

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



**ITEM: 3.35
(ID # 22012)**

MEETING DATE:
Tuesday, June 27, 2023

FROM : FACILITIES MANAGEMENT:

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE): Adoption of Resolution Number 2023-159 Authorization to Sell Real Property Located in the City of Riverside, County of Riverside, State of California; Assessor's Parcel Number 215-092-008; CEQA Exempt per State CEQA Guidelines section 15061(b)(3); District 1. [\$33,000 - 100% Sale Proceeds] (4/5th Vote)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3), Common Sense exemption;

Continued on Page 2

ACTION:Policy, 4/5 Vote Required


Rose Salgado, Director of Facilities Management 6/5/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, 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 Gutierrez
Nays: None
Absent: None
Date: June 27, 2023
xc: FM-RE, Recorder

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Adopt Resolution No. 2023-159, Authorization to Sell Real Property Located in the City of Riverside, County of Riverside, State of California by the County of Riverside, a political subdivision of the State of California, to Mark Sterner, an individual, Assessor's Parcel Number 215-092-008, by Grant Deed;
3. Approve the attached Offer and Agreement to Purchase Real Property between Mark Sterner, as Buyer, and the County of Riverside, as Seller, and authorize the Chair of the Board to execute the same on behalf of the County;
4. Authorize the assignment of that lease between County and Provident Financial Holdings, Inc., a Delaware limited liability company originally entered into on May 5, 1997, and amended on October 30, 2013, to the Buyer upon the completion of the sale;
5. Approve the attached Grant Deed and authorize the Chair of the Board of Supervisors to execute the same on behalf of the County;
6. Authorize the Director of Facilities Management, or designee, to execute any and all other documents necessary to complete this transaction;
7. Authorize a reimbursement to Facilities Management-Real Estate Division in an amount not to exceed \$33,000 from the proceeds of the sale of this property; and
8. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk for posting within five (5) working days of approval.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 33,000	\$ 33,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Sale of Proceeds			Budget Adjustment:	No
			For Fiscal Year:	23/24

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The subject surplus property consists of approximately 0.15 acres of land, containing an approximately 8,214 square feet partially occupied commercial building, commonly known as 4001 Main Street and 3744 10th Street, Riverside, California, and identified by Assessor's Parcel Number 215-092-008 (Property). The minimum bid for this Property was established using a Fair Market Value Appraisal which set the minimum bid at \$1,450,000.

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The Property was Declared as Surplus Property on March 1, 2022 (M.O. #3.13). In accordance with Government Code section 54222. The State of California Department of Housing and Community Development (HCD) determined that the County had met all requirements under the Surplus Land Act for the purpose of disposing of the surplus property.

On April 4, 2023 (M.O. #19.1), the Board of Supervisors, in compliance with Government Code Sections 25520 et seq. and the Surplus Land Act, conducted a public hearing, reviewed, and rejected all written and oral bids, and authorized Facilities Management-Real Estate (FM-RE) to continue to market the Property for sale and return to the Board for consideration of any reasonable offer.

On May 10, 2023, Mark Sterner, an individual (Buyer), submitted a proposal to purchase the Property for the approved minimum bid amount of \$1,450,000. Staff recommends approval of the attached Offer and Agreement to Purchase Real Property.

The Property is subject to a lease agreement with Provident Financial Holdings, Inc., a Delaware limited liability company (Lease). The Lease will be assigned to the Buyer, commencing upon the close of escrow. The Buyer shall bear all rights, obligations, and duties, and be entitled to all benefits from that Lease.

This conveyance is exempt, as discussed in detail in the attached Notice of Exemption, from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines section 15061(b)(3), Common Sense exemption.

Resolution No. 2023-159, the Offer and Agreement to Purchase Real Property, and Grant Deed have been approved as to form by County Counsel.

Impact on Citizens and Businesses

The surplus sale of the Property will benefit the citizens and businesses by returning this public property back to private business use and purpose. The sale will allow the Property to generate both sales and property taxes and will allow for new business, jobs, and revenue to be produced.

SUPPLEMENTAL:

Additional Fiscal Information

The Facilities Management - Real Estate Division will be reimbursed for all costs associated with the sale of this Property, as itemized below and through the gross proceeds of this sale. No net county costs will be incurred, and no budget adjustment is necessary.

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STATE OF CALIFORNIA**

Sales Price	\$1,450,000
Title Costs	\$750
Appraisal Costs	\$17,950
County Staff Time includes FM-RE, FM Environmental and County Counsel	\$14,300
Total Estimated Acquisition Costs:	\$33,000
Total Estimated Net Proceeds	\$1,417,000

ATTACHMENTS:

- Resolution 2023-159
- Aerial Map
- 409FM Grant Deed
- Agreement of Purchase and Sale and Joint Escrow Instructions
- Provident Bank Lease & Amendments
- Notice of Exemption
- Resolution 2023-009

JM:il/05152023/409FM/30.93



Aaron Gettis, Deputy County Counsel 6/14/2023

1 Board of Supervisors

County of Riverside

2 **Resolution Number 2023-159**

3 Authorization to Sell Real Property Located in
4 the City of Riverside, County of Riverside,

5 State of California, Assessor's Parcel Number 215-092-008
6

7 **WHEREAS**, the County of Riverside, a political subdivision of the State of California
8 ("County"), owns certain real property consisting of approximately 0.15 acres of land,
9 containing an approximately 8,214 square foot partially vacant commercial building, commonly
10 known as 4001 Main Street and 3744 10th Street, Riverside, California, and identified by
11 Assessor's Parcel Number 215-092-008 ("Property"), and more particularly legally described in
12 Exhibit "A"; and

13 **WHEREAS**, County also holds a lease agreement with Provident Financial Holdings,
14 Inc, a Delaware limited liability company ("Lease") originally entered into on May 5, 1997 and
15 amended on October 30, 2013 and more particularly described in Exhibit "B"; and

16 **WHEREAS**, on March 1, 2022, the Property was declared surplus real property and on
17 January 10, 2023, the Notice of Intention to sell the Properties was directed to be posted and
18 published pursuant to Government Code Sections 25520 et. seq. and 6063; and

19 **WHEREAS**, on April 4, 2023, the Board of Supervisors of the County of Riverside
20 ("Board"), conducted a public hearing to sell the Property, reviewed and rejected all written and
21 oral bids, and authorized Facilities Management-Real Estate (FM-RE), to continue to market
22 the Property for sale and return to the Board of consideration of any reasonable offer; and

23 **WHEREAS**, the County now desires to sell the Property to Mark Sterner, an individual
24 ("Buyer"), and authorize the Chair of the Board to execute the Offer and Agreement to
25 Purchase Real Property and Grant Deed on behalf of the County; and

26 **WHEREAS**, Buyer desires to buy the Property from the County in the amount of One
27 Million Four Hundred and Fifty Thousand Dollars (\$1,450,000); and
28

FORM APPROVED COUNTY COUNSEL
BY: BRADEN G. HOLLY
DATE: 6/5/23

1 **WHEREAS**, the County has reviewed and determined the sale of the Property as
2 categorically exempt from the California Environmental Quality Act (“CEQA”) pursuant to State
3 CEQA Guidelines Section 15061(b)(3), General Rule Exemption – because the proposed
4 project is the sale of real property involving the transfer of title to the real property that is no
5 longer needed for the use by or purposes of the County, does not have significant value for
6 wildlife habitat or other environmental purposes and the use of the property and adjacent
7 property has not changed since the time of acquisition by the County.

8 **BE IT RESOLVED, DETERMINED AND ORDERED** by a four-fifths vote of the Board
9 of Supervisors of the County of Riverside (“Board”), in regular session assembled on June
10 27, 2023, at 9:30 a.m. or soon thereafter, in the meeting room of the Board of Supervisors
11 located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside,
12 California, based upon a review of the evidence and information presented on the matter, as
13 it relates to the conveyance of the Property, this Board:

- 14 1. Has determined that the proposed conveyance of the Property is categorically
15 exempt from CEQA under State CEQA Guidelines Section 15061(b)(3), General
16 Rule or “Common Sense” Exemption; and
- 17 2. Authorizes the sale to Buyer, the following described real property by Grant Deed
18 and pursuant to the Offer and Agreement to Purchase Real Property (“Agreement”)
19 the certain fee simple interest in real property located in the City of Riverside,
20 County of Riverside, State of California identified with the Assessor’s Parcel
21 Number 215-092-008.

