Premises, the County Improvements originally constructed by Lessor, Base Building Systems, and County's parking facilities to substantially the same condition as existed before the Casualty, subject to modifications required by building codes and other laws. If County requests that Lessor make any modifications to the County Improvements in connection with the rebuilding, Lessor may condition its consent to those modifications on: (a) confirmation by Lessor's contractor that the modifications shall not increase the time needed to complete the County Improvements; or (b) an agreement by County that the additional construction period shall not extend the rent abatement period.

**16.2 Repair Period Notice.** Lessor shall, within thirty (30) days after the date of the Casualty, provide written notice to County indicating the anticipated period for repairing the Casualty ("Repair Period Notice"). The Repair Period Notice shall be accompanied by a certified statement executed by the Contractor retained by Lessor to complete the repairs or, if Lessor has not retained a Contractor, a licensed Contractor not affiliated with Lessor, certifying the Contractor's opinion about the anticipated period for repairing the Casualty. The Repair Period Notice shall also state, if applicable, Lessor's election either to repair or to terminate the Lease under Section 16.2.

**16.3 Lessor's Option to Terminate or Repair.** Lessor may elect either to terminate this Lease or to effectuate repairs if: (a) the Repair Period Notice estimates that the period for repairing the Casualty exceeds ninety (90) days from the date of the Casualty; or (b) the estimated repair cost of the Premises, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost.

**16.4 County's Option to Terminate.** If (a) the Repair Period Notice provided by Lessor indicates that the anticipated period for repairing the Casualty

exceeds ninety (90) days, or (b) notwithstanding the above, in the event of a substantial or total casualty to the Premises or improvements, County may by written notice to Lessor within thirty (30) days after such damage or destruction of its intention to terminate this Lease, elect to terminate this Lease by providing written notice (County's Termination Notice) to Lessor within thirty (30) days after receiving the Repair Period Notice. If County does not elect to terminate within said thirty (30) day period, County shall be considered to have waived its option to terminate.

**16.4.1 Satisfaction.** In the event County terminates this Lease for the reasons provided in Section 16.4 herein, and said termination occurs during the Original Term, County agrees to pay Lessor as full satisfaction the balance of all payments which would otherwise be due monthly for improvements under the Leasehold Improvement Agreement.

**16.5 Rent Abatement Due to Casualty.** Lessor and County agree that County's Rent shall be fully abated during the period beginning on the later of: (a) the date of the Casualty; or (b) the date on which County ceases to occupy the Premises and ending on the date of Substantial Completion of Lessor's restoration obligations as provided in this Section 16 ("Abatement Period"). If, however, County is able to occupy a portion of the Premises, Rent shall be abated during the Abatement Period only for the portion of the Premises that cannot be occupied by County.

**16.6 Damage Near End of Term.** Despite any other provision of this Section 16, if the Premises are destroyed or damaged by a Casualty during the last eighteen (18) months of the Original Lease Term, Lessor and County shall each have the option to terminate this Lease by giving written notice to the other of the exercise of that option within thirty (30) days after that damage or destruction, provided, however, County may negate Lessor's election to terminate under this Section 16.4 by electing, within ten (10) days after receipt of Lessor's termination notice, to exercise any unexercised option to extend this Lease. If County negates Lessor's election, this Lease shall continue in effect unless Lessor has the right to, and elects to, terminate this Lease under Section 16.4.

**16.7 Effective Date of Termination; Rent Apportionment.** If Lessor or County elects to terminate this Lease under this Section 16.4 in connection with a

Casualty, this termination shall be effective thirty (30) days after delivery of notice of such election. County shall pay Rent, properly apportioned up to the date of the Casualty. After the effective date of the termination, Lessor and County shall be discharged of all future obligations under this Lease, except for County's obligations to pay Lessor for improvements under the Leasehold Improvement Agreement and those provisions that, by their terms, survive the expiration or earlier termination of the Lease.

**16.8 Waiver of Statutory Provisions.** The provisions of this Lease, including those in this Section 16 constitute an express agreement between Lessor and County that applies in the event of any Casualty to the Premises. Lessor and County, therefore, fully waive the provisions of any statute or regulation, for any rights or obligations concerning a Casualty including California Civil Code Sections 1932(2) and 1933(4).

**17. Eminent Domain.**

**17.1 Total Condemnation.** If all of the Premises are condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasi-public use or purpose, this Lease will terminate, as of the date of title vesting in that proceeding and the Rent will be abated from the date of termination, except for County's obligations to pay Lessor for improvements under the Leasehold Improvement Agreement and those provisions that, by their terms, survive the expiration or earlier termination of the Lease.

**17.2 Partial Condemnation.** If any portion of the Premises is condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasi-public use or purpose and the partial condemnation renders the Premises unusable for County's business, this Lease will terminate as of the date of title vesting or order of immediate possession in that proceeding and the Rent will be abated to the date of termination. If the partial condemnation does not render the Premises unusable for the business of County and less than a substantial portion of the Premises is condemned, Lessor must promptly restore the Premises to the extent of any condemnation proceeds recovered by Lessor, excluding the portion lost in the condemnation, and this Lease will continue in full force, except that after the date of the title vesting, the Rent will be adjusted, as reasonably determined by Lessor and County.

**17.3 Award.** If the Premises are wholly or partially condemned, Lessor will be entitled to the entire award paid for the condemnation, and County waives any claim to any part of the award from Lessor or the condemning authority. County, however, will have the right to recover from the condemning authority any compensation that may be separately awarded to County in connection with costs in removing County's merchandise, furniture, fixtures, leasehold improvements, and equipment to a new location.

**17.4 Temporary Condemnation.** In the event of a temporary condemnation, this Lease will remain in effect, County will continue to pay Rent, and County will receive any award made for the condemnation. If a temporary condemnation remains in effect at the expiration or earlier termination of this Lease, County will pay Lessor the reasonable cost of performing any obligations required of County with respect to the surrender of the Premises. If a temporary condemnation is for a period that extends beyond the Term, this Lease will terminate as of the date of occupancy by the condemning authority and any award will be distributed in accordance with Section 17.4.

**18. Estoppel Certificates.**

**18.1** Within fifteen (15) business days after receipt of a written request by either party, the other party shall execute and deliver to the requesting party an Estoppel Certificate, in the form of the attached Exhibit "G," indicating in the certificate any exceptions to the statements in the certificate that may exist at that time.

**19. Subordination, Non-Disturbance, and Attornment.**

**19.1 Subordination, Non-Disturbance, and Attornment Agreement.** To carry out the purposes of Section 19.2 and Section 19.3, the Parties agree to execute a Subordination, Non-Disturbance and Attornment Agreement in the form set forth in the attached Exhibit "H."

**19.2 Subordination.** County agrees that within forty-five (45) business days after Lessor's written request, it shall execute the agreement referred to in Section 19.1 that Lessor reasonably considers necessary to evidence or confirm the subordination or inferiority of this Lease to the lien of any mortgage, deed of trust or other encumbrance of the Premises or any renewal, extension, modification,

replacement thereof, provided however, that such Subordination Agreement shall be strictly limited to matters contained in the Lease referred to in Section 19.1 and no such Subordination Agreement shall materially increase any of County's obligations or materially decrease any of County's rights under this Lease, nor shall the possession of County be disturbed, by reason of any foreclosure, sale or other action under any such trust deed, mortgage or other encumbrance.

**19.3 Attornment.** If Lessor's interest in the Premises passes to a successor, and provided County has received the Non-Disturbance agreement referred to in Section 19.1, County shall, within forty-five (45) business days after Lessor's transferee's request, execute the agreement referred to in Section 19.1, thereby agreeing to attorn and to recognize the transferee as the Lessor under this Lease; provided the transfer of Lessor's interest in the Premises was by sale, lease, foreclosure, deed in lieu of foreclosure, exercise of any remedy provided in any encumbrance or operation of law.

**20. Breach.**

**20.1 Default.** Except as provided to the contrary in this Lease, either Party's failure to perform any of its obligations under this Lease shall constitute a default by that Party under the Lease if the failure continues for thirty (30) days after written notice of the failure from the non-breaching Party. If the required performance cannot be completed within thirty (30) days, the breaching Party's failure to perform shall constitute a default under the Lease unless such Party undertakes to cure the failure within thirty (30) days and diligently and continuously attempts to complete this cure as soon as reasonably possible.

**20.2 County's Right to Cure Lessor's Default and Deduct Cost.** Except as provided to the contrary in this Lease, if County provides notice to Lessor of Lessor's failure to perform any of its obligations under this Lease and Lessor fails to provide such action as required by the terms of this Lease within the period specified, County may take the required action if: (a) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required action within ten (10) days after the written notice; and (b) Lessor fails to begin the required action within this ten (10) day period.

**20.3 Rent Setoff.** If, within thirty (30) days after receipt of County's written demand for payment of County's costs incurred in taking such action, other than actions relating to repair and maintenance, on Lessor's behalf, Lessor has not paid the invoice or delivered to County a detailed written objection to it, County may deduct from Rent payable by County under this Lease an actual and reasonable amount as set forth in the invoice.

**20.4 Breach by County.** The following shall constitute a material breach of the Lease by County:

Any failure by County to pay Rent or any other monetary sums required to be paid hereunder, where such failure continues for ten (10) days after written notice by Lessor to County.

In the event of any material default or breach by County, Lessor may at any time thereafter, without limiting Lessor in the exercise of any right or remedy at law or in equity which Lessor may have by reason of such default or breach, terminate County's right to possession by any lawful means and County shall immediately surrender possession of the Premises to the Lessor. In such event Lessor shall be entitled to recover from County all damages incurred by Lessor by reason of County's default.

**21. Lessor's Representations and Warranties.** Lessor represents and warrants to County that:

**21.1 Title.** County's Leasehold interest in the Premises is free and clear of restrictions which would restrict County's rights under this Lease.

**21.2 Certificate of Authority.** Lessor covenants that it is duly constituted under the laws of the state of its organization, and that the person(s) who is acting as its signatory in this Lease is duly authorized and empowered to act for and on behalf of the Lessor. Lessor shall furnish County prior to the execution hereof with evidence of the authority of the signatory to bind the entity or trust as contemplated herein.

**21.3 No Litigation.** There are no judicial, quasi-judicial, administrative or other orders, injunctions, moratoria or pending proceedings against Lessor or the



Premises which preclude or interfere with, or would preclude or interfere with, the construction contemplated herein or the occupancy and use of the Premises by County for the purposes herein contemplated.

**21.4 Easements.** Lessor shall not (a) subdivide, parcel or otherwise divide the Premises, (b) create, modify or terminate any ingress or egress to or from the premises, or (c) create any easements in the Premises, without County's prior written approval.

**22. Miscellaneous.**

**22.1 Quiet Enjoyment.** Lessor covenants that County shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the use of the Leased Premises so long as County shall fully and faithfully perform the terms and conditions that it is required to do under this Lease. If the Premises are part of a building shared with other tenants of Lessor, during County's tenancy, Lessor may make or permit other tenants to make alterations, renovations and improvements to those portions of the building not occupied by County. Lessor covenants for itself and anyone deriving title from or holding title under Lessor that County's access, ingress, loading and unloading and sufficient parking for County's business shall not unreasonably be obstructed nor shall the daily business of County be disrupted as a result of such alterations, renovations and improvements.

**22.2 Non-Waiver.** No waiver of any provision of this Lease shall be implied by any failure of either party to enforce any remedy for the violation of that provision, even if that violation continues or is repeated. Any waiver by a party of any provision of this Lease must be in writing. Such written waiver shall affect only the provision specified and only for the time and in the manner stated in the writing.

**22.3 Binding on Successors.** The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives and assigns of all the Parties hereto.

**22.4 Severability.** The invalidity of any provision in this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

**22.5 Venue.** Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.

**22.6 Attorneys' Fees.** In the event of any litigation or arbitration between Lessor and County to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.

**22.7 County's Representative.** County hereby appoints the Assistant County Executive Officer/EDA as its authorized representative to administer this Lease.

**22.8 Agent for Service of Process.** It is expressly understood and agreed that in the event Lessor is not a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or it is a foreign corporation, then in any such event, Lessor shall file with County's Assistant County Executive Officer/EDA, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessor. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event, Lessor may be personally served with such process out of this county and that such service shall constitute valid service upon Lessor. It is further expressly understood and agreed that Lessor is amenable to the process so served, and submits to the jurisdiction of the court so obtained.

**22.9 Entire Lease.** This Lease is intended by the Parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes

any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the Parties hereto.

**22.10 Interpretation.** The Parties hereto have negotiated this Lease at arm's length and have been advised by their respective attorneys, or if not represented by an attorney, represent that they had an opportunity to be so represented and no provision contained herein shall be construed against County solely because it prepared this Lease in its executed form.

**22.11 Time of Essence.** Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

**22.12 Recording.** Either Lessor or County shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

**22.13 Consent.** Whenever Lessor's or County's consent is required under any provision of this Lease, it shall not be unreasonably withheld, conditioned or delayed.

**22.14 Title.** Lessor covenants that Lessor is well seized of and has good title to the Premises, and Lessor does warrant and will defend the title thereto, and will indemnify County against any damage and expense which County may suffer by reason of any lien, encumbrance, restriction or defect in title or description herein of the Premises. If, at any time, Lessor's title or right to receive Rent and any other sums due hereunder is disputed, County may withhold such sums thereafter accruing until County is furnished satisfactory evidence as to the Party entitled thereto.

**22.15 Conveyance by Lessor.** Should Lessor convey the Premises, all rights and obligations inuring to the Lessor by virtue of this Lease shall pass to the grantee named in such conveyance, and the grantor shall be relieved of all obligations or liabilities hereunder, except those theretofore accrued and not discharged.

**22.16 Mechanic's Liens.** If any mechanic's or materialmen's lien or liens shall be filed against the Premises for work done or materials furnished to a Party, that

Party shall, at its own cost and expense, cause such lien or liens to be discharged within fifteen (15) days after notice thereof by filing or causing to be filed a bond or bonds for that purpose. In the event any notice preliminary to establishing such a lien (such as the California Preliminary 20-Day Notice) is served on Lessor for work done on the Premises, Lessor shall immediately forward a copy of such notice to County.

**22.17 Surrender.** County shall, after the last day of the term or any extension thereof or upon any earlier termination of such term, surrender and yield up to Lessor the Premises in good order, condition and state of repair, reasonable wear and tear and damage by fire or other casualty excepted. County shall remove County's Furniture and Equipment, as required under the Lease, no later than the termination date and promptly repair all damage to the Premises or Building caused by such removal. Should County fail to tender possession in the condition as required in this Lease, Lessor shall be entitled to charge handling fee equivalent to 10% of the restoration costs for managing the restoration required by County's failure.

**22.18 Notice.** Except as expressly provided elsewhere in this Lease, all notices and other communication required under this Lease shall be in writing and delivered by: (a) Certified Mail, postage prepaid, return receipt requested, in the United States mail; or (b) via an overnight courier that provides written evidence of delivery and addressed to the Party hereto to whom the same is directed at the addresses set forth in Section 21.18 herein. Either Party hereto may from time to time change its mailing address by written notice to the other Party.

**County's Notification Address:**

County of Riverside  
Economic Development Agency – Real Estate Division  
3403 Tenth St., Suite 500  
Riverside, California 92501  
Attention: Deputy Director of Real Estate

**Lessor's Notification Address:**

Altura Credit Union  
2847 Campus Parkway  
Riverside, CA 92507

Attention: Marshall Stevens, Vice President of Facilities  
Kevin Sherill, Executive Vice President,  
Chief Information and Administration

**22.19 Authority.** If Lessor is a corporation, general or limited partnership or individual owner, each individual executing this Lease on behalf of said corporation, partnership, or individual represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with bylaws of said corporation, or as a partner or individual is authorized to execute this Lease and that this Lease is binding upon said corporation and/or partnership or individual.

