

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



**ITEM: 3.18
(ID # 12371)**

MEETING DATE:
Tuesday, May 19, 2020

FROM: FACILITIES MANAGEMENT AND Sheriff:

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) and SHERIFF: Approval of Office Lease, Sheriff, Riverside, 5-Year Lease, DIG ROP Vine Street, LLC, District 1, CEQA Exempt, [\$257,241], 100% Federal - FBI, (Clerk of the Board to File Notice of Exemption within five business days)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301 (c) - Existing Facilities Exemption, and Section 15061 (b)(3) - Common Sense Exemption;
2. Approve the Office Lease with DIG ROP Vine Street, LLC, and authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Authorize and direct the Clerk of the Board to file Notice of exemption within five business days of approval by the Board.

ACTION:Policy


Rose Salgado, Director of Facilities Management

5/7/2020



Robert Gunzel, Assistant Sheriff

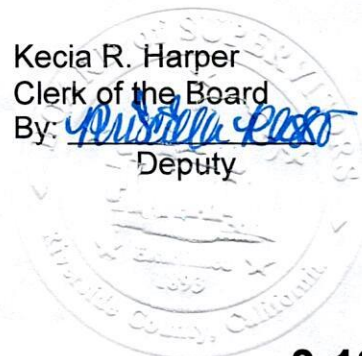
5/7/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: May 19, 2020
xc: FM

Kecia R. Harper
Clerk of the Board
By: 
Deputy



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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$15,682	\$35,115	\$ 257,241	\$
NET COUNTY COST	\$	\$	\$	\$
SOURCE OF FUNDS: 100% Federal - FBI			Budget Adjustment:	No
			For Fiscal Year: 2020/21-	
			2023/24	

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

On August 2, 2019 the Riverside County Sheriff's Department (RSD) entered into a Memorandum of Understanding (MOU) with the Federal Bureau of Investigation (FBI). The purpose of the MOU is to delineate the responsibilities of the Inland Empire Safe Streets Task Force personnel; formalize relationships between participating agencies for policy guidance, planning, training, public and media relations and to maximize inter-agency cooperation. The mission is to identify and target for prosecution criminal enterprise groups responsible for drug trafficking, money laundering, alien smuggling, crimes of violence such as murder and aggravated assault, robbery, and violent street gangs, as well as to intensely focus on the apprehension of dangerous fugitives where there is or may be a federal investigative interest. The MOU also provides for funding to cover office space, office supplies, travel funds, funds for purchase of evidence and information, investigative equipment, training and support items.

In an effort to assist the RSD in achieving their goals for the office space, the Facilities Management- Real Estate (FM-RE) has negotiated a 39-month Office Lease Agreement to include minor improvements at Lessors sole cost and expense and three months of rent abatement.

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 (c), Class 1 – Existing Facilities exemption and Section 15061 (b)(3) – Common Sense exemption. The proposed project, the approval of the Lease, is the letting of property involving existing facilities, and no expansion of an existing use will occur.

The Office Lease has been approved as to form by County Counsel. The Office Lease is summarized below:

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

Lessor: DIG ROP Vine Street, LLC
c/o Dornin Realty Advisors CA, Inc.
P.O. Box 1899
Laguna Beach, CA 92652

Location: 3480 Vine Street, Riverside, CA

Size: Approximately 3,018 Sq. Ft.

Term: Thirty-nine months, commencing in May 2020

Rent: New
\$ 2.35 PSF
\$ 7,092.30 Per Month
\$ 85,107.60 Per Year

Rent Adjustments: Three (3%) annually

Operating Expenses: Tenant's Share is 6.80% of 2020 Base Year, Estimated at \$400.00 per month, \$4,800.00 per Year

Utilities: Included in Operating expenses

Maintenance: Lessor is responsible for maintenance

Custodial: Provided by Lessor, including paper products

Impact on Residents and Businesses

The missions and programs that Riverside County Sheriff's Department and Federal Bureau of Investigations provide will benefit the Sheriff's Department and the communities they serve.

Additional Fiscal Information

See Exhibits A, B & C

Contract History and Price Reasonableness

The Lease rate is deemed competitive based upon the current market.

Attachments:

Lease
Exhibits A, B, C

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

Notice of Exemption
Aerial Image

CC:ar/042020


Steven Atkeson

5/11/2020


Gregory V. Priamos, Director County Counsel

5/7/2020

Exhibit A

FY 2019/20

Sheriff's Department-FBI Share

3480 Vine Street, Suite 110, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	3,018 SQFT	
Approximate Cost per SQFT (May-Jun)	\$ 2.35	
Lease Cost per Month (May-Jun)	\$ 7,092.30	
Total Lease Cost (May-Jun)		\$ 14,184.60
Total Estimated Lease Cost for FY 2019/20		\$ 14,184.60

Estimated Additional Costs:

Estimated Utility Costs per Month	\$ 400.00	
Total Estimated Utility Cost (May-Jun)		\$ 800.00
Total Estimated Utility Cost for FY 2019/20		\$ 800.00
FM MANAGEMENT FEE AS OF 5/01/2020	4.92%	\$ 697.88
TOTAL ESTIMATED COST FOR FY 2019/20		\$ 15,682.48

Exhibit B

FY 2020/21

Sheriff's Department-FBI Share

3480 Vine Street, Suite 110, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	3,018 SQFT	
Approximate Cost per SQFT (Jul-Apr)	\$ 2.35	
Approximate Cost per SQFT (May-Jun)	\$ 2.42	
Lease Cost per Month (Jul-Apr)	\$ 7,092.30	
Lease Cost per Month (May-Jun)	\$ 7,305.07	
Total Lease Cost (Jul-Apr)		\$ 14,184.60
Total Lease Cost (May-Jun)		\$ 14,610.14
Total Estimated Lease Cost for FY 2020/21		\$ 28,794.74

Estimated Additional Costs:

Estimated Utility Costs per Month	\$ 400.00	
Total Estimated Utility Cost (Jul-Jun)		\$ 4,800.00
FM LEASE MANAGEMENT FEE AS OF 7/1/2020	5.28%	\$ 1,520.36
TOTAL ESTIMATED COST FOR FY 2020/21		\$ 35,115.10

Exhibit C

FY 2021/22 to 2023/24
Sheriff's Department-FBI Share
3480 Vine Street, Suite 110, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 3,018 SQFT

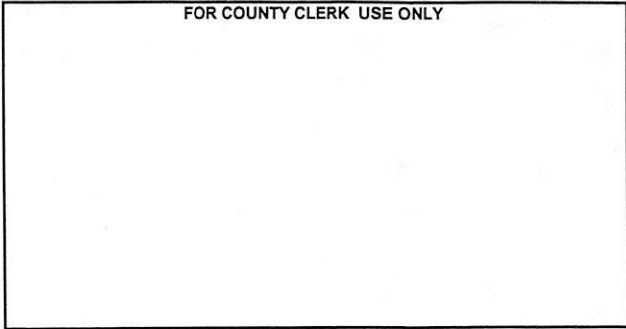
	FY 2021/22	FY 2022/23	FY 2023/24
Approximate Cost per SQFT (Jul-Apr)	\$ 2.42	\$ 2.49	\$ 2.57
Approximate Cost per SQFT (May-Jun)	\$ 2.49	\$ 2.57	\$ 2.57
Lease Cost per Month (Jul-Apr)	\$ 7,305.07	\$ 7,524.22	\$ 7,749.95
Lease Cost per Month (May-Jun)	\$ 7,524.22	\$ 7,749.95	\$ 7,749.95
Total Lease Cost (July - Nov)	\$ 73,050.70	\$ 75,242.20	\$ 7,749.95
Total Lease Cost (Dec - June)	\$ 15,048.44	\$ 15,499.89	\$ -
Total Estimated Lease Cost for FY 2021/22 to 2023/24	\$ 88,099.14	\$ 90,742.09	\$ 7,749.95

Estimated Additional Costs:

Estimated Utility Costs per Month	\$ 400.00	\$ 400.00	\$ 400.00
Total Estimated Utility Cost	\$ 4,800.00	\$ 4,800.00	\$ 400.00
FM LEASE MANAGEMENT FEE AS 7/01/2020 5.28%	\$ 4,651.63	\$ 4,791.18	\$ 409.20
TOTAL ESTIMATED COST FOR FY 2021/22 to 2023/24	\$ 97,550.77	\$ 100,333.27	\$ 8,559.15

F11 Total Cost **\$ 257,240.77**

County of Riverside
Facilities Management
3403 10th Street, Riverside, CA



NOTICE OF EXEMPTION

Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

April 22, 2020

5.20.20
Date

PR
Initial

Project Name: Sheriff's Department Five-Year Lease, Vine Street

Project Number: FM0412500014

Project Location: 3480 Vine Street, south of Third Street, Riverside, California; APN 213-142-030

Description of Project: On August 2, 2019 the Riverside County Sheriff's Department (RSD) entered into a Memorandum of Understanding (MOU) with the Federal Bureau of Investigation (FBI). The purpose of the MOU is to delineate the responsibilities of the Inland Empire Safe Streets Task Force personnel; formalize relationships between participating agencies for policy guidance, planning, training, public and media relations and to maximize inter-agency cooperation. The mission is to identify and target for prosecution criminal enterprise groups responsible for drug trafficking, money laundering, alien smuggling, crimes of violence such as murder and aggravated assault, robbery, and violent street gangs, as well as to intensely focus on the apprehension of dangerous fugitives where there is or may be a federal investigative interest. The MOU also provides for funding to cover office space, office supplies, travel funds, funds for purchase of evidence and information, investigative equipment, training and support items. In an effort to assist Sheriff's in achieving their goals for the office space. The Facilities Management- Real Estate Division (FM-RED) has negotiated a 39-month Lease Agreement to include minor improvements at Lessors sole cost and expense and three months of rent abatement. The Lease Agreement with DIG ROP Vine Street, LLC., is defined as the proposed project under the California Environmental Quality Act (CEQA). The project is the letting of property involving existing facilities; no expansion of the existing facility will occur. The operation of the facility will continue to provide office space to be occupied by RSD for the RUHS-PH WIC programs. No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 would the project involve unusual circumstances that could potentially 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.

MAY 19 2020 3.18

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Sheriff's Department Five-Year Lease, Vine Street

Accounting String: 524830-47220-7200400000 - FM0412500014

DATE: April 22, 2020

AGENCY: Riverside County Facilities Management

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, Facilities Management**

Signature: 

PRESENTED BY: **Cindy Campos, Senior Real Property Agent, Facilities Management**

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -

County of Riverside
Facilities Management
3403 10th Street, Riverside, CA 92501

Date: April 22, 2020
To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk
From: Mike Sullivan, Senior Environmental Planner, Facilities Management
Subject: **County of Riverside Facilities Management Project # FM0412500014**
Sheriff's Department Five-Year Lease, Vine Street

The Riverside County's Facilities Management'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,

Facilities Management,

3403 10th Street, Suite 400, Riverside, CA 92501

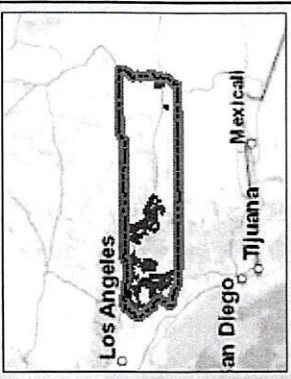
If you have any questions, please contact Mike Sullivan at 955-8009 or email at msullivan@rivco.org.

Attachment

cc: file

Lease, Sheriff Department

3480 Vine Street



Legend

- Blue Line Streams
- City Areas

Notes

APN 213-142-030

IMPORTANT Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.



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OFFICE LEASE

DIG ROP VINE STREET, LLC,
a Delaware limited liability company,
as “**Landlord**”,

and

COUNTY OF RIVERSIDE
a political subdivision of the State of California
as “**Tenant**”

EFFECTIVE DATE:

May 19, 2020

BUILDING:

3480 Vine Street, Riverside, California

BASIC LEASE PROVISIONS

These **BASIC LEASE PROVISIONS** (“**Basic Lease Provisions**”) are hereby incorporated into and made a part of the attached Lease. In the event of a conflict between the terms of the Basic Lease Provisions and the Lease, the terms of the Lease shall prevail. Any capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Lease.

BASIC LEASE TERMS	DESCRIPTION
1. Effective Date:	May __, 2020
2. Landlord:	DIG ROP VINE STREET, LLC , a Delaware limited liability company
3. Address of Landlord:	DIG ROP Vine Street, LLC c/o Dornin Realty Advisors CA, Inc. PO Box 1899 Laguna Beach, California 92652 Attn: Legal Department Payment of Rent to: DIG ROP Vine Street, LLC Dept. C8001 P.O. Box 509015 San Diego, CA 92150-9015
4. Tenant:	COUNTY OF RIVERSIDE a political subdivision of the State of California
5. Address of Tenant:	Prior to occupancy: 3133 Mission Inn Avenue Riverside, California 92507 After occupancy: 3480 Vine Street, Suite 110 Riverside, California 92507
6. Premises:	
6.1 Premises/Building/Project:	The Premises consists of Suite 110 (the “ Premises ”), which is located on the first (1 st) floor of the building commonly known as 3480 Vine Street, Riverside, California 92507

BASIC LEASE TERMS**DESCRIPTION**

(the "**Building**").

- 6.2 Rentable Square Feet: The Premises contains approximately 3,018 rentable square feet, as depicted on **Exhibit A** to the Lease; and the Building contains approximately 44,354 rentable square feet.
- 6.3 Use: General business and administrative office use and any other legally permitted uses ancillary thereto, subject to Section 5.1.
7. Term:
- 7.1 Lease Term: Thirty-nine (39) full calendar months.
- 7.2 Lease Commencement Date: The earlier of (i) the date upon which Substantial Completion of Landlord's Work (as each such term is defined in the Work Letter attached to the Lease as **Exhibit B**) occurs; and (ii) the date Tenant first conducts business in the Premises.
- 7.3 Lease Expiration Date: The last day of the thirty-ninth (39th) full calendar month following the Lease Commencement Date.
8. Base Rent (Subject to Section 3.2 below):
- | <u>Months of Lease Term</u> | <u>Monthly Base Rent Per Square Foot</u> | <u>Annualized Base Rent</u> | <u>Monthly Installment of Base Rent</u> |
|-----------------------------|--|-----------------------------|---|
| 1-12 | \$2.35 | \$85,107.60 | \$7,092.30 |
| 13-24 | \$2.42 | \$87,660.83 | \$7,305.07 |
| 25-36 | \$2.49 | \$90,290.65 | \$7,524.22 |
| 37-39 | \$2.57 | \$92,999.37 | \$7,749.95 |
9. Security Deposit: None
10. Broker(s): None
11. Parking: Nine (9) unreserved parking spaces located in the Building parking lot at no additional charge to Tenant.

BASIC LEASE TERMS

DESCRIPTION

- | | | |
|-----|----------------------|--|
| 12. | Tenant's Share: | Tenant's Share is equal to 6.80%. |
| 13. | Base Year(s): | Base Expense Year shall mean the 2020 calendar year; and Base Tax Year shall mean the 2020 calendar year. |
| 14. | Tenant Improvements: | Landlord will turnkey the Premises according to the Work Letter attached to the Lease as <u>Exhibit B</u> and plan set forth in <u>Exhibit B-1</u> . |

OFFICE LEASE

This **OFFICE LEASE** (this “**Lease**”), together with the preceding Basic Lease Provisions and the Exhibits attached hereto, all of which are incorporated herein by this reference, is dated as of the Effective Date set forth in the Basic Lease Provisions, and is made by and between Landlord and Tenant, with respect to the following:

ARTICLE 1 **BUILDING AND PREMISES**

1.1. PREMISES

Upon and subject to the terms, covenants and conditions hereinafter set forth in this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the “**Premises**” as defined in the Basic Lease Provisions, and as more particularly set forth in the plan attached hereto as **Exhibit A**.