22 **BE IT FURTHER RESOLVED, DETERMINED AND ORDERED** that the Board
23 approves the Offer and Agreement to Purchase Real Property (“Agreement”), authorizes the
24 Chair of the Board to execute the Agreement and the Grant Deed on behalf of the County, and
25 direct the deed to be delivered upon performance and compliance by the Buyer of all the terms
26 and conditions of the Agreement.

27 **BE IT FURTHER RESOLVED, DETERMINED AND ORDERED** that the Board assigns
28 that lease with Provident Financial Holdings, Inc., a Delaware limited liability company, to the

1 Buyer commencing upon the completion of the sale.

2 **BE IT FURTHER RESOLVED, DETERMINED AND ORDERED** that the Board
3 authorizes the Director of Facilities Management, or their designee, to execute any other
4 documents necessary to complete this transaction.

5 **BE IT FURTHER RESOLVED, DETERMINED AND ORDERED** that the Board
6 authorizes a reimbursement to Facilities Management-Real Estate Division in an amount not to
7 exceed \$33,000 from the proceeds of the sale of this Property

8 **BE IT FURTHER RESOLVED, DETERMINED AND ORDERED** that the Clerk of the
9 Board of Supervisors is directed to file the Notice of Exemption with the County Clerk within
10 five (5) working days of Board approval.

11 ROLL CALL:

12 Ayes: Jeffries, Washington, Spiegel, Perez and Gutierrez

13 Nays: None

14 Absent: None

15

16 The foregoing is certified to be a true copy of a resolution duly adopted by said Board
17 of Supervisors on the date therein set forth.

17

18 KIMBERLY A. RECTOR, Clerk of said Board

18

19 By:  _____
20 Deputy

20

21 JM:il/05152023/409FM/30.937

22 06.27.2023 3.35

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Exhibit "A"

4001 Main Street and 3744 10th Street, Riverside, California

All that certain real property situated in the County of Riverside, State of California, described as follows:

Lots 1 & 2 of C. J. Gill's Resubdivision of Block 10, Range 7, Riverside, in the City of Riverside, County of Riverside, State of California, as shown by Map on file in Book 5, Page 71 of Maps, in the Office of the County Recorder of San Bernardino County.

EXCEPTING therefrom the Southerly 10 feet pf said Lot 2.

Assessor's Parcel No: 215-092-008

Exhibit "B"



Victor Miceli Law Library
3989 Lemon Street
Riverside, CA 92501
t: (951) 368-0368
f: (951) 368-0185

Indio Branch
48-900A Monroe Street
Indio, CA 92201
t: (760) 848-7151
f: (760) 347-4500

Temecula Law Resource Center
Temecula Public Library
30600 Pauba Road
Temecula, CA 92592
t: (951) 693-8900

AMENDMENT #4

This Amendment No. 4 is made this 30th day of October, 2013 by and between the Board of Law Library Trustees (who purchased the subject property from Main Street Building Partnership) hereinafter called "Landlord" or "Lessor" and Provident Bank, hereinafter called "Tenant" or "Lessee", for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

LEASE TERM: The Lease term is extended for a five (5) year period until October 9, 2019 based upon the terms of the original lease agreement as amended.

BASE RENT: The rental amount will remain the same as the previous year (10/9/13 - 10/8/14) then will begin CPI increases on the anniversary date starting October 9, 2015.

OPTION TO EXTEND: Tenant to have one (1) additional five (5) year option to extend the term based on the original lease agreement.

BOARD OF LAW LIBRARY TRUSTEES

PROVIDENT BANK

By: *Michele D. Levine* 11.1.13
Date

By: *Craig G. Blunden* 11/14/2013
Date

NAME
PRINTED: MICHELE D. LEVINE
TITLE: PRESIDENT RIVERSIDE COUNTY LAW LIBRARY BOARD OF TRUSTEES.

NAME
PRINTED: CRAIG G. BLUNDEN
TITLE: C.E.O.

ML

AMENDMENT #3

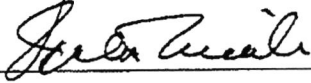
This Amendment No. 3 is made this 15th day of October, 2008 by and between Board of Law Library Trustees (who purchased the subject property from Main Street Building Partnership) hereinafter called "Landlord" or "Lessor" and Provident Bank, hereinafter called "Tenant" or "Lessee", for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

- A) LANDLORD: Riverside Development Associates, LLC was purchased by the Board of Law Library Trustees, who assumed landlord's position.
- B) EXERCISE OF OPTION TO EXTEND: The lease term is extended for a five (5) year period until October 9, 2014 based upon the terms of the original lease agreement as amended.

BOARD OF LAW LIBRARY TRUSTEES


PROVIDENT BANK

By: _____



10/8/09
Date

By: _____



7/8/2009
Date

NAME

PRINTED: Victor Miceli

TITLE: President

NAME

PRINTED: Craig Blunden

TITLE: President

Sign & Return

AMENDMENT NO. 2 TO LEASE

THIS AMENDMENT NO. 2 TO LEASE ("Amendment No. 2") is made this 6th day of August, 2004, by and between RIVERSIDE DEVELOPMENT ASSOCIATES, LLC ("subsequently purchased by MAIN STREET BUILDING PARTNERSHIP") hereinafter called "Landlord" or "Lessor" and PROVIDENT BANK, (hereinafter called "Tenant" or "Lessee"), for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

RECITALS:

- A. Riverside Development Associates, LLC acting in the capacity of Landlord, entered into a Lease dated May 5, 1997 and amended by "First Amendment to Office Lease" dated February 28, 2001 (herein referred to collectively as "Lease") with Tenant. Riverside Development Associates, LLC was purchased by Main Street Building Partnership, who assumed the lease obligations of Provident Bank.
- B. The Term of the Lease commenced on or about October 10, 1997 was extended on February 28, 2001 and the current Term is due to expire on October 9, 2004.
- C. The current monthly Basic Rent is \$6,230.57.
- D. Tenant has paid and Landlord holds a Security Deposit of \$3,093.00 pursuant to the Lease with respect to the Premises.
- E. Tenant has exercised its Right of First Offer as stated in the Lease and expanded its premises to lease a total of 4,790 rentable square feet.
- F. Landlord and Tenant desire to acknowledge the foregoing and to further amend the Lease as hereinafter provided.

NOW, THEREFORE, Landlord and Tenant do hereby agree to extend the Lease term based on the following:

1. **Premises**

Tenant's occupied square footage totals approximately 4,790 rentable square feet and Tenant will continue to have use of these premises.

2. **Commencement Date.**

Commencement of Lease Extension shall begin on October 10, 2004 and continue through October 9, 2009.

3. **Rental Rate.**

The base rent during this extended term shall be \$6,897.60/month beginning October 10, 2004 through October 9, 2005. This base rent will escalate annually on the anniversary date in accordance with the original Lease Agreement.

4. **Option to Extend Lease Term.**

Tenant is hereby exercising its first option to extend the Lease Term for a five- (5) year period and Tenant will continue to have one (1) additional five- (5) year option to extend the term based upon the terms of the Lease Agreement.

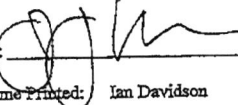
All other terms set forth in the Lease and subsequent Amendments, except for those set forth herein, shall remain in full force and effect. In the event of any inconsistencies between this Amendment No. 2 and the Lease (and/or any Addenda or Amendments), the terms of this Amendment No. 2 shall prevail.

The parties signing below are authorized to bind their respective companies. This Amendment No. 2 shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 as of the dates below.
Reference date of this Amendment No. 2 is July 15, 2004.

"LANDLORD"

RIVERSIDE DEVELOPMENT ASSOCIATES, LLC
BY MAIN STREET BUILDING PARTNERSHIP

By: 
Name Printed: Ian Davidson

Title: General Partner


By: _____

Name Printed: _____

Title: _____

"TENANT"

PROVIDENT BANK

By: 
Name Printed: Donna D Trail

Title: Vice President

By: _____

Name Printed: _____

Title: _____

FIRST AMENDMENT TO OFFICE LEASE

by and between

RIVERSIDE DEVELOPMENT ASSOCIATES, LLC, ("LESSOR")

and

PROVIDENT BANK ("LESSEE")

WHEREAS, Lessee currently occupies a portion of the subject building under the terms of that certain Office Lease dated May 5, 1997, and desires to expand its premises within the building and modify the Lease terms and conditions as described herein.