**22.20 Lessor Officers.** Furthermore, it is expressly understood and agreed that, notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the obligations of Lessor under this Lease do not constitute personal obligations of the directors, volunteers, employees, officers or members of Lessor, and Lessor will not seek recourse against the individual directors, volunteers, employees, officers or members of Lessor or any of their personal assets for satisfaction of any liability of County in respect to this Lease.

**22.21 Approval of Supervisors.** Anything to the contrary notwithstanding, this Lease shall not be binding or effective until its approval and execution by the Chairman of the Riverside County Board of Supervisors.

(Remainder of Page Intentionally Left Blank)

**22.22 Separate Writing and Exhibits.** Any exhibits or writings referenced herein this Lease shall constitute a part of this Lease and are incorporated into this Lease by this reference. If any inconsistency exists or arises between a provision of this Lease and a provision of any exhibit, the provisions of this Lease shall control.

LESSEE:  
COUNTY OF RIVERSIDE

By: \_\_\_\_\_

Chairman

Board of Supervisors

JOHN TAVAGLIONE

LESSOR:  
ALTURA CREDIT UNION

By: \_\_\_\_\_

KEVIN SHERRELL

ATTEST:  
Kecia Harper-Ihem  
Clerk of the Board

By: \_\_\_\_\_

Deputy

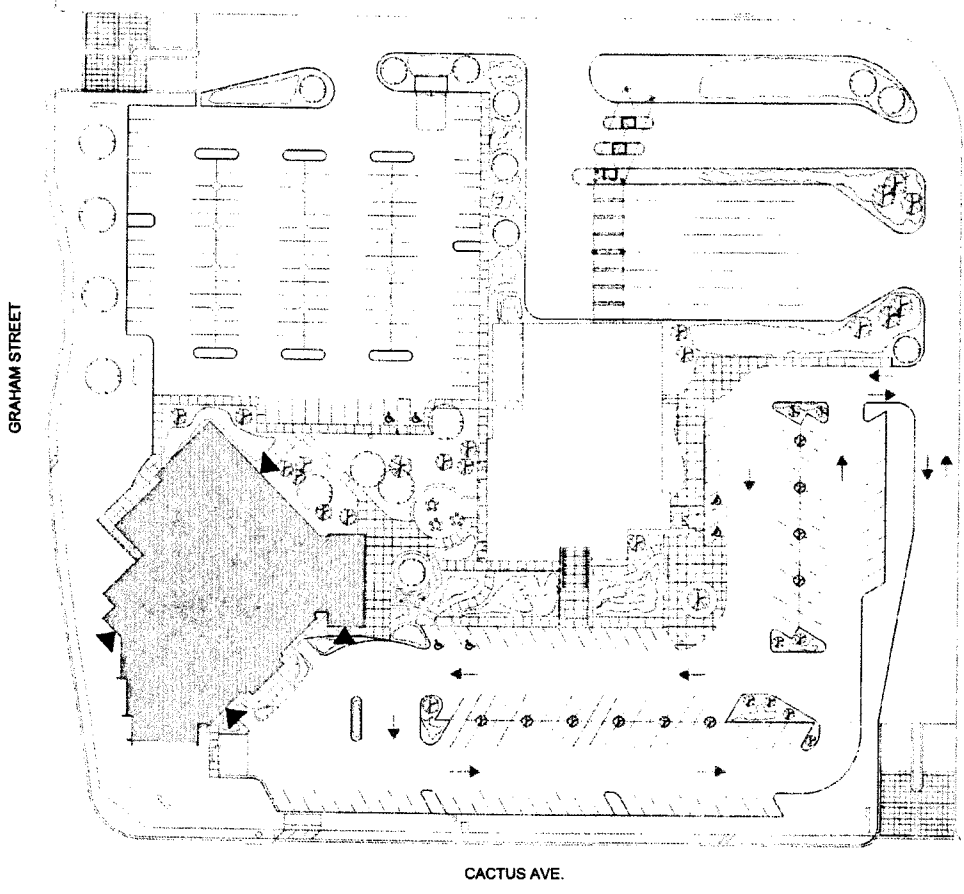
APPROVED AS TO FORM:  
Gregory P. Priamos, County Counsel

By: \_\_\_\_\_

R. Todd Frahm

Deputy County Counsel

MH:ra/040717/006MC/18.869



**EXHIBIT B**

**LEASEHOLD IMPROVEMENT AGREEMENT**



**EXHIBIT B**  
**LEASEHOLD IMPROVEMENT AGREEMENT**  
(23520 Cactus Avenue, Moreno Valley, CA)

This Leasehold Improvement Agreement ("Leasehold Improvement Agreement"), to the Lease entered into as of [\_\_\_\_], 2017 by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County") and **ALTURA CREDIT UNION**, a California state chartered credit union ("Lessor"), is attached to and made a part of that certain Lease. This Leasehold Improvement Agreement shall set forth the terms and conditions relating to the construction of the County improvements in the Premises. This Leasehold Improvement Agreement is essentially organized chronologically and addresses the issues of the construction of the Premises, in sequence, as such issues will arise during the actual construction of the Premises. All references in this Leasehold Improvement Agreement to Paragraphs or Sections of the "Lease" shall mean the relevant portion of that certain Office Lease to which this Leasehold Improvement Agreement is attached as Exhibit "B" and of which this Leasehold Improvement Agreement forms a part, and all references in the Lease to Sections of "Leasehold Improvement Agreement" shall mean the relevant portion of this Leasehold Improvement Agreement and all references in this Leasehold Improvement Agreement to Sections of this Leasehold Improvement Agreement shall mean the relevant portion of this Leasehold Improvement Agreement.

**SECTION 1 - LESSOR'S INITIAL CONSTRUCTION OF PREMISES**

1.1 Lessor will cause the construction of, at its sole cost and expense, or has acquired or constructed, that certain free standing building described in Section 2 of the Lease, hereinafter referred to as the "Base Building."

**SECTION 2 - CONSTRUCTION DRAWINGS FOR THE PREMISES**

2.1 Lessor shall, at its sole cost and expense, and subject to reimbursement as hereinafter set forth, construct the improvements in the Premises (the "Leasehold Improvements") pursuant to those certain blueprints, floor and space plans, specifications and finalized construction prices, collectively, the approved "Working Drawings" prepared by Lessor's architect reasonably approved by County. Lessor shall make no changes or modifications to the approved Working Drawings without the prior written consent of County, which consent may be withheld if such change or modification would materially directly or indirectly delay the "Substantial Completion," as that term is defined in Section 6.1 of this Leasehold Improvement Agreement, of the Premises or materially increase the cost of designing or constructing the Leasehold Improvements.

**SECTION 3 - CONSTRUCTION DRAWINGS**

3.1 Selection of Architect/Construction Drawings. Lessor shall retain an architect or space planner (the "Architect") to prepare the Construction Drawings. Lessor shall retain the engineering consultants (the "Engineers") to prepare all plans and engineering

working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, life safety, and sprinkler work of the Leasehold Improvements. The plans and drawings to be prepared by Architect and the Engineers hereunder shall be known collectively as the "Construction Drawings." All Construction Drawings shall comply with the drawing format and specifications as determined by Lessor, and shall be subject to County's reasonable approval. Lessor's Architect shall verify, in the field, the dimensions and conditions as shown on the relevant portions of the Base Building plans, and Lessor's Architect shall be solely responsible for the same, and County shall have no responsibility in connection therewith. County's review of the Construction Drawings as set forth in this Section 3, shall be for its sole purpose and shall not imply County's review of the same, or obligate Lessor to review the same, for quality, design, Code compliance or other like matters. Accordingly, notwithstanding that any Construction Drawings are reviewed by County or its agents and consultants, and notwithstanding any advice or assistance which may be rendered to Lessor by County or County's agents or consultants, County shall have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in the Construction Drawings, and Lessor's waiver and indemnity set forth in this Lease shall specifically apply to the Construction Drawings.

3.2 Preliminary Drawings and Final Space Plan. Prior to execution of the Lease by County, Lessor and the Architect shall prepare the Preliminary Drawings and Final Space Plan for the Leasehold Improvements in the Premises (collectively, the "Preliminary Drawings and Final Space Plan"), which Preliminary Drawings and Final Space Plan shall include floor layouts and designation of all offices, rooms and other partitioning, their intended use, and equipment to be contained therein, site plan, and other related drawings, and shall deliver the Preliminary Drawings and Final Space Plan to County for County's reasonable approval. The Preliminary Drawings and Final Space Plan is attached as Exhibit "B-1."

3.3 Final Working Drawings. Upon execution of this Lease by County and Lessor, and delivery of a copy of the Lease to Lessor, Lessor, the Architect and the Engineers shall use their best efforts and all due diligence to complete the architectural and engineering drawings for the Leasehold Improvements as soon as reasonably possible to achieve the date of Substantial Completion as set forth in the Project Schedule attached as Exhibit "B-3." Lessor's Architect shall provide the Final Working Drawings in a form which is complete to allow subcontractors to perform the work and to obtain all applicable permits and shall submit the same to County for County's approval. Upon completion of the Final Working Drawings, said drawings shall be incorporated into this Lease as Exhibit "B-2."

3.4 Permits. The Final Working Drawings shall be approved by County (the "Approved Working Drawings") prior to the commencement of the construction of the Leasehold Improvements. Lessor shall immediately submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to commence and fully complete the construction of the Leasehold Improvements (the "Permits"). Lessor hereby agrees that neither County nor County's agents or consultants shall be responsible for obtaining any building permit or certificate

of occupancy for the Premises and that the obtaining of the same shall be Lessor's responsibility; provided however that County shall, in any event, cooperate with Lessor in executing permit applications and performing other ministerial acts reasonably necessary to enable Lessor to obtain any such permit or certificate of occupancy. No changes, modifications or alterations in the Approved Working Drawings may be made without the prior written consent of County, provided that County may withhold its consent, in its sole discretion, to any change in the Approved Working Drawings if such change would materially directly or indirectly delay the "Substantial Completion" of the Premises as that term is defined in Section 6.1 of this Leasehold Improvement Agreement.

3.5 County shall use its best, good faith, efforts and all due diligence to cooperate with the Architect, the Engineers, and Lessor to complete all phases of the Construction Drawings and the permitting process and to receive the permits, and approval of the "Construction Costs," as set forth in Section 7.1 below, as soon as possible after the execution of the Lease, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by County, to discuss Lessor's progress in connection with the same. Upon County's execution of this Lease, Lessor shall provide County with a construction schedule including time projections for planning, entitlement process, related preparation and construction of the Leasehold Improvements which construction schedule is attached as Exhibit "B-3." For any item hereunder which requires County's approval, County shall provide its written approval or disapproval within ten (10) working days of receipt of the request.

#### **SECTION 4 - LESSOR COVENANTS**

4.1 Lessor recognizes, understands and covenants that any and all improvements shall be undertaken according to Exhibit "F", General Construction Specifications for Leased Facilities, attached thereto and made a part of the Lease.

4.2 Lessor recognizes, understands and covenants that improvements contemplated herein may be subject to the provisions contained in the California Labor Code (commencing with Section 1720) relating to general prevailing wage rates and other pertinent provisions therein.

4.3 Lessor shall comply and stay current with all applicable building standards, which may change from time to time, including but not limited to, the Americans with Disabilities Act of 1990 and any regulations issued pursuant thereto in providing improvements contemplated herein.

#### **SECTION 5 - CONSTRUCTION**

5.1 Lessor shall notify County, in writing, forthwith when such planning, entitlement process, related preparation and construction of the Leasehold Improvements have been completed, a Certificate of Occupancy has been issued by the City of Moreno Valley, or if no new Certificate of Occupancy is required, then upon acceptance of the improvements by the City of Moreno Valley upon final inspection, all required permits have been

obtained and electrical power has been turned on. Elevator Permit shall be obtained by from the state of California, if required. Within ten (10) days thereafter, County shall schedule and conduct a "job walk" with Lessor for the purpose of accepting the Premises for occupancy. County shall accept the Premises if the improvements are Substantially Complete in accordance with this Exhibit "B" and the Exhibit "F" attached to the Lease (excepting minor punch list items), which Lessor shall complete with due diligence, and County shall not unreasonably withhold or delay approval of construction of same.

5.2 In addition, immediately after the Substantial Completion of the Premises, Lessor shall have prepared and delivered to the County (1) a complete set of "As-Built" drawings showing every detail, latent or otherwise, of such improvements, including but not limited to electrical circuitry and plumbing, and (2) the same complete set of "As-Built" drawings on a computer disk in a CADD format.

#### **SECTION 6 - COMPLETION OF THE COUNTY IMPROVEMENTS; LEASE COMMENCEMENT DATE**

6.1 For purposes of this Lease, "Substantial Completion" of the Premises shall occur upon the completion of construction of the Leasehold Improvements in the Premises pursuant to the Approved Working Drawings, with the exception of any punch list items and any County items to be installed by County, and compliance with the requirements of Section 5.1 of this Exhibit. Provided however, that such punch list items do not preclude the useful occupancy of the Premises. Useful occupancy herein defined as the Premises being safe, free of hazard, free of any risk to the safety of County employees and available in all material respects for the use set forth in the Lease.

6.2 The Lease Commencement Date shall occur as set forth in Section 6.1, above.

#### **SECTION 7 - CONSTRUCTION COSTS**

7.1 Lessor has provided County with an itemized cost breakdown of the estimated construction costs of the Leasehold Improvements, attached hereto and made a part hereof as Addendum 1. Upon Substantial Completion, Lessor shall provide the actual construction costs of the Leasehold Improvements in Addendum 1-A (herein the "Actual Costs of the Leasehold Improvements"). County shall receive a credit from Lessor in the amount of \$350,910.00 from Lessor (herein the "Tenant Improvement Allowance Credit") to offset the actual costs set forth in Addendum 1-A. The estimated costs of all Leasehold Improvements as set forth in Addendum 1, including but not limited to fixtures, architectural fees and permits, is \$5,070,229, (herein the "Leasehold Improvement Costs"). If needed, the Parties have budgeted an additional \$711,525 as project contingency (the "Contingency") for the sole purpose of paying for extra items requested by County during the course of construction for installation of additional leasehold improvements or otherwise necessitated by requests/changes made to the plans by County. The cost for the construction shall be calculated with all labor, materials, permits and insurance included as costs, and shall be calculated at prevailing wages. The Total Costs of all the Leasehold Improvements shall not exceed \$5,781,754.00 including the

contingency (the "Total Costs").

The Maximum Reimbursable Cost therefore for which County shall be obligated for reimbursement to Lessor shall be \$5,430,844.00, (the "Maximum Reimbursable Cost"), which represents the Total Costs of the Leasehold Improvements less the Tenant Improvement Allowance Credit in the amount of \$350,910.00.

7.2 Upon completion of the Leasehold Improvements and within fourteen (14) days of Substantial Completion and acceptance of the Premises by County, Lessor shall provide County with an itemized statement, similar to the cost breakdown form attached as Addendum 1, of the Actual Costs of the Leasehold Improvements incurred by Lessor, as set forth in Addendum 1-A, accompanied by vendor, contractor, subcontractor, material man invoices if requested by the County.

## **SECTION 8 - REIMBURSEMENT FOR LEASEHOLD IMPROVEMENTS AND FURNITURE, FIXTURES, AND EQUIPMENT**

8.1 In addition to the monthly rent as stated in the Lease, County shall reimburse Lessor, as hereinafter set forth, the actual cost of the Leasehold Improvements on a monthly basis as substantiated by the Actual Costs of the Leasehold Improvements as set forth in Addendum 1-A required in Section 7.2 above and related supporting documentation requested by County. In no event shall Lessor be reimbursed an amount in excess of Maximum Reimbursable Costs pursuant to Addendum 1A.