1.2. BUILDING

The Premises is located in the “**Building**” defined in the Basic Lease Provisions, which part of the commercial project located at 3480 and 3550 Vine Street, Riverside, California 92507. For purposes of this Lease, the term “**Project**” shall mean, collectively: (a) the Building, (b) any other buildings located or to be located at the aforementioned the commercial project, as the same may be expanded from time to time (collectively, the “**Other Buildings**”), (c) the parking areas servicing the Building and/or the Other Buildings, (d) any outside plaza areas, walkways, driveways, courtyards, public and private streets, transportation facilitation areas and other improvements and facilities now or hereafter constructed surrounding and/or servicing the Building and/or the Other Buildings, which are designated from time to time by Landlord (and/or any other owners of the Project) as common areas appurtenant to or servicing the Building, the Other Buildings, and/or any such other improvements, (e) any additional buildings, improvements, facilities, parking areas and structures and common areas which Landlord (and/or any other owners of the Project and/or any common area association for the Project) may add thereto from time to time within or as part of the Project, and (f) the land upon which any of the foregoing are situated. Notwithstanding the foregoing or anything contained in this Lease to the contrary, (i) Landlord has no obligation to expand or otherwise make any improvements within the Project (other than as provided in the Work Letter attached hereto as Exhibit B (the “**Work Letter**”), and (ii) Landlord shall have the right, from time to time, to include or exclude any improvements or facilities within the Project. Except when and where Tenant’s right of access is specifically excluded as the result of (1) an emergency, casualty or condemnation; (2) as a requirements of Laws (as defined below), (3) events beyond Landlord’s control, or (4) a specific provision set forth in this Lease, Tenant shall have the right of access to the Premises twenty-four (24) hours per day and seven (7) days per week, during the Lease Term.

1.3. TENANT’S AND LANDLORD’S RIGHTS

Subject to the terms herein, Tenant is hereby granted the nonexclusive right to use the common driveways and other public or common areas located within the Project that are designated by Landlord, from time to time, as common areas for the Project; *provided, however,*

that (a) Tenant may not go on the roof of the Building or any Other Buildings without Landlord's prior written consent, and (b) Landlord reserves the right to use or close any of the common areas of the Project or to make any changes, additions, improvements, repairs and/or replacements in or to the Project or any portion or elements thereof (including, without limitation, changes in the location, size, shape and number of driveways, entrances, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways, public and private streets, plazas, courtyards, parking areas or structures, transportation facilitation areas and common areas) and/or to perform such other acts and make such other changes with respect to the Project as Landlord may deem to be appropriate or necessary, from time to time, without any abatement of Rent or any other compensation to Tenant.

1.4. CONDITION OF PREMISES

Other than the Landlord's Work (as defined in the Work Letter), and except as expressly set forth in this Lease, Landlord shall not be obligated to provide or pay for any improvement, remodeling or refurbishment work or services related to the improvement, remodeling, or refurbishment of the Premises. Tenant accepts the Premises, Building and Project in their "AS-IS," and "WHERE-IS" condition, subject to all applicable Laws, private covenants, conditions and restrictions and reasonable rules and regulations established by Landlord from time to time, and understands and agrees that Tenant's use of the Premises, Building, and Project shall be subject to the same. Additionally, as required by California law, Landlord makes the following disclosure:

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises. Civil Code § 1938(e).

1.5. RENTABLE SQUARE FEET

The approximate rentable square feet of the Premises and the Project are set forth in the Basic Lease Provisions. For purposes hereof, the rentable square feet of the Premises and the Project have been calculated to include, among other things, a portion of the common areas and service areas of the Building and the Project, and thus do not represent the actual usable square footage of the Premises and the Project.

ARTICLE 2 **LEASE TERM**

The terms and provisions of this Lease shall be effective as of the Effective Date. The Lease Commencement Date and Lease Term shall be as set forth in the Basic Lease Provisions, unless this Lease is terminated sooner as provided herein. For purposes of this Lease, the term “**Lease Year**” shall mean each consecutive twelve (12) month period during the Lease Term, *provided that* the last Lease Year shall end on the Lease Expiration Date. Except as may be expressly provided in the Work Letter, Landlord shall not be subject to any liability nor shall the validity of this Lease be affected if Landlord fails to Substantially Complete Landlord’s Work and deliver possession of the Premises to Tenant by any specific date anticipated by Tenant. Tenant acknowledges that Landlord has made no representations or warranties regarding a date by which Landlord’s Work will be Substantially Complete. Contemporaneously with and as a condition precedent to Landlord’s delivery of the Premises to Tenant, Tenant shall execute and deliver to Landlord, a commencement date amendment to this Lease in the form attached hereto as **Exhibit C** setting forth, among other things, the Lease Commencement Date and the Lease Expiration Date.

ARTICLE 3 **BASE RENT**

3.1. BASE RENT

Subject to the provisions of Section 3.2 below, Tenant shall pay, without notice or demand, to Landlord or at such other place as Landlord may from time to time designate in writing, in currency or a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, monthly installments of base rent as set forth in the Basic Lease Provisions (“**Base Rent**”), on or before the first day of each and every month during the Lease Term, without any setoff or deduction whatsoever. The Base Rent for the first (1st) full month of the Lease Term and the Security Deposit (as set forth in the Basic Lease Provisions) shall be paid at the time of Tenant’s execution of this Lease. If the Lease Commencement Date or the Lease Expiration Date occurs on a day other than the first day of a calendar month (in the case of the Lease Commencement Date) or the last day of a calendar month (in the case of the Lease Expiration Date), the Base Rent and Additional Rent (as defined below) for such partial calendar month shall be prorated based on the actual number of days. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

3.2. ABATEMENT OF BASE RENT

Notwithstanding anything to the contrary contained herein and provided that Tenant faithfully performs all of the terms and conditions of this Lease, Landlord hereby agrees to abate Tenant’s obligation to pay monthly Base Rent attributable to the first three (3) full calendar months of the Lease Term (collectively, the “**Abated Rent**”). During such abatement periods, Tenant shall remain responsible for the payment of all of its other monetary obligations under this Lease, including all Additional Rent payable under Article 4 below. In the event of a default by Tenant under the terms of this Lease beyond any applicable notice and cure period that results

in the early termination of this Lease, then as a part of the recovery set forth in Article 19 of this Lease, Landlord shall be entitled to recover the unamortized portion of the Abated Rent (which Abated Rent shall be amortized on a straight-line basis over the initial Lease Term).

ARTICLE 4 **ADDITIONAL RENT**

4.1. ADDITIONAL RENT

In addition to paying the Base Rent, Tenant shall pay to Landlord as additional rent the sum of the following: (a) Tenant's Share of the amount by which annual Operating Expenses (which by definition shall include the Tax Expenses and Utilities Costs), exceeds Operating Expenses for the Base Expense Year (or Base Tax Year, as applicable), as determined by Landlord, provided that in no event shall the amount required to be paid by Tenant for any calendar year during the Lease Term be less than zero, and (b) such other amounts specified herein. Such additional items, together with any and all other amounts payable by Tenant to Landlord pursuant to the terms of this Lease shall be hereinafter collectively referred to as "**Additional Rent**". The Base Rent and Additional Rent are herein collectively referred to as the "**Rent**". All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner and place as the Base Rent. If Tenant fails to pay any Rent as and when due, such obligations of Tenant to pay the Rent provided for in this Lease shall survive the expiration or termination of this Lease.

4.2. PAYMENT OF ADDITIONAL RENT

(a) Landlord shall estimate the total amount of Tenant's Share of the amount by which annual Operating Expenses (which by definition shall include the Tax Expenses and Utilities Costs), for the ensuing calendar year exceeds Operating Expenses for the Base Expense Year (or Base Tax Year, as applicable), as determined by Landlord, provided, that, in no event shall the amount required to be paid by Tenant for any calendar year during the Lease Term be less than zero, and Tenant shall pay to Landlord one-twelfth (1/12) of such sum on the first day of each calendar month during such ensuing calendar year, or part thereof, during the Lease Term. Within ninety (90) days after the end of each calendar year, Landlord shall endeavor to submit to Tenant a reasonably detailed statement of the actual amount of Operating Expenses for such calendar year and the actual amount owed by Tenant (or to be credited to Tenant in the event of overpayment) and within thirty (30) days after receipt of such statement, Tenant shall pay any deficiency between the actual amount owed and the estimates paid during such calendar year, or in the event of overpayment, Landlord shall credit the amount of such overpayment toward the next installment of Rent owed by Tenant or remit such overpayment to Tenant if the Lease Term has expired or has been terminated and Tenant is not in default hereunder. Landlord shall have the right from time to time to adjust the estimated amount of Operating Expenses and Tenant shall make any catch-up payments based upon such adjusted amount within thirty (30) days after receipt of such new estimate. It is intended that, except as expressly set forth herein, this Lease is a triple net lease and Landlord shall not be responsible for any costs or charges related to the Premises.

(b) Within one hundred twenty (120) days after the end of each calendar year or as soon thereafter as is practicable, Landlord shall furnish Tenant with a statement of the actual Operating Expenses and the Additional Rent paid by Tenant for such calendar year. If the total of the Additional Rent paid by Tenant for such calendar year is more than the actual amount of Operating Expenses allocable to Tenant for such calendar year pursuant to this Lease, Landlord shall apply any overpayment by Tenant against Rent due or next becoming due; provided, if the Lease Term expires before the determination of the overpayment, Landlord shall, within 30 days of determination, refund any overpayment to Tenant (after first deducting any amount of Rent that is then overdue). If the total Additional Rent paid by Tenant for the prior calendar year is less than the actual amount of Operating Expenses allocable to Tenant for such year pursuant to this Lease, Tenant shall pay Landlord, within thirty (30) days after its receipt of the statement of Operating Expenses, any underpayment for the prior calendar year.

4.3. CERTAIN DEFINITIONS

The following terms shall have the meanings hereinafter set forth:

(a) “**Calendar Year**” shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires.

(b) “**Expense Year**” shall mean each Calendar Year, provided that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive-month period, and, in the event of any such change, Tenant’s Share of Operating Expenses (which includes, Tax Expenses and Utilities Costs) shall be equitably adjusted for any Expense Year involved in any such change.

(c) “**Operating Expenses**” shall mean all expenses, costs and amounts of every kind and nature which Landlord shall pay or incur during any Expense Year, because of or in connection with, the ownership, management, maintenance, repair, replacement, restoration or operation of the Project, including, without limitation, any amounts paid for:

1. the cost of operating, maintaining, repairing, renovating and managing the utility systems, mechanical systems, sanitary and storm drainage systems, any elevator systems (if applicable) and all other “**Systems and Equipment**” (as defined below), and the cost of supplies and equipment and maintenance and service contracts in connection therewith,

2. the cost of licenses, certificates, permits and inspections, and the cost of contesting the validity or applicability of any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with implementation and operation (by Landlord or any common area association(s) formed for the Project) of any transportation system management program or similar program,

3. the cost of insurance carried by Landlord, in such amounts as Landlord may reasonably determine or as may be required by any mortgagees or the lessor of any underlying or ground lease affecting the Project,

4. the cost of landscaping, re-lamping, supplies, tools, equipment and materials, and all fees, charges and other costs (including consulting fees, legal fees and accounting fees) incurred in connection with the management, operation, repair, maintenance and replacement of the Project, including without limitation, the Systems and Equipment and components thereof and the cost of parking area repair, restoration and maintenance, including but not limited to, resurfacing, repainting, restriping and cleaning,

5. any equipment rental agreements or management agreements (including the cost of any management fee and the fair rental value of any office space provided thereunder),

6. wages, salaries and other compensation and benefits of all persons engaged in the operation, management, maintenance or security of the Project, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits,

7. payments under any easement, license, operating agreement, declaration, restrictive covenant, underlying or ground lease (excluding rent), or instrument pertaining to the sharing of costs by the Project,

8. the cost of janitorial service, trash removal, light bulb replacement, alarm and security service, if any, window cleaning, replacement of wall and floor coverings, ceiling tiles and fixtures in lobbies, corridors, restrooms and other common or public areas or facilities, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing,

9. amortization (including interest on the unamortized cost) of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project,

10. all Tax Expenses (as defined below) and Utility Costs (defined below),

11. the cost of any capital improvements or other costs: (i) which are intended as a labor-saving device or to effect other economies in the operation or maintenance of the Project, (ii) made to the Project or any portion thereof after the Lease Commencement Date that are required under any governmental law or regulation, or (iii) which are reasonably determined by Landlord to be in the best interests of the Project; provided, however, that if any such cost described in (i), (ii) or (iii) above, is a capital expenditure, such cost shall be amortized (including interest on the unamortized cost) over its useful life as Landlord shall reasonably determine.

Notwithstanding the foregoing, Operating Expenses shall not include:

- A. costs of leasing commissions, attorneys' fees and other costs and expenses incurred in connection with negotiations or disputes with present or prospective tenants or other occupants of the Project,
- B. costs (including permit, license and inspection costs) incurred in renovating or otherwise improving, decorating or redecorating rentable space for other tenants or vacant rentable space,
- C. costs incurred due to the violation by Landlord of the terms and conditions of any lease of space in the Project,
- D. costs of overhead or profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for services in or in connection with the Project to the extent the same exceeds the costs of overhead and profit increment included in the costs of such services which could be obtained from third parties on a competitive basis, and
- E. except as otherwise specifically provided herein, costs of interest on debt or amortization on any mortgages, and rent payable under any ground lease of the Project.

In addition (x) if the Building (and/or any of the Other Buildings or the Project, as applicable) is less than ninety-five percent (95%) occupied during all or a portion of any Expense Year, Landlord shall make an appropriate adjustment to the variable components of Operating Expenses for such year or applicable portion thereof, employing sound accounting and management principles, to determine the amount of Operating Expenses that would have been paid had the Building (and/or such Other Buildings or the Project, as applicable) been ninety-five percent (95%) occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year, or applicable portion thereof. In determining such adjustment pursuant to the immediately preceding sentence, any gross receipts taxes, management fees or other expenses that are tied to the receipt of rental income shall be determined as if the applicable buildings described above were ninety-five percent (95%) occupied during any Expense Year and all tenants were paying the full rental initially payable under their respective leases (as opposed to half-rent or abated rent); and (y) if, during all or any part of any Expense Year, Landlord shall not furnish any particular items of work or service (the cost of which, if performed by Landlord, would be included in Operating Expenses) to a tenant (including Tenant) who has undertaken to perform such item of work or service in lieu of the performance thereof by Landlord, Operating Expenses shall be deemed to be increased by an amount equal to the additional Operating Expenses which would reasonably have been incurred during such period by Landlord if Landlord had at its own expense furnished such item of work or service to such tenant.

(d) **"Systems and Equipment"** shall mean any plant, machinery, transformers, duct work, cable, wires, and other equipment, facilities, and systems designed to supply heat, ventilation, air conditioning and humidity, or any other services

or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, security, or fire/life safety systems or equipment, or any other mechanical, electrical, electronic, computer or other systems or equipment which serve the Building and/or any other building in the Project, in whole or in part.

(e) **“Tax Expenses”** means all federal, state, county, or local governmental or municipal taxes, fees, assessments, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary (including, without limitation, assessments, taxes and/or fees for transit, job training subsidies, open space, housing subsidies and/or housing fund fees or assessments, public art fees and/or assessments, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project), which Landlord pays during any Expense Year because of or in connection with the ownership, leasing and operation of the Project or Landlord’s interest therein, including, without limitation (1) any tax on Landlord’s rent, right to rent or other income from the Project or as against Landlord’s business of leasing any of the Project, (2) any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of, any assessment, tax, fee, levy or charge previously included within the definition of real property tax or imposed due to a sale, transfer or change in ownership, (3) any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the rent payable hereunder, including, without limitation, any gross income tax upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof, (4) any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises, and (5) any reasonable expenses incurred by Landlord in attempting to protest, reduce or minimize Tax Expenses (to the extent of any net savings). Notwithstanding the foregoing, Tax Expenses shall not include: (i) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state net income taxes, and other taxes to the extent applicable to Landlord’s net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, or (iii) any taxes, fees or assessments due to Landlord’s failure to timely make any payments to any tax authority (unless due to Tenant’s failure to timely make such payments).