NOW THEREFORE, the Office Lease and is hereby modified in the following respects:

Tenant: Provident Bank

Premises: Approximately 4,462 rentable square feet (2,284 current + 2,178 expansion) as depicted on the attached Exhibit "A".

Term: The expiration of the term shall be October 9, 2004

Tenant

Improvements: Lessee shall be responsible for constructing all tenant improvements at its sole cost, in accordance with all applicable governmental codes. Lessee guarantees lien-free completion of all work. Lessor agrees to contribute to the tenant improvement cost by way of a Base Rent reduction, as stated below.

Base Rent: The monthly Base Rent (currently \$3,199.10 per month) shall remain unchanged until the date that Lessee's tenant improvements are completed, or until May 1, 2001; whichever first occurs (the "Tenant Improvement Period").

Commencing upon the expiration of the Tenant Improvement Period and continuing for a period of eighteen (18) months ("Reduced Rental Period"), the monthly Base Rent shall be \$5,267.29, and the annual rental increase(s) during this period will be waived.

Commencing upon the expiration of the Reduced Rental Period, the monthly Base Rent shall be \$5,049.10, and the annual rental increases shall resume on November 1, 2003.

City Approval

Contingency: Lessor acknowledges that this First Amendment to Office Lease is contingent upon Lessee obtaining all required permits and approvals from the City of Riverside for proposed tenant improvements.

Except as specifically modified herein, the Office Lease shall remain in full force and effect.

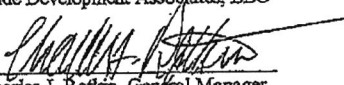
This First Amendment to Office Lease is executed and agreed to this 28 day of February 2001.

LESSOR

LESSEE

Riverside Development Associates, LLC

Provident Bank

By: 
Charles J. Rotkin, General Manager

By: 

Name: Robert G. Schrader

Its: Executive Vice President

EXHIBIT C
FORM OF LEASE TERM DATES

To: Provident Bank
4001 Main St.
Riverside, CA. 92522

Re: Office Lease dated May 5, 1997 between Riverside Development Associates, LLC ("Landlord") and Provident Bank, concerning the Premises covering a portion of the ground floor of the Building located at 4001 Main St., Riverside, CA. 92522.

Gentlemen:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm the following:

1. Substantial Completion of the Premises has occurred, and the Lease Term shall commence on or has commenced on October 10, 1997, for a term of five (5) years, ending on October 9, 2002.
2. Rent commenced to accrue on October 10, 1997, in the amount of \$3,083.00 per month.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a prorata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Your rent checks should be made payable to: Riverside Development Associates, LLC
at
1501 Westcliff Dr., #200
Newport Beach, CA 92660
5. The exact number of rentable square feet within the Premises is 2,284 square feet.
6. Tenant's share as adjusted based upon the exact number of rentable square feet within the Premises is approx. 25%.

Agreed to and accepted as of 10/10, 1997

"Landlord": Riverside Development Associates, LLC

By: Charles J. Rotkin
Charles J. Rotkin
General Manager

"Tenant": Provident Bank

By: William E. Harris
Name: WILLIAM E. HARRIS
Title: SENIOR VICE PRES.

Provident

EXHIBIT E
FORM OF TENANT ESTOPPEL CERTIFICATE

Provident Bank ("Tenant"), hereby certifies as follows:

1. The undersigned is the Tenant under that certain Office Lease dated May 5, 1997 (the "Lease"), executed by Riverside Development Associates, LLC ("Landlord") as Landlord and the undersigned Tenant, covering a portion of the property located at 4001 Main St., Riverside, CA (the "Property").

2. Pursuant to the Lease, Tenant has leased approximately 2,284 square feet of space (the "Premises") at the Property and has paid Landlord a security deposit of \$2400.30. The Security Deposit balance owed after verification of the square footage of the Premises is \$ 682.70. The term of the Lease commenced on October 10, 1997 and the expiration date of the Lease is October 9, 2002. The Tenant has paid rent through November 9, 1997. The next rental payment in the amount of \$2,157.96 is due on November 1, 1997.

3. Tenant is entitled to use eight (8) parking spaces.

4. Except as expressly provided in the Lease, and other documents attached hereto, Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any preferential right to purchase all or any part of the Premises or the Property.

5. True and complete copies of the Lease and all amendments, modifications, and supplements thereto are attached hereto and to the Lease, as so amended, modified, and supplemented, is in full force and effect, and represents the entire agreement between Landlord and Tenant with respect to the Premises and the Property. There are no amendments, modifications, or supplements to the Lease, whether oral or written, except as follows (include the date of such amendment, modification, or supplement):

6. All space and improvements leased by Tenant have been completed and furnished in accordance with the provisions of the Lease, and Tenant has accepted and taken possession of the Premises.

7. Landlord is not in any respect in default in the performance of the terms and provisions of the Lease. Tenant is not in any respect in default under the Lease, and has not assigned, transferred, or hypothecated the Lease or any interest therein or subleased all or any portion of the Premises.

8. There are no offsets or credits against rentals payable under the Lease and no free periods or rental concessions have been granted to Tenant, except as follows: _____

9. Tenant has no actual or constructive knowledge of any processing, use, storage, disposal, release or treatment of any hazardous or toxic materials or substances on the Premises or the Property except as follows (if none, state "none"):

NONE

10. This Certificate is given to Landlord with the understanding that they will rely hereon in connection with the conveyance of the Property of which the Premises constitute a part to _____. Following such conveyance, Tenant agrees that the Lease shall remain in full force and effect and shall bind and inure to the benefit of the Landlord and its successor in interest as if no purchase had occurred.

Dated: 10/10/97

"Tenant": Provident Bank
By: W. E. Harris
Name: WILLIAM E. HARRIS
Title: SENIOR VICE PRES.

Provident

ORIGINAL

4001 Main St.
Riverside, CA

OFFICE LEASE

by and between

Riverside Development Associates, LLC

"Landlord"

and

Provident Savings Bank

"Tenant"

SUMMARY OF BASIC LEASE INFORMATION

The undersigned hereby agree to the following terms of this Summary of Basic Lease Information (the "Summary"). This Summary is hereby incorporated into and made a part of the attached Office Lease (this Summary and the Office Lease to be known collectively as the "Lease") which pertains to the "Project", as that term is defined in the Office Lease. Each reference in the Office Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Office Lease, the terms of the Office Lease shall prevail. Any initially capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Office Lease.

TERMS OF LEASE

(References are to the Office Lease)

1. Dated as of 5/5, 1997

2. Landlord: Riverside Development Associates, LLC

3. Address of Landlord: 1501 Westcliff Dr., #200
Newport Beach, CA 92660

4. Tenant: Provident Savings Bank

5. Address of Tenant
(Section 29.14): 3756 Central Ave.
Riverside, CA 92506 (Prior to Lease Commencement Date)

and

4001 Main St., Ste. A
Riverside, CA 92522 (After Lease Commencement Date)

6. Premises
(Article 1)

6.1 Building: 4001 Main St.
Riverside, CA 92522

6.2 Premises: Approximately 1,778 rentable square feet of space located on the ground floor of the Building, as set forth in Exhibit A attached hereto, known as Suite A.

7. TERM (Article 2)

7.1 Lease Term: Five (5) years
OPTION: Two 5-year option periods, original Lease terms to continue

7.2 Lease Commencement: The date of Lessor's Completion of the Premises, as such term is defined in the Tenant Work Letter attached hereto as Exhibit D, and further described in the Space Plan, attached hereto as Exhibit A. The Lease Commencement Date is anticipated to be: August 1, 1997. Using as Anniversary Date

7.3 Lease Expiration Date: The date which is five (5) years after the Lease Commencement Date occurs.

7.4 Base Rent Escalation: Base Rent increases will be calculated annually according to the Los Angeles/Anaheim/Riverside Consumer Price Index (CPI), and the base rent amount will be adjusted annually; CPI increases are not to exceed 3% per year, and will continue through the option periods if exercised.

Provident

INITIAL

@
[Handwritten Signature]

8. Base Rent (Article 3):

<u>Lease Year</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Annual Rental Rate per Rentable Square Foot</u>
1997	\$ 28,803.60	\$ 2,400.30	\$ 16.20

** Tenant to pay first month's rent and a security deposit equal to one month's rent upon execution of Lease.

9. Additional Rent

(Article 4): None, except for taxes directly attributable to Tenant's furniture, fixtures, and equipment, and other personal property located on the Premises.