8.2 In the event the costs of the leasehold improvements equal the total of the leasehold improvement costs pursuant to Addendum 1, County shall pay to Lessor a monthly leasehold improvement payment as set forth in the leasehold improvement payment schedule as attached to this Exhibit "B," designed at Exhibit "B-4." The monthly payment shall be based upon the amortized costs of the Addendum 1 costs as set forth in Section 7.1, less the Tenant Improvement Allowance Credit, and shall be amortized over one hundred twenty months (120) months (the "Leasehold Amortization Period") at five (5%) interest, as reimbursement for the costs of improvements made by Lessor. Upon completion of the leasehold improvements, in the event the Actual Costs of the Leasehold Improvements Addendum 1-A are less than the estimated costs in Addendum 1, a revised amortization schedule designated Exhibit "B-5" shall be attached to this Exhibit "B" which shall set forth the revised monthly payment to be paid to Lessor to amortize the Actual Costs of the Leasehold Improvements less the Tenant Improvement Allowance Credit. In no event shall Lessor be reimbursed any amount in excess of Actual Costs of the Leasehold Improvements nor in excess of the Total Costs set forth in Sections 7.1 above. County shall have the option to pay Lessor in part or in full the unamortized balance of the Leasehold Improvements at any time from the effective date of this Lease until and including the Original Term of this Lease. In the event County makes a partial payment, the remaining balance shall be amortized over the number of the remaining months in the Leasehold Improvement at 5% interest, and Lessor shall within fourteen (14) days after receiving such payment, provide a revised amortization schedule to County setting forth the revised balance and revised payments schedule.

8.3 Lessor agrees to contract with outside vendors for the installation of County's furniture, fixtures, and equipment. Lessor shall contract directly with outside vendors and pay said vendors upon completion of the installation of the furniture, fixtures, and equipment (the "FF&E") as set forth in Exhibit "B-7... Based upon the FF&E total budget of \$1,714,500.00 (the "Total FF&E Budget") as set forth in Exhibit "B-7," County shall reimburse Lessor for the FF&E , in the form of a monthly payment at 5% interest as set forth in the FF&E payment schedule attached to this Exhibit "B" as Exhibit "B-6." In the event the actual costs of the FF&E are less than the Total FF&E Budget, the payment schedule shall be revised accordingly to reflect the monthly payment at 5% interest on the actual costs. The FF&E actual costs revised payment schedule shall be attached as Exhibit "B-8." " County shall have the option to pay Lessor in part or in full the unamortized balance of the furniture, fixtures and equipment at any time from the effectiveness of this Lease until and including the Original Term of this Lease. In the event County makes a partial payment the remaining balance shall be amortized over the number of the remaining months in the Leasehold Amortization Period at 5% interest, and Lessor shall within fourteen (14) days after receiving such payment, provide a revised amortization schedule to County setting forth the revised balance and revised payments and payment schedule. A list of the FF&E is set forth in Exhibit "B-7."

8.4 In no event shall Lessor be reimbursed for FF&E in an amount in excess of the Total FF&E Budget. The Total FF&E Budget is the maximum reimbursable FF&E cost to Lessor.

Within thirty (30) days of completion of the phase one and phase two architectural components, Lessor shall pay Westgroup Design architectural fees as set forth in Section 7.1 as follows:

|              |              |
|--------------|--------------|
| Phase I      | \$137,748.00 |
| Phase II     | \$185,483.00 |
| Reimbursable | \$ 3,500.00  |

## **SECTION 9 - MISCELLANEOUS**

9.1 County's Entry Prior to Substantial Completion. Provided that County and its agents do not interfere with Lessor's work in the Premises, Lessor shall allow County access to the Premises prior to the Substantial Completion of the Premises for the purpose of County installing over standard equipment or fixtures (including County's data and telephone equipment) in the Premises. Prior to County's entry into the Premises as permitted by the terms of this Section 9.1, County shall submit a schedule to Lessor, for approval, which schedule shall detail the timing and purpose of County's entry. County shall hold Lessor harmless from and indemnify, protect and defend Lessor against any loss or damage to the Premises and against injury to any persons or property caused by County's actions pursuant to this Section 9.1.

9.2 County's Representative. County has designated its Assistant County

Executive Officer/EDA as its sole representative with respect to the matters set forth in this Leasehold Improvement Agreement, who, until further notice to Lessor, shall have full authority and responsibility to act on behalf of the County as required in this Leasehold Improvement Agreement.

9.3 Lessor's Representative. Lessor has designated \_\_\_\_\_ as its sole representative with respect to the matters set forth in this Leasehold Improvement Agreement, who, until further notice to County, shall have full authority and responsibility to act on behalf of the Lessor as required in this Leasehold Improvement Agreement.

9.4 County's Agents. All subcontractors, laborers, material men, and suppliers retained directly by County shall conduct their activities in and around the Premises, in a harmonious relationship with all other subcontractors, laborers, material men and suppliers at the Premises.

9.5 Time of the Essence in this Leasehold Improvement Agreement. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days. In all instances where County is required to approve, if no written notice of approval is given within the stated time period, or if no timeframe stated, within fifteen (15) days of request the end of such period the item shall automatically be deemed not approved; provided however, Lessor's requirement for delivery of the Premises pursuant to Section 4.3 of the Lease shall be extended by one (1) day of each one (1) day after any approval period that such item remains disapproved.

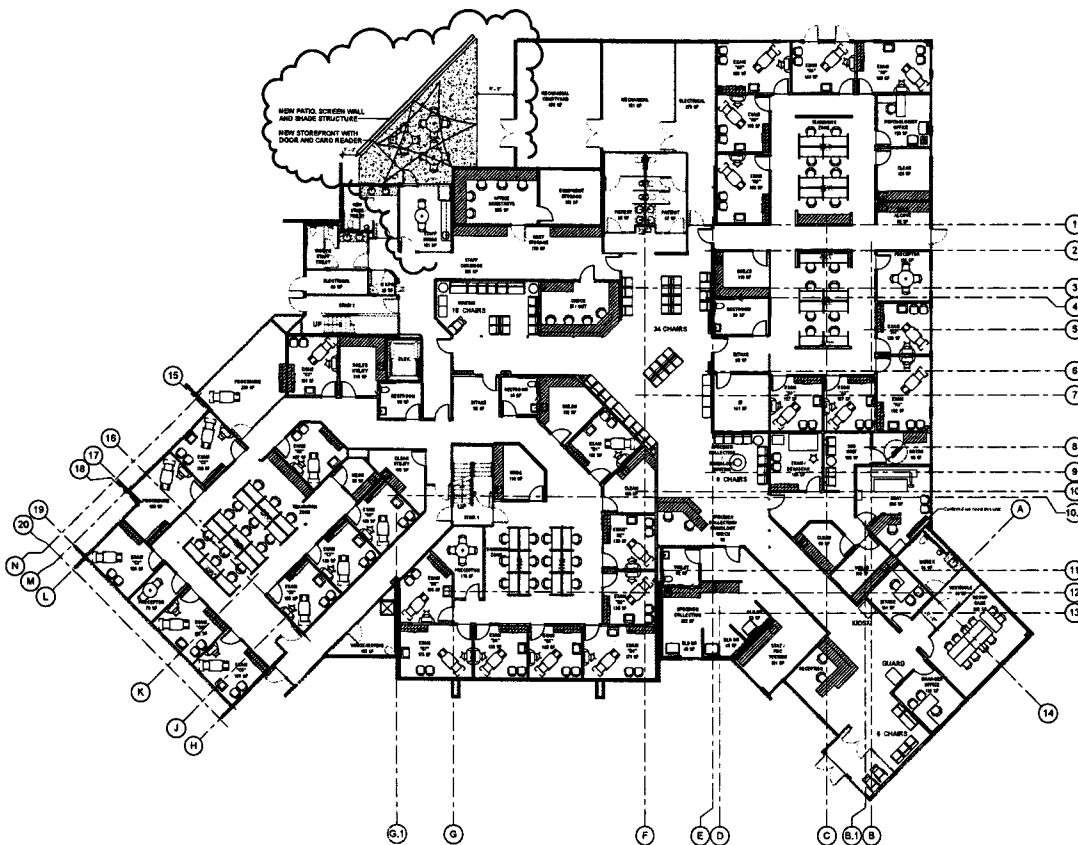
9.6 Default. A default by either party under this Leasehold Improvement Agreement shall be a default under the Lease, and shall be controlled by the terms of the Lease.

## **SECTION 10 – EXISTING FURNITURE**

10.1 Existing Furniture. All the furniture on site shall be donated to County as part of the Lease. Some of the furniture will stay and some will be moved to a County storage facility. The cost of disassembling and relocating furniture shall be part of the tenant improvement allowance. The furniture shall be donated to County in its "as is" condition. Landlord makes no warranties about its use or condition. An inventory of the furniture is attached as Exhibit J

**EXHIBIT B-1**  
**FINAL SPACE PLAN**





# LEGEND



## GENERAL NOTES

1. CONSULT OWNER TO VERIFY OFFICE FURNITURE REQUIREMENTS AND SPECIAL NOTES.

## SHEET KEYNOTES

KEY DESCRIPTION



RIVERSIDE  
UNIVERSITY HEALTH  
SYSTEM CLINIC  
23520 CACTUS AVENUE  
MORENO VALLEY, CA 92550

| NO. | REVISION          | DATE     |
|-----|-------------------|----------|
| 1   | ISSUED FOR PERMIT | 08/11/10 |
| 2   | FOR CONSTRUCTION  | 08/11/10 |
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PRICING SET - NOT FOR CONSTRUCTION OR REGULATORY APPROVAL

Scale: 1/4" = 1'-0"

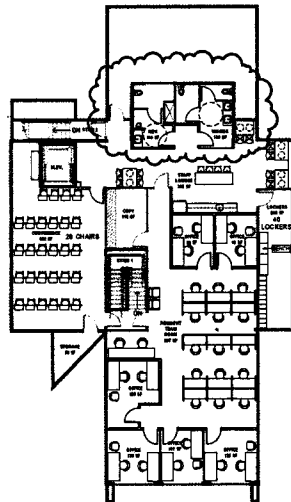
1ST FLOOR  
FURNITURE PLAN

A2-4.1

DATE: 08/11/10  
BY: [Signature]  
CHECKED: [Signature]  
DATE: 08/11/10

© WESTGROUP DESIGNS, INC.

1st FLOOR - FURNITURE 1



2nd FLOOR-FURNITURE || 1

| SN# | DESCRIPTION |
|-----|-------------|
|-----|-------------|

1000

**EXHIBIT B-2**

**FINAL WORKING DRAWINGS**

To be attached at a future date

**ADDENDUM 1**  
**CONSTRUCTION COSTS**



# MEDICAL CLINIC

Riverside University Health System

## CONSTRUCTION BID

| CSI Code | Scope-of-Work                   | Cost                |
|----------|---------------------------------|---------------------|
| 00706.00 | BIM Modeling                    | \$ 20,000           |
| 2200     | Demolition                      | \$ 89,026           |
| 2770     | Site Concrete                   | \$ 80,352           |
| 2900     | Landscape & Irrigation          | \$ 2,500            |
| 3900     | Concrete Patching               | \$ 60,020           |
| 4200     | Masonry                         | \$ 4,272            |
| 6100     | Framing   Rough Carpentry       | \$ 265,995          |
| 6200     | Millwork   Cabinetry            | \$ 431,636          |
| 7200     | Insulation                      | \$ 56,105           |
| 7500     | Roof Patching                   | \$ 12,000           |
| 8100     | Doors, Frames & Hardware        | \$ 191,608          |
| 8800     | Glass & Glazing                 | \$ 20,318           |
| 9240     | Lath & Plaster                  | \$ 2,535            |
| 9250     | Drywall & Metal Studs           | \$ 171,216          |
| 9300     | Ceramic Tile                    | \$ 73,835           |
| 9500     | Acoustical Tile   Sound Masking | \$ 258,989          |
| 9650     | Flooring                        | \$ 159,937          |
| 9900     | Paint & Wallcovering            | \$ 77,178           |
| 10400    | Signage                         | \$ 100,000          |
| 10441    | Fire Extinguishers              | \$ 2,795            |
| 10500    | Lockers                         | \$ 11,567           |
| 10530    | Awnings                         | \$ 50,000           |
| 11400    | Appliances                      | \$ 10,000           |
| 12500    | Window Coverings                | \$ 49,665           |
| 13850    | Fire & Life Safety Systems      | \$ 26,272           |
| 15300    | Fire Sprinklers                 | \$ 69,875           |
| 15400    | Plumbing                        | \$ 472,425          |
| 15500    | H.V.A.C.                        | \$ 494,000          |
| 16000    | Electrical                      | \$ 464,520          |
| 1400     | Construction Clean-Up           | \$ 10,335           |
| 1000     | General Conditions              | \$ 460,000          |
|          | Sub Construction Costs:         | \$ 4,220,961        |
|          | Contractor's Fee:               | \$ 253,258          |
|          | General Liability Insurance:    | \$ 43,400           |
|          | <b>SUBTOTAL</b>                 | <b>\$ 4,517,619</b> |
|          | Contractor's Contingency:       | \$ 225,881          |
|          | <b>TOTAL COST</b>               | <b>\$ 4,743,499</b> |

## ESTIMATE WORKSHEET

### MEDICAL CLINIC Riverside University Health System

| Scope-of-Work  | Qty.   | Unit Cost | Unit Total | Extension  |
|--|--|-----------|------------|------------|
| <b>BIM Modeling</b>  |  |           |            |            |
| Provide allowance for BIM Modeling   | Lump Sum                                     | Allowance | 20,000.00  |            |
|  | Total for: <b>BIM Modeling</b>               |           |            | \$ 20,000  |
| <b>Demolition</b>  |  |           |            |            |
| Provide labor, material & equipment for a complete Demolition project based on the following scope-of-work:        | Lump Sum                                     |           |            |            |
| Demo existing walls throughout as indicated on drawings  | 1,887 SF                                     |           |            |            |
| Demo existing t-bar ceilings & support wires throughout as indicated on drawings                                   | 14,135 SF                                    |           |            |            |
| Demo existing door & frame assemblies throughout as indicated on drawings  | Lump Sum                                     |           |            |            |
| Demo existing flooring finishes throughout as indicated on drawings  | 24,336 SF                                    |           |            |            |
| Demo existing millwork throughout as indicated on drawings   | Lump Sum                                     |           |            |            |
| Sawcut, break & remove concrete slab for new underground plumbing trenches throughout                              | 1,820 SF                                     |           |            |            |
| Provide demo of existing landscaping & grading for new Employee Break Patio  | 446 SF                                       |           |            |            |
| Provide sawcut & demo of existing stub wall & storefront for new Employee Break Patio                              | Lump Sum                                     |           |            |            |
|  | Total for: <b>Demolition</b>                 |           |            | \$ 89,026  |
| <b>Site Concrete</b>   |  |           |            |            |
| Provide & install new concrete patio at exterior Employee Break Area   | 446 SF                                       |           |            |            |
| Provide ALLOWANCE for new Site Access from street  | Allowance                                    |           | 75,000.00  |            |
|  | Total for: <b>Site Concrete</b>              |           |            | \$ 80,352  |
| <b>Landscape &amp; Irrigation</b>  |  |           |            |            |
| Provide labor & material to patch & repair landscape & irrigation at new Employee Break Area                       | Allowance                                    |           |            |            |
|  | Total for: <b>Landscape &amp; Irrigation</b> |           |            | \$ 2,500   |
| <b>Concrete Patching</b>   |  |           |            |            |
| Provide labor, material & equipment for a complete Concrete Patching project based on the following scope-of-work: | Lump Sum                                     |           |            |            |
| Patch concrete slab at new plumbing trenches   | 1,820 SF                                     |           |            |            |
|  | Total for: <b>Concrete Patching</b>          |           |            | \$ 60,020  |
| <b>Masonry</b>   |  |           |            |            |
| Provide & install new 5'-0" masonry screen wall w/ footings at new Employee Break Area                             | 178 SF                                       |           |            |            |
|  | Total for: <b>Masonry</b>                    |           |            | \$ 4,272   |
| <b>Framing   Rough Carpentry</b>   |  |           |            |            |
| Provide labor, material & equipment for a complete Rough Carpentry project based on the following scope-of-work:   | Lump Sum                                     |           |            |            |
| Head-out & frame for new Exhaust Fans  | Lump Sum                                     |           |            |            |
| Provide & install ½" plywood at all walls in IT Room   | 9 EA   |           |            |            |
| Structural Retrofits (Demo, footings, Concrete footings, Anchor Bolts)   | Lump Sum                                     | Allowance | 258,000.00 |            |
|  | Total for: <b>Framing   Rough Carpentry</b>  |           |            | \$ 265,995 |
| <b>Millwork   Cabinetry</b>  |  |           |            |            |
| Provide labor & material for a complete Millwork & SS Top project based on the following scope-of-work:            | Lump Sum                                     |           |            |            |
| General Cabinetry w/ SS Tops   SN.01, SN.02, SN.04, SN.05, SN.06, SN.07, SN.08 & SN.09                             | Lump Sum                                     |           |            |            |
| Provide & install 3Form screenwall panel   | 8 LF   |           |            |            |
| Provide & install RR SS countertops  | 260 SF                                       |           |            |            |
| Provide & install P-Lam Base & Upper Cabinets w/ SS countertop at all Exam Rooms                                   | 31 EA  |           |            |            |
|  | Total for: <b>Millwork   Cabinetry</b>       |           |            | \$ 431,636 |
| <b>Insulation</b>  |  |           |            |            |
| Provide labor & material for a complete Insulation project based on the following scope-of-work:                   | Lump Sum                                     |           |            |            |
| Provide R11 Insulation at all new interior partitions  | 17,710 SF                                    |           |            |            |
| Provide R30 Insulation at roof structure for T24 Envelope  | 24,321 SF                                    |           |            |            |
| Provide R19 Insulation above t-bar ceilings throughout 1st Floor   | 17,800 SF                                    |           |            |            |
| Provide R19 Insulation at perimeter walls above furring to roof line for T24 Envelope                              | 6,420 SF                                     |           |            |            |
|  | Total for: <b>Insulation</b>                 |           |            | \$ 56,105  |
| <b>Roof Patching</b>   |  |           |            |            |
| Provide labor, material & equipment for a complete Roof Patching project based on the following scope-of-work:     | Lump Sum                                     |           |            |            |
| Patch roof for new Exhaust Fans & vent piping  | Lump Sum                                     |           |            |            |
|  | Total for: <b>Roof Patching</b>              |           |            | \$ 12,000  |
| <b>Doors, Frames &amp; Hardware</b>  |  |           |            |            |
| Provide labor & material for a complete Doors & Frames project based on the following scope-of-work:               | Lump Sum                                     |           |            |            |
| Provide & install 3'-0" x 8'-0" Solid Core, Plain Sliced Birch Doors w/ Western Integrated Frames & related Hdwre  | 82 EA  |           |            |            |
| Provide & install 3'-0" x 8'-0" Single-Lite French Doors w/ Western Integrated Frames & related Hdwre              | 4 EA   |           |            |            |
| Provide & install 3'-0" x 8'-0" x 1/32" Lead Lined Door & Frame Assembly at X-Ray                                  | 1 EA   |           |            |            |
| Provide & install 4'-0" x 4'-0" x 1/32" Lead Lined Window Frame Assembly at X-Ray                                  | 1 EA   |           |            |            |
| Provide & install Electrified Hinge and/or Electrified Lockset (if required)   EACH Cost                           | 25 EA  |           |            |            |