(f) **“Tenant’s Share”** as equitably determined by Landlord from time to time, shall mean the percentage calculated by dividing the number of rentable square feet of the Premises by the total rentable square feet in the Building, which as of the date hereof is as set forth in the Basic Lease Provisions.

(g) **“Utilities Costs”** shall mean the cost for utilities supplied to the Building (to the extent not paid for directly by Tenant or any other tenant of the Building) and to the common areas of the Project which Landlord shall pay during any Expense Year, including, but not limited to, the costs of water, sewer and electricity, and the costs of

HVAC and other utilities (but excluding those charges for which tenants directly reimburse Landlord, or otherwise pay directly to the utility company) as well as related fees, assessments and surcharges. Utilities Costs which are not separately metered or sub-metered shall be calculated assuming the Project is ninety-five percent (95%) occupied. If Tenant pays for the cost of any utilities directly, Utilities Costs for each Expense Year shall be equitably reduced to exclude all such utilities paid for directly by Tenant. If, during all or any part of any Expense Year, Landlord shall not provide any utilities (the cost of which, if provided by Landlord, would be included in Utilities Costs) to a tenant (including Tenant) who has undertaken to provide the same instead of Landlord, Utilities Costs shall be deemed to be increased by an amount equal to the additional Utilities Costs which would reasonably have been incurred during such period by Landlord if Landlord had at its own expense provided such utilities to such tenant. Utility costs shall include any costs of utilities which are allocated to the Project under any declaration, restrictive covenant, or other instrument pertaining to the sharing of costs by the Project or any portion thereof, including any covenants, conditions or restrictions now or hereafter recorded against or affecting the Project. Landlord shall have the right to include the Utilities Costs owed by Tenant in Operating Expenses.

4.4. ALLOCATION OF OPERATING EXPENSES, TAX EXPENSES AND UTILITIES COSTS; COST POOLS

(a) The parties acknowledge that the Building is part of a multi-building commercial project consisting of the Building and the Other Buildings and such other buildings as Landlord and/or any other owners of land within the Project may elect to construct and include as part of the Project from time to time (to be included within the definition of “**Other Buildings**” once constructed) and that certain of the costs and expenses incurred in connection with the Project (i.e. the Operating Expenses, Tax Expenses and Utilities Costs) as determined by Landlord shall be shared among the Building and such Other Buildings, while certain other costs and expenses which are solely attributable to the Building or any such Other Buildings, as applicable, shall be allocated directly to the Building or any such Other Buildings, respectively. Accordingly, some Operating Expenses, Tax Expenses and Utilities Costs shall be determined annually for the Project as a whole (with the Building being allocated its percentage share of such expenses), with a portion of such Operating Expenses, Tax Expenses and Utilities Costs to be allocated to the Building as determined by Landlord on an equitable basis and some of the Operating Expenses, Tax Expenses and Utilities Costs, which portion shall be determined by Landlord on an equitable basis, shall be allocated only to the Building (as opposed to being allocated collectively to the Building and the Other Buildings) and all such portions so allocated to the Building shall be the amount of Operating Expenses, Tax Expenses and Utilities Costs payable with respect to the Building upon which Tenant’s Share shall be calculated. As an example of such allocation with respect to Utilities Costs, it is anticipated that Landlord (and/or any other owners of the Project) may receive separate utilities bills from the utilities companies identifying the Utilities Costs for certain of the utilities costs directly incurred by each such building (as measured by separate meters installed for each such building), and such separately metered or sub-metered Utilities Costs shall be calculated for and allocated separately to each such applicable buildings. In addition, in the event Landlord (and/or

any other owners of the Project) elect to subdivide certain common area portions of the Project such as landscaping, public and private streets, driveways, walkways, courtyards, plazas, transportation facilitation areas and/or accessways into a separate parcel or parcels of land (and/or separately convey all or any of such parcels to a common area association to own, operate and/or maintain same), the Operating Expenses, Tax Expenses and Utilities Costs for such common area parcels of land may be aggregated and then reasonably allocated by Landlord to the Building and such Other Buildings on an equitable basis as Landlord (and/or any applicable covenants, conditions and restrictions for any such common area association) shall provide from time to time.

(b) Without limiting the foregoing, Landlord shall have the right, from time to time, to equitably allocate some or all of the Operating Expenses (and/or Tax Expenses and Utilities Costs) between the Building and the Other Buildings and/or among different tenants of the Project and/or among different buildings of the Project as and when such different buildings are constructed and added to (and/or excluded from) the Project or otherwise (the "Cost Pools"). Such Cost Pools may include, without limitation, the office space and/or retail space tenants of the Project or of a building or buildings within the Project. Such Cost Pools may also include an allocation of certain Operating Expenses (and/or Tax Expenses and Utilities Costs) within or under covenants, conditions and restrictions affecting the Project. In addition, Landlord shall have the right from time to time, in its reasonable discretion, to include or exclude existing or future buildings in the Project for purposes of determining Operating Expenses, Tax Expenses and Utilities Costs and/or the provision of various services and amenities thereto, including allocation of Operating Expenses, Tax Expenses and Utilities Costs in any such Cost Pools.

4.5. PERSONAL TAXES

Tenant shall reimburse Landlord upon demand for any and all taxes or assessments required to be paid by Landlord (except to the extent included in Tax Expenses by Landlord), excluding federal, state, and local personal or corporate income taxes measured by the net income of Landlord from all sources, and estate and inheritance taxes, whether or not now customary or within the contemplation of the parties hereto, when (a) said taxes are measured by or reasonably attributable to the cost or value of Tenant's equipment, furniture, fixtures and other personal property located in the Premises, or by the cost or value of any leasehold improvements made in or to the Premises by or for Tenant, to the extent the cost or value of such leasehold improvements exceeds the cost or value of a building standard build-out as determined by Landlord, regardless of whether title to such improvements shall be vested in Tenant or Landlord, (b) said taxes are assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project, or (c) said taxes are assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises. Tenant shall pay prior to delinquency all taxes assessed against and levied upon Tenant's improvements, fixtures, furnishings, equipment, and all personal property of Tenant contained in the Premises or stored within the Project.

ARTICLE 5
USE OF PREMISES

5.1. USE

Tenant shall use the Premises solely for the purposes identified in the Basic Lease Provisions, consistent with the character of a first-class office building, and Tenant shall not use or permit the Premises to be used for any other purpose or purposes whatsoever without Landlord's consent, in Landlord's sole discretion. Tenant further covenants and agrees that it shall not use, or suffer or permit any person or persons to use, the Premises, or any part thereof, for: (a) any medical, foreign consulate, trade mission or non-administrative government agency, and/or (b) any use or purpose contrary to the provisions of **Exhibit D**, attached hereto, and any modifications made thereto from time to time, or in violation of the laws of the United States of America, the state in which the Project is located, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project. Tenant shall comply with all recorded covenants, conditions, and restrictions, and the provisions of all ground or underlying leases, now or hereafter affecting the Project.

5.2. HAZARDOUS MATERIALS

Tenant shall not use or allow another person or entity to use any part of the Premises or the Project for the storage, use, treatment, manufacture or sale of "**Hazardous Materials**," as that term is defined below; however, notwithstanding the preceding sentence, Tenant shall be permitted to use, store and properly dispose of commonly available household cleaners and chemicals to operate and maintain the Premises and conduct Tenant's routine office operations (such as printer toner and copier toner). As used herein, the term "**Hazardous Materials**" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the state in which the Project is located or the United States Government.

5.3. INDEMNITY

Tenant agrees to indemnify, defend, protect and hold Landlord and the Landlord Parties (as defined in Section 10.1 below) harmless from and against any and all claims, actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest or losses, including reasonable attorneys' fees and expenses, consultant fees, and expert fees, together with all other costs and expenses of any kind or nature, that arise during or after the Lease Term directly or indirectly from or in connection with the presence, suspected presence, release or suspected release of any Hazardous Materials in or into the air, soil, surface water or groundwater at, on, about, under or within the Premises or Project or any portion thereof, caused by Tenant, its assignees or subtenants and/or their respective agents, employees, contractors, licensees or invitees. The provisions set forth in this Section 5.3 shall survive the expiration or earlier termination of this Lease.

ARTICLE 6
SERVICES AND UTILITIES

6.1. STANDARD TENANT SERVICES

Landlord shall provide the following services during the Lease Term (provided that to the extent the costs for any such services are separately metered or sub-metered, then payment of such costs shall be Tenant's responsibility).

(a) Landlord shall provide central heat and air conditioning, at such temperatures and in such amounts as are considered by Landlord to be standard or as may be permitted or controlled by applicable Laws (as defined in Section 21), during Normal Business Hours (as defined in Section 6.5), which standard shall not be unreasonable for use and occupancy of the Premises by Tenant.

(b) Landlord shall provide adequate electrical wiring, facilities and power for normal general office use for the Building's standard lighting and standard office equipment, as determined by Landlord. Landlord shall designate the electricity utility provider from time to time.

(c) Landlord shall provide city water from the Building's regular outlets for drinking, lavatory and toilet purposes.

(d) Landlord shall provide elevator service during Normal Business Hours, provided, however, that Tenant shall have access to the Premises as set forth in Section 1.2.

(e) Landlord shall provide janitorial and cleaning service in and about the Premises on business days; provided, however, if Tenant's floor covering or other improvements require special treatment, Tenant shall pay the additional cleaning cost attributable thereto as Additional Rent promptly following presentation of a statement therefor by Landlord. Tenant shall not provide or use any other janitorial or cleaning services without Landlord's prior written consent, which consent shall not be unreasonably withheld, provided that as a condition to which, Landlord may require that such other janitorial or cleaning service be subject to the supervision of Landlord, Landlord's employees and/or by a janitor or cleaning contractor reasonably satisfactory to Landlord, at Tenant's sole cost and expense.

6.2. RESERVED

6.3. INTERRUPTION OF USE

Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent, or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after reasonable effort to do so, by any accident or

casualty whatsoever, by act or default of Tenant or other parties, or by any other cause beyond Landlord's reasonable control; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of or injury to property or for injury to or interference with Tenant's business, including, without limitation, loss of profits, however occurring, through, in connection with, or incidental to, a failure to furnish any of the services or utilities as set forth in this Article. Notwithstanding the foregoing, if there occurs an unavailability of any of the services listed in Section 6.1 that (i) results in the Premises or any material portion thereof not being reasonably usable by Tenant ("Untenantable") that continues for fifteen (15) consecutive business days following Landlord's receipt of notice of such interruption in writing (the "Interruption Notice"); (ii) was not caused in whole or part by Tenant or anyone action on behalf of Tenant, (iii) is caused by Landlord and within Landlord's control; and (iv) then Tenant, as its sole remedy, shall be entitled to equitable abatement of Base Rent and Tenant's Share of Operating Expenses payable hereunder commensurate to that portion of the Premises rendered Untenantable. In the event of any conflict between this provision and the casualty and condemnation provisions of Articles 11 and 12 the latter shall control.

6.4. ADDITIONAL SERVICES

Landlord shall also have the exclusive right, but not the obligation, to provide any additional services which may be required by Tenant, including, without limitation, locksmithing, and additional repairs and maintenance, provided that Tenant shall pay to Landlord upon billing, the sum of all costs to Landlord of such additional services plus an administration fee. Charges for any utilities or service for which Tenant is required to pay from time to time hereunder, shall be deemed Additional Rent hereunder and shall be billed on a monthly basis. In furtherance of, and not in limitation of, the foregoing, in the event that Tenant requires central heat, ventilation or air conditioning service at times other than Normal Business Hours, such additional HVAC service shall be furnished only upon the written request of Tenant given in compliance with the notice requirements and procedures that Landlord may establish from time to time. Tenant shall bear the entire cost of such additional HVAC service as such costs are determined by Landlord from time-to-time, but which are currently \$50.00 per hour (2 hour minimum).

6.5. LIGHTING FIXTURES

Notwithstanding any provisions to the contrary in this Lease, Landlord shall be obligated to replace light all Building standard lamps, starters, and ballasts for lighting fixtures within the Premises, all as appropriate to maintain the Premises in a first-class manner consistent with the first-class nature of the Building and Project. Tenant shall be obligated, at Tenant's sole cost and expense to replace all non-Building standard lamps, starters, and ballasts for lighting fixtures within the Premises using contractors approved by Landlord. In the event Tenant shall fail to provide any of the services described in this Section to be performed by Tenant within five (5) days after notice from Landlord, which notice shall not be required in the event of an emergency, Landlord shall have the right to provide such services and any charge or cost incurred by Landlord in connection therewith shall be deemed Additional Rent due and payable by Tenant upon receipt by Tenant of a written statement of cost from Landlord.

6.6. HOURS OF OPERATION

The term “**Normal Business Hours**” shall mean 7:00 a.m. to 6:00 p.m. Mondays through Fridays, and 8:00 a.m. to 1:00 p.m. on Saturdays (or such other hours and/or days designated by Landlord from time to time as Normal Business Hours), excluding State and Federal holidays and all days that maintenance employees of the Building are entitled to take off or to receive extra compensation for, from time to time under their union contract or other agreement.

ARTICLE 7 REPAIRS

7.1. TENANT'S REPAIRS

Tenant shall, at Tenant's own expense, keep the Premises and all portions thereof, including all improvements, fixtures, equipment and furnishings therein, in good order, repair and condition at all times during the Lease Term, which repair obligations shall include, without limitation, the obligation to promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, at either of Tenant's or Landlord's option, Landlord shall make or cause to be made such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Project) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same.

7.2. LANDLORD'S REPAIRS

Subject to Section 7.1 and subject to Articles 11 and 12 of this Lease and subject to reimbursement through Operating Expenses in accordance with Article 4, Landlord shall repair and maintain the common areas of the Project and the foundations and the structural portions of the Building, including the basic plumbing, heating, ventilating, air conditioning and electrical systems serving the Building and not located in the Premises (but including HVAC duct work above the ceiling grid, electrical, and plumbing) or not exclusively serving the Premises; provided, however, if such maintenance and repairs are caused in part or in whole by the act, neglect, fault of, or omission of, any duty by Tenant, its agents, servants, employees or invitees, Tenant shall reimburse Landlord for the reasonable cost of such maintenance and repairs within thirty (30) days following receipt of an invoice from Landlord. There shall be no rental abatement and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in, or to, any portion of the Project, Building or the Premises or in, or to, fixtures, appurtenances and equipment therein. Tenant hereby waives and releases its right to make repairs at Landlord's expense under Sections 1941 and 1942 of the California Civil Code; or under any similar law, statute, or ordinance now or hereafter in effect.

ARTICLE 8
ADDITIONS AND ALTERATIONS

8.1. LANDLORD'S CONSENT TO ALTERATIONS

Except as provided in the Work Letter, Tenant may not make any improvements, alterations, additions or changes to the Premises (collectively, the "**Alterations**") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than thirty (30) days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord; provided, however, Landlord may withhold its consent, in its sole and absolute discretion, with respect to any Alterations which may affect the structural components of the Building or the Systems and Equipment or which can be seen from outside the Premises. Tenant shall pay for all overhead, general conditions, fees and other costs and expenses of the Alterations, and shall pay to Landlord a Landlord supervision fee of five percent (5%) of the cost of the Alterations. The construction of the initial improvements to the Premises shall be governed by the terms of the Work Letter and not the terms of this Article.