10. Security Deposit

(Article 21): \$2,400.30

11. Number of Parking Passes

(Article 28): Eight (8) adjacent spaces at rear of building to be for the exclusive use of Tenant for as long as they are available.

12. Brokers (Section 29.19): NONE

13. Build-out/Tenant Improvement: Build-out to be performed by Landlord in accordance with the attached Space Plan.

14. Signs: Tenant can erect signs on the building front (Main St.), side (10th St.), and in the foyer entrance per City code and permit requirements. Signs must coordinate with those of Kelly's Coffee & Fudge in a mutually acceptable manner.

15. Co-tenancy: It is agreed that Provident Savings Bank will share space with another tenant, said co-tenancy being subject to Provident Savings Bank approval.

16. Rest Rooms: During normal business hours, Tenant shall have access to, and the right to use, the existing restrooms. Access shall be via a door in Tenant's interior demising wall, and through the premises of the co-tenant.

16. Basement: Tenant shall have free access to a portion of the basement for storage, at no charge.

17. Tenant Improvement Allowance: Landlord will pay up to \$30.00 per square foot for Tenant Improvements. Any amount in excess of this allowance will be paid by Tenant.

The foregoing terms of this Summary are hereby agreed to by Landlord and Tenant.

"Landlord": Riverside Development Associates, LLC

By: Charles J. Rotkoff
Charles J. Rotkoff
General Manager

"Tenant": Provident Savings Bank

By: William E. Harris

Name: WILLIAM E. HARRIS

Its: SENIOR VICE PRES.

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OFFICE LEASE

This Office Lease, which includes the preceding Summary of Basic Lease Information (the "Summary") attached hereto and incorporated herein by this reference (the Office Lease and Summary to be known sometimes collectively hereafter as the "Lease"), dated as of the date set forth in Section 1 of the Summary, is made by and between Riverside Development Associates, LLC ("Landlord"), and Provident Savings Bank ("Tenant").

ARTICLE 1

PROJECT, BUILDING AND PREMISES

1.1 Premises, Building, Project and Common Areas

1.1.1 The 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 set forth in Section 6.2 of the Summary (the "Premises"), which Premises are located in the building whose address is set forth in Section 6.1 of the Summary (the "Building"), reserving, however to Landlord: (i) all of the Building, except for the space within the inside surfaces bounding the Premises, and except as provided below in this Article 1, and (ii) the rights, interests and estates reserved to Landlord by provisions of this Lease or operation of law. The outline of the Premises is set forth in Exhibit A attached hereto. The rentable square footage of the Premises and the Building are set forth in Section 6 of the Summary.

1.1.2 The Building and the Project. The Building is an office building project known as "4001 Main St.". The term "Project", as used in this Lease, shall mean the Building, the "Common Areas", as that term is defined in Section 1.1.3 below, the land (which is improved with surface parking areas and other improvements) upon which the Building, and the Common Areas are located, and at Landlord's discretion, any additional real property, areas, buildings or other improvements added thereto. Tenant acknowledges that Landlord has made no representation or warranty regarding the condition of the Project except as specifically set forth in the Lease.

1.1.3 Common Areas. Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules, regulations and restrictions attached hereto as Exhibit B (the "Rules and Regulations"), those portions of the Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas designated by Landlord, in its discretion, are collectively referred to herein as the "Common Areas"). The Common Areas shall consist of the "Project Common Areas" and the "Building Common Areas." The term "Project Common Areas," as used in Lease, shall mean the portion of the Project designated as such by Landlord, and may include, without limitation, any parking facilities, fixtures, systems, signs, facilities, gardens, parks or other landscaping used in connection with the Project, and may include any city sidewalks adjacent to the Project, pedestrian walkway system, whether above or below grade, park or other facilities open to the general public and roadways, sidewalks, walkways, parkways, driveways and landscape areas appurtenant to the Project. The term "Building Common Areas," as used in this Lease, shall mean the portions of the Common Areas located within the Building and may include, without limitation, the common entrances, lobbies, restrooms, elevators (if any), stairways and accessways, loading docks, ramps, drives, platforms, passageways, common pipes, conduits, wires, equipment, loading and unloading areas, and trash areas servicing the Building. The manner in which the Common Areas are maintained and operated shall be at the sole discretion of Landlord. Landlord reserves the right without notice to Tenant to make alterations or this additions to or to change the location of elements of the Project and the Common Areas

1.2 Verification of Rentable Square Feet of Premises and Building. For purposes of this Lease, "rentable square feet" shall be calculated pursuant to Standard Method for Measuring Floor Area in Buildings, ANSI Z65.1 - 1980 ("BOMA"), provided that the rentable square footage of the Building and other buildings in the Project shall include all of (and the rentable square footage of the Premises therefore shall include a portion of) (i) the Building Common Areas and (ii) the occupied space of the portion of the Project dedicated to the service of the Office Project. The rentable square feet of the Premises, Building and the Project are subject to verification from time to time by Landlord's planner/designer and such verification shall be made in accordance with the provisions of this Article 1. Tenant's architect may consult with Landlord's planner/designer regarding such verification as it pertains to the Premises; however, the determination of Landlord's planner/designer shall be conclusive and binding upon the parties. In the event that Landlord's planner/designer determines that the amounts thereof shall be different from those set forth in this Lease, all amounts, percentages and figures appearing or referred to in this Lease based upon such incorrect amount (including, without limitation, the amount of the "Rent," "Tenant's Share" and any "Security Deposit," as those terms are defined in Article 4 and Article 21 of this Lease, respectively) shall be modified in accordance with such determination. If such determination is made, it will be confirmed in writing by Landlord to Tenant.

ARTICLE 2

LEASE TERM

The terms and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "Lease Term") shall be as set forth in Section 7.1 of the Summary and shall commence on the date (the "Lease Commencement Date") set forth in Section 7.2 of the Summary, and shall terminate on the date (the "Lease Expiration Date") set forth in Section 7.3 of the Summary, unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12)-month period during the Lease Term. At any time during the Lease Term, Landlord may deliver to Tenant a notice in the form as set forth in Exhibit C attached hereto, which Tenant shall execute and return to Landlord within five (5) days of receipt thereof. Tenant shall have the option to extend the term of the Lease, and the initial Lease Expiration Date for a period of up to two 5-year periods (the "Extension Term"). Tenant may exercise the extension option by giving Landlord written notice of Tenant's intent to exercise the extension option at least ninety (90) days prior to the Lease Expiration Date.

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ARTICLE 3
BASE RENT

Tenant shall pay, without notice or demand, to Landlord at the management office of the Project, or at such other place as Landlord may from time to time designate in writing, in the form of a check (which is drawn upon a bank which is located in the State of California) or currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("Base Rent") as set forth in Section 2 of the Summary, payable in equal monthly installments as set forth in Section 3 of the Summary in advance on or before the first day of each and every calendar month during the Lease Term, without any setoff or deduction whatsoever. The Base Rent for the first full calendar month of the Lease Term shall be paid at the time of Tenant's execution of this Lease. If any "Rent," as that term is defined in Section 4.1, below, payment date (including the Lease Commencement Date) falls on a day of a calendar month other than the first day of such calendar month or if any Rent payment is for a period which is shorter than one calendar month, the Rent for any fractional calendar month shall accrue on a daily basis for the period from the date such payment is due to the end of such calendar month or to the end of the Lease Term at a rate per day which is equal to 1/360 of the Rent. 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.

ARTICLE 4
ADDITIONAL RENT

4.1 Additional Rent - In addition to paying the Base Rent specified in Article 2 of this Lease, Tenant shall pay as additional rent "Tenant's Share" of the annual "Project Expenses," as those terms are defined in Sections 4.2.6 and 4.2.4 of this Lease, respectively, allocated to the tenants of the Building pursuant to the terms of the Section 4.2 below, to the extent such Project Expenses allocated to the tenants of the Building are in excess of Tenant's Share of Project Expenses applicable to the "Base Year," as that term is defined in Section 4.2.1 of this Lease. Such additional rent, together with any and all other amounts payable by Tenant to Landlord, as additional rent or otherwise, pursuant to the terms of this Lease, shall be hereinafter collectively referred to as the "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, time and place as the Base Rent. Without limitation on other obligations of Tenant which shall survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall the expiration of the Lease Term.