|   |  |           |            | Total for: Doors, Frames & Hardware | \$ | 191,608 |
|---|--|-----------|------------|-------------------------------------|----|---------|
| <b>MEDICAL CLINIC</b>   |  |           |            |                                     |    |         |
| <b>Riverside University Health System</b>   |  |           |            |                                     |    |         |
| Scope-of-Work   | Qty.                                       | Unit Cost | Unit Total | Extension                           |    |         |
| <b>Glass &amp; Glazing</b>  |  |           |            |                                     |    |         |
| Provide labor & material for a complete Glass & Glazing project based on the following scope-of-work:             | Lump Sum                                   |           |            |                                     |    |         |
| Provide & install 4'-0" x 4'-0" x 1/2" x 1/32" Lead Glass at X-Ray  | 16 SF                                      |           |            |                                     |    |         |
| Provide & install 1/2" Herculite wall panels at 2nd Floor Conference Room   | 144 SF                                     |           |            |                                     |    |         |
| Provide & install 3'-0" x 8'-0" x 1/2" Herculite door at 2nd Floor Conference Room                                | 1 EA                                       |           |            |                                     |    |         |
|   | Total for: Glass & Glazing                 |           | \$         | 20,318                              |    |         |
| <b>Lath &amp; Plaster</b>   |  |           |            |                                     |    |         |
| Provide scratch & brown stucco skim coat over masonry wall at new Employee Break Patio                            | 39 SY                                      |           |            |                                     |    |         |
|   | Total for: Lath & Plaster                  |           | \$         | 2,535                               |    |         |
| <b>Drywall &amp; Metal Studs</b>  |  |           |            |                                     |    |         |
| Provide labor & material for a complete Drywall & Metal Studs project based on the following scope-of-work:       | Lump Sum                                   |           |            |                                     |    |         |
| Basic Wall: M2_Gyp/Gyp   Yellow   | 264 LF                                     |           |            |                                     |    |         |
| Basic Wall: M3_Gyp/Gyp   Orange   | 110 LF                                     |           |            |                                     |    |         |
| Basic Wall: M4_Gyp/Gyp   Green  | 1,357 LF                                   |           |            |                                     |    |         |
| Basic Wall: M6_Gyp/Gyp   Red  | 40 LF                                      |           |            |                                     |    |         |
| GWB on Mtl. Stud   Ceiling & Soffit   | 1,091 SF                                   |           |            |                                     |    |         |
| Provide labor & material for misc. backing for wall mounted millwork throughout                                   | Lump Sum                                   |           |            |                                     |    |         |
| Provide labor & material for misc. scar patching at demo'ed walls throughout                                      | 40 EA                                      |           |            |                                     |    |         |
| Provide labor & material to remove & patch at drywall reveal at Main Lobby & Open Areas throughout                | 93 LF                                      |           |            |                                     |    |         |
| Provide labor & material to remove & skim coat existing walls at demo'ed wallcovering                             | 590 SF                                     |           |            |                                     |    |         |
|   | Total for: Drywall & Metal Studs           |           | \$         | 171,216                             |    |         |
| <b>Ceramic Tile</b>   |  |           |            |                                     |    |         |
| Provide labor & material for a complete Ceramic Tile project based on the following scope-of-work:                | Lump Sum                                   |           |            |                                     |    |         |
| T1   Porcelain Floor Tile - 12" x 24" at Common Corridors   | 1,659 SF                                   |           |            |                                     |    |         |
| T1   Porcelain Tile Base at Common Corridors  | 377 LF                                     |           |            |                                     |    |         |
| T2   Porcelain Floor Tile - 12" x 24" at RRs  | 537 SF                                     |           |            |                                     |    |         |
| T2   Porcelain Wall Tile at RRs to 4'-0" a.f.f.   | 1,430 LF                                   |           |            |                                     |    |         |
| T2   Porcelain Tile Base at RRs   | 286 LF                                     |           |            |                                     |    |         |
|   | Total for: Ceramic Tile                    |           | \$         | 73,835                              |    |         |
| <b>Acoustical Tile   Sound Masking</b>  |  |           |            |                                     |    |         |
| Provide labor & material for a complete Acoustical Tile project based on the following scope-of-work:             | Lump Sum                                   |           |            |                                     |    |         |
| 2'x2' Suprafine XL Grid with UltimaTile   | 13,021 SF                                  |           |            |                                     |    |         |
| 4'x4' Suprafine XL Grid with Optima Tile   6" Techzone  | 2,930 SF                                   |           |            |                                     |    |         |
| SN.01 / SN.02   Axiom Trim  | 412 LF                                     |           |            |                                     |    |         |
| 6'x8' Linear Plank Ceiling  | 914 SF                                     |           |            |                                     |    |         |
| Provide Acoustic Masking package   (Allowance Pending Specs)  | Lump Sum                                   | Allowance | 26,800.00  |                                     |    |         |
|   | Total for: Acoustical Tile   Sound Masking |           | \$         | 258,989                             |    |         |
| <b>Flooring</b>   |  |           |            |                                     |    |         |
| Provide labor & material for a complete Flooring project based on the following scope-of-work:                    | Lump Sum                                   |           |            |                                     |    |         |
| CP1   Carpet Tile   | 1,033 SY                                   |           |            |                                     |    |         |
| RF1   LVT   | 8,425 SF                                   |           |            |                                     |    |         |
| SDT at IT Room  | 141 SF                                     |           |            |                                     |    |         |
| RF2   Sheet Vinyl w/ 6" Self-Coved Base   | 417 SY                                     |           |            |                                     |    |         |
| Provide & install base at Carpet, SDT & LVT areas   | 5,079 LF                                   |           |            |                                     |    |         |
|   | Total for: Flooring                        |           | \$         | 159,937                             |    |         |
| <b>Paint &amp; Wallcovering</b>   |  |           |            |                                     |    |         |
| Provide labor & material for a complete Paint & Wallcovering project based on the following scope-of-work:        | Lump Sum                                   |           |            |                                     |    |         |
| Provide labor & material to paint all new & existing walls & lids affected by construction                        | 51,881 SF                                  |           |            |                                     |    |         |
| SN.02   Marlite Sieva Laminate  | 335 SF                                     |           |            |                                     |    |         |
| SN.03   Custom Graphic Feature Wall   | 428 SF                                     |           |            |                                     |    |         |
| SN.04   Vinyl Wallcovering  | 90 LY                                      |           |            |                                     |    |         |
| SN.05   Koroguard Wall Protection   | 8 LY                                       |           |            |                                     |    |         |
|   | Total for: Paint & Wallcovering            |           | \$         | 77,178                              |    |         |
| <b>Signage</b>  |  |           |            |                                     |    |         |
| Provide ADA Compliant directional signage throughout  | Lump Sum                                   |           |            |                                     |    |         |
| Monument Signs   Ext. Signs   | Lump Sum                                   |           |            |                                     |    |         |
|   | Total for: Signage                         |           | \$         | 100,000                             |    |         |
| <b>Fire Extinguishers</b>   |  |           |            |                                     |    |         |
| Provide labor & material for a complete Fire Extinguisher & Cabinet project based on the following scope-of-work: | Lump Sum                                   |           |            |                                     |    |         |
| Potter Roemer, Stainless Steel, Semi-Recessed Fire Extinguisher Cabinet   | 8 EA                                       |           |            |                                     |    |         |
| Potter Roemer, 5-lbs Fire Extinguisher  | 8 EA                                       |           |            |                                     |    |         |

|   |  |  |           |                               |           |         |
|---|--|--|-----------|-------------------------------|-----------|---------|
|   |  |  |           | Total for: Fire Extinguishers | \$        | 2,795   |
| MEDICAL CLINIC  |  |  |           |                               |           |         |
| Riverside University Health System  |  |  |           |                               |           |         |
| Scope-of-Work   |  | Qty.                                     | Unit Cost | Unit Total                    | Extension |         |
| Lockers   |  |  |           |                               |           |         |
| Provide & install Employee Lockers   LYON Locker   DD52123 Dbl Tier 12"x15"xx36" Metal                          |  | 22 EA                                    |           |                               |           |         |
|   |  | Total for: Lockers                       |           |                               | \$        | 11,567  |
| Awnings   |  |  |           |                               |           |         |
| Provide & install new sail type shade structure at new Employee Break Patio   Includes footings, steel & shade  |  | Allowance                                |           | 50,000.00                     |           |         |
|   |  | Total for: Awnings                       |           |                               | \$        | 50,000  |
| Bath Accessories & Partitions   |  |  |           |                               |           |         |
| Provide labor & material for a complete RR Accessory & Partitions project based on the following scope-of-work: |  | Lump Sum                                 |           |                               |           |         |
| Phenolic - Floor Mounted Overhead Braced Toilet Compartments with Doors   |  | 3 EA                                     |           |                               |           |         |
| Soap Dispenser  |  | 7 EA                                     |           |                               |           |         |
| Paper Towel Dispenser   Waste Receptacle Combo Unit   |  | 6 EA                                     |           |                               |           |         |
| Napkin   Tampon Dispenser   |  | 1 EA                                     |           |                               |           |         |
| Seat Cover   TP   Napkin Dispenser Combo Unit   |  | 6 EA                                     |           |                               |           |         |
| Seat Cover   TP Dispenser Combo Unit  |  | 1 EA                                     |           |                               |           |         |
| Specimen Cabinet  |  | 4 EA                                     |           |                               |           |         |
| Mirror  |  | 7 EA                                     |           |                               |           |         |
| 36" Grab Bar  |  | 6 EA                                     |           |                               |           |         |
| 48" Grab Bar  |  | 6 EA                                     |           |                               |           |         |
| Wall-Mounted Baby Changing Station  |  | 6 EA                                     |           |                               |           |         |
|   |  | Total for: Bath Accessories & Partitions |           |                               | \$        | 21,985  |
| Window Coverings  |  |  |           |                               |           |         |
| Provide labor & material for a complete RR Accessory & Partitions project based on the following scope-of-work: |  | Lump Sum                                 |           |                               |           |         |
| Provide & install Meccho Shades at all perimeter windows on 1st & 2nd Floors                                    |  | 129 EA                                   |           |                               |           |         |
|   |  | Total for: Window Coverings              |           |                               | \$        | 49,665  |
| Fire & Life Safety Systems  |  |  |           |                               |           |         |
| Provide labor & material for a complete Fire & Life Safety project based on the following scope-of-work:        |  | Lump Sum                                 |           |                               |           |         |
| Remote Power Supplies   |  | 2 EA                                     |           |                               |           |         |
| Intelligent Smoke Detectors   |  | 3 EA                                     |           |                               |           |         |
| Multi Candela Strobe Lights   |  | 51 EA                                    |           |                               |           |         |
| Multi Candela Horn Strobes  |  | 23 EA                                    |           |                               |           |         |
| Design   Engineering   Permits :: Deferred Submittal  |  | Lump Sum                                 |           |                               |           |         |
|   |  | Total for: Fire & Life Safety Systems    |           |                               | \$        | 26,272  |
| Fire Sprinklers   |  |  |           |                               |           |         |
| Provide labor & material for a complete Fire Sprinkler project based on the following scope-of-work:            |  | Lump Sum                                 |           |                               |           |         |
| Provide labor & material to add new and relocate and/or demo existing fire sprinkler heads for new layout       |  | 25,837 SF                                |           |                               |           |         |
| Provide labor & material to demo & cap existing pre-action suppression system for IT Room                       |  | Lump Sum                                 |           |                               |           |         |
| Demo existing Ansul Inergen System at IT Room   |  | Lump Sum                                 |           |                               |           |         |
| Design   Engineering   Permits :: Deferred Submittal  |  | Lump Sum                                 |           |                               |           |         |
| Added Pre-Action System per RCIT Telecom Server Room Requirements   |  | Lump Sum                                 |           |                               |           |         |
| Direct Subcontractor Bid:   |  | General Underground                      |           |                               |           |         |
|   |  | Total for: Fire Sprinklers               |           |                               | \$        | 69,875  |
| Plumbing  |  |  |           |                               |           |         |
| Provide labor & material for a complete Plumbing project based on the following scope-of-work:                  |  | Lump Sum                                 |           |                               |           |         |
| Kohler floor mount WC with Sloan Manual FV  |  | 7 EA                                     |           |                               |           |         |
| Kohler wall hung lavatory with Delta sensor faucet  |  | 7 EA                                     |           |                               |           |         |
| Kohler Urinal with Manual FV  |  | 1 EA                                     |           |                               |           |         |
| Elkay DLR222512 12" SS Top Mount sink   |  | 15 EA                                    |           |                               |           |         |
| Chicago 895-317GN2FCAB Faucet with wrist blade handles  |  | 15 EA                                    |           |                               |           |         |
| Elkay DLR222512 12" SS Exam Room sink   |  | 30 EA                                    |           |                               |           |         |
| Delta 591T1268-1 Automatic Sensor Faucet  |  | 30 EA                                    |           |                               |           |         |
| All related hot & cold water, sewer & vent piping   |  | Lump Sum                                 |           |                               |           |         |
| Provide rough-in & connect for Elkay - EZH <sub>2</sub> O Bottle Filling Station   Deduct existing DF           |  | 3 EA                                     |           |                               |           |         |
| Design   Engineering   Permits  |  | Lump Sum                                 |           |                               |           |         |
| 2-1/2" Water Meter Upgrade ROM (Includes traffic control, demo & patch-back)                                    |  | Lump Sum                                 |           | 92,000.00                     |           |         |
|   |  | Total for: Plumbing                      |           |                               | \$        | 472,425 |
| H.V.A.C.  |  |  |           |                               |           |         |
| Provide labor & material for a complete HVAC project based on the following scope-of-work:                      |  | Lump Sum                                 |           |                               |           |         |
| Provide & install Hot Water VAV Boxes throughout  |  | 30 EA                                    |           |                               |           |         |
| Ductless Split System HVAC for IT Room  |  | 2 TN                                     |           |                               |           |         |
| Toilet exhaust fans w/ wall louvers   |  | 4 EA                                     |           |                               |           |         |



|   |          |    |  |            |
|---|----------|----|--|------------|
| Provide & install new ductwork & registers throughout | 25,837   | SF |  |            |
| Provide & install new DDC Building Management System  | Lump Sum |    |  |            |
| Design   Engineering   Permits                        | Lump Sum |    |  |            |
| Total for: H.V.A.C.                                   |          |    |  | \$ 494,000 |