8.2. MANNER OF CONSTRUCTION

Landlord may impose, as a condition of its consent to all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that Tenant utilize for such purposes only contractors, materials, mechanics and materialmen approved by Landlord; provided, however, Landlord may impose such requirements as Landlord may determine, in its sole and absolute discretion, with respect to any work affecting the structural components of the Building or Systems and Equipment (including designating specific contractors to perform such work). Tenant shall construct such Alterations and perform such repairs in conformance with any and all applicable rules and regulations of any federal, state, county or municipal code or ordinance (including, but not limited to, the City of Riverside Building Department and the City of Riverside Fire Marshal) and pursuant to a valid building permit, issued by the City of Riverside, and in conformance with Landlord's construction rules and regulations. Landlord's approval of the plans, specifications and working drawings for Tenant's Alterations shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules and regulations of governmental agencies or authorities. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit, except during the period of work. In performing the work of any such Alterations, Tenant shall have the work performed in such manner as not to obstruct access to the Building, the Other Buildings, the common areas of the Project or the exclusive uses areas for any other tenant of the Project, and as not to obstruct the business of Landlord or other tenants of the Project, or interfere with the labor force working at the Project. If Tenant makes any Alterations, Tenant shall provide Landlord with evidence that Tenant carries "**Builder's All Risk**" insurance in an amount approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 of this Lease immediately upon completion thereof. In addition, Landlord may, in its discretion, require Tenant to obtain a lien and

completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee. Upon completion of any Alterations, Tenant: shall (a) cause a Notice of Completion to be recorded in the office of the Recorder of the county in which the Project is located in accordance with Section 3093 of the Civil Code of the State of California or any successor statute, (b) deliver to the management office of the Project a reproducible copy of the “as built” drawings of the Alterations, and (c) deliver to Landlord evidence of payment, contractors’ affidavits and full and final waivers of all liens for labor, services or materials.

8.3. LANDLORD’S PROPERTY

Except as otherwise provided herein, all Alterations, tenant improvements, fixtures and/or equipment (other than Tenant’s trade fixtures and equipment) which may be installed or placed in or about the Premises, and all signs installed in, on or about the Premises, from time to time, shall be at the sole cost of Tenant and shall be and become the property of Landlord.

8.4. PAYMENT FOR IMPROVEMENTS

If payment is made directly to contractors, Tenant shall comply with Landlord’s reasonable requirements for final lien releases and waivers in connection with Tenant’s payment for work to contractors. If Tenant orders any work directly from Landlord, Tenant shall pay to Landlord five percent (5%) of the cost of such work (such percentage to be established on a uniform basis for the Project) sufficient to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord’s involvement with such work. If Tenant does not order any work directly from Landlord, Tenant shall promptly reimburse Landlord for Landlord’s reasonable, actual, out-of-pocket costs and expenses actually incurred in connection with Landlord’s review of such work.

8.5. WI-FI NETWORK

Without limiting the generality of the foregoing, in the event Tenant desires to install a wireless intranet, Internet and communications network (“**Wi-Fi Network**”) in the Premises for the use by Tenant and its employees, then the same shall be subject to the provisions of this Section 8.5 (in addition to the other provisions of this Article). In the event Landlord consents to Tenant’s installation of such Wi-Fi Network, Tenant shall use the Wi-Fi Network so as not to cause any interference to or with other tenants in the Building or to other tenants at the Project, or with any other tenant’s communication equipment, and not to damage the Building or Project or interfere with the normal operation of the Building or Project, and Tenant hereby agrees to indemnify, defend and hold Landlord harmless from and against any and all claims, costs, damages, expenses and liabilities (including attorneys’ fees and costs) arising out of Tenant’s failure to comply with the provisions of this Section, except to the extent that the same is caused by the gross negligence or willful misconduct of Landlord, and which is not covered by the insurance carried by Tenant under this Lease (or which would not be covered by the insurance required to be carried by Tenant under this Lease). Should any interference occur, Tenant shall take all necessary steps as soon as reasonably possible and no later than three (3) calendar days following such occurrence to correct such interference. If such interference continues after such three (3) day period, Tenant shall immediately cease operating such Wi-Fi Network until such

interference is corrected or remedied to Landlord's satisfaction. Tenant acknowledges that Landlord has granted and/or may grant telecommunication rights to other tenants and occupants of the Building and Project and to telecommunication service providers and in no event shall Landlord be liable to Tenant for any interference of the same with such Wi-Fi Network. Landlord makes no representation that the Wi-Fi Network will be able to receive or transmit communication signals without interference or disturbance. Tenant shall: (a) be solely responsible for any damage caused as a result of the Wi-Fi Network, (b) promptly pay any tax, license or permit fees charged pursuant to any laws or regulations in connection with the installation, maintenance or use of the Wi-Fi Network and comply with all precautions and safeguards recommended by all governmental authorities, (c) pay for all necessary repairs, replacements to or maintenance of the Wi-Fi Network, and (d) be responsible for any modifications, additions or repairs to the Building or Project, including, without limitation, Building or Project systems or infrastructure, which are required by reason of the installation, operation or removal of Tenant's Wi-Fi Network. Should Landlord be required to retain professionals to research any interference issues that may arise and confirm Tenant's compliance with the terms of this Section, Tenant shall reimburse Landlord for the costs incurred by Landlord in connection with Landlord's retention of such professionals, the research of such interference issues and confirmation of Tenant's compliance with the terms of this Section within twenty (20) days after the date Landlord submits to Tenant an invoice for such costs. This reimbursement obligation is in addition to, and not in lieu of, any rights or remedies Landlord may have in the event of a breach or default by Tenant under this Lease.

ARTICLE 9

COVENANT AGAINST LIENS

Tenant has no authority or power to cause or permit any lien or encumbrance of any kind whatsoever, whether created by act of Tenant, operation of law or otherwise, to attach to or be placed upon the Project, Building or Premises, and any and all liens and encumbrances created by Tenant shall attach to Tenant's interest only. Landlord shall have the right at all times to post and keep posted on the Premises any notice which it deems necessary for protection from such liens. Tenant shall give Landlord notice at least fifteen (15) business days prior to the commencement of any such work on the Premises (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility. Tenant covenants and agrees not to suffer or permit any lien of mechanics or materialmen or others to be placed against the Project, the Building or the Premises with respect to work or services claimed to have been performed for, or materials claimed to have been furnished to, Tenant or the Premises, and, in case of any such lien attaching or notice of any lien, Tenant covenants and agrees to cause it to be immediately released and removed of record. Notwithstanding anything to the contrary set forth in this Lease, if any such lien is not released and removed on or before the date notice of such lien is delivered by Landlord to Tenant, Landlord, at its sole option, may immediately take all action necessary to release and remove such lien, without any duty to investigate the validity thereof, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Landlord in connection with such lien shall be deemed Additional Rent under this Lease and shall be immediately due and payable by Tenant.

ARTICLE 10
INDEMNIFICATION AND INSURANCE

10.1. INDEMNIFICATION AND HOLD HARMLESS

Except as otherwise provided herein, Tenant represents that it has inspected the Premises, accepts the condition and fully assumes any and all risks incidental to the use thereof. Tenant shall not be liable to Landlord, its agents, employees, subcontractors or independent contractors for any personal injury or property damage suffered by them which may result from hidden, latent or other dangerous conditions in, on, upon or within the Premises unknown to Tenant, its officers, agents or employees. Landlord shall indemnify and hold harmless the Tenant and its Agencies, Districts, Special Districts, and Departments, their respective directors, its officers, officers, Board of Supervisors, agents, employees, elected or appointed officials, agents or representatives and independent contractors (individually and collectively hereinafter referred to as, the "**County Indemnitees**") free and harmless from any liability whatsoever, based or asserted upon any act or omission of Landlord, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (Tenant's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from its use, occupancy or operation of the Premises, and Landlord, shall defend, at its expense, including reasonable attorney fees, County Indemnitees in any legal action based upon such alleged acts or omissions. With respect to any action or claim subject to indemnification herein by Landlord, Landlord shall, at its sole cost, have the right to use counsel of its own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of Tenant or any other County Indemnitee; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Landlord's indemnification to the County Indemnitees as set forth herein. Landlord's obligation hereunder shall be satisfied when Landlord has provided to Tenant the appropriate form of dismissal relieving Tenant or the other applicable County Indemnitees from any liability for the action or claim involved. The specified insurance limits required in this Agreement shall in no way limit or circumscribe Landlord's obligations to indemnify and hold harmless the County Indemnitees from third-party claims.

10.2. INSURANCE

Without limiting or diminishing the Landlord's obligation to indemnify or hold the County Indemnitees harmless, Landlord 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 Lease. With respect to this Section 10.2 only, the term Tenant shall include the County Indemnitees as additional insureds.

(a) **Workers' Compensation.** If Landlord has employees as defined by the State of California they shall procure and maintain Workers' Compensation Insurance, in full compliance with the Workers' Compensation and Occupational Disease Laws of all authorities having jurisdiction over the Premises. Such policy shall include Employer's Liability (Coverage B) and Occupational Disease coverage, with limits not less than One Million Dollars (\$1,000,000) per person, per occurrence. Policy shall provide a Waiver of Subrogation in favor of Tenant.

(b) **Commercial General Liability.** Procure and maintain comprehensive general liability insurance coverage that shall protect Tenant from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from Tenant's use of the Premises or the performance of its obligations hereunder, whether such use or performance be by Tenant, by any subcontractor, or by anyone employed directly or indirectly by either of them. Each such policy shall also include fire and extended coverage on the improvements, alterations and fixtures to be constructed and installed upon the Premises in an amount not less than the full replacement value of such improvements, alterations and fixtures. Such insurance shall name Tenant as an additional insured with respect to this Lease and the obligations of Tenant hereunder. Such insurance shall provide for limits of not less than One Million Dollars (\$1,000,000) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Lease 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 Lease, then Landlord shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than One Million Dollars (\$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. Such policy shall name the Tenant as additional insureds.

(d) **General Insurance Provisions - All lines.**

1. Any insurance carrier providing insurance coverage hereunder shall be licensed in the State of California and have an AM 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 insurance requirements contained in this Lease may be met with a program(s) of self-insurance. Landlord must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds Five Hundred Thousand Dollars (\$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 Lease. Upon notification of self-insured retention unacceptable to Tenant, and at the election of the County Risk Manager, Landlord's carriers shall either; (i) reduce or eliminate such self-insured retention as respects this Lease, or (ii) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3. Landlord shall cause Landlord's insurance carrier(s) to furnish the County of Riverside with a properly executed Certificate(s) of Insurance and copies of Endorsements effecting coverage as required herein.

Further, said Certificate(s) and 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 Tenant prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If Landlord insurance carrier(s) policies does not meet the minimum notice requirement found herein, Landlord shall cause Landlord'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 Lease shall terminate forthwith, unless Tenant receives, prior to the effective date of such material modification, cancellation, expiration, or reduction in coverage, another properly executed Certificate of Insurance and copies of endorsements evidencing coverage's set forth herein and the insurance required herein is in full force and effect. Tenant shall not commence operations until the Tenant has been furnished Certificate(s) of Insurance and copies of endorsements. 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 Landlord's insurance shall be construed as primary insurance, and the Tenant's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

6. Tenant reserves the right to require that Landlord adjust the monetary limits of insurance coverage as required in this Section 10.2 herein every fifth (5th) year during the Term of this Lease or any extension thereof, subject to ninety (90) days prior written notice to Tenant of such adjustment, in the event that Tenant reasonably determines that the then existing monetary limits of insurance coverage are no longer consistent with those monetary limits of insurance coverage generally prevailing in the Riverside County, California for facilities comparable to the Premises; provided, however, that any adjustment shall not increase the monetary limits of insurance coverage for the preceding five (5) years in excess of fifty percent (50%) thereof.

7. Landlord shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Lease.

8. Landlord agrees to notify Tenant 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 Lease.

10.3. COUNTY'S INSURANCE

County maintains funded programs of Self-Insurance. County shall provide to Landlord a Certificate of Self Insurance evidencing the County's Self Insurance for the following coverage, as follows:

Workers Compensation:	\$1,000,000 per occurrence
Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$1,000,000 per occurrence

ARTICLE 11
DAMAGE AND DESTRUCTION

11.1. REPAIR OF DAMAGE TO PREMISES BY LANDLORD

Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or other casualty. If the Premises or any common areas of the Building or Project serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article, restore the base, shell, and core of the Premises and such common areas to the extent of proceeds received for same. Such restoration shall be to substantially the same condition of the base, shell, and core of the Premises and common areas prior to the casualty, except for modifications required by applicable Laws or by the holder of a mortgage on the Project and/or the Building, or the lessor of a ground or underlying lease with respect to the Building and/or Project, or any other modifications to the common areas deemed desirable by Landlord, provided access to the Premises and any common restrooms serving the Premises shall not be materially impaired by such modifications. Tenant shall repair any injury or damage to the tenant improvements and Alterations installed in the Premises (but specifically excluding the initial tenant Improvements performed by Landlord). Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty damages the Premises or common areas necessary to Tenant's occupancy, and if such damage is not the result of the negligence or willful misconduct of Tenant or Tenant's employees, agents, contractors, licensees, or invitees, Landlord shall allow Tenant a proportionate abatement of the Base Rent and Tenant's Share of Operating Expenses, to the extent Landlord is reimbursed from the proceeds of rental interruption insurance purchased by Landlord as part of Operating Expenses, during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof.

11.2. ELECTION TO CANCEL

Notwithstanding the terms of Section 11.1 above, in the event (a) Landlord reasonably estimates that the time to restore the Premises shall take one hundred fifty (150) days or more (such estimate to be given within thirty (30) days after such casualty), (b) of an uninsured casualty in excess of ten percent (10%) of the replacement value, or (c) of a casualty to the balance of the Project that renders it reasonably impractical for Landlord to continue to run or operate the Project (as reasonably determined by Landlord), then (i) in the event of (a) above Landlord or Tenant shall have the right within sixty (60) days after such casualty to terminate this Lease upon at least sixty (60) days' notice to the other party, and (ii) in the event of (b) or (c) above, Landlord shall have the right within sixty (60) days after such casualty to terminate this Lease upon at least sixty (60) days' notice to Tenant. Additionally, in the event of any casualty that occurs during the last year of the Lease Term which cannot be restored within thirty

(30) days (as reasonably determined by Landlord), then either party shall have the right to terminate this Lease upon at least thirty (30) days' notice (which notice must be given within thirty (30) days after Landlord's determination of the time to restore such damage). Upon any termination of this Lease pursuant to this Section, Tenant shall pay the Base Rent and Additional Rent, properly apportioned up to such date of termination, and both parties hereto shall thereafter be freed and discharged of all further obligations hereunder, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Lease Term.

11.3. WAIVER OF STATUTORY PROVISIONS

The provisions of this Lease, including this Article, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or any other portion of the Project, and any statutes or regulations promulgated by the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or any other portion of the Project.

ARTICLE 12 **CONDEMNATION**

12.1. PERMANENT TAKING

If the whole or any part of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking, condemnation, reconfiguration, vacation, deed or other instrument. If more than twenty-five percent (25%) of the rentable square feet of the Premises is taken thereby making the Premises unsuitable for Tenant's Use, or if access to the Premises is substantially impaired, Tenant shall have the option to terminate this Lease on or after the taking upon ninety (90) days' notice, provided such notice is given no later than one hundred eighty (180) days after the date of such taking. Landlord shall be entitled to receive the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claim does not diminish the award available to Landlord, its ground lessor with respect to the Project or its mortgagee, and such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination, or the date of such taking, whichever shall first occur. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the

Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of the California Code of Civil Procedure.

12.2. TEMPORARY TAKING

Notwithstanding anything to the contrary contained in this Article, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Base Rent and Tenant's Share of Operating Expenses, Tax Expenses and Utilities Costs shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

ARTICLE 13 **COVENANT OF QUIET ENJOYMENT**

Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved, and on keeping, observing and performing all of the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by, or through, Landlord. The foregoing covenant is in lieu of any other covenant, express or implied.