4.2 Definitions - As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1 "Base Year" shall mean the period set forth in Section 2.1 of the Summary.

4.2.2 "Expense 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.

4.2.3 "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, or any portion thereof, including, without limitation, any amounts paid or incurred for (i) the cost of supplying all utilities, the cost of operating, maintaining, repairing, replacing, renovating and managing the utility systems, mechanical systems, sanitary and storm drainage systems, and escalator and elevator systems, and the cost of supplies, tools, and equipment and maintenance and service contracts in connection therewith; (ii) 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 the implementation and operation of a transportation system management program or similar program; (iii) the cost of insurance carried by Landlord in connection with the Project, in such amounts as Landlord may reasonably determine; (iv) the cost of landscaping, relamping, and all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Project; (v) the cost of parking area repair, restoration, and maintenance, including, but not limited to, resurfacing, repainting, restriping, and cleaning; (vi) fees, charges and other costs, including management fees (or amounts in lieu thereof), consulting fees, legal fees and accounting fees, of all persons engaged by Landlord or otherwise reasonably incurred by Landlord in connection with the management, operation, maintenance and repair of the Project; (vii) 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); (viii) wages, salaries and other compensation and benefits of all persons engaged in the operation, 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; provided, that if any employees of Landlord provide services for more than one project of Landlord, then a prorated portion of such employees' wages, benefits and taxes shall be included in Operating Expenses based on the portion of their working time devoted to the Project; (ix) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Project; (x) amortization (including interest on the unamortized cost at a rate equal to the floating commercial loan rate announced from time to time by Bank of America N.T. & S.A., as its prime rate, plus 2% per annum (the "Interest Rate")) of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project; and (xi) the cost of capital improvements or other costs incurred in connection with the Project (A) which relate to the operation, repair, maintenance and replacement of all systems, equipment or facilities which serve the Project in the whole or in part, (B) which are intended as a labor saving device or to effect other economies in the operation or maintenance of the Project, or any portion thereof, or (C) that are required under any governmental law or regulation but which were not so required in connection with the Project at the time that permits for the construction of the Building were obtained; provided, however, that each such permitted capital expenditure set forth in items (A), (B) and (C) above shall be amortized (including interest on the unamortized cost) over its useful life as Landlord shall reasonably determine. If the Project is less than ninety five percent (95%) occupied during all or a portion of any Expense Year (including the Base Year), Landlord shall make an appropriate adjustment to the variable components of Operating Expenses for such Expense Year as reasonably determined by Landlord employing sound real estate management principles, to determine the amount of Operating Expenses that would have been paid had the Project been ninety five percent (95%) occupied, and the amount so determined shall be deemed to have been the amount of Operating Expenses for such Expense Year. Notwithstanding the foregoing, for purposes of this Lease, Operating Expenses shall not, however, include (A) except as otherwise set forth above in this Section 4.2, depreciation, interest and amortization on mortgages, or ground lease payments, if any; (B) legal fees incurred in negotiating and enforcing tenant leases; (C) real estate brokers' leasing commissions; (D) initial improvements or alterations to tenant spaces; (E) the cost of providing any service directly to and paid directly by any tenant; (F) any costs expressly excluded from Operating Expenses elsewhere in this Lease;

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(C) costs of any items to the extent Landlord receives reimbursement from insurance proceeds (such proceeds to be excluded from Operating Expenses in the year in which received, except that any deductible amount under any insurance policy shall be included within Operating Expenses) or from a third party; and (D) costs of capital improvements, except those set forth in this Section 4.2, or those includable in Operating Expenses pursuant to an application by Landlord of sound real estate management principles.

4.2.4 "Project Expenses" shall mean "Operating Expenses" and "Tax Expenses."

4.2.5 "Tax Expenses" shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary (including, without limitation, real estate taxes, general and special assessments, transit taxes, household taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, furnishings and other personal property used in connection with the Project), which Landlord shall pay or incur during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project. For purposes of this Lease, Tax Expenses shall be calculated during each Expense Year (including the Base Year) as if the tenant improvements in the Project were fully constructed and the Project, and all tenant improvements in the Project were fully assessed for real estate tax purposes.

4.2.5.1 Tax Expenses shall include, without limitation:

(i) 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, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election (Proposition 13) and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, conservation, refuse removal and for other governmental services formerly provided without charge to property owners or occupants. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies, and charges and all similar assessments, taxes, fees, levies and charges be included within the definition of Tax Expenses for purposes of this Lease.

(ii) 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 with respect to the receipt of such Rent, or 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.

(iii) Any assessment, tax, fee, levy or charge upon the transmission of any document to which Tenant is a party, creating or transferring an interest in an estate in the Premises; and

(iv) Any necessary taxes, charges or levies in lieu of real estate taxes.

4.2.5.2 Any expenses incurred by Landlord in attempting to prevent, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are paid.

4.2.5.3 Notwithstanding anything to the contrary set forth in this Section 4.2.5, in no event shall the Tax Expenses for any Expense Year following the Base Year be less than the component of Tax Expenses for the Base Year.

4.2.5.4 Notwithstanding anything to the contrary contained in this Section 4.2.5 (except as set forth in Section 4.2.5.1 or levied in whole or part in lieu of Tax Expenses), there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project) and (ii) any items included as California Operating Expenses.

4.2.6 "Tenant's Share" shall mean the percentage set forth in Section 4.2 of the Summary, calculated by dividing the number of rentable square feet of the Premises by the total rentable square feet of the buildings in the Project.

4.2 Allocation of Project Expenses to Tenants of the Building. Project Expenses (i.e., Operating Expenses and Tax Expenses) are determined annually for the Project as a whole. Expenses shall be allocated by Landlord, in its reasonable discretion, to the tenants of the Building. The portion of Project Expenses allocated to the tenants of the Building shall consist of (i) all Project Expenses attributable solely to the Building and (ii) an equitable portion of Project Expenses attributable to the Project as a whole and not attributable solely to the Building or to any adjacent buildings in the Project. Additionally, in allocating Project Expenses to the tenants of the Building, Landlord shall have the right, from time to time, to equitably allocate some or all of the Project Expenses allocable to the tenants of the Project among different tenants of the Project (the "Cost Pools"). Such Cost Pools may include, but shall not be limited to, the office space tenants of the Project and the retail space tenants of the Project.

4.4 Calculation and Payment of Additional Rent

4.4.1 Calculation of Excess. If for any Expense Year ending or commencing within the Lease Term, Tenant's Share of Project Expenses for such Expense Year exceeds Tenant's Share of the amount of Project Expenses applicable to the Base Year, then Tenant shall pay to Landlord, in the manner set forth in Section 4.4.2, below, and as Additional Rent, an amount equal to the excess (the "Excess").

4.4.2 Statement of Actual Project Expenses and Payment by Tenant. Landlord shall endeavor to give to Tenant on or before the first day of April following the end of each Expense Year, a statement (the "Statement") which shall state the Project Expenses incurred or accrued for such preceding Expense Year and the amount thereof allocated to the tenants of the Building and which shall include the amount, if any, of any Excess. Upon receipt of the Statement for each Expense Year ending during the Lease Term, if an Excess is present, Tenant shall pay, with the installment of Base Rent due, the full amount of the Excess for such Expense Year, less the amount, if any, paid during such Expense Year as "Estimated Excess" as that term is defined in Section 4.4.1 below. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord's right, under this Article 4

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Even though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of the Project Expenses allocated to the tenants of the Building for the Expense Year in which this Lease terminates, if an Excess is present, Tenant shall immediately pay to Landlord an amount as calculated pursuant to the provisions of Section 4.4.1 of this Lease. The provisions of this Section 4.4.2 shall survive the expiration or earlier termination of the Lease Term.