## MEDICAL CLINIC

### Riverside University Health System

| Scope-of-Work  | Qty.      | Unit Cost | Unit Total  | Extension  |
|--|-----------|-----------|-------------|------------|
| <b>Electrical</b>  |           |           |             |            |
| Provide labor & material for a complete HVAC project based on the following scope-of-work: | Lump Sum  |           |             |            |
| L1 - 2'X4' Recessed Light Fixture w/ related controls                                      | 74        | EA        |             |            |
| L2 - 2'X2' Recessed Light Fixture w/ related controls                                      | 36        | EA        |             |            |
| L3 - Linear Light Fixture w/ related controls  | 70        | EA        |             |            |
| L4 - Surface Mounted Light Fixture w/ related controls                                     | 6         | LF        |             |            |
| L5 - 6" Downlight w/ related controls  | 5         | EA        |             |            |
| L6 - Pendant Light Fixture w/ related controls   | 3         | EA        |             |            |
| L7 - Wall Sconce w/ related controls   | 2         | EA        |             |            |
| Provide and install 120V E.F. connection   | 5         | EA        |             |            |
| Provide and install 60a 208v connection for x-ray machine                                  | 1         | EA        |             |            |
| Provide and install 60A 3ph 208 feeder for x-ray   | 125       | LF        |             |            |
| Provide power and switch for exam light  | 30        | EA        |             |            |
| Provide and install power to exam patient table  | 30        | EA        |             |            |
| Provide and install connection to modular furniture feed (wall, power)                     | 16        | EA        |             |            |
| Provide and install modular furniture circuiting (full boat)                               | 600       | LF        |             |            |
| Provide and install connection to modular furniture feed (Data)                            | 16        | EA        |             |            |
| Provide and install Fourplex floor box receptacle & data                                   | 16        | EA        |             |            |
| Provide and install connection 2P 208V to water heater and circ pump                       | 4         | EA        |             |            |
| Provide and install duplex receptacle  | 185       | EA        |             |            |
| Additional 110v, 15amp duplex outlets per RUHS   | 50        | EA        |             |            |
| Provide and install dedicated duplex receptacle  | 32        | EA        |             |            |
| Provide and install GFI receptacle   | 31        | EA        |             |            |
| Provide and install double duplex receptacle   | 10        | EA        |             |            |
| Provide and install twistlock receptacle for copy machine                                  | 4         | EA        |             |            |
| Provide and install 1" conduit stub for data   | 10        | EA        |             |            |
| Provide and install box and conduit for tel/data   | 32        | EA        |             |            |
| Provide and install tele backboard   | 1         | EA        |             |            |
| Provide and install server UPS receptacle (208V, 30A)                                      | 1         | EA        |             |            |
| Provide and install j-box with 1" conduit stub for nurse call light                        | 32        | EA        |             |            |
| Provide and install six gang j-box with two 1" conduit stubs for monitoring                | 3         | EA        |             |            |
| Provide and install power connection to door strike  | 15        | EA        |             |            |
| Provide and install conduit stub for card reader   | 15        | EA        |             |            |
| Provide ALLOWANCE for AV conduit & boxes throughout  | Allowance |           |             |            |
| Design   Engineering   | Lump Sum  |           |             |            |
| Credit for Alternate Lighting Package  | Lump Sum  |           | (33,880.00) |            |
| Total for: Electrical  |           |           |             | \$ 464,520 |

## MEDICAL CLINIC

### Riverside University Health System

| Scope-of-Work   | Qty.     | Unit Cost | Unit Total | Extension  |
|---|----------|-----------|------------|------------|
| <b>Construction Clean-Up</b>  |          |           |            |            |
| Provide final construction clean-up                                   | 25,837   | SF        |            |            |
| Total for: Construction Clean-Up                                      |          |           |            | \$ 10,335  |
| <b>General Conditions</b>   |          |           |            |            |
| Provide Misc. General Conditions / Full Time for Construction         | 30       | WK        | 10,500.00  | 315,000.00 |
| Provide PreConstruction Services w/ Design Assist & Pricing Exercises | Lump Sum | Lump Sum  | 45,000.00  |            |
| Provide Overtime Allowance for Accelerated Construction Schedule      | Lump Sum | Allowance | 100,000.00 |            |
| Total for: General Conditions   |          |           |            | \$ 460,000 |

|                              |                     |
|------------------------------|---------------------|
| Sub Construction Costs:      | \$ 4,220,961        |
| Contractor's Fee:            | \$ 253,258          |
| General Liability Insurance: | \$ 43,400           |
| <b>SUBTOTAL</b>              | <b>\$ 4,517,619</b> |
| Contractor's Contingency:    | \$ 225,881          |
| <b>TOTAL COSTS</b>           | <b>\$ 4,743,499</b> |

December 1, 2016

Mr. Marshal Stevens  
Vice President, Facilities  
**Altura Credit Union**  
2847 Campus Parkway  
Riverside, CA 92507  
mstevens@alturacu.com

**REFERENCE:** RFP FOR CACTUS CLINIC  
A/E SERVICES (WESTGROUP PROJECT # 16862)

**SUBJECT: PROPOSAL FOR CACTUS CLINIC'S – ARCHITECTURE, INTERIOR DESIGN & ENGINEERING SERVICES**

Dear Mr. Stevens,

Thank you for the opportunity to propose on the above referenced project. Westgroup Designs (WD) ("Architect") is pleased to submit this proposal to Altura Credit Union (ACU) ("Client"). The proposed tenant is Riverside University Health System (RUHS) ("Tenant") The following delineates our understanding of the facility and scope of our services.

The subject property is a complete interior renovation of a credit union building located at 23520 Cactus Avenue. The new use will be a medical office building / clinic. There will be no changes to the exterior envelop of the existing building or the site.

The purpose of this engagement is for performing Architectural, Mechanical, Electrical, Plumbing, and Structural design and documentation work for the project.

Services included:

- Schematic Design
- Design Development
- Construction Documents
- Approvals (from Altura Credit Union, RUHS and AHJ):
- Construction Administration
- Furniture Design and Bid Documents

Services not included as part of this proposal:

- Equipment Consulting and Selection
- Cost Estimating
- Creation of Existing Conditions Drawings
- Physicist Consulting Services (Imaging Shielding)

## **Regulatory & Permitting Understanding**

Based on the information provided by Riverside University Health System (RUHS) the new clinic will not be licensed through the California Department of Public Health. This means permitting will be handled by the local Authority Having Jurisdiction (AHJ), The City of Moreno Valley. WD will provide architectural, life safety, mechanical, electrical, plumbing and structural drawings as needed for regulatory approval through this agency.

This proposal does not include approval by the Office of Statewide Health Planning and Development (OSHPD). If OSHPD approval is requested or required WD will revise our scope of services and fee to include OSHPD approvals.

Based on the information provided by Riverside University Health System (RUHS) the clinics will accept payments from and be regulated by the Centers for Medicare and Medicaid Services (CMS). WD will design the new clinics to comply with the standards set forth by this agency. (NFPA 101, 2012)

## **Existing Conditions Drawings**

1. WD will review all the existing conditions drawings that have been provided. This includes Architectural, Structural, Mechanical, Electrical and Plumbing Drawings.

## **Architectural Services**

1. Schematic Design (SD):
  - a. BOMA area calculations for the property
  - b. Code evaluation of the project
  - c. WD will produce scaled drawings that illustrate the program as defined by RUHS. This program will be confirmed and approved before moving to Design Development. This will include one round of major revisions to the documents.
  - d. WD will provide documentation of spatial relationships, scale and adjacencies.
  - e. WD will research zoning, jurisdictional, code and permit requirements. All issues relating to this information will be brought to the attention of both Client and Tenant and addressed in the final SD drawings.
  - f. WD will produce a final SD drawing set for approval by Client and Tenant that can be used for "schematic level" pricing. Cost estimating is not part of this proposal. This package will include floor plans and selected enlarged floor plans and interior elevations.
2. Design Development (DD):
  - a. Based on the approved SD drawings WD will begin to detail and develop the drawings. This includes layouts for Mechanical, Electrical and Plumbing elements in line diagram format and MEP and Structural and Architectural details.
  - b. WD will produce a final DD drawing set for approval by Client and Tenant that can be used for "design development level" pricing. Cost estimating is not part of this proposal. This package will include floor plans, enlarged

plans, overall reflected ceiling plans, selected interior elevations and details.

3. Construction Documents (CD):

- a. Based on the approved DD drawings WD will to detail and develop the drawings to a level adequate for construction, pricing and permitting of the project. This includes all needed floor plans, enlarged floor plans, reflected ceiling plans, interior elevations, schedules, materials and finishes. This includes layouts for Mechanical, Electrical and Plumbing elements in line diagram format and complete MEP and Structural and Architectural details.
- b. WD will produce a final CD drawing set for approval by Client and Tenant that can be used for construction, pricing and permitting. WD will distribute the final CD set to the Client in electronic form so that it can be distributed to selected contractors for pricing and bid.

4. Bidding

- a. WD will be available for one bid meeting to help answer contractor questions. All clarifications provided will be distributed to all selected contractors.

5. Construction Administration

- a. WD will visit the job site to observe the construction to generally compile with the intent of the construction documents. WD has included 8 site visits as part of this scope of services.
- b. WD will provide Filed Observation Reports after each site visit documenting observations and conversations on site. These reports will be issued to Client and Contractor.
- c. WD will be available to answer written requests for information (RFI) during the construction of the work. WD will reply to RFIs within 10 working days.
- d. It is the responsibility of the contractor to submit RFIs in a timely manner to ensure the project schedule.
- e. Construction supervision and detailed documentation of the construction is not part of our scope of services. Site safety is the sole responsibility of the contractor.

6. Furniture Design and Bid Documents

- a. Will prepare and present space plan/furniture plan that would best accommodate and respond to the clinic program.
- b. WD will prepare the finish plan and coordinate with Client.
- c. WD will provide (3) site visits during finish installation and representation at architectural punch walk in addition to furniture punch walk.
- d. Base on the Client approval of the furniture plan, WD will prepare and present furniture options, color pallet and upholstery for Client review and approval.
- e. WD will incorporate client comments and present the final furniture and finish selection for Client approval.
- f. Based on the approved furniture selection, WD will prepare the furniture specification for the furniture vendor of the choice.

- g. WD will review the bid to make sure all items are included and assist Client on the final award.
- h. WD will coordinate with the awarded furniture vendor regarding the schedule and installation.
- i. WD will provide the final walk with any punch item to be corrected

### **Consultant Services**

- 1. The above described phases will include consultants for the following services
  - a. Code Consulting
  - b. BOMA Area Calculations
  - c. Mechanical
  - d. Electrical
  - e. Plumbing
  - f. Structural
  - g. Signage
  - h. Security

### **AREAS OF THE PROJECT NOT COVERED BY THESE SERVICES**

- 1. Concealed or inaccessible areas of the facility and areas which require the use of destructive investigation beyond that proposed in the scope of services.
- 2. A comprehensive ADA survey and Transition Plan for the subject property.
- 3. Work requiring the use of special Architects beyond that noted in the scope of services.
- 4. Utility rooms and power vaults which are the property of a utility company.
- 5. Any portion of the property which Architect determines to be unsafe. If an area of concern is identified, it shall be so noted in the report with a recommendation for further study.
- 6. The Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site. In the event the Architect or any other party encounters any hazardous materials, or should it become known to the Architect that such materials may be present on or about the jobsite or any adjacent areas that may affect the performance of the Architect's services, the Architect may, at its option and without liability for consequential or any other damages, suspend performance of its services under this Agreement until the Client retains appropriate consultants or contractors to identify and abate or remove the hazardous or toxic materials and warrants that the jobsite is in full compliance with all applicable laws and regulations. Architect shall not be responsible for locating or abating any hazardous materials.
- 7. Shielding for Imaging equipment. Shielding requirements for all imaging equipment will need to be determined by a physicist after final equipment selection. Architect is not responsible for determining shielding requirements.

### **FEE SCHEDULE**

The project will be completed into two phases:

**PHASE-I** - Schematic Design and Design Development services grouped with the furniture design.

**PHASE-II** - Construction Documents and Construction Administration services grouped with the related furniture scope.

**FEES & SCHEDULE OF PAYMENT**

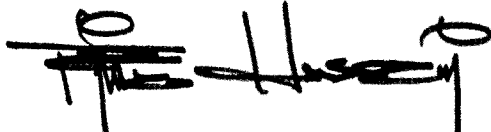
Based on our understanding of the project, our total fee for the described services above is:

|                                   |                     |
|-----------------------------------|---------------------|
| Phase-I                           | \$137,748.00        |
| Phase-II                          | \$ 185,483.00       |
| Estimated Reimbursable (Printing) | \$ 3,500.00         |
| <b>TOTAL FEE</b>                  | <b>\$326,731.00</b> |

This proposal is based on our understanding of the scope of services developed to date. If the scope of services is altered, the proposal shall be adjusted accordingly to the mutual satisfaction of both the Client and Architect. After Phase One is complete the Client will have the option to continue with services outlined in Phase Two or discontinue services.

Thank you for the opportunity and please feel free to contact us if you have any questions.

Best Regards  
Westgroup Designs, Inc.