ARTICLE 14 **ASSIGNMENT AND SUBLETTING**

14.1. TRANSFERS

Except as otherwise provided in this Section 14.1 or as provided in Section 14.7 below, Tenant shall not, without the prior written consent of Landlord, which consent shall not to be unreasonably withheld, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment or other such foregoing transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or permit the use of the Premises by any persons other than Tenant and its employees (all of the foregoing are hereinafter sometimes referred to collectively as "**Transfers**" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"), except that Tenant may sublease, or through a memorandum of understanding, or by other real estate agreement, and/or contract with the Federal Bureau of Investigation (FBI) to allow the FBI's occupancy of the Premises at any time during the Term of the Lease, or subsequent term of any extensions or option periods under the Lease, without Landlord's consent, and the Transfer requirements of this section, including the Transfer noticing to Landlord, Transfer Time Periods, and Transfer fees or costs, including the \$2,500 fee in this section, shall not apply. If Tenant shall desire Landlord's consent to any other Transfer, Tenant shall notify Landlord, in writing, which notice (the "**Transfer Notice**") shall include: (a) the proposed effective date of the Transfer, which shall not be less than thirty

(30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (b) a description of the portion of the Premises to be transferred (the "**Subject Space**"), (c) all of the terms of the proposed Transfer, the name and address of the proposed Transferee, and a copy of all existing and/or proposed documentation pertaining to the proposed Transfer, including all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such Transfer, (d) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and (e) such other information as Landlord may reasonably require. Any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord shall grant consent, within thirty (30) days after written request by Landlord, Tenant shall pay to Landlord Two Thousand Five Hundred Dollars (\$2,500.00) to reimburse Landlord for its review and processing fees, and Tenant shall also reimburse Landlord for any reasonable legal fees incurred by Landlord in connection with Tenant's proposed Transfer.

14.2. LANDLORD'S CONSENT

Landlord shall not unreasonably withhold or delay its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. The parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply, without limitation as to other reasonable grounds for withholding consent:

- (a) The Transferee is of a character or reputation, or engaged in a business which is not consistent with the quality of the Building or Project;
- (b) The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;
- (c) Intentionally Omitted;
- (d) The Transfer will result in more than a reasonable and safe number of occupants per floor within the Subject Space;
- (e) The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under the Lease on the date consent is requested;
- (f) The proposed Transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Project a right to cancel its lease;
- (g) The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, right of expansion, right of first offer, or other similar right held by Tenant (or will allow the Transferee to occupy space leased by Tenant pursuant to any such right);

(h) Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee: (a) occupies space in the Project at the time of the request for consent (unless no other space in the Project is available), or (b) is negotiating with Landlord to lease space in the Project at such time; or

(i) Tenant is then in default of its obligations under this Lease beyond all applicable notice and cure periods.

If Landlord consents to any Transfer pursuant to the terms of this Section (and does not exercise any recapture rights Landlord may have under Section 14.4 of this Lease), Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six-month period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 of this Lease, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice: (a) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section, or (b) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14 (including Landlord's right of recapture, if any, under Section 14.4 of this Lease).

14.3. TRANSFER PREMIUM

If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any Transfer Premium, as that term is defined in this Section, received by Tenant from such Transferee. "**Transfer Premium**" shall mean all Rent, Additional Rent or other consideration payable by such Transferee in excess of the Rent and Additional Rent payable by Tenant under this Lease on a per rentable square foot basis if less than all of the Premises is transferred, after deducting the reasonable expenses incurred by Tenant for: (a) any reasonable changes, alterations and improvements to the Premises in connection with the Transfer (but only to the extent approved by Landlord), and (b) any reasonable expenses or brokerage commissions in connection with the Transfer (collectively, the "**Subleasing Costs**"). Transfer Premium shall also include, but shall not be limited to, key money and bonus money paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer.

14.4. INTENTIONALLY OMITTED

14.5. EFFECT OF TRANSFER

If Landlord consents to a Transfer: (a) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (b) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (c) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the

Transfer in form reasonably acceptable to Landlord, and (d) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of the Lease from liability under this Lease. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

14.6. INTENTIONALLY OMITTED

14.7. PERMITTED TRANSFERS

Notwithstanding anything to the contrary in this Article 14, Tenant shall have the right to assign the Lease or sublet all or any portion of the Premises in connection with a Transfer to any entity controlled by, controlling or under common control with Tenant (an "**Affiliate**") without the necessity of Landlord's consent or the payment of any Transfer Premium (a "**Permitted Transfer**") *provided, that*, (i) Tenant is not then in default hereunder; (ii) Tenant gives Landlord written notice at least ten (10) business days before such Transfer; and (iii) the applicable Transferee shall have a net worth at the time of the Transfer that is at least equal to the net worth of Tenant immediately prior to the Transfer.

14.8. OCCURRENCE OF DEFAULT

Any Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (a) treat such Transfer as cancelled and repossess the Subject Space by any lawful means, or (b) require that such Transferee attorn to and recognize Landlord as its landlord under any such Transfer. If Tenant shall be in default under this Lease, after the expiration of all applicable cure periods provided in this Lease, Landlord is hereby irrevocably authorized, as Tenant's agent, to direct any Transferee to make all payments under or in connection with the Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured; provided that Landlord's authorization to act as Tenant's agent shall not prejudice Tenant's right to challenge Landlord's claim of default in a court of competent jurisdiction. Tenant hereby agrees that such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder after the expiration of the applicable notice and cure periods provided in this Lease, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of Rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or a release of Tenant from any obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

ARTICLE 15
SURRENDER; OWNERSHIP AND REMOVAL OF TRADE FIXTURES

15.1. SURRENDER OF PREMISES

No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises, unless such intent is specifically acknowledged in a writing signed by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or sub-tenancies affecting the Premises.

15.2. REMOVAL OF TENANT PROPERTY BY TENANT

Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear and repairs which are specifically made the responsibility of Landlord hereunder excepted. Upon such expiration or termination of this Lease, Tenant shall be required to remove or cause to be removed from the Premises any telephone, data, and other cabling and wiring (including any cabling and wiring associated with the Wi-Fi Network, if any), installed or caused to be installed by Tenant (including any cabling and wiring installed above the ceiling of the Premises or below the floor of the Premises) and upon Landlord's written request, Landlord may require Tenant to remove any Alterations and improvements to the Premises. Except as otherwise provided in Section 8.3, above, and in this Article 15, upon such expiration or termination of this Lease, Tenant shall remove or cause to be removed all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal.

15.3. DISPOSAL OF PROPERTY

Any property of Tenant not removed by Tenant upon the expiration of the Term of this Lease, or within forty-eight (48) hours after a termination by reason of Tenant's default, shall be considered abandoned and Landlord may remove and dispose of any such property in any manner or store the same in a public warehouse or elsewhere for the account, and at the expense and risk, of Tenant. If Tenant fails to pay the cost of storing any such property within ten (10) days of Landlord's demand, Landlord may sell any such property at public or private sale, in such manner and at such place or places as Landlord may deem proper and in accordance with applicable laws, without notice to or demand upon Tenant. Landlord shall apply the sales

proceeds, first, to the cost of sale, including reasonable attorneys' fees, second, to the repayment of the cost of removal and storage, third, to the payment of any other sum which may then or thereafter be due to Landlord from Tenant under this Lease, and fourth, the balance, if any, to Tenant.

ARTICLE 16 **HOLDING OVER**

If Tenant holds over after the expiration or termination of this Lease, with or without the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term, and in such case Base Rent shall be payable at a monthly rate (with no proration for any partial month of holdover) equal to one hundred fifty percent (150%) of the Base Rent applicable during the last rental period of the Lease Term. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein. Landlord hereby expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises upon the termination or expiration of this Lease, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limitation, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom.

ARTICLE 17 **ESTOPPEL CERTIFICATES**

Contemporaneously with (and as a condition precedent to) Landlord's delivery of the Premises to Tenant, Tenant shall deliver to Landlord a fully executed estoppel certificate in the form attached hereto as **Exhibit F** (the "**Estoppel Certificate**"). Thereafter, throughout the Lease Term, within twenty-one (21) days following a request, in writing, by Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be in the form as may be required by any prospective mortgagee or purchaser of the Project (or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. Failure of Tenant to timely execute and deliver such estoppel certificate or other instruments shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception. Failure by Tenant to so deliver such estoppel certificate shall be a material default of the provisions of this Lease. In addition, Tenant shall be liable to Landlord, and shall indemnify Landlord from and against any loss, cost, damage or expense, incidental, consequential, or otherwise, including attorneys' fees, arising or accruing directly or indirectly, from any failure of Tenant to execute or deliver to Landlord any such estoppel certificate.

ARTICLE 18
SUBORDINATION

This Lease is subject and subordinate to all present and future ground or underlying leases of the Project and to the lien of any mortgages or trust deeds, now or hereafter in force against the Project, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages or trust deeds, or the lessors under such ground lease or underlying leases, require, in writing, that this Lease be superior thereto. The terms of this Section shall be self-operating and no further instrument of subordination shall be required in order to effect such subordination. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, or if any ground or underlying lease is terminated, to attorn, without any deductions or set-offs whatsoever, to the purchaser upon any such foreclosure sale, or to the lessor of such ground or underlying lease, as the case may be, if so requested to do so by such purchaser or lessor, and to recognize such purchaser or lessor as the lessor under this Lease. Throughout the Lease Term, within five (5) days following a request, in writing, by Landlord, Tenant shall execute and deliver to Landlord such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases; and to the extent Tenant negotiates or makes any changes to the form of any such instruments or assurances requested by the holder of any underlying encumbrance, Tenant shall pay any administration or other fee charged by such holder as a result of the changes negotiated or otherwise made by Tenant (or reimburse Landlord for any administration or other fee that Landlord is required to pay as a result thereof); provided, that in no event shall Tenant be obligated to so reimburse Landlord in an amount exceeding \$2,500. Tenant shall give written notice to any holder of any underlying encumbrance who has requested such notice in writing of any act or omission by Landlord which Tenant asserts as giving Tenant the right to terminate this Lease or any other right or remedy under this Lease or provided by law. If Landlord shall have failed to cure any default within the time period provided for in this Lease, then the holder of any underlying encumbrance shall have an additional thirty (30) days within which to cure such default or, if such default is curable but cannot be cured within that time, then such additional time as may be necessary to cure such default if within such thirty (30) days such holder has commenced and is diligently pursuing the remedies necessary to cure such default.

ARTICLE 19
TENANT'S DEFAULTS; LANDLORD'S REMEDIES

19.1. EVENTS OF DEFAULT BY TENANT

All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

- (a) Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due, where such failure continues for three (3) days after written notice thereof from Landlord to Tenant; any such notice

delivered by Landlord in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar successor law; or

(b) Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided, that if the nature of such default is such that the same cannot reasonably be cured within thirty (30) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure said default as soon as possible; or

(c) Abandonment or vacation of the Premises by Tenant. Abandonment is herein defined to include, but is not limited to, any absence by Tenant from the Premises for three (3) business days or longer while also in default of any provision of this Lease beyond applicable notice or cure periods; or

(d) The failure by Tenant to observe or perform according to the provisions of Articles 5, 14, 18 or 21 of this Lease where such failure continues for more than five (5) business days after notice from Landlord; or

(e) (1) Tenant makes any general arrangement or assignment for the benefit of creditors, (2) Tenant becomes a “debtor” as defined in 11 USC § 101, or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days, (3) the appointment of a trustee or receiver to take possession of substantially all of Tenant’s assets located at the Premises or of Tenant’s interest in this Lease, where possession is not restored to Tenant within thirty (30) days, or (4) the attachment, execution or other judicial seizure of substantially all of Tenant’s assets located at the Premises or of Tenant’s interest in this Lease, where such seizure is not discharged within thirty (30) days; *provided, however*, in the event that any provision of this Section 19.1(e) is contrary to any applicable law, such provision shall be of no force or effect; or

(f) The failure by Tenant to observe or perform according to the provisions of Article 17 of this Lease.

19.2. LANDLORD’S REMEDIES UPON DEFAULT

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

(a) Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

1. The worth at the time of award of any unpaid Rent which has been earned at the time of such termination; plus

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

3. The worth at the time of award of the amount by which the unpaid Rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

4. Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease, or which in the ordinary course of things would be likely to result therefrom, specifically including, but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof, for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

5. At Landlord's election, such other amounts in addition to, or in lieu of, the foregoing as may be permitted, from time to time, by applicable law.

The term "**Rent**" as used in this Section shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Section 19.2(a)(3), above, the "**worth at the time of award**" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%).

(b) Landlord may, but shall not be obligated to, elect to continue the Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations. Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all Rent as it becomes due.

(c) Landlord may, but shall not be obligated to, make any such payment or perform or otherwise cure any such obligation, provision, covenant or condition on Tenant's part to be observed or performed (and may enter the Premises for such purposes). In the event of Tenant's failure to perform any of its obligations or covenants under this Lease, and such failure to perform poses a material risk of injury or harm to persons or damage to or loss of property, then Landlord shall have the right to cure or otherwise perform such covenant or obligation at any time after such failure to perform by Tenant, whether or not any such notice or cure period set forth in Section 19.1 above

has expired. Any such actions undertaken by Landlord pursuant to the foregoing provisions of this Section shall not be deemed a waiver of Landlord's rights and remedies as a result of Tenant's failure to perform and shall not release Tenant from any of its obligations under this Lease.

19.3. PAYMENT BY TENANT

Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements therefor: (a) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with Landlord's performance or cure of any of Tenant's obligations pursuant to the provisions of Section 19.2(c), above, and (b) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section shall survive the expiration or sooner termination of the Lease Term.

19.4. SUBLESSEES OF TENANT

Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.5. WAIVER OF DEFAULT

No waiver by Landlord of any violation or breach by Tenant of any of the terms, provisions and covenants herein contained shall be deemed or construed to constitute a waiver of any other or later violation or breach by Tenant of the same or any other of the terms, provisions, and covenants herein contained. Forbearance by Landlord in enforcement of one or more of the remedies herein provided upon a default by Tenant shall not be deemed or construed to constitute a waiver of such default. The acceptance of any Rent hereunder by Landlord following the occurrence of any default, whether or not known to Landlord, shall not be deemed a waiver of any such default, except only a default in the payment of the Rent so accepted.

19.6. EFFORTS TO RELET

For the purposes of this Article 19, Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, or by appointment of a receiver to protect Landlord's interests hereunder. The foregoing enumeration is not exhaustive, but merely illustrative of acts which may be performed by Landlord without terminating Tenant's right to possession.

19.7. LANDLORD DEFAULT

Notwithstanding anything to the contrary set forth in this Lease, Landlord shall not be in default in the performance of any obligation required to be performed by Landlord pursuant to this Lease unless Landlord has failed to perform such obligation within thirty (30) days after the receipt of notice from Tenant specifying in detail Landlord's failure to perform; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default under this Lease if it shall commence such performance within such thirty (30) day period and thereafter diligently pursue the same to completion. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity; provided, however, in no event shall Landlord be liable to Tenant for injuries or inconvenience to or interference with Tenant's business, lost profits, loss of business or any other consequential damages, however occurring (including, without limitation, if occurring as a result of the negligent acts or omissions of any Landlord Parties).

ARTICLE 20 **INTENTIONALLY OMITTED**

ARTICLE 21 **COMPLIANCE WITH LAW**

Tenant shall not do anything or suffer anything to be done in or about the Premises which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated (collectively, "Laws"). At its sole cost and expense, Tenant shall promptly comply with all such Laws, including, without limitation, the making of any alterations and improvements to the Premises, other than the making of structural changes to the Building or changes to the Building's life safety system (collectively the "Excluded Changes"), except to the extent such Excluded Changes are required due to Tenant's Alterations to, or manner of use of, the Premises. In addition, Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Project, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said Laws, shall be conclusive of that fact as between Landlord and Tenant.

ARTICLE 22 **ENTRY BY LANDLORD**

Landlord reserves the right at all reasonable times and upon reasonable notice to Tenant (except no such notice shall be required in emergencies) to enter the Premises to: (a) inspect them, (b) show the Premises to prospective purchasers, mortgagees or tenants, or to the ground or underlying lessors, (c) post notices of non-responsibility, or (d) alter, improve or repair the Premises or the Building, if necessary, to comply with current building codes or other applicable

laws, or for structural alterations, repairs or improvements to the Building, or as Landlord may otherwise reasonably desire or deem necessary. Notwithstanding anything to the contrary contained in this Article 22, Landlord may enter the Premises at any time, without notice to Tenant, in emergency situations and to perform janitorial or other services required of Landlord pursuant to this Lease. Any such entries shall be without the rental abatement and shall include the right to take such reasonable steps as required to accomplish the stated purposes. Tenant hereby waives any claims for damages, or for any injuries or inconvenience to, or interference with, Tenant's business, lost profits, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. For each of the above purposes, Landlord shall at all times have a key with which to unlock all the doors in the Premises, excluding Tenant's vaults, safes and special security areas designated in advance by Tenant. In an emergency, Landlord shall have the right to enter without notice and use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises.