4.4.2 Statement of Estimated Project Expenses. In addition, Landlord shall give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall set forth Landlord's reasonable estimate (the "Estimate") of what the total amount of Project Expenses for the then current Expense Year shall be and the estimated Excess (the "Estimated Excess") as calculated by comparing Tenant's Share of Project Expenses allocated to the tenants of the Building, which shall be based upon the Estimate, to Tenant's Share of Project Expenses applicable to the Base Year, which Estimate Statement may be revised and reissued by Landlord from time to time. The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Excess under this Article 4, if pursuant to the Estimate Statement (or a revision thereof) an Estimated Excess is calculated for the then current Expense Year, Tenant shall pay to Landlord, with its next installment of Base Rent due, a fraction of the Estimated Excess (or the increase in the Estimated Excess if pursuant to a revised Estimate Statement) for the then current Expense Year (reduced by any amounts paid pursuant to the last sentence of this Section 4.4.2). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year to the month of such payment, both months inclusive, and shall have twelve (12) as its denominator. Until a new Estimate Statement is furnished, Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one twelfth (next 1/12) of the total Estimated Excess set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5 Allocation of Project Expenses. Notwithstanding anything to the contrary set forth in this Article 4, when calculating the Project Expenses for the Base Year, such Project Expenses shall not include (i) any increase in Tax Expenses attributable to special assessments, charges, costs, or fees, or due to modifications or changes in governmental laws or regulations, including but not limited to the institution of a split tax roll, (ii) market-wide labor rate increases due to extraordinary circumstances, including, but not limited to, boycotts and strikes, (iii) utility rate increases due to extraordinary circumstances including, but not limited to, conservation surcharges, boycotts, embargoes or other shortages, and (iv) amortized costs relating to capital improvements or expenditures.

4.6 Taxes and Other Charges for Which Tenant Is Directly Responsible. Tenant shall reimburse Landlord, as Additional Rent, upon demand for any and all taxes required to be paid by Landlord (except to the extent included in Tax Expenses by Landlord), excluding state, local and federal 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:

4.6.1 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 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; or

4.6.2 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, any portion of the Project or the parking facilities used by Tenant in connection with this Lease.

4.7 Landlord's Books and Records. Within forty-five (45) days after receipt of a Statement by Tenant, if Tenant disputes the amount of Additional Rent set forth in the Statement, an independent certified public accountant (which accountant is a member of a nationally recognized accounting firm), designated by Tenant, may, after reasonable notice to Landlord and was reasonable times, inspect Landlord's records at Landlord's offices, provided that Tenant is not then in default under this Lease. If after such inspection, Tenant still disputes such Additional Rent, a certification as to the proper amount shall be made, at Tenant's expense, by Landlord's independent certified public accountant, which certification shall be final and conclusive.

ARTICLE 5 USE OF PREMISES

5.1 General Provisions. Tenant shall use the Premises solely for general office and retail banking purposes. 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 any use or purpose contrary to the Rules and Regulations, or in violation of the laws of the United States of America, the State of California, 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 faithfully observe and comply with the Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of such Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project.

5.2 Other Terms

5.2.1 Prohibition. Tenant shall not cause or permit any "Hazardous Material" as that term is defined below, to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Project by Tenant, its affiliates, agents, employees, contractors, sublessees, assignees or invitees. Tenant shall indemnify, defend, protect, and hold Landlord harmless from and against any and all actions (including, without limitation, remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including, without limitation, punitive damages), expenses (including, for without limitation, attorneys', consultants' and experts' fees, court costs and amounts paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of the foregoing prohibition by Tenant, its affiliates, agents, employees, contractors, sublessees, assignees or invitees.

In the event that Hazardous Materials are discovered upon, in, or under the Project, and any governmental agency or entity having jurisdiction over the Project requires the removal of such Hazardous Material, Tenant shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Project by Tenant or its affiliates, agents, employees, contractors, sublessees, assignees or invitees.

5.2.2 Notice Requirements. Notwithstanding the foregoing, Tenant shall not take any remedial action in or about the Premises, the Building or the Project without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to protect Landlord's interest with respect thereto. Tenant immediately shall notify Landlord in writing of (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Premises, the Building, the Project or any portion thereof, (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if Tenant has notice thereof) pursuant to any Hazardous Materials laws; (iii) any claim made or threatened by any person against Tenant, the Premises, the Building or the Project relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Premises, the Building or the Project, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to Hazardous Materials. The respective rights and obligations of Tenant and Landlord under this Article 5 shall survive the expiration or earlier termination of this Lease.

5.2.3 Definitions. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "infectious wastes," "hazardous materials" or "toxic substances" now or subsequently regulated under any federal, state or local laws, regulations or ordinances and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

6.1.1 Subject to all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating and air conditioning when necessary for normal comfort for normal office use in the Premises, from Monday through Friday, during the period from 7:00 a.m. to 6:00 p.m., and on Saturday during the period from 8:30 a.m. to 2:00 p.m., except for the date of observation of New Year's Day, Independence Day, Labor Day, Memorial Day, Thanksgiving Day, Christmas Day (collectively, the "Holidays"), subject to change, to be determined by Tenant.

6.1.2 Landlord shall provide adequate electrical wiring, facilities and power for normal general office use as determined by Landlord. Landlord shall bear the cost of replacement of lamps, starters and ballasts lighting fixtures within the Premises.

6.1.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes.

6.1.4 Landlord shall provide janitorial services five (5) days per week, except the date of observation of the Holidays, in and about the Premises.

6.2 Overstandard Tenant Use. Tenant shall not, without Landlord's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than building standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Landlord pursuant to the terms of Section 6.1 of this Lease. If such consent is given, Landlord shall have the right to install supplementary air conditioning units or other facilities in the Premises, including supplementary or additional metering devices, and the cost thereof, including the cost of installation, operation and maintenance, increased wear and tear on existing equipment and other similar charges, shall be paid by Tenant to Landlord upon billing by Landlord. If Tenant uses water, electricity, heat or air conditioning in excess of that supplied by Landlord pursuant to Section 6.1 of this Lease, Tenant shall pay to Landlord, upon billing, the cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord, on demand, including the cost of such additional metering devices. If Tenant desires to use heat, ventilation or air conditioning during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease, Tenant shall give Landlord such prior notice, as Landlord shall from time to time establish as appropriate, of Tenant's desired use and Landlord shall supply such utilities to Tenant at such hourly cost to Tenant as Landlord shall from time to time establish. Amounts payable by Tenant to Landlord for such use of additional utilities shall be deemed Additional Rent hereunder and shall be billed on a monthly basis.

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 or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

Landlord may comply with voluntary controls or guidelines promulgated by any governmental entity relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions without creating any liability of Landlord to Tenant under this Lease, provided that the Premises are not thereby rendered untenantable.

ARTICLE 7
REPAIRS

Tenant shall, at Tenant's own expense, pursuant to the terms of this Lease, including without limitation Article 8 hereof, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense but under the supervision and subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, pursuant to the terms of this Lease, including without limitation Article 8 hereof, promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make 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 Building and/or 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. Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements and additions to the Premises or to the Project or to any equipment located in the Project as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree. 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. 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 that no Hazardous Material is incorporated into or brought into the Project or Premises. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter, attached hereto as Exhibit D, and not the terms of this Article 8.

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 sole discretion may deem desirable, including, but not limited to, the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term, and/or the requirement that Tenant utilize for such purposes only contractors, materials, mechanics and materialmen selected by Landlord. 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 and pursuant to a valid building permit, issued by the City of Riverside, in conformance with Landlord's construction rules and regulations. 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 Project, Building or Common Areas or any portion thereof, by any other tenant of the Project, and as not to obstruct the business of Landlord or other tenants in the Project, or interfere with the labor force working in the Project. Upon completion of any Alterations, Tenant agrees to cause a timely Notice of Completion to be recorded in the office of the Recorder of the County of Riverside in accordance with the terms of Section 3093 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to the Project management office a reproducible copy of the "as built" drawings of the Alterations.

8.3 Payment for Improvements. The charges for such work performed by a contractor selected by Landlord shall be deemed Additional Rent under this Lease, payable upon billing therefor, either periodically during construction or upon the substantial completion of such work, at Landlord's option. Upon completion of such work, Tenant shall deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials. Tenant shall pay to Landlord a percentage, to be established by Landlord, of the cost of such work to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's involvement with such work.

8.4 Construction Insurance. In the event that Tenant makes any Alterations, Tenant agrees to carry "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.

8.5 Landlord's Property. All Alterations, improvements, and/or 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, except that Tenant may remove any Alterations, improvements, fixtures and/or equipment which Tenant can substantiate to Landlord have not been paid for with any tenant improvement or refurbishment allowance funds provided to Tenant by Landlord, provided Tenant repairs any damage to the Premises and Building caused by such removal. Furthermore, if Landlord, as a condition to Landlord's consent to any Alteration, requires that Tenant remove any Alteration upon the expiration or early termination of the Lease Term, Landlord may, by written notice to Tenant prior to the end of the Lease Term, or given upon any earlier termination of this Lease, require Tenant at Tenant's expense to remove such Alterations and to repair any damage to the Premises and Building caused by such removal. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, Landlord may do so and may charge the cost thereof to Tenant.