PariSima Hassani, CEO + Managing Principal

Approved by:  
**Altura Credit Union – Cactus Clinic**

**ADDENDUM 1-A**

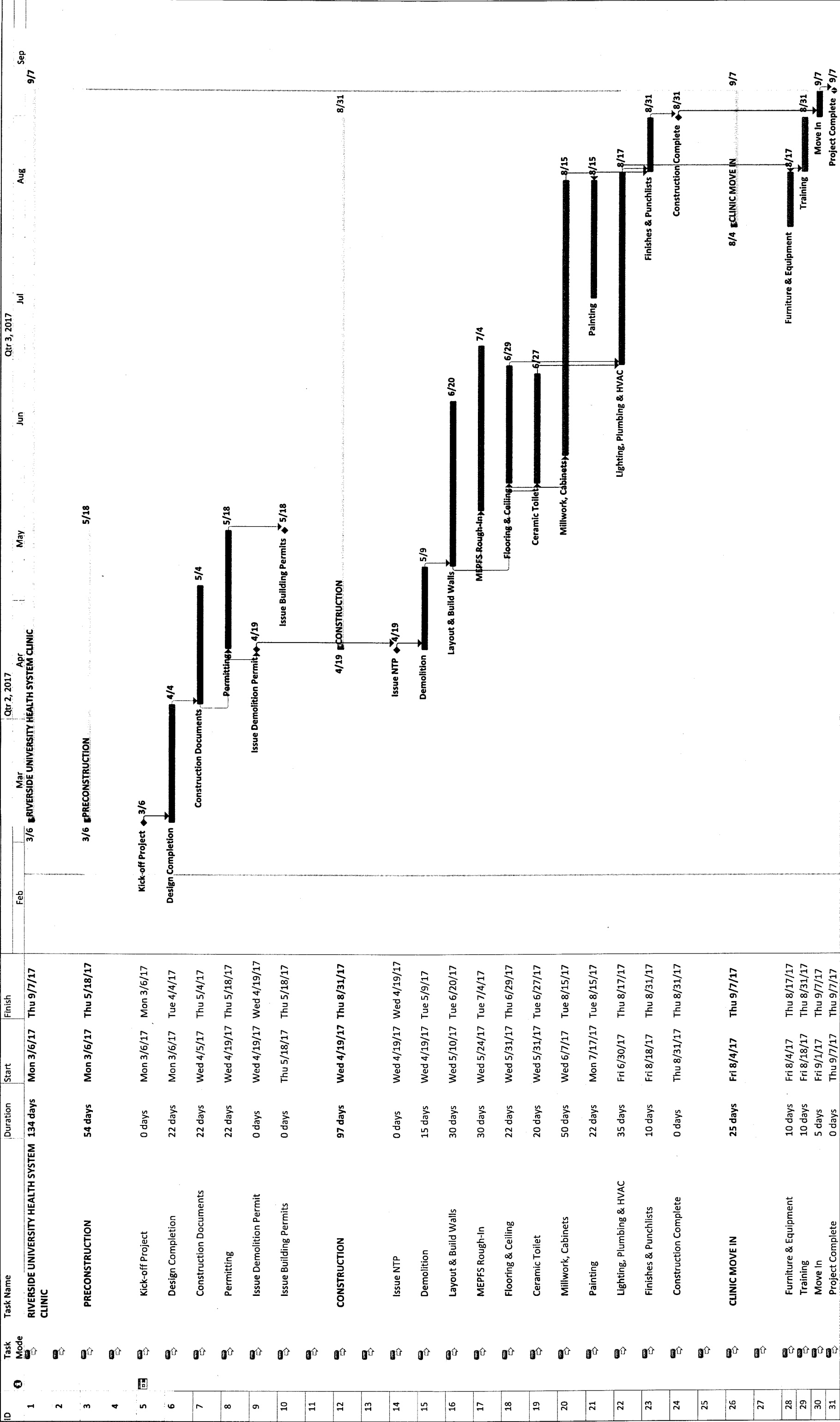
**ACTUAL CONSTRUCTION COSTS**

To be attached at a future date

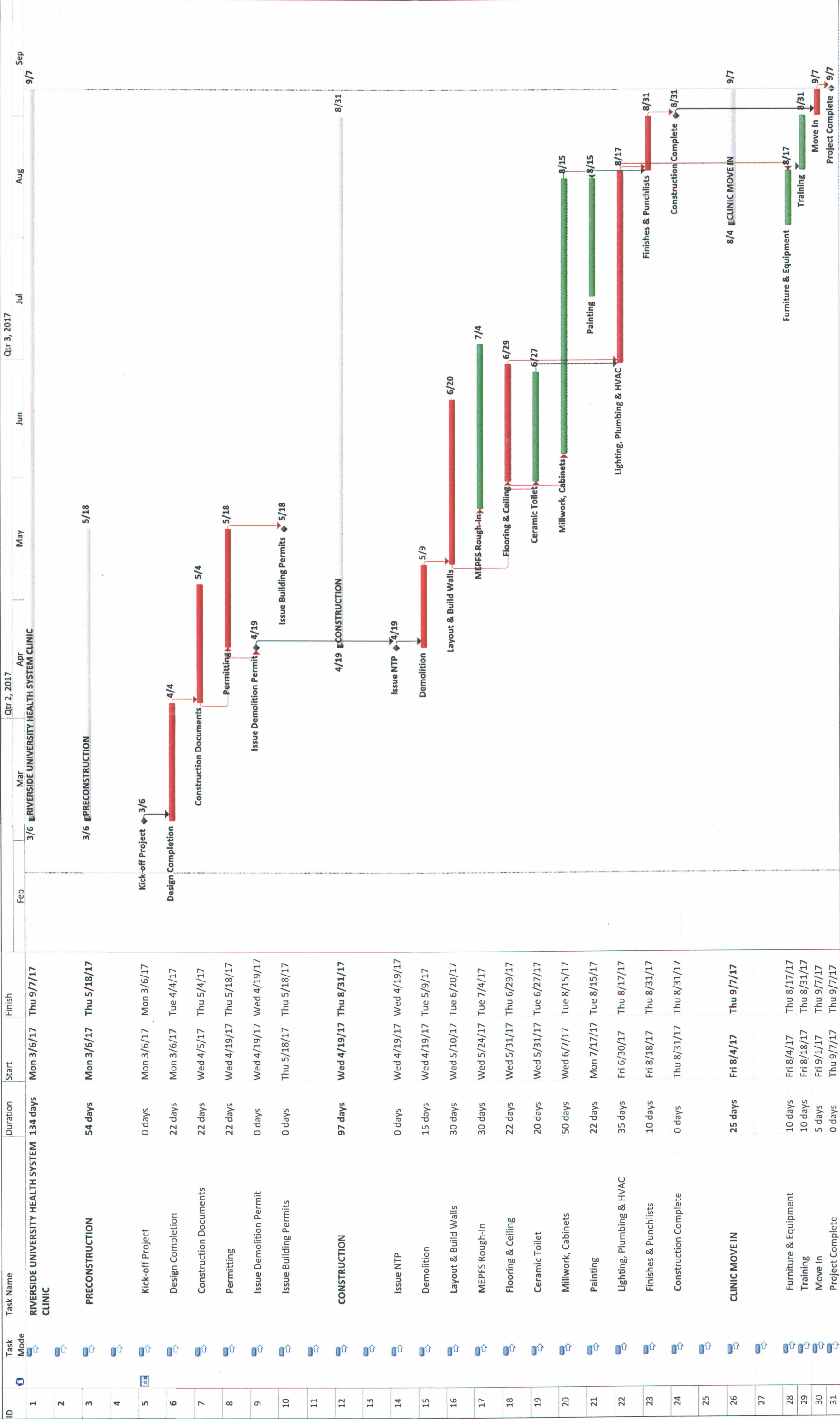
**EXHIBIT B-3**  
**CONSTRUCTION SCHEDULE**



RUHS | CACTUS CLINIC



RUHS || CACTUS CLINIC



**EXHIBIT B-4**

**ESTIMATED LEASEHOLD IMPROVEMENT COSTS – PAYMENT SCHEDULE**

# LOAN AMORTIZATION SCHEDULE

## ENTER VALUES

|                             |                |
|-----------------------------|----------------|
| Loan amount                 | \$5,430,844.00 |
| Annual interest rate        | 5.00%          |
| Loan period in years        | 10             |
| Number of payments per year | 12             |
| Start date of loan          | 9/1/2017       |

Optional extra payments

\$

## LOAN SUMMARY

|                              |             |
|------------------------------|-------------|
| Scheduled payment            | \$57,602.53 |
| Scheduled number of payments | 120         |
| Actual number of payments    | 120         |

Exhibit B-4 Amortization Schedule

LENDER NAME Tenant Improvements - 23520 Cactus  
Avenue, Moreno Valley, CA

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST    | ENDING BALANCE | CUMULATIVE INTEREST |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|-------------|----------------|---------------------|
| 1      | 9/1/2017     | \$5,430,844.00    | \$57,602.53       | \$0.00        | \$57,602.53   | \$34,974.01 | \$22,628.52 | \$5,395,869.99 | \$22,628.52         |
| 2      | 10/1/2017    | \$5,395,869.99    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,119.74 | \$22,482.79 | \$5,360,750.25 | \$45,111.31         |
| 3      | 11/1/2017    | \$5,360,750.25    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,266.07 | \$22,336.46 | \$5,325,484.19 | \$67,447.77         |
| 4      | 12/1/2017    | \$5,325,484.19    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,413.01 | \$22,189.52 | \$5,290,071.18 | \$89,637.29         |
| 5      | 1/1/2018     | \$5,290,071.18    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,560.56 | \$22,041.96 | \$5,254,510.61 | \$111,679.25        |
| 6      | 2/1/2018     | \$5,254,510.61    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,708.73 | \$21,893.79 | \$5,218,801.88 | \$133,573.04        |
| 7      | 3/1/2018     | \$5,218,801.88    | \$57,602.53       | \$0.00        | \$57,602.53   | \$35,857.52 | \$21,745.01 | \$5,182,944.36 | \$155,318.05        |
| 8      | 4/1/2018     | \$5,182,944.36    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,006.93 | \$21,595.60 | \$5,146,937.44 | \$176,913.65        |
| 9      | 5/1/2018     | \$5,146,937.44    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,156.95 | \$21,445.57 | \$5,110,780.48 | \$198,359.22        |
| 10     | 6/1/2018     | \$5,110,780.48    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,307.61 | \$21,294.92 | \$5,074,472.88 | \$219,654.14        |
| 11     | 7/1/2018     | \$5,074,472.88    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,458.89 | \$21,143.64 | \$5,038,013.99 | \$240,797.78        |
| 12     | 8/1/2018     | \$5,038,013.99    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,610.80 | \$20,991.72 | \$5,001,403.18 | \$261,789.51        |
| 13     | 9/1/2018     | \$5,001,403.18    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,763.35 | \$20,839.18 | \$4,964,639.84 | \$282,628.69        |
| 14     | 10/1/2018    | \$4,964,639.84    | \$57,602.53       | \$0.00        | \$57,602.53   | \$36,916.53 | \$20,686.00 | \$4,927,723.31 | \$303,314.68        |
| 15     | 11/1/2018    | \$4,927,723.31    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,070.35 | \$20,532.18 | \$4,890,652.96 | \$323,846.86        |
| 16     | 12/1/2018    | \$4,890,652.96    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,224.81 | \$20,377.72 | \$4,853,428.16 | \$344,224.59        |
| 17     | 1/1/2019     | \$4,853,428.16    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,379.91 | \$20,222.62 | \$4,816,048.25 | \$364,447.20        |
| 18     | 2/1/2019     | \$4,816,048.25    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,535.66 | \$20,066.87 | \$4,778,512.59 | \$384,514.07        |
| 19     | 3/1/2019     | \$4,778,512.59    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,692.06 | \$19,910.47 | \$4,740,820.53 | \$404,424.54        |
| 20     | 4/1/2019     | \$4,740,820.53    | \$57,602.53       | \$0.00        | \$57,602.53   | \$37,849.11 | \$19,753.42 | \$4,702,971.42 | \$424,177.96        |
| 21     | 5/1/2019     | \$4,702,971.42    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,006.81 | \$19,595.71 | \$4,664,964.61 | \$443,773.67        |
| 22     | 6/1/2019     | \$4,664,964.61    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,165.17 | \$19,437.35 | \$4,626,799.44 | \$463,211.03        |
| 23     | 7/1/2019     | \$4,626,799.44    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,324.20 | \$19,278.33 | \$4,588,475.24 | \$482,489.36        |
| 24     | 8/1/2019     | \$4,588,475.24    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,483.88 | \$19,118.65 | \$4,549,991.36 | \$501,608.00        |
| 25     | 9/1/2019     | \$4,549,991.36    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,644.23 | \$18,958.30 | \$4,511,347.13 | \$520,566.30        |
| 26     | 10/1/2019    | \$4,511,347.13    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,805.25 | \$18,797.28 | \$4,472,541.89 | \$539,363.58        |
| 27     | 11/1/2019    | \$4,472,541.89    | \$57,602.53       | \$0.00        | \$57,602.53   | \$38,966.94 | \$18,635.59 | \$4,433,574.95 | \$557,999.17        |
| 28     | 12/1/2019    | \$4,433,574.95    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,129.30 | \$18,473.23 | \$4,394,445.65 | \$576,472.40        |

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST    | ENDING BALANCE | CUMULATIVE INTEREST |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|-------------|----------------|---------------------|
| 29     | 1/1/2020     | \$4,394,445.65    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,292.34 | \$18,310.19 | \$4,355,153.32 | \$594,782.59        |
| 30     | 2/1/2020     | \$4,355,153.32    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,456.05 | \$18,146.47 | \$4,315,697.26 | \$612,929.06        |
| 31     | 3/1/2020     | \$4,315,697.26    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,620.45 | \$17,982.07 | \$4,276,076.81 | \$630,911.13        |
| 32     | 4/1/2020     | \$4,276,076.81    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,785.54 | \$17,816.99 | \$4,236,291.27 | \$648,728.12        |
| 33     | 5/1/2020     | \$4,236,291.27    | \$57,602.53       | \$0.00        | \$57,602.53   | \$39,951.31 | \$17,651.21 | \$4,196,339.95 | \$666,379.34        |
| 34     | 6/1/2020     | \$4,196,339.95    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,117.78 | \$17,484.75 | \$4,156,222.18 | \$683,864.08        |
| 35     | 7/1/2020     | \$4,156,222.18    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,284.93 | \$17,317.59 | \$4,115,937.24 | \$701,181.68        |
| 36     | 8/1/2020     | \$4,115,937.24    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,452.79 | \$17,149.74 | \$4,075,484.45 | \$718,331.42        |
| 37     | 9/1/2020     | \$4,075,484.45    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,621.34 | \$16,981.19 | \$4,034,863.11 | \$735,312.60        |
| 38     | 10/1/2020    | \$4,034,863.11    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,790.60 | \$16,811.93 | \$3,994,072.52 | \$752,124.53        |
| 39     | 11/1/2020    | \$3,994,072.52    | \$57,602.53       | \$0.00        | \$57,602.53   | \$40,960.56 | \$16,641.97 | \$3,953,111.96 | \$768,766.50        |
| 40     | 12/1/2020    | \$3,953,111.96    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,131.23 | \$16,471.30 | \$3,911,980.73 | \$785,237.80        |
| 41     | 1/1/2021     | \$3,911,980.73    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,302.61 | \$16,299.92 | \$3,870,678.12 | \$801,537.72        |
| 42     | 2/1/2021     | \$3,870,678.12    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,474.70 | \$16,127.83 | \$3,829,203.42 | \$817,665.54        |
| 43     | 3/1/2021     | \$3,829,203.42    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,647.51 | \$15,955.01 | \$3,787,555.91 | \$833,620.56        |
| 44     | 4/1/2021     | \$3,787,555.91    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,821.04 | \$15,781.48 | \$3,745,734.87 | \$849,402.04        |
| 45     | 5/1/2021     | \$3,745,734.87    | \$57,602.53       | \$0.00        | \$57,602.53   | \$41,995.30 | \$15,607.23 | \$3,703,739.57 | \$865,009.27        |
| 46     | 6/1/2021     | \$3,703,739.57    | \$57,602.53       | \$0.00        | \$57,602.53   | \$42,170.28 | \$15,432.25 | \$3,661,569.29 | \$880,441.52        |
| 47     | 7/1/2021     | \$3,661,569.29    | \$57,602.53       | \$0.00        | \$57,602.53   | \$42,345.99 | \$15,256.54 | \$3,619,223.30 | \$895,698.06        |
| 48     | 8/1/2021     | \$3,619,223.30    | \$57,602.53       | \$0.00        | \$57,602.53   | \$42,522.43 | \$15,080.10 | \$3,576,700.87 | \$910,778.15        |
| 49     | 9/1/2021     | \$3,576,700.87    | \$57,602.53       | \$0.00        | \$57,602.53   | \$42,699.61 | \$14,902.92 | \$3,534,001.27 | \$925,681.07        |
| 50     | 10/1/2021    | \$3,534,001.27    | \$57,602.53       | \$0.00        | \$57,602.53   | \$42,877.52 | \$14,725.01 | \$3,491,123.74 | \$940,406.08        |
| 51     | 11/1/2021    | \$3,491,123.74    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,056.18 | \$14,546.35 | \$3,448,067.57 | \$954,952.43        |
| 52     | 12/1/2021    | \$3,448,067.57    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,235.58 | \$14,366.95 | \$3,404,831.99 | \$969,319.38        |
| 53     | 1/1/2022     | \$3,404,831.99    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,415.73 | \$14,186.80 | \$3,361,416.26 | \$983,506.18        |
| 54     | 2/1/2022     | \$3,361,416.26    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,596.63 | \$14,005.90 | \$3,317,819.64 | \$997,512.08        |
| 55     | 3/1/2022     | \$3,317,819.64    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,778.28 | \$13,824.25 | \$3,274,041.36 | \$1,011,336.33      |
| 56     | 4/1/2022     | \$3,274,041.36    | \$57,602.53       | \$0.00        | \$57,602.53   | \$43,960.69 | \$13,641.84 | \$3,230,080.67 | \$1,024,978.17      |
| 57     | 5/1/2022     | \$3,230,080.67    | \$57,602.53       | \$0.00        | \$57,602.53   | \$44,143.86 | \$13,458.67 | \$3,185,936.81 | \$1,038,436.84      |
| 58     | 6/1/2022     | \$3,185,936.81    | \$57,602.53       | \$0.00        | \$57,602.53   | \$44,327.79 | \$13,274.74 | \$3,141,609.02 | \$1,051,711.57      |
| 59     | 7/1/2022     | \$3,141,609.02    | \$57,602.53       | \$0.00        | \$57,602.53   | \$44,512.49 | \$13,090.04 | \$3,097,096.53 | \$1,064,801.61      |
| 60     | 8/1/2022     | \$3,097,096.53    | \$57,602.53       | \$0.00        | \$57,602.53   | \$44,697.96 | \$12,904.57 | \$3,052,398.58 | \$1,077,706.18      |
| 61     | 9/1/2022     | \$3,052,398.58    | \$57,602.53       | \$0.00        | \$57,602.53   | \$44,884.20 | \$12,718.33 | \$3,007,514.38 | \$1,090,424.51      |
| 62     | 10/1/2022    | \$3,007,514.38    | \$57,602.53       | \$0.00        | \$57,602.53   | \$45,071.22 | \$12,531.31 | \$2,962,443.16 | \$1,102,955.82      |
| 63     | 11/1/2022    | \$2,962,443.16    | \$57,602.53       | \$0.00        | \$57,602.53   | \$45,259.01 | \$12,343.51 | \$2,917,184.15 | \$1,115,299.33      |
| 64     | 12/1/2022    | \$2,917,184.15    | \$57,602.53       | \$0.00        | \$57,602.53   | \$45,447.59 | \$12,154.93 | \$2,871,736.55 | \$1,127,454.26      |
| 65     | 1/1/2023     | \$2,871,736.55    | \$57,602.53       | \$0.00        | \$57,602.53   | \$45,636.96 | \$11,965.57 | \$2,826,099.60 | \$1,139,419.83      |
| 66     | 2/1/2023     | \$2,826,099.60    | \$57,602.53       | \$0.00        | \$57,602.53   | \$45,827.11 | \$11,775.41 | \$2,780,272.48 | \$1,151,195.25      |
| 67     | 3/1/2023     | \$2,780,272.48    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,018.06 | \$11,584.47 | \$2,734,254.43 | \$1,162,779.72      |
| 68     | 4/1/2023     | \$2,734,254.43    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,209.80 | \$11,392.73 | \$2,688,044.63 | \$1,174,172.44      |
| 69     | 5/1/2023     | \$2,688,044.63    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,402.34 | \$11,200.19 | \$2,641,642.29 | \$1,185,372.63      |
| 70     | 6/1/2023     | \$2,641,642.29    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,595.68 | \$11,006.84 | \$2,595,046.60 | \$1,196,379.47      |



| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST    | ENDING BALANCE | CUMULATIVE INTEREST |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|-------------|----------------|---------------------|
| 71     | 7/1/2023     | \$2,595,046.60    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,789.83 | \$10,812.69 | \$2,548,256.77 | \$1,207,192.17      |
| 72     | 8/1/2023     | \$2,548,256.77    | \$57,602.53       | \$0.00        | \$57,602.53   | \$46,984.79 | \$10,617.74 | \$2,501,271.98 | \$1,217,809.90      |
| 73     | 9/1/2023     | \$2,501,271.98    | \$57,602.53       | \$0.00        | \$57,602.53   | \$47,180.56 | \$10,421.97 | \$2,454,091.42 | \$1,228,231.87      |
| 74     | 10/1/2023    | \$2,454,091.42    | \$57,602.53       | \$0.00        | \$57,602.53   | \$47,377.15 | \$10,225.38 | \$2,406,714.27 | \$1,238,457.25      |
| 75     | 11/1/2023    | \$2,406,714.27    | \$57,602.53       | \$0.00        | \$57,602.53   | \$47,574.55 | \$10,027.98 | \$2,359,139.72 | \$1,248,485.23      |
| 76     | 12/1/2023    | \$2,359,139.72    | \$57,602.53       | \$0.00        | \$57,602.53   | \$47,772.78 | \$9,829.75  | \$2,311,366.94 | \$1,258,314.97      |
| 77     | 1/1/2024     | \$2,311,366.94    | \$57,602.53       | \$0.00        | \$57,602.53   | \$47,971.83 | \$9,630.70  | \$2,263,395.11 | \$1,267,945.67      |
| 78     | 2/1/2024     | \$2,263,395.11    | \$57,602.53       | \$0.00        | \$57,602.53   | \$48,171.71 | \$9,430.81  | \$2,215,223.40 | \$1,277,376.48      |
| 79     | 3/1/2024     | \$2,215,223.40    | \$57,602.53       | \$0.00        | \$57,602.53   | \$48,372.43 | \$9,230.10  | \$2,166,850.97 | \$1,286,606.58      |
| 80     | 4/1/2024     | \$2,166,850.97    | \$57,602.53       | \$0.00        | \$57,602.53   | \$48,573.98 | \$9,028.55  | \$2,118,276.99 | \$1,295,635.13      |
| 81     | 5/1/2024     | \$2,118,276.99    | \$57,602.53       | \$0.00        | \$57,602.53   | \$48,776.37 | \$8,826.15  | \$2,069,500.62 | \$1,304,461.28      |
| 82     | 6/1/2024     | \$2,069,500.62    | \$57,602.53       | \$0.00        | \$57,602.53   | \$48,979.61 | \$8,622.92  | \$2,020,521.01 | \$1,313,084.20      |
| 83     | 7/1/2024     | \$2,020,521.01    | \$57,602.53       | \$0.00        | \$57,602.53   | \$49,183.69 | \$8,418.84  | \$1,971,337.32 | \$1,321,503.04      |
| 84     | 8/1/2024     | \$1,971,337.32    | \$57,602.53       | \$0.00        | \$57,602.53   | \$49,388.62 | \$8,213.91  | \$1,921,948.70 | \$1,329,716.94      |
| 85     | 9/1/2024     | \$1,921,948.70    | \$57,602.53       | \$0.00        | \$57,602.53   | \$49,594.41 | \$8,008.12  | \$1,872,354.29 | \$1,337,725.06      |
| 86     | 10/1/2024    | \$1,872,354.29    | \$57,602.53       | \$0.00        | \$57,602.53   | \$49,801.05 | \$7,801.48  | \$1,822,553.24 | \$1,345,526.54      |
| 87     | 11/1/2024    | \$1,822,553.24    | \$57,602.53       | \$0.00        | \$57,602.53   | \$50,008.55 | \$7,593.97  | \$1,772,544.69 | \$1,353,120.51      |
| 88     | 12/1/2024    | \$1,772,544.69    | \$57,602.53       | \$0.00        | \$57,602.53   | \$50,216.92 | \$7,385.60  | \$1,722,327.76 | \$1,360,506.11      |
| 89     | 1/1/2025     | \$1,722,327.76    | \$57,602.53       | \$0.00        | \$57,602.53   | \$50,426.16 | \$7,176.37  | \$1,671,901.60 | \$1,367,682.48      |
| 90     | 2/1/2025     | \$1,671,901.60    | \$57,602.53       | \$0.00        | \$57,602.53   | \$50,636.27 | \$6,966.26  | \$1,621,265.33 | \$1,374,648.74      |
| 91     | 3/1/2025     | \$1,621,265.33    | \$57,602.53       | \$0.00        | \$57,602.53   | \$50,847.25 | \$6,755.27  | \$1,570,418.08 | \$1,381,404.01      |
| 92     | 4/1/2025     | \$1,570,418.08    | \$57,602.53       | \$0.00        | \$57,602.53   | \$51,059.12 | \$6,543.41  | \$1,519,358.96 | \$1,387,947.42      |
| 93     | 5/1/2025     | \$1,519,358.96    | \$57,602.53       | \$0.00        | \$57,602.53   | \$51,271.86 | \$6,330.66  | \$1,468,087.09 | \$1,394,278.08      |
| 94     | 6/1/2025     | \$1,468,087.09    | \$57,602.53       | \$0.00        | \$57,602.53   | \$51,485.50 | \$6,117.03  | \$1,416,601.60 | \$1,400,395.11      |
| 95     | 7/1/2025     | \$1,416,601.60    | \$57,602.53       | \$0.00        | \$57,602.53   | \$51,700.02 | \$5,902.51  | \$1,364,901.58 | \$1,406,297.61      |
| 96     | 8/1/2025     | \$1,364,901.58    | \$57,602.53       | \$0.00        | \$57,602.53   | \$51,915.44 | \$5,687.09  | \$1,312,986.14 | \$1,411,984.70      |
| 97     | 9/1/2025     | \$1,312,986.14    | \$57,602.53       | \$0.00        | \$57,602.53   | \$52,131.75 | \$5,470.78  | \$1,260,854.39 | \$1,417,455.48      |
| 98     | 10/1/2025    | \$1,260,854.39    | \$57,602.53       | \$0.00        | \$57,602.53   | \$52,348.97 | \$5,253.56  | \$1,208,505.42 | \$1,422,709.04      |
| 99     | 11/1/2025    | \$1,208,505.42    | \$57,602.53       | \$0.00        | \$57,602.53   | \$52,567.09 | \$5,035.44  | \$1,155,938.34 | \$1,427,744.48      |
| 100    | 12/1/2025    | \$1,155,938.34    | \$57,602.53       | \$0.00        | \$57,602.53   | \$52,786.12 | \$4,816.41  | \$1,103,152.22 | \$1,432,560.89      |
| 101    | 1/1/2026     | \$1,103,152.22    | \$57,602.53       | \$0.00        | \$57,602.53   | \$53,006.06 | \$4,596.47  | \$1,050,146.16 | \$1,437,157.36      |
| 102    | 2/1/2026     | \$1,050,146.16    | \$57,602.53       | \$0.00        | \$57,602.53   | \$53,226.92 | \$4,375.61  | \$996,919.24   | \$1,441,532.97      |
| 103    | 3/1/2026     | \$996,919.24      | \$57,602.53       | \$0.00        | \$57,602.53   | \$53,448.70 | \$4,153.83  | \$943,470.55   | \$1,445,686.80      |
| 104    | 4/1/2026     | \$943,470.55      | \$57,602.53       | \$0.00        | \$57,602.53   | \$53,671.40 | \$3,931.13  | \$889,799.15   | \$1,449,617.92      |
| 105    | 5/1/2026     | \$889,799.15      | \$57,602.53       | \$0.00        | \$57,602.53   | \$53,895.03 | \$3,707.50  | \$835,904.12   | \$1,453,325.42      |
| 106    | 6/1/2026     | \$835,904.12      | \$57,602.53       | \$0.00        | \$57,602.53   | \$54,119.59 | \$3,482.93  | \$781,784.52   | \$1,456,808.35      |
| 107    | 7/1/2026     | \$781,784.52      | \$57,602.53       | \$0.00        | \$57,602.53   | \$54,345.09 | \$3,257.44  | \$727,439.43   | \$1,460,065.79      |
| 108    | 8/1/2026     | \$727,439.43      | \$57,602.53       | \$0.00        | \$57,602.53   | \$54,571.53 | \$3,031.00  | \$672,867.90   | \$1,463,096.79      |
| 109    | 9/1/2026     | \$672,867.90      | \$57,602.53       | \$0.00        | \$57,602.53   | \$54,798.91 | \$2,803.62  | \$618,068.99   | \$1,465,900.40      |
| 110    | 10/1/2026    | \$618,068.99      | \$57,602.53       | \$0.00        | \$57,602.53   | \$55,027.24 | \$2,575.29  | \$563,041.75   | \$1,468,475.69      |
| 111    | 11/1/2026    | \$563,041.75      | \$57,602.53       | \$0.00        | \$57,602.53   | \$55,256.52 | \$2,346.01  | \$507,785.23   | \$1,470,821.70      |
| 112    | 12/1/2026    | \$507,785.23      | \$57,602.53       | \$0.00        | \$57,602.53   | \$55,486.75 | \$2,115.77  | \$452,298.48   | \$1,472,937.47      |

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST   | ENDING BALANCE | CUMULATIVE INTEREST |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|------------|----------------|---------------------|
| 113    | 1/1/2027     | \$452,298.48      | \$57,602.53       | \$0.00        | \$57,602.53   | \$55,717.95 | \$1,884.58 | \$396,580.53   | \$1,474,822.05      |
| 114    | 2/1/2027     | \$396,580.53      | \$57,602.53       | \$0.00        | \$57,602.53   | \$55,950.11 | \$1,652.42 | \$340,630.42   | \$1,476,474.47      |
| 115    | 3/1/2027     | \$340,630.42      | \$57,602.53       | \$0.00        | \$57,602.53   | \$56,183.23 | \$1,419.29 | \$284,447.19   | \$1,477,893.76      |
| 116    | 4/1/2027     | \$284,447.19      | \$57,602.53       | \$0.00        | \$57,602.53   | \$56,417.33 | \$1,185.20 | \$228,029.86   | \$1,479,078.96      |
| 117    | 5/1/2027     | \$228,029.86      | \$57,602.53       | \$0.00        | \$57,602.53   | \$56,652.40 | \$950.12   | \$171,377.46   | \$1,480,029.08      |
| 118    | 6/1/2027     | \$171,377.46      | \$57,602.53       | \$0.00        | \$57,602.53   | \$56,888.45 | \$714.07   | \$114,489.00   | \$1,480,743.15      |
| 119    | 7/1/2027     | \$114,489.00      | \$57,602.53       | \$0.00        | \$57,602.53   | \$57,125.49 | \$477.04   | \$57,363.51    | \$1,481,220.19      |
| 120    | 8/1/2027     | \$57,363.51       | \$57,602.53       | \$0.00        | \$57,363.51   | \$57,124.50 | \$239.01   | \$0.00         | \$1,481,459.20      |

**EXHIBIT B-5**

**ACTUAL LEASEHOLD IMPROVEMENT COSTS – PAYMENT PLAN**

To be attached at a future date



**EXHIBIT B-6**

**FURNITURE, FIXTURES, AND EQUIPMENT PAYMENT SCHEDULE**

# LOAN AMORTIZATION SCHEDULE

## ENTER VALUES

|                             |                |
|-----------------------------|----------------|
| Loan amount                 | \$1,714,500.00 |
| Annual interest rate        | 5.00%          |
| Loan period in years        | 10             |
| Number of payments per year | 12             |
| Start date of loan          | 9/1/2017       |

## LOAN SUMMARY

|                              |             |
|------------------------------|-------------|
| Scheduled payment            | \$18,184.93 |
| Scheduled number of payments | 120         |
| Actual number of payments    | 120         |

Optional extra payments

\$ -

LENDER NAME Exhibit B-6 FF&E Amortizatio Schedule -  
23520 Cactus Avenue, Moreno Valley