ARTICLE 23 **PARKING**

Tenant shall lease the number of unreserved parking spaces set forth in the Basic Lease Provisions (collectively, the "**Parking Spaces**"), in the parking areas servicing the Building and/or Project as shall be designated by Landlord from time to time, at no additional cost to Tenant. Tenant's continued right to use the Parking Spaces is conditioned upon: (a) Tenant abiding by: (i) all rules and regulations which are prescribed by Landlord (and/or any common area association of the Project having rights over such parking areas), from time to time, for the orderly operation and use of the parking areas where such Parking Spaces are located, and (ii) all recorded covenants, conditions and restrictions affecting the Building, Project and/or the Premises, and (b) upon Tenant's cooperation in seeing that Tenant's employees and visitors also comply with such rules and regulations, covenants, conditions and restrictions. Landlord (and/or any other owners of the Project) specifically reserve the right to change the size, configuration, design, layout, location and all other aspects of the Building's or Project's parking areas and facilities (including without limitation, implementing paid visitor parking), and Tenant acknowledges and agrees that Landlord may, without incurring any liability to Tenant and without any abatement of Rent under this Lease, from time to time, close-off or restrict access to any or all of the Building's or Project's parking areas. Landlord may delegate its responsibilities hereunder to a parking operator in which case such parking operator shall have all the rights of control attributed hereby to Landlord. Landlord's rates for any parking spaces to which Tenant is entitled to use or rent pursuant to this Article 23 shall be exclusive of parking taxes or other charges imposed by governmental authorities in connection with the use of such parking; such parking taxes or other charges shall be paid directly by Tenant or the parking users, or, if directly imposed against Landlord, reimbursed by Tenant to Landlord within ten (10) days after Landlord's demand therefor. The parking rights provided to Tenant pursuant to this Article 23 are provided solely for use by Tenant's own personnel, and such rights may not be transferred, assigned, subleased or otherwise alienated by Tenant without Landlord's prior approval, except in connection with an assignment of this Lease or sublease of the Premises made in accordance with Article 14, above. All visitor parking by Tenant's visitors shall be subject to availability, as reasonably determined by Landlord, parking in such visitor parking areas as may be designated

by Landlord (and/or any common area association of the Project having rights over the Project's parking facilities), from time to time, and payment by such visitors of the prevailing visitor parking rate (if any) charged by Landlord (and/or such common area association), from time to time.

ARTICLE 24
MISCELLANEOUS PROVISIONS

24.1. TERMS; CAPTIONS

The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

24.2. BINDING EFFECT

Each of the provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

24.3. NO WAIVER

No waiver of any provision of this Lease shall be implied by any failure of a party to enforce any remedy on account of the violation of such provision, even if such violation shall continue or be repeated subsequently, any waiver by a party of any provision of this Lease may only be in writing, and no express waiver shall affect any provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

24.4. MODIFICATION OF LEASE

Should any current or prospective mortgagee or ground lessor for the Project require a modification or modifications of this Lease, which modification or modifications will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are required therefor and deliver the same to Landlord within ten (10) days following the request therefor. Should Landlord or any such current or prospective mortgagee or ground lessor require execution of a short form of Lease for recording, containing, among other customary provisions, the names of the parties, a

description of the Premises and the Lease Term, Tenant agrees to execute such short form of Lease and to deliver the same to Landlord within ten (10) days following the request therefor.

24.5. TRANSFER OF LANDLORD'S INTEREST

Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project, the Building and/or in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer. The liability of any transferee of Landlord shall be limited to the interest of such transferee in the Project and such transferee shall be without personal liability under this Lease, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Tenant further acknowledges that Landlord may assign its interest in this Lease to a mortgage lender as additional security and agrees that such an assignment shall not release Landlord from its obligations hereunder and that Tenant shall continue to look to Landlord for the performance of its obligations hereunder.

24.6. PROHIBITION AGAINST RECORDING

Neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant, and the recording thereof in violation of this provision shall make this Lease **NULL AND VOID** at Landlord's election.

24.7. LANDLORD'S TITLE; AIR RIGHTS

Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease.

24.8. TENANT'S SIGNS

Tenant elects to not have any signage and Landlord shall not install any signage with respect to Tenant without Tenant's prior approval. Tenant may not install any signs without the prior written consent of Landlord, which may be given or withheld in Landlord's sole but good faith discretion. Additionally, in no event shall Tenant install any signage on the exterior or roof of the Building, the Other Buildings or the common areas of the Building or the Project. Any signs, window coverings, or blinds (even if the same are located behind the Landlord approved window coverings for the Building), or other items visible from the exterior of the Premises or Building are subject to the prior approval of Landlord, in its sole but good faith discretion. If Landlord does consent to any signage, the location, quality, design, style, lighting and size of such sign shall be consistent with the Landlord's standard signage program and shall be subject to Landlord's prior written approval, in its sole discretion. Upon the expiration or earlier termination of this Lease, Tenant shall be responsible, at its sole cost and expense, for the removal of all such signage and the repair of all damage caused by such removal. All of Tenant's signage must comply with all local codes, laws, rules and regulations.

24.9. RELATIONSHIP OF PARTIES

Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of Rent nor any act of the parties hereto shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

24.10. APPLICATION OF PAYMENTS

Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

24.11. TIME OF ESSENCE

TIME IS OF THE ESSENCE OF THIS LEASE AND EACH OF ITS PROVISIONS.

24.12. PARTIAL INVALIDITY

If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

24.13. NO WARRANTY

In executing and delivering this Lease, Tenant has not relied on any representation, including, but not limited to, any representation whatsoever as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the Exhibits attached hereto.

24.14. LANDLORD EXCULPATION

It is expressly understood and agreed that notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord and the Landlord Parties hereunder (including any successor landlord) and any recourse by Tenant against Landlord or the Landlord Parties shall be limited solely and exclusively to an amount which is equal to the interest of Landlord in the Project, and neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for injury or damage to, or interference with,

Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

24.15. ENTIRE AGREEMENT

It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. This Lease and any side letter or separate agreement executed by Landlord and Tenant in connection with this Lease and dated of even date herewith contain all of the terms, covenants, conditions, warranties and agreements of the parties relating in any manner to the rental, use and occupancy of the Premises, shall be considered to be the only agreement between the parties hereto and their representatives and agents, and none of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to, except in writing signed by the parties hereto. All negotiations and oral agreements acceptable to both parties have been merged into and are included herein. There are no other representations or warranties between the parties, and all reliance with respect to representations is based totally upon the representations and agreements contained in this Lease.

24.16. RIGHT TO LEASE

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

24.17. FORCE MAJEURE

Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, rain or other inclement weather, acts of God or any other widely recognized deity or supernatural force, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions or inactions, including, without limitation, any delays in obtaining permits or approvals from the applicable governmental authorities, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease and except with respect to Tenant's obligations under the Work Letter (collectively, the "Force Majeure"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

24.18. WAIVER OF REDEMPTION BY TENANT

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

24.19. NOTICES

All notices, demands, statements or communications (collectively, "Notices") given or required to be given by either party to the other hereunder shall be in writing, shall be sent by United States certified or registered mail, postage prepaid, return receipt requested, or delivered by reputable overnight courier or personally (a) to Tenant at the appropriate address set forth in the Basic Lease Provisions, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or (b) to Landlord at the addresses set forth in the Basic Lease Provisions, or to such other firm or to such other place as Landlord may, from time to time, designate in a Notice to Tenant. Any Notice will be deemed given on the date it is received or delivery is rejected. If Tenant is notified of the identity and address of Landlord's mortgagee or ground or underlying lessor, Tenant shall give to such mortgagee or ground or underlying lessor written notice of any default by Landlord under the terms of this Lease by registered or certified mail (return receipt requested), and such mortgagee or ground or underlying lessor shall be given a reasonable opportunity to cure such default prior to Tenant's exercising any remedy available to Tenant.

24.20. JOINT AND SEVERAL

If there is more than one Tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

24.21. AUTHORITY

Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in the state in which the Project is located and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so. Tenant confirms that it is not in violation of any executive order or similar governmental regulation or law, which prohibits terrorism or transactions with suspected or confirmed terrorists or terrorist entities or with persons or organizations that are associated with, or that provide any form of support to, terrorists. Tenant further confirms that it will comply throughout the Term of this Lease, with all governmental laws, rules or regulations governing transactions or business dealings with any suspected or confirmed terrorists or terrorist entities, as identified from time to time by the U.S. Treasury Department's Office of Foreign Assets Control or any other applicable governmental entity. Landlord hereby represents and warrants that Landlord is a duly formed and existing entity qualified to do business in the state in which the Project is located and that Landlord has full right and authority to execute and deliver this Lease and that each person signing on behalf of Landlord is authorized to do so. Landlord confirms that it is not in violation of any executive order or similar governmental regulation or law, which prohibits terrorism or transactions with suspected or confirmed terrorists or terrorist entities or with persons or organizations that are associated with, or that provide any form of

support to, terrorists. Landlord further confirms that it will comply throughout the Term of this Lease, with all governmental laws, rules or regulations governing transactions or business dealings with any suspected or confirmed terrorists or terrorist entities, as identified from time to time by the U.S. Treasury Department's Office of Foreign Assets Control or any other applicable governmental entity.

24.22. ATTORNEYS' FEES

In the event that either Landlord or Tenant should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease or for any other relief against the other, then all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable by the prevailing party whether or not the action is prosecuted to judgment.

24.23. GOVERNING LAW

This Lease shall be construed and enforced in accordance with the laws of the State of California, without reference to any choice of laws provision contained therein.

24.24. SUBMISSION OF LEASE

Submission of this instrument for examination or signature by Tenant does not constitute a reservation of or an option for lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

24.25. BROKERS

Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate broker or agents specified in the Basic Lease Provisions (collectively, the "**Brokers**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including, without limitation, reasonable attorneys' fees and costs) with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Brokers. In the event this Lease is fully consummated by and between Landlord and Tenant, Landlord shall pay a commission to the Brokers in accordance with a separate agreement between Landlord and the Brokers. Tenant is not responsible for payment of brokerage commission(s).

24.26. INDEPENDENT COVENANTS

This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein,

Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord; provided, however, that the foregoing shall in no way impair the right of Tenant to commence a separate action against Landlord for any violation by Landlord of the provisions hereof so long as notice is first given to Landlord and any holder of a mortgage or deed of trust covering the Building, Project or any portion thereof, of whose address Tenant has theretofore been notified, and an opportunity is granted to Landlord and such holder to correct such violations as provided above.

24.27. BUILDING NAMES AND SIGNAGE

Landlord shall have the right at any time to change the name(s) of the Building, the Other Buildings and Project and to install, affix and maintain any and all signs on the exterior and on the interior of the Building, the Other Buildings and any portion of the Project as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the names of the Building, the Other Buildings or Project or use pictures or illustrations of the Building, the Other Buildings or Project in advertising or other publicity, without the prior written consent of Landlord.

24.28. CONFIDENTIALITY

Tenant acknowledges that the content of this Lease and any related documents are confidential information. Subject to applicable law, Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Tenant's financial, legal, and space planning consultants.

24.29. SUBSTITUTION OF OTHER PREMISES

Landlord shall have the right to move Tenant to other space in the Project comparable in size to the Premises, and all terms hereof shall apply to the new space with equal force. In such event, Landlord shall give Tenant at least thirty (30) days' prior notice of Landlord's election to so relocate Tenant, and shall move Tenant's effects to the new space at Landlord's sole cost and expense at such time and in such manner as to inconvenience Tenant as little as reasonably practicable. The new space shall be delivered to Tenant with improvements substantially similar to those improvements existing in the Premises at the time of Landlord's notification to Tenant of the relocation, which improvements shall be paid for by Landlord at Landlord's cost. Simultaneously with such relocation of the Premises, the parties shall immediately execute an amendment to this Lease stating the relocation of the Premises.

24.30. LANDLORD'S CONSTRUCTION

Except as expressly provided herein, it is specifically understood and agreed that Landlord has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, the Building, the Other Buildings, the Project, or any part thereof and that no representations or warranties respecting the condition of the Premises, the Building, the Other Buildings, or the Project have been made by Landlord to Tenant, except as specifically set forth in this Lease. Tenant acknowledges that prior to and during the Lease Term, Landlord (and/or any common area association) will be completing construction and/or demolition work pertaining to various portions of the Building, the Other Buildings, the Premises, and/or the

Project, including without limitation, landscaping and tenant improvements for premises for other tenants and, at Landlord's sole election, such other buildings, improvements, landscaping and other facilities within or as part of the Project as Landlord (and/or such common area association) shall from time to time desire (collectively, the "**Construction**"). In connection with such Construction, Landlord may, among other things, erect scaffolding or other necessary structures in the Building, and/or the Other Buildings limit or eliminate access to portions of the Project, including portions of the common areas, or perform work in the Building, the Other Buildings and/or the Project, which work may create noise, dust or leave debris in the Building and/or the Project. Tenant hereby agrees that such Construction and Landlord's actions in connection with such Construction shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any rental abatement. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to, or interference with, Tenant's business arising from such Construction, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the Premises or of Tenant's personal property or improvements resulting from such Construction or Landlord's actions in connection with such Construction, or for any inconvenience or annoyance occasioned by such Construction or Landlord's actions in connection with such Construction.

24.31. COUNTERPARTS

This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.

24.32. JURISDICTION; WAIVER OF JURY TRIAL

(a) In any action or proceeding arising herefrom, Landlord and Tenant hereby consent to the following: (i) the jurisdiction of any competent court within the State of California, (ii) service or process by any means authorized by the laws of the State of California, and (iii) to the fullest extent permitted by the laws of the State of California, trial without a jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other or their successor in respect of any matter arising out of or in connection with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises and/or any claim for injury or damage, or any emergency or statutory remedy.

(b) IN THE EVENT THAT THE JURY TRIAL WAIVER CONTAINED HEREIN SHALL BE HELD OR DEEMED TO BE UNENFORCEABLE, EACH PARTY HERETO HEREBY EXPRESSLY AGREES TO SUBMIT TO JUDICIAL REFERENCE PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 THROUGH 645.1 ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER FOR WHICH A JURY TRIAL WOULD OTHERWISE BE APPLICABLE OR AVAILABLE. PURSUANT TO SUCH JUDICIAL REFERENCE, THE PARTIES AGREE TO THE APPOINTMENT OF A SINGLE REFEREE AND SHALL USE THEIR BEST EFFORTS TO AGREE ON THE SELECTION OF A REFEREE. IF THE PARTIES ARE UNABLE TO AGREE ON A SINGLE A REFEREE, A REFEREE SHALL BE APPOINTED BY THE COURT

UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 638 AND 640 TO HEAR ANY DISPUTES HEREUNDER IN LIEU OF ANY SUCH JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT THE APPOINTED REFEREE SHALL HAVE THE POWER TO DECIDE ALL ISSUES IN THE APPLICABLE ACTION OR PROCEEDING, WHETHER OF FACT OR LAW, AND SHALL REPORT A STATEMENT OF DECISION THEREON; PROVIDED, HOWEVER, THAT ANY MATTERS WHICH WOULD NOT OTHERWISE BE THE SUBJECT OF A JURY TRIAL WILL BE UNAFFECTED BY THIS WAIVER AND THE AGREEMENTS CONTAINED HEREIN. THE PARTIES HERETO HEREBY AGREE THAT THE PROVISIONS CONTAINED HEREIN HAVE BEEN FAIRLY NEGOTIATED ON AN ARMS-LENGTH BASIS, WITH BOTH SIDES AGREEING TO THE SAME KNOWINGLY AND BEING AFFORDED THE OPPORTUNITY TO HAVE THEIR RESPECTIVE LEGAL COUNSEL CONSENT TO THE MATTERS CONTAINED HEREIN. ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY AND THE AGREEMENTS CONTAINED HEREIN REGARDING THE APPLICATION OF JUDICIAL REFERENCE IN THE EVENT OF THE INVALIDITY OF SUCH JURY TRIAL WAIVER.