INITIAL

(Handwritten initials)

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 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 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, in the event that such lien is not released and removed on or before the date occurring five (5) days after 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 immediately be due and payable by Tenant.

ARTICLE 10
INSURANCE

10.1 Indemnification and Waiver. To the extent not prohibited by law, Landlord, its partners, trustees, ancillary trustees and their respective officers, directors, shareholders, beneficiaries, agents, servants, employees, and independent contractors (collectively, the "Landlord Parties") shall not be liable for any fixtures damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify defend, protect, and hold harmless Landlord Parties from any and all loss, cost, , damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises, either prior to, during, or after the expiration of the Lease Term provided that the terms of the foregoing indemnity shall not apply to the gross negligence or willful misconduct of Landlord. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

10.2 Tenant's Compliance with Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for any insurance policies carried by Landlord, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and , with any similar body.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts,

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use of the Premises, including a Commercial General Liability endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 of this Lease, for limits of liability not less than: (i) Bodily Injury and Property Damage Liability - \$1,000,000 each occurrence and \$2,000,000 annual aggregate, and (ii) Personal Injury Liability - \$1,000,000 each occurrence and \$2,000,000 annual aggregate.

10.3.2 Physical Damage Insurance covering (i) all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the "Tenant Improvements," as that term is defined in the Tenant Work Letter, and (iii) all other improvements, alterations and additions to the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include a vandalism and malicious mischief endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage.

10.3.3 Loss-of-income and extra-expense insurance in such amounts as will reimburse Tenant for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises, to the Building or to the Project as a result of such perils.

10.3.4 Form of Policies. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) name Landlord, and any other party it so specifies, as an additional insured; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance company having a rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord; and (vi) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. If Tenant fails to carry the amounts and types of insurance required to be carried by it pursuant to this Article 10, in addition to any remedies Landlord may have under this Lease, such failure shall be deemed to be a covenant and agreement by Tenant to self-insure with respect to the type and amount of insurance which Tenant so failed to carry, with full waiver of subrogation with respect thereto.

10.4 Subrogation. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any rights of subrogation that such companies may have against Landlord or Tenant, as the case may be, so long as the insurance carried by Landlord and Tenant, respectively, is not invalidated thereby. As long as such waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant hereby waive any right that either may have against the other on account of any loss or damage to their respective property to the extent such loss or damage is insurable under policies of insurance for fire and all risk coverage, theft, or other similar insurance.

10.5 Additional Insurance Obligations. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10, and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord. Notwithstanding anything to the contrary contained in this Lease, in the event any termination of this Lease pursuant to Article 11 or Article 12 below, Tenant shall assign and deliver to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease.

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 any other casualty. If the Premises or any Common Areas 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 11, restore the base, shell, and core of the Premises and such Common Areas. 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 zoning and building codes and other laws or by the holder of a mortgage on the Building 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. Notwithstanding any other provision of this Lease, upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease, and Landlord shall repair any injury or damage to the Tenant Improvements installed in the Premises and shall return such Tenant Improvements to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's repair of the damage. In connection with such repairs and replacements, Tenant shall, prior to the commencement of construction, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Such submittal of plans and construction of improvements shall be performed in substantial compliance with the terms of the Tenant Work Letter as though such construction of improvements were the initial construction of the Tenant Improvements. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, 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 shall have damaged 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, contractors, licensees, or invitees, Landlord shall allow Tenant a proportionate abatement of Rent 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 Landlord's Option to Repair. Notwithstanding the terms of Section 11.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, Building and/or Project and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after Landlord becomes aware of such damage, such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within one hundred eighty (180) days of the date of damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or Project or ground lessor with respect to the Building or Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies; or (iv) any owner of any other portion of the Project, other than Landlord, does not intend to repair the damage to such portion of the Project.

11.3 Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, 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 statute or regulation of 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.

11.4 Damage Near End of Term. In the event that the Premises, the Building or the Project is destroyed or damaged to any substantial extent during the last six (6) months of the Lease Term, then notwithstanding anything contained in this Article 11, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within thirty (30) days after Landlord becomes aware of such damage or destruction, in which event this Lease shall cease and terminate as of the date of such notice, Tenant shall pay the Base Rent and Additional Rent, properly apportioned up to such date of damage, 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.

ARTICLE 12 NONWAIVER

No waiver of any provision of this Lease shall be implied by any failure of Landlord 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 Landlord 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.

No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the correct Rent due shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance, treat such partial payment as a default or pursue any other remedy provided in this Lease or at law.

ARTICLE 13
CONDEMNATION

If ten percent (10%) or more of the Premises, the Building or the 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 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, or if access to the Premises is substantially impaired, Tenant 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. 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 Building or 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 Rent 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.

ARTICLE 14
ASSIGNMENT AND SUBLLETING

14.1 Transfers. Tenant shall not, without the prior written consent of Landlord, 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"). If Tenant shall desire Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "Transfer Notice") shall include (i) the proposed effective date of the Transfer, which shall not be less than forty-five (45) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "Subject Space"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including a calculation of the "Transfer Premium," as that term is defined in Section 14.3, below, in connection with such 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, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and any other information required by Landlord, which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, (v) an executed estoppel certificate from Tenant in the form attached hereto as Exhibit E, and (vi) 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 Section 19.1.7 of this Lease. Whether or not Landlord shall grant consent, Tenant shall pay Landlord's review and processing fees, as well as any reasonable legal fees incurred by Landlord, within thirty (30) days after written request by Landlord.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold 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 deemed to 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:

14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project;

14.2.2 The Transferee is either a governmental agency or instrumentality thereof;

14.2.3 The Transferee's intended use of the Premises is inconsistent with the permitted use specified in Article 2 above;

14.2.4 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;

14.2.5 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;

14.2.6 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);

14.2.7 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, (i) occupies space in the Project at the time of the request for consent, (ii) is negotiating with Landlord to lease space in the Project at such time, or (iii) has negotiated with Landlord during the twelve (12)-month period immediately preceding the Transfer Notice; or

14.2.8 The Transferee does not intend to occupy the entire Premises and conduct its business therefrom for a substantial portion of the term of the Transfer. In the event Landlord withholds or conditions its consent and Tenant believes that Landlord did so contrary to the terms of this Lease, Tenant may prosecute an action for declaratory relief to determine if Landlord properly withheld or conditioned its consent, but Tenant waives and discharges any claims it may have against Landlord for damages arising from Landlord's withholding or conditioning its consent. In any such action, each party shall bear its own attorneys' fees. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent. If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (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 (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) 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 14.3, received by Tenant from such Transferee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee (the "Transferee's Rent") 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. "Transfer Premium" shall also include, but 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 Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to (i) recapture the Subject Space, or (ii) take an assignment or sublease of the Subject Space from Tenant. Such recapture, or sublease or assignment notice shall cancel and terminate this Lease, or create a sublease or assignment, as the case may be, with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice. In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture, sublease or take an assignment of the Subject Space under this Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of the last paragraph of Section 14.2 of this Lease.

14.5 Effect of Transfer. If Landlord consents to a Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) 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, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) 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 Premises thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

14.6 Additional Transfers. For purposes of this Lease, except as expressly provided in Section 14.7 below, the term "Transfer" shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of twenty-five percent (25%) or more of the partners, or transfer of twenty-five percent or more of partnership interests, within a twelve (12)-month period, or the dissolution of partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, (B) the sale or other transfer of more than an aggregate of twenty-five percent (25%) of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of more than an aggregate of twenty-five percent (25%) of the value of the unencumbered assets of Tenant within a twelve (12)-month period.

14.7 Non-Transfers. Notwithstanding anything to the contrary contained in this Lease, neither (i) an assignment to a transferee of all or substantially all of the assets of Tenant, (ii) an assignment of the Premises to a transferee which is the resulting entity of a merger or consolidation of Tenant with another entity, nor (iii) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant), shall be deemed a Transfer under Article 14 of this Lease, provided that Tenant notifies Landlord of any such assignment or sublease and promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such transfer or transferee as set forth in items (i) through (iii) above, that such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, and that such transferee or affiliate shall have a net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (the "Net Worth") at least equal to the greater of (A) the Net Worth of Tenant immediately prior to such assignment or sublease, or (B) the Net Worth on the date of this Lease of the original named Tenant. "Control," as used in this Section 14.7, shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity.