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST   | ENDING BALANCE |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|------------|----------------|
| 1      | 9/1/2017     | \$1,714,500.00    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,041.18 | \$7,143.75 | \$1,703,458.82 |
| 2      | 10/1/2017    | \$1,703,458.82    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,087.19 | \$7,097.75 | \$1,692,371.63 |
| 3      | 11/1/2017    | \$1,692,371.63    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,133.38 | \$7,051.55 | \$1,681,238.25 |
| 4      | 12/1/2017    | \$1,681,238.25    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,179.77 | \$7,005.16 | \$1,670,058.47 |
| 5      | 1/1/2018     | \$1,670,058.47    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,226.36 | \$6,958.58 | \$1,658,832.12 |
| 6      | 2/1/2018     | \$1,658,832.12    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,273.13 | \$6,911.80 | \$1,647,558.98 |
| 7      | 3/1/2018     | \$1,647,558.98    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,320.10 | \$6,864.83 | \$1,636,238.88 |
| 8      | 4/1/2018     | \$1,636,238.88    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,367.27 | \$6,817.66 | \$1,624,871.61 |
| 9      | 5/1/2018     | \$1,624,871.61    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,414.63 | \$6,770.30 | \$1,613,456.98 |
| 10     | 6/1/2018     | \$1,613,456.98    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,462.20 | \$6,722.74 | \$1,601,994.78 |
| 11     | 7/1/2018     | \$1,601,994.78    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,509.95 | \$6,674.98 | \$1,590,484.83 |
| 12     | 8/1/2018     | \$1,590,484.83    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,557.91 | \$6,627.02 | \$1,578,926.91 |
| 13     | 9/1/2018     | \$1,578,926.91    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,606.07 | \$6,578.86 | \$1,567,320.84 |
| 14     | 10/1/2018    | \$1,567,320.84    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,654.43 | \$6,530.50 | \$1,555,666.42 |
| 15     | 11/1/2018    | \$1,555,666.42    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,702.99 | \$6,481.94 | \$1,543,963.43 |
| 16     | 12/1/2018    | \$1,543,963.43    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,751.75 | \$6,433.18 | \$1,532,211.67 |
| 17     | 1/1/2019     | \$1,532,211.67    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,800.72 | \$6,384.22 | \$1,520,410.96 |
| 18     | 2/1/2019     | \$1,520,410.96    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,849.89 | \$6,335.05 | \$1,508,561.07 |
| 19     | 3/1/2019     | \$1,508,561.07    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,899.26 | \$6,285.67 | \$1,496,661.81 |
| 20     | 4/1/2019     | \$1,496,661.81    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,948.84 | \$6,236.09 | \$1,484,712.97 |
| 21     | 5/1/2019     | \$1,484,712.97    | \$18,184.93       | \$0.00        | \$18,184.93   | \$11,998.63 | \$6,186.30 | \$1,472,714.34 |
| 22     | 6/1/2019     | \$1,472,714.34    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,048.62 | \$6,136.31 | \$1,460,665.72 |
| 23     | 7/1/2019     | \$1,460,665.72    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,098.83 | \$6,086.11 | \$1,448,566.89 |
| 24     | 8/1/2019     | \$1,448,566.89    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,149.24 | \$6,035.70 | \$1,436,417.65 |
| 25     | 9/1/2019     | \$1,436,417.65    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,199.86 | \$5,985.07 | \$1,424,217.79 |
| 26     | 10/1/2019    | \$1,424,217.79    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,250.69 | \$5,934.24 | \$1,411,967.10 |
| 27     | 11/1/2019    | \$1,411,967.10    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,301.74 | \$5,883.20 | \$1,399,665.37 |
| 28     | 12/1/2019    | \$1,399,665.37    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,352.99 | \$5,831.94 | \$1,387,312.37 |

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST   | ENDING BALANCE |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|------------|----------------|
| 29     | 1/1/2020     | \$1,387,312.37    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,404.46 | \$5,780.47 | \$1,374,907.91 |
| 30     | 2/1/2020     | \$1,374,907.91    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,456.15 | \$5,728.78 | \$1,362,451.76 |
| 31     | 3/1/2020     | \$1,362,451.76    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,508.05 | \$5,676.88 | \$1,349,943.71 |
| 32     | 4/1/2020     | \$1,349,943.71    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,560.17 | \$5,624.77 | \$1,337,383.54 |
| 33     | 5/1/2020     | \$1,337,383.54    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,612.50 | \$5,572.43 | \$1,324,771.04 |
| 34     | 6/1/2020     | \$1,324,771.04    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,665.05 | \$5,519.88 | \$1,312,105.99 |
| 35     | 7/1/2020     | \$1,312,105.99    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,717.82 | \$5,467.11 | \$1,299,388.16 |
| 36     | 8/1/2020     | \$1,299,388.16    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,770.82 | \$5,414.12 | \$1,286,617.35 |
| 37     | 9/1/2020     | \$1,286,617.35    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,824.03 | \$5,360.91 | \$1,273,793.32 |
| 38     | 10/1/2020    | \$1,273,793.32    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,877.46 | \$5,307.47 | \$1,260,915.86 |
| 39     | 11/1/2020    | \$1,260,915.86    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,931.12 | \$5,253.82 | \$1,247,984.74 |
| 40     | 12/1/2020    | \$1,247,984.74    | \$18,184.93       | \$0.00        | \$18,184.93   | \$12,985.00 | \$5,199.94 | \$1,234,999.75 |
| 41     | 1/1/2021     | \$1,234,999.75    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,039.10 | \$5,145.83 | \$1,221,960.65 |
| 42     | 2/1/2021     | \$1,221,960.65    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,093.43 | \$5,091.50 | \$1,208,867.22 |
| 43     | 3/1/2021     | \$1,208,867.22    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,147.99 | \$5,036.95 | \$1,195,719.23 |
| 44     | 4/1/2021     | \$1,195,719.23    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,202.77 | \$4,982.16 | \$1,182,516.46 |
| 45     | 5/1/2021     | \$1,182,516.46    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,257.78 | \$4,927.15 | \$1,169,258.68 |
| 46     | 6/1/2021     | \$1,169,258.68    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,313.02 | \$4,871.91 | \$1,155,945.66 |
| 47     | 7/1/2021     | \$1,155,945.66    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,368.49 | \$4,816.44 | \$1,142,577.17 |
| 48     | 8/1/2021     | \$1,142,577.17    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,424.19 | \$4,760.74 | \$1,129,152.97 |
| 49     | 9/1/2021     | \$1,129,152.97    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,480.13 | \$4,704.80 | \$1,115,672.84 |
| 50     | 10/1/2021    | \$1,115,672.84    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,536.30 | \$4,648.64 | \$1,102,136.55 |
| 51     | 11/1/2021    | \$1,102,136.55    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,592.70 | \$4,592.24 | \$1,088,543.85 |
| 52     | 12/1/2021    | \$1,088,543.85    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,649.33 | \$4,535.60 | \$1,074,894.52 |
| 53     | 1/1/2022     | \$1,074,894.52    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,706.21 | \$4,478.73 | \$1,061,188.31 |
| 54     | 2/1/2022     | \$1,061,188.31    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,763.31 | \$4,421.62 | \$1,047,425.00 |
| 55     | 3/1/2022     | \$1,047,425.00    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,820.66 | \$4,364.27 | \$1,033,604.34 |
| 56     | 4/1/2022     | \$1,033,604.34    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,878.25 | \$4,306.68 | \$1,019,726.09 |
| 57     | 5/1/2022     | \$1,019,726.09    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,936.07 | \$4,248.86 | \$1,005,790.01 |
| 58     | 6/1/2022     | \$1,005,790.01    | \$18,184.93       | \$0.00        | \$18,184.93   | \$13,994.14 | \$4,190.79 | \$991,795.87   |
| 59     | 7/1/2022     | \$991,795.87      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,052.45 | \$4,132.48 | \$977,743.42   |
| 60     | 8/1/2022     | \$977,743.42      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,111.00 | \$4,073.93 | \$963,632.42   |
| 61     | 9/1/2022     | \$963,632.42      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,169.80 | \$4,015.14 | \$949,462.62   |
| 62     | 10/1/2022    | \$949,462.62      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,228.84 | \$3,956.09 | \$935,233.79   |
| 63     | 11/1/2022    | \$935,233.79      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,288.13 | \$3,896.81 | \$920,945.66   |
| 64     | 12/1/2022    | \$920,945.66      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,347.66 | \$3,837.27 | \$906,598.00   |
| 65     | 1/1/2023     | \$906,598.00      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,407.44 | \$3,777.49 | \$892,190.56   |
| 66     | 2/1/2023     | \$892,190.56      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,467.47 | \$3,717.46 | \$877,723.09   |
| 67     | 3/1/2023     | \$877,723.09      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,527.75 | \$3,657.18 | \$863,195.34   |
| 68     | 4/1/2023     | \$863,195.34      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,588.29 | \$3,596.65 | \$848,607.05   |
| 69     | 5/1/2023     | \$848,607.05      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,649.07 | \$3,535.86 | \$833,957.98   |
| 70     | 6/1/2023     | \$833,957.98      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,710.11 | \$3,474.82 | \$819,247.87   |

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST   | ENDING BALANCE |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|------------|----------------|
| 71     | 7/1/2023     | \$819,247.87      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,771.40 | \$3,413.53 | \$804,476.47   |
| 72     | 8/1/2023     | \$804,476.47      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,832.95 | \$3,351.99 | \$789,643.53   |
| 73     | 9/1/2023     | \$789,643.53      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,894.75 | \$3,290.18 | \$774,748.78   |
| 74     | 10/1/2023    | \$774,748.78      | \$18,184.93       | \$0.00        | \$18,184.93   | \$14,956.81 | \$3,228.12 | \$759,791.96   |
| 75     | 11/1/2023    | \$759,791.96      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,019.13 | \$3,165.80 | \$744,772.83   |
| 76     | 12/1/2023    | \$744,772.83      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,081.71 | \$3,103.22 | \$729,691.12   |
| 77     | 1/1/2024     | \$729,691.12      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,144.55 | \$3,040.38 | \$714,546.56   |
| 78     | 2/1/2024     | \$714,546.56      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,207.66 | \$2,977.28 | \$699,338.91   |
| 79     | 3/1/2024     | \$699,338.91      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,271.02 | \$2,913.91 | \$684,067.89   |
| 80     | 4/1/2024     | \$684,067.89      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,334.65 | \$2,850.28 | \$668,733.24   |
| 81     | 5/1/2024     | \$668,733.24      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,398.54 | \$2,786.39 | \$653,334.69   |
| 82     | 6/1/2024     | \$653,334.69      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,462.70 | \$2,722.23 | \$637,871.99   |
| 83     | 7/1/2024     | \$637,871.99      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,527.13 | \$2,657.80 | \$622,344.86   |
| 84     | 8/1/2024     | \$622,344.86      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,591.83 | \$2,593.10 | \$606,753.03   |
| 85     | 9/1/2024     | \$606,753.03      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,656.79 | \$2,528.14 | \$591,096.23   |
| 86     | 10/1/2024    | \$591,096.23      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,722.03 | \$2,462.90 | \$575,374.20   |
| 87     | 11/1/2024    | \$575,374.20      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,787.54 | \$2,397.39 | \$559,586.66   |
| 88     | 12/1/2024    | \$559,586.66      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,853.32 | \$2,331.61 | \$543,733.34   |
| 89     | 1/1/2025     | \$543,733.34      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,919.38 | \$2,265.56 | \$527,813.96   |
| 90     | 2/1/2025     | \$527,813.96      | \$18,184.93       | \$0.00        | \$18,184.93   | \$15,985.71 | \$2,199.22 | \$511,828.26   |
| 91     | 3/1/2025     | \$511,828.26      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,052.31 | \$2,132.62 | \$495,775.94   |
| 92     | 4/1/2025     | \$495,775.94      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,119.20 | \$2,065.73 | \$479,656.74   |
| 93     | 5/1/2025     | \$479,656.74      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,186.36 | \$1,998.57 | \$463,470.38   |
| 94     | 6/1/2025     | \$463,470.38      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,253.81 | \$1,931.13 | \$447,216.57   |
| 95     | 7/1/2025     | \$447,216.57      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,321.53 | \$1,863.40 | \$430,895.04   |
| 96     | 8/1/2025     | \$430,895.04      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,389.54 | \$1,795.40 | \$414,505.51   |
| 97     | 9/1/2025     | \$414,505.51      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,457.83 | \$1,727.11 | \$398,047.68   |
| 98     | 10/1/2025    | \$398,047.68      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,526.40 | \$1,658.53 | \$381,521.28   |
| 99     | 11/1/2025    | \$381,521.28      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,595.26 | \$1,589.67 | \$364,926.02   |
| 100    | 12/1/2025    | \$364,926.02      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,664.41 | \$1,520.53 | \$348,261.61   |
| 101    | 1/1/2026     | \$348,261.61      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,733.84 | \$1,451.09 | \$331,527.77   |
| 102    | 2/1/2026     | \$331,527.77      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,803.57 | \$1,381.37 | \$314,724.20   |
| 103    | 3/1/2026     | \$314,724.20      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,873.58 | \$1,311.35 | \$297,850.62   |
| 104    | 4/1/2026     | \$297,850.62      | \$18,184.93       | \$0.00        | \$18,184.93   | \$16,943.89 | \$1,241.04 | \$280,906.73   |
| 105    | 5/1/2026     | \$280,906.73      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,014.49 | \$1,170.44 | \$263,892.24   |
| 106    | 6/1/2026     | \$263,892.24      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,085.38 | \$1,099.55 | \$246,806.86   |
| 107    | 7/1/2026     | \$246,806.86      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,156.57 | \$1,028.36 | \$229,650.29   |
| 108    | 8/1/2026     | \$229,650.29      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,228.06 | \$956.88   | \$212,422.23   |
| 109    | 9/1/2026     | \$212,422.23      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,299.84 | \$885.09   | \$195,122.39   |
| 110    | 10/1/2026    | \$195,122.39      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,371.92 | \$813.01   | \$177,750.47   |
| 111    | 11/1/2026    | \$177,750.47      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,444.31 | \$740.63   | \$160,306.17   |
| 112    | 12/1/2026    | \$160,306.17      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,516.99 | \$667.94   | \$142,789.18   |

| PMT NO | PAYMENT DATE | BEGINNING BALANCE | SCHEDULED PAYMENT | EXTRA PAYMENT | TOTAL PAYMENT | PRINCIPAL   | INTEREST | ENDING BALANCE |
|--------|--------------|-------------------|-------------------|---------------|---------------|-------------|----------|----------------|
| 113    | 1/1/2027     | \$142,789.18      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,589.98 | \$594.95 | \$125,199.20   |
| 114    | 2/1/2027     | \$125,199.20      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,663.27 | \$521.66 | \$107,535.93   |
| 115    | 3/1/2027     | \$107,535.93      | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,736.87 | \$448.07 | \$89,799.06    |
| 116    | 4/1/2027     | \$89,799.06       | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,810.77 | \$374.16 | \$71,988.29    |
| 117    | 5/1/2027     | \$71,988.29       | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,884.98 | \$299.95 | \$54,103.31    |
| 118    | 6/1/2027     | \$54,103.31       | \$18,184.93       | \$0.00        | \$18,184.93   | \$17,959.50 | \$225.43 | \$36,143.81    |
| 119    | 7/1/2027     | \$36,143.81       | \$18,184.93       | \$0.00        | \$18,184.93   | \$18,034.33 | \$150.60 | \$18,109.48    |
| 120    | 8/1/2027     | \$18,109.48       | \$18,184.93       | \$0.00        | \$18,109.48   | \$18,034.02 | \$75.46  | \$0.00         |

**EXHIBIT B-7**

**FURNITURE, FIXTURE, AND EQUIPMENT COST**

**EXHIBIT B-7**  
**LIST OF FURNITURE, FIXTURE AND EQUIPMENT AND COSTS**  
**23520 CACTUS AVENUE, MORENO VALLEY, RIVERSIDE**

|                                 |                       |
|---------------------------------|-----------------------|
| Furniture/Non-Medical Equipment | \$1,200,000.00        |
| RCIT Cabling Infrastructure     | \$149,500.00          |
| Security System                 | \$180,000.00          |
| Kiosk                           | \$40,000.00           |
| TV/Computers                    | <u>\$145,000.00</u>   |
| Total:                          | <b>\$1,714,500.00</b> |