Tenant's Initials

24.33. DRUG RELATED ACTIVITIES

Tenant, together with its affiliates, agents, employees, independent contractors, and invitees, shall not or otherwise permit the use or occupancy of, the Premises for a Controlled Substances Use (as defined below) or in any manner that violates or could violate any Controlled Substances Laws (as defined below), including, without limitation, any business, communications, financial transactions or other activities related to Controlled Substances (as defined below) or a Controlled Substances Use that violate or could violate any Controlled Substances Laws (collectively, "**Drug-Related Activities**"). Tenant and its affiliates, agents, employees, independent contractors, and invitees shall not engage in any Drug-Related Activities in the Building, Project or Premises, and Tenant shall not make any payments to Landlord from funds derived from Drug-Related Activities. Tenant shall provide to Landlord, from time to time, within five (5) days after Landlord's request therefor, any information that Landlord requests in its reasonable discretion, relating to compliance with this Section. Tenant hereby acknowledges and agrees that (i) any Controlled Substance Use or Drug-Related Activities on the Building, Project and Premises are expressly prohibited, and (ii) Landlord and its agents, representatives, and lenders shall have access to the Premises at all times, upon reasonable notice (except in the event of an emergency) to make physical inspections of the Premises. For purposes of this Section, (i) "**Controlled Substances Laws**" means the Federal Controlled Substances Act (21 U.S.C. §§801 et seq.) or any other similar or related federal, state or local law, ordinance, code, rule, regulation or order; (ii) "**Controlled Substances**" means marijuana, cannabis or other controlled substances as defined in the Federal Controlled Substances Act or that otherwise are illegal or regulated under any Controlled Substances Laws; and

(iii) **"Controlled Substances Use"** means any cultivation, growth, creation, production, manufacture, sale, distribution, storage, handling, possession or other use of a Controlled Substance in violation of any Controlled Substances Laws. The provisions of this Section shall apply notwithstanding any state or local law permitting the Controlled Substances Use or Drug-Related Activities. Notwithstanding any provision in this Lease to the contrary, no direct or indirect disclosure by Tenant to Landlord or any person affiliated with Landlord, and no knowledge of Landlord or any person affiliated with the Landlord, of the existence of any Drug Related Activities or Controlled Substance Use on, in or about the Building, Project or Premises shall estop Landlord or waive any right of Landlord to invoke any remedy under this Lease for violation of any provision hereof related to the prohibition of any Drug Related Activities or Controlled Substance Use on, in or about the Building, Project or Premises. The foregoing shall apply notwithstanding the receipt or execution of an estoppel certificate or subordination, non-disturbance or attornment agreement or other document from or with Tenant engaged in such prohibited activity.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed as of the day and date first above written in the Basic Lease Provisions.

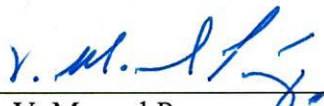
LANDLORD:

DIG ROP VINE STREET, LLC,
a Delaware limited liability company

By: 
Chris Dornin, Manager

TENANT:

COUNTY OF RIVERSIDE
a political subdivision of the State of California

By: 
Name: V. Manuel Perez
Title: Chairman, Board of Supervisors

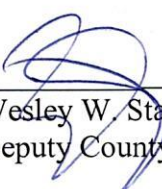
ATTEST:

Kecia R. Harper
Clerk of the Board

By: 
Deputy

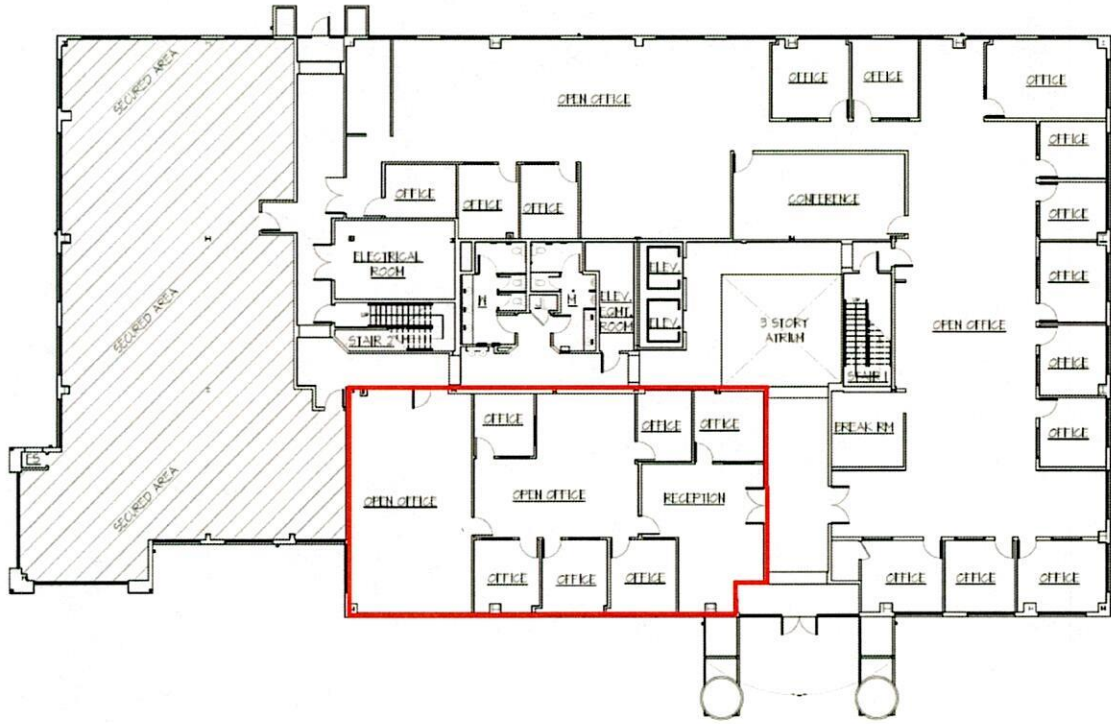


APPROVED AS TO FORM:
Gregory P. Priamos, County Counsel

By: 
Wesley W. Stanfield
Deputy County Counsel

CC:ar/041420/014SH/30.140

**EXHIBIT A
OUTLINE OF PREMISES**



OVERALL 1ST. FLOOR PLAN
SCALE: 1/8"=1'-0"

EXHIBIT B
WORK LETTER

Landlord shall perform the following work (the “**Landlord’s Work**”), at Landlord’s sole cost and expense:

1. Using Landlord’s Building standard materials, paint any currently green walls to match the remainder of Premises;
2. Deep clean carpet; and
3. Install Landlord’s Building standard electrical for workstations in back room only.

The Landlord’s Work shall be performed on a one-time basis only in a good and workman-like manner and in accordance with Landlord’s applicable Building Standards and in compliance with all applicable laws. All materials utilized in the construction of the Landlord’s Work shall be Building Standard. “**Substantial Completion**”, “**Substantially Completed**” and similar phrases shall mean that (i) the Landlord’s Work has been performed, other than any “**Punch List Items**” or details of construction, mechanical adjustment or any other matter, the non-completion of which does not materially interfere with Tenant’s use of the Premises. Landlord shall repair such “Punch List Items” within thirty (30) days after the date of Substantial Completion at Landlord’s sole cost and expense.

This **Exhibit B** shall not be deemed applicable to any additional space added to the original Premises at any time or from time to time, whether by any options under the Lease or otherwise, or to any portion of the original Premises or any additions to the Premises in the event of a renewal or extension of the original Term of this Lease, whether by any options under the Lease or otherwise, unless expressly so provided in the Lease or any amendment or supplement to the Lease. Tenant shall be solely responsible for all costs incurred for data and telecommunications cabling, and any furniture, fixtures, and equipment.

EXHIBIT C
COMMENCEMENT AGREEMENT

This **COMMENCEMENT AGREEMENT** (this "**Agreement**") is made and entered into effective as of _____, 201_, by and between **DIG ROP VINE STREET, LLC**, a Delaware limited liability company ("**Landlord**"), and **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("**Tenant**").

RECITALS

WHEREAS, Landlord and Tenant entered into that certain Office Lease dated as of _____ (the "**Lease**") pursuant to which Landlord leased to Tenant and Tenant leased from Landlord certain "**Premises**" commonly referred to as 3480 Vine Street, Suite 110, Riverside, California 92507; and

WHEREAS, except as otherwise set forth herein, all capitalized terms used in this Agreement shall have the same meaning as such terms have in the Lease; and

WHEREAS, Landlord and Tenant desire to amend the Lease to confirm the commencement and expiration dates of the term, as hereinafter provided.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Confirmation of Dates. The parties hereby confirm that the Lease Term commenced on _____, 201_ (the "**Commencement Date**") for a term ____ () years, plus ____ () months ending on _____, 201_ (the "**Termination Date**"), unless sooner terminated as provided in the Lease.

2. Acceptance of Premises. Tenant hereby accepts the Premises and confirms that Landlord has delivered the Premises in the condition required under the Lease, including completion of the improvements pursuant to the Work Letter.

3. No Further Modifications. Except as set forth in this Agreement, all the terms and provisions of the Lease shall apply and shall remain unmodified and in full force and effect and the same are hereby reaffirmed and ratified. To the extent there is any conflict between the provisions of this Agreement and the provisions of the Lease, the provisions of this Agreement shall control.

4. Authority. Each party hereby represents and warrants to the other party that the representing party has the full right and authority to execute and deliver this Agreement and each person signing on behalf of the representing party is authorized to do so.

5. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed original, and all of which together shall constitute one and the same instrument. The parties hereby agree that facsimile or other electronic signatures may be used in place of original signatures on this Agreement. The parties intend to be bound by the signatures

on the facsimile or other electronic document, and are aware that the other party will rely on the facsimile or other electronic signatures, and hereby waive any defenses to the enforcement of the terms of this Agreement based on the form of signature.

IN WITNESS WHEREOF, this Agreement to Lease has been executed as of the day and year first above written.

LANDLORD:

DIG ROP VINE STREET, LLC,
a Delaware limited liability company

By: _____
Chris Dornin, Manager

TENANT:

COUNTY OF RIVERSIDE,
a political subdivision of the State of California

By: _____

Name: V. Manuel Perez

Title: Chairman, Board of Supervisors

EXHIBIT D
RULES AND REGULATIONS

GENERAL

Pursuant to the Lease, Landlord hereby produces these Rules & Regulations. Tenant understands and agrees that Landlord is fully authorized to produce such Rules & Regulations and Tenant further agrees to fully comply with these Rules & Regulations. These Rules & Regulations are made with respect to that certain Premises as defined in the Lease, and references to “**Premises**”, “**Building(s)**”, “**Project**,” and “**Other Buildings**” shall have the same meanings as defined in said Lease. Tenant further understands and agrees that Landlord is not, nor will be responsible in any manner whatsoever to Tenant for the nonperformance of any of said Rules & Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Building(s). If any of the following Rules & Regulations state, mention or require Landlord’s consent, then, unless specifically stated otherwise in the applicable rule or regulation, all such consents shall be subject to “**Landlord’s prior written consent which consent shall be in Landlord’s sole and absolute discretion**” which requirement is hereby incorporated into any and all of the following Rules & Regulations by this reference. The process for requesting Landlord’s consent and for delivering such consent by Landlord shall be as prescribed in the Lease. For purposes of these Rules & Regulations only, “**Landlord**” shall be defined as including Landlord’s authorized employees, agents, representatives and personnel.

1. Tenant acknowledges and agrees that Tenant shall faithfully perform, adhere to, comply with, undertake, assume and/or otherwise follow, as the case may be, each and every rule, regulation, requirement, and/or other obligation as specified herein, to wit: Tenant agrees as follows:

2. Not alter, change, and/or modify any lock or install any new or additional locks, bolts or any other locking device, manual, electronic or otherwise, on any doors, windows, skylights, emergency opening, vertical penetrations or other open areas of the Premises without Landlord’s prior written consent and all such costs and expense, including but not limited to keys, shall be at Tenant sole cost and expense.

3. To close all doors opening from its Premises to public corridors or other common areas at all times except during normal ingress and egress to the Premises.

4. Subject to Landlord’s exclusive right, but not duty, to close and keep locked all entrance and exit doors of the Building(s) during such hours as is customary or recommended, Tenant, on behalf of its employees, agents, representatives, employees, vendors, contractors or others (hereafter for purposes of these Rules & Regulations only referred to as, “**Visitors**”), shall: (a) insure that all doors to the Premises and Building are securely closed and locked when leaving the Premises if such occurs outside customary operating hours of the Building, (b) cause its Visitors and any other persons entering or leaving the Building at any time when access is locked, or any time other than customary business operating hours of the Building to sign the Building and/or Project register and provide appropriate legal identification if so required, (c) submit to Landlord’s designated customary business operating hours which Landlord may

establish and alter from time to time in Landlord's sole and absolute discretion, (d) pay for key-card access (or other access) for its Visitors, and (e) pay to Landlord all such costs and expense of all access cards provided to Tenant's Visitors and employees and all replacements thereof for lost, stolen or damaged cards. Landlord, its agents and authorized representatives may deny access to any persons unless proper legal identification is provided. In any event, neither Landlord, nor any of its employees, agents, representatives or others shall or will be liable for any damages, loss or other claims of any type, kind or nature whatsoever for any error with regard to the admission to or exclusion from the Building and/or Project of any person. In case of invasion, mob, riot, public excitement, civil unrest, or other commotion, Landlord reserves the right in its sole and absolute discretion, but is not required to, close down all Building(s) and/or Project and/or prevent access, ingress or egress to the Building(s) and/or Project during the continuance and/or entirety of same by any means it deems appropriate under the then occurring circumstances.

5. Not to locate any overweight and/or other large items, including but not limited to safes ("**Heavy Items**"), in, on or about the Premises without Landlord's consent, upon which Landlord shall have the sole and exclusive right to: (a) allow or disallow the Heavy Item, (b) prescribe its exact location within the Premises, (c) require Tenant to consult, at Tenant's sole cost and expense, with acceptable professionals/experts to advise as to the appropriate location, and/or (d) prescribe the weight, size, position and positioning of all Heavy Items in, on or about the Premises. Notwithstanding the foregoing, in no event shall Landlord be liable for any loss of or damage to any such Heavy Item or to the Premises as a result of Tenant's locating a Heavy Item therein and Tenant agrees that Tenant shall be solely liable for any such damage or loss from the movement, transporting of, assembling and/or installation of any Heavy Items.

6. To maintain proper clearances, sanitation and fire/life safety measures in, on or about the Premises, and not: (a) overload the floor of the Premises, (b) cause blockage of any ceiling fixtures, including, but not limited to, utility delivery systems, lighting, pipes, or fire-life safety systems, or (c) mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises without Landlord's written consent; provided, however, Landlord's consent shall not be required with respect to Tenant's placement of pictures and other normal office wall hangings on the interior walls of the Premises, all of which, upon Lease expiration Tenant agrees to remain liable for any and all costs and expense of repairs caused by the installation of such items, no matter how reasonable their installation, use, placement and/or removal.

7. Not allow, permit or facilitate any of Tenant and/or Tenant's Visitors to the Building and/or Premises to utilize any of the common areas for any purpose other than as specified in the Lease, including but not limited to, washing, maintaining or other activities around cars, and other vehicles, or allow them to visit, disturb, solicit, and/or canvass any other tenants of the Project and cooperate with Landlord to prevent same, (Landlord reserving exclusively unto itself the right to exclude or expel from the Premises and/or Project any person(s) doing so, or, who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of these Rules and Regulations).

8. Prevent any and all of Tenant's Visitors or any others who are on the Project as a result of visiting Tenant's Premises from loitering, gathering, assembling or otherwise congregating in the entrances or corridors, of the Premises or Building or in any of the common areas of the Premises or Project, nor shall any such gatherings in any way obstruct the sidewalks, lobby, halls, stairways or elevators, and shall use the same only as a means of ingress and egress for the Premises, the Building or the Project.

9. To ensure that all toilet rooms, urinals, wash basins, demising walls and areas within such areas, and all other apparatus and fixtures not be used for any purpose other than that for which they were originally constructed, and further to prevent the disposal of any and all foreign substances therein the repair of which shall be at Tenant's sole cost and expense. In the event any repairs and/or maintenance of any such items is necessitated by Tenant's breach hereof, then all such damage, foreseeable, unforeseeable, including any and all consequential damages, and/or losses resulting from any such work, shall be at Tenant's sole cost and expense.

10. Not to place, install or otherwise locate, nor allow to be placed, installed or located any vending machine or machines of any type, kind or nature whatsoever other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises.

11. Not to utilize any method of heating, cooling, air circulation or air conditioning, including but not limited to space heaters, window or portable air conditioners, in, on or about the Premises other than that which may be supplied by Landlord.

12. Not to use, keep, maintain, store or otherwise allow in, on or about the Premises, Building or Project any combustible materials, including but not limited to, kerosene, gasoline or other inflammable or combustible fluid or material of any type, kind or nature whatsoever, nor use, keep or permit to be used or kept, any foul or noxious gas or substance or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Building or of any Other Buildings or real property not owned by Landlord, by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therewith.

13. Except as otherwise provided in the Lease, not to bring, or allow to be brought into, on or about the Premises, Building or Project any non-human life forms, including but not limited to animals, birds, reptiles, amphibians, or fish.

14. Not allow or permit to be brought in, on or about the Premises, Building or Project unauthorized vehicles, which term shall be broadly construed to include, but not be limited to, boats, trailers, trucks (except for "pick-ups"), trucks exceeding two (2) axels and/or four (4) wheels, bicycles, aircraft, equipment, motorized bikes, terrain vehicles, golf carts, or other such items whether or not such items are now in existence or come to be in existence after the execution of this Lease.

15. Not allow or permit any cooking or hot food preparation requiring open flames, ovens or other such cooking techniques in, on or about on the Premises, nor shall the Premises be used for the storage of merchandise or for any improper, objectionable or immoral purposes;

provided, however, that Tenant may place and utilize “**Underwriters Laboratory**” approved equipment and microwave ovens for heating food and brewing coffee, tea, hot chocolate and similar beverages, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations, and does not cause odors which are objectionable to Landlord or any other tenant or occupants of adjacent building(s) not owned by Landlord.

16. Not to ever allow, at any time, or for any reason or circumstance whatsoever, any person(s) to use, utilize or remain in, on or about the Premises in the manner of a dwelling unit or lodging, no matter the duration of the prohibited use.

17. Not place, install, bore, cut, drill or otherwise install any cabling, wiring, phone wires, telegraph wires, pipes, radars, satellite receivers, or similar items in, on or about the Premises, without Landlord’s consent, Landlord reserving exclusively unto itself final approving authority during the Tenant build-out period the location, positioning, method of installation and duration of all telephone call boxes and other office equipment and/or systems affixed to the Premises, and such locations shall not be modified at all during the entirety of Tenant’s Lease without Landlord’s consent.

18. To use all reasonable means to ensure that neither Tenant nor its Visitors will waste electricity, water air conditioning or energy no matter how produced, and agrees to cooperate fully with Landlord to ensure the most effective operation of the Building’s heating and air conditioning system, and shall refrain from attempting to adjust any controls without Landlord’s consent.

19. To cause all its trash and discarded items to be stored within the interior of the Premises and to place in the Building’s trash receptacles only such materials that are of such a nature that may be disposed of in the ordinary and customary manner of removing and disposing of trash and garbage in the city in which the Building is located without violation of any law or ordinance governing such disposal.

20. To comply with all safety, fire protection and evacuation procedures and regulations established by Landlord and/or any governmental agency.

21. To not allow, install or have installed any awnings or other projections attached to the outside walls of the Building, or curtains, blinds, shades or screens attached to or hung in, or used in connection with, any window or door of the Premises without Landlord’s consent.

22. Not to cover, decorate, garnish or otherwise obstruct sashes, sash doors, skylights, windows, and doors that reflect or admit light and air into the halls, passageways or other public places in the Building or areas within Tenant’s Premises that may be, in Landlord’s sole judgment, visible from public areas of the Building or from common areas of the Building or Project, or store, decorate or adorn windowsills with decorations, including but not limited to, bottles, vases, books, parcels or any other article.

23. Use, install, maintain and replace lights/bulbs/light emitting devices in appropriate fixtures hung in offices or spaces in, on or about the Premises and/or along the

(interior or exterior) of the Premises and/or Building with replacements of a quality, type, design and bulb color specifically approved by Landlord.

24. Cause all of Tenant and Tenant's Visitors to be informed of any one, some or all of Landlord's Rules & Regulations should Landlord in its reasonable judgment so require.

25. Tenant shall comply with any non-smoking ordinance adopted by any applicable governmental authority.

PARKING & SECURITY

Pursuant to and as permitted of Landlord under the Lease and as specific inducement to Landlord by Tenant to enter into this Lease which Landlord would not have agreed to execute but for Tenant's complete and unqualified understanding and agreement, Tenant hereby agrees to the following Rules & Regulations regarding parking and acknowledges and agrees as more fully set forth below that Landlord does not, and will not provide "security" to, for or on the Premises, Building or Project of which the Premises are a part.

1. Tenant represents and warrants that it fully understands, acknowledges and agrees that:

(a) Landlord is not obligated to provide any traffic control, security protection or operator for the Parking Facilities (as hereinafter defined). "Parking Facilities" shall be defined as the indoor and/or outdoor area on the Premises which is specifically designed for the parking of vehicles;

(b) Tenant uses the Parking Facilities at its own risk;

(c) Landlord will not be liable for personal injury or death, or theft, loss of or damage to property. Tenant indemnifies and agrees to hold Landlord, any operator of the Parking Facilities and their respective agents harmless from and against any and all claims, demands, and actions arising out of the use of the Parking Facilities by Tenant and its agents, whether brought by any of such persons or any other person. Tenant further acknowledges and agrees that neither Landlord nor any operator of the Parking Facilities within the Project, as the same are designated and modified by Landlord, in its sole discretion, from time to time, will be liable for loss of or damage to any vehicle or any contents of such vehicle or accessories to any such vehicle, or any property left in any of the Parking Facilities, resulting from fire, theft, vandalism, accident, conduct of other users of the Parking Facilities and other persons, or any other casualty or cause.

2. Tenant acknowledges, understands and agrees for itself, its employees and on behalf of its Visitors, to utilize only its parking spaces solely for the purpose of parking passenger model cars, small vans and small trucks (all less than three (3) axels), and will comply in all respects with any rules and regulations that may be promulgated by Landlord from time to time with respect to the Parking Facilities. Under no circumstances shall the Parking Facilities be used by Tenant or its Visitors for overnight parking of vehicles and/or for storage of any vehicles. Tenant agrees to ensure that any vehicle parked in any parking spaces will be kept in proper repair and will not leak excessive amounts of oil or grease or any amount of gasoline.

Any cost and/or expense (including but not limited to environmental cleanup) required or necessary in any of Tenant's parking spaces or, no matter where located, caused by any of Tenant's or Tenant's Visitors' vehicles, no matter their source or cause, shall be entirely at the sole cost and expense of Tenant. If any of the parking spaces are at any time used: (a) for any purpose other than parking as provided above, (b) in any way or manner reasonably objectionable to Landlord, or (c) by Tenant after default by Tenant under the Lease, Landlord, in addition to any other rights otherwise available to Landlord, may consider such default an event of default under the Lease.

3. Tenant acknowledges and agrees that Landlord shall have sole exclusive control over all common areas of the Project including but not limited to parking areas. Tenant's right to use the Parking Facilities will be in common with other tenants of the Project and with other parties permitted by Landlord to use the Parking Facilities. Landlord reserves the right in its sole and absolute discretion (subject to existing tenant parking rights in existing leases, if any), to assign and re-assign, as it deems fit specific parking spaces for use by persons selected by Landlord, provided that Tenant's rights under the Lease are preserved. Landlord will not be liable to Tenant for any unavailability of Tenant's designated spaces, if any, nor will any unavailability entitle Tenant to any refund, deduction, or allowance. Tenant will not park in any numbered space or any space designated as: RESERVED, HANDICAPPED, VISITORS ONLY, or LIMITED TIME PARKING (or similar designation).

4. If the Parking Facilities are damaged or destroyed, or if the use of the Parking Facilities is limited or prohibited by any governmental authority, or the use or operation of the Parking Facilities is limited or prevented by strikes or other labor difficulties or other causes beyond Landlord's control, Tenant's inability to use the parking spaces will not subject Landlord or any operator of the Parking Facilities to any liability to Tenant and will not relieve Tenant of any of its obligations under the Lease and the Lease will remain in full force and effect. Tenant will pay to Landlord upon demand, and Tenant indemnifies Landlord against, any and all loss or damage to the Parking Facilities, or any equipment, fixtures, or signs used in connection with the Parking Facilities and any adjoining buildings or structures caused by Tenant or any of its agents.

5. Tenant has no right to assign or sublicense any of its rights in the parking spaces. This prohibition is absolute. However, Tenant may allocate the parking spaces among its employees who are employed in, on or about Tenant's Premises.

6. Tenant hereby acknowledges, understands and agrees that as material consideration for entering into this Lease, Landlord has no obligation whatsoever to provide guard service, alarm service or any other security measures of any type, kind or nature whatsoever to or for the Premises, the Building, the Other Buildings or the Project of which the Premises and/or the Building are a part, other tenants, and/or to or for Tenant's employees and/or Visitors. Tenant assumes any and all responsibility and liability for the safety, protection and welfare of Tenant's employee's Visitors and the property of Tenant's employees and Visitors from any and all acts of third parties, criminal or otherwise, and for protecting the Premises from theft, robbery and pilferage, including but not limited to, locking doors and other means of entry to the Premises when the Premises are not occupied. Notwithstanding the foregoing, nothing in this Paragraph shall limit Landlord, in Landlord's sole and absolute discretion, which discretion may be exercised in an arbitrary and/or capricious manner, from providing security measures for

only the Building and/or Project of which the Premises are a part, or any portion thereof, (but not the Premises), with no liability, responsibility or assumption of Tenant's responsibilities as defined in this Paragraph. In the event Landlord elects to implement any security measures, then Landlord, in its sole and absolute discretion, may include such costs in the calculation of Tenant's Additional Rent pursuant to the Lease.

Further, with respect to the foregoing Rules & Regulations, Landlord, in Landlord's sole and absolute discretion, may waive any one or more of these Rules and Regulations for the benefit of any particular tenant or tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant or tenants, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any, some or all tenants of the Building and/or Project. Landlord reserves the right at any time to change or rescind any one or more of these Rules and Regulations, or to make such other and further reasonable Rules and Regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises, Building and Project, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein. Tenant acknowledges and agrees that Landlord shall not be responsible to Tenant or to any other person for the nonobservance of the Rules and Regulations by another tenant or other person. Tenant shall be deemed to have read these Rules and Regulations and to have agreed to abide by them as a condition of its occupancy of the Premises.

EXHIBIT E
INTENTIONALLY DELETED

**EXHIBIT F
ESTOPPEL CERTIFICATE**

TENANT ESTOPPEL CERTIFICATE

_____, 20__

[_____]
[_____]
[_____]

Attention: [_____]

Re: Lease between **DIG ROP VINE STREET, LLC**, a Delaware limited liability company, as Landlord (together with its successors and assigns, "**Landlord**") and **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("**Tenant**"), dated _____, 2020, for approximately 3,018 rentable square feet of space known as Suite 110, at the Building located at 3480 Vine Street, Riverside, California 92507 (the "**Property**"), as amended, supplemented and/or modified by the amendments, modifications, side letters, guaranties, letters of credit and other documents listed on Schedule 1 attached hereto (as so amended, supplemented and/or modified, the "**Lease**")

Gentlemen:

The undersigned Tenant has been advised that the Lease may be assigned to [_____] and/or various of its affiliates (collectively, "[_____]") as security in connection with a mortgage loan (the "**Loan**") that may be made by [_____] to Landlord. [_____] together with its successors and assigns, including any person or entity that through assignment, participation or otherwise, becomes an owner of an interest in the Loan shall be collectively referred to herein as "**Lender**". The undersigned hereby certifies to Lender as follows, with full knowledge that Lender is relying upon the truth, accuracy and completeness of such statements:

1. The Lease has commenced pursuant to its terms and is in full force and effect. Tenant has not given Landlord any notice of termination under the Lease.
2. There are no amendments, supplements or modifications of any kind to the Lease except as set forth on Schedule 1. The Lease represents the entire agreement between Tenant and Landlord with respect to the leasing and occupancy of the premises leased under the Lease; there are no other promises, agreements, understandings, or commitments of any kind between Landlord and Tenant with respect thereto.
3. There has not been and is now no subletting of the leased premises, or any part thereof, or assignment by Tenant of the Lease, or any rights therein, to any party, other than as follows: [list or if none, say "**None**"]: _____.
4. Except as otherwise set forth in the Lease, the Tenant has no right to vacate the leased premises or cease to operate its business therefrom.

5. No uncured default, event of default, or breach by Landlord exists under the Lease, and no facts or circumstances exist that, with the passage of time or giving of notice, will or could constitute a default, event of default, or breach by Landlord under the Lease. Tenant has made no claim against Landlord alleging Landlord's default under the Lease.

6. Tenant has accepted full possession of its leased premises at the Property. All of the construction obligations of the Landlord under the Lease have been duly performed and completed including, without limitation, any obligations of the Landlord to make or to pay the Tenant for any improvements, alterations or work done on the leased premises, and the improvements described in the Lease have been constructed in accordance with the plans and specifications therefor and have been accepted by Tenant. All common areas of the Property (including, without limitation, parking areas, sidewalks, access ways and landscaping) are in compliance with the Lease and are satisfactory for Tenant's purposes.

7. To the best of Tenant's knowledge and belief, there are no rental, lease, or similar commissions payable with respect to the Lease, except as may be expressly set forth therein.

8. The term of the Lease commenced on _____ and terminates on _____, unless sooner terminated in accordance with the terms of the Lease. Tenant has no option to renew or extend the lease term except as follows [list or if none, say "None"]:

9. The minimum base rent in the monthly amount of \$_____ and monthly additional rent for operating expenses and real estate taxes in the amount of \$_____ are currently payable under the Lease. The date of Tenant's last rental payment was _____, 20____. Tenant is current with respect to, and is paying the full rent and other charges stipulated in the Lease.

10. As of the date hereof, Tenant is not entitled to any credits, reductions, offsets, defenses, free rent, rent concessions or abatements of rent under the Lease or otherwise against the payment of rent or other charges under the Lease.

11. We will deliver to Lender a copy of all notices we serve on or receive from the Landlord to:

 Attention: _____

12. A security deposit in the amount of \$_____ has been given by Tenant under the terms of, or with respect to, the Lease.

13. Tenant has no option or right to purchase the property of which the premises are a part, or any part thereof, or to lease additional portions of the Property.
14. Tenant has not at any time and does not presently use the leased premises for the generation, manufacture, refining, transportation, treatment, storage or disposal of any hazardous substance or waste or for any purpose which poses a substantial risk of imminent damage to public health or safety or to the environment.
15. The undersigned representative of Tenant is duly authorized and fully qualified to execute this instrument on behalf of Tenant thereby binding Tenant.
16. Neither Tenant nor any guarantor of the Lease is presently the subject of any proceeding pursuant to the United States Bankruptcy Code of 1978, as amended.
17. Tenant hereby agrees that, if Lender succeeds to Landlord's interest in the Property, or if a sale by power of sale or foreclosure occurs, Tenant shall recognize and attorn to Lender, its designee or a purchaser at such sale as Tenant's direct landlord under the Lease.
18. Tenant acknowledges and agrees that Landlord, Lender, co-lenders or participant lenders of the Loan and their respective successors and assigns shall be entitled to rely on Tenant's certifications set forth herein.

TENANT:

By: _____
Name: _____
Title: _____

**SCHEDULE I TO ESTOPPEL CERTIFICATE
AMENDMENTS, MODIFICATIONS, SIDE LETTERS,
GUARANTIES, LETTERS OF CREDIT OR OTHER MODIFICATIONS**

[List or, if none, say "None"]