ARTICLE 15
SURRENDER OF PREMISES; 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 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 subtenancies affecting the Premises.

15.2 Removal of Tenant Props 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, Tenant shall, without expense to Landlord, cause to be removed from the Premises all debts and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense, 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.

ARTICLE 16
HOLDING OVER

If Tenant holds over after the expiration of the Lease Term hereof, 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 Rent shall be payable at a monthly rate equal to 150% of the Rent applicable during the last rental period of the Lease Term under this Lease. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein. At the option of Landlord, expressed in a written notice to Tenant and not otherwise, such holding over shall constitute a renewal of this Lease for a period of one year at such Base Rent and Additional Rent as would be applicable for such year, and for purposes of determining the Additional Rent for any renewal period, the original Base Year shall remain as the Base Year. Upon 30-day written notification, Tenant may vacate or accept the extension. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord 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 16 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 limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting from such failure to surrender.

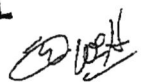
ARTICLE 17
ESTOPPEL CERTIFICATES

Within ten (10) 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 substantially in the form of Exhibit E, attached hereto, (or such other form as may be required by any prospective mortgagee or purchaser of the Building or 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 or purchasers. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. In connection therewith, Landlord may require Tenant to provide Landlord with a current financial statement and financial statements of the two (2) years to the current financial statement year. Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. 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.

ARTICLE 18
SUBORDINATION

This Lease is subject and subordinate to all present and future accountant ground or underlying leases of the Building or Project and to the lien of any mortgages or trust deeds, now or hereafter in force against the Building or Project, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made hereafter 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. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, to attend, without any deductions or setoffs whatsoever, to the purchaser upon any such foreclosure sale if so requested to do so by such purchaser, and to recognize such purchaser as the lessor under this Lease. Tenant shall, within five (5) days of request by Landlord, execute 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. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so, provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale.

INITIAL



ARTICLE 19
DEFAULTS; REMEDIES

19.1 Defaults. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

19.1.1 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; or

19.1.2 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 fifteen (15) days after written notice thereof from Landlord to Tenant; provided however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor law; or

19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of the Lease for the benefit of creditors, or the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy prior law, unless in the case of a proceeding filed against Tenant or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days.

19.2 Remedies Upon Default. Upon the occurrence of a default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, 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.

19.2.1 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:

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

(i) 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

(ii) 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

(iv) 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

(v) 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 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Paragraphs 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article 25 of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(iii) above, the "worth at the time of award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

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

19.3 Subleases 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.

19.4 Form of Payment After Default. Following the occurrence of a default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether in the cure of the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.5 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.

ARTICLE 20
ATTORNEYS' FEES

If either party commences litigation against the other for the specific performance of this Lease, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the parties hereto agree to and hereby do waive any right to a trial by jury and, in the event of any such commencement of litigation, the prevailing party shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred.

ARTICLE 21
SECURITY DEPOSIT

Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "Security Deposit") in the amount set forth in Section 10 of the Summary. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may, but shall not be required to, use, apply or retain all or any part of the Security Deposit for the payment of any Rent or any other sum in default, or for the payment of any amount that Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a default under this Lease. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit, or any balance thereof, shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, and all other provisions of law, now or hereafter in force, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any officer, employee, agent or invitee of Tenant.

ARTICLE 22
SUBSTITUTION OF OTHER PREMISES

Landlord shall have the privilege of moving Tenant to other space in the Project comparable to the Premises, and all terms hereof shall apply to the new space with equal force. In such event, Landlord shall give Tenant prior notice, shall provide Tenant, at Landlord's sole cost and expense, with tenant improvements at least equal in quality to those in the Premises 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 practicable. Simultaneously with such relocation of the Premises, the parties shall immediately execute an amendment to this Lease stating the relocation of the Premises.

ARTICLE 23
SIGNS

23.1 Tenant Signage. Tenant may install signs on the building front (Main St.), side (10th St.), and inside the foyer entrance. Signs must meet all city code and permit requirements.

23.2 Prohibited Signage and Other Items. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been individually approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. 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 written approval of Landlord, in its sole discretion.

ARTICLE 24
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. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures, other than the making of structural changes or changes to the Building's life safety system. Should any standard or regulation now or hereafter be imposed on Landlord or Tenant by a state, federal or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards for employers, employees, landlords or tenants, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. 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 governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

ARTICLE 25
LATE CHARGES

If any installment of Rent or any other sum due from Tenant not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to ten percent (10%) of the overdue amount, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid on or before the date they are due shall thereafter bear interest until paid at the lesser of (i) the Interest Rate (as such term is defined in Section 4.2.3), or (ii) the highest rate permitted by applicable law.

ARTICLE 26
LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1 Landlord's Cure. 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. If Tenant shall fail to perform any of its obligations under this Lease, within a reasonable time after such performance is required by the terms of this Lease, Landlord may, but shall not be obligated to, after reasonable prior notice to Tenant, make any such payment or perform any such act on Tenant's part without waiving its right based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) 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 26.2 shall survive the expiration or sooner termination of the Lease Term.

ARTICLE 27
ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to the Tenant to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or tenants, or to the ground or underlying lessors; (iii) post notices of nonresponsibility; or (iv) 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. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) perform services required of Landlord; (B) take possession due to any breach of this Lease in the manner provided herein; and (C) perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent and may take such 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 use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner herein before 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 Lease Premises.

ARTICLE 28
TENANT PARKING

During the Lease Term, Tenant shall be entitled to exclusive use of the 8 adjacent parking spaces, for as long as they are available.

ARTICLE 29
MISCELLANEOUS PROVISIONS

29.1 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.

29.2 No Air Rights. No rights to any view or light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Agreement.

29.3 Modification of Lease. Should any current or prospective mortgagee or ground lessor of the Building or 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 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.

29.4 Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer and a transfer of the Security Deposit, 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. 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.

29.5 Prohibition Against Recording. Except as provided in Section 29.3 of this Lease, 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.

29.6 Captions. 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.

29.7 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 venture 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.

29.8 Time of Essence. Time is of the essence of this Lease and each of its provisions.

29.9 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.

29.10 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 Parties hereunder (including any successor landlord) and any recourse by Tenant against Landlord shall be limited solely and exclusively to the equity interest of Landlord in and to the Project. Neither Landlord, nor any of its constituent partners, shall have any 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.

29.11 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.

29.12 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in 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 Project.

29.13 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (collectively, the "Force Majeure"), 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 as to Tenant's obligations under Articles 5 and 24 of this Lease 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.

29.14 Notices. All notices, demands, statements, approvals 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 personally (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, 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 mailed as provided in this Section 29.14 or upon the date personal delivery is made or attempted to be made. 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, 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.

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

29.16 Authority. If Tenant is a corporation or partnership, each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California 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.

29.17 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California.

29.18 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.

29.19 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 brokers or agents specified in Section 12 of the Summary (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) 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. The terms of this Section 29.19 shall survive the expiration or earlier termination of the Lease Term.

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29.20 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.

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

29.22 Transportation Management. Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Project or Building, 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. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant; (ii) increased vehicle occupancy; (iii) implementation of an in-house ridesharing manager program and an employee transportation coordinator; (iv) working with employees and any Project, Building or area-wide ridesharing program; (v) instituting employer-sponsored incentives (financial or in-kind) to encourage employees to rideshare; and (vi) utilizing flexible work shifts for employees; and (vii) establishing and/or increasing parking fees for single occupancy vehicles.

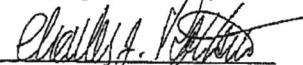
29.23 Successors. Except as otherwise expressly provided herein, the obligations of this Lease shall bind and benefit the successors and assigns of the parties hereto; provided, however, that no assignment, sublease or other transfer in violation of the provisions of Article 14 shall operate to vest any rights in any putative assignee, subtenant or transferee of Tenant.

29.24 Landlord Renovations. 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, Building, Project or any part thereof and that no representations respecting the condition of the Premises, the Building or the Project have been made by Landlord to Tenant except as specifically set forth in this Lease or in the Tenant Work Letter. However, Tenant acknowledges that Landlord may during the Lease Term renovate, improve, alter, or modify (collectively, the "Renovations") the Building, Premises, and/or Project, including without limitation the parking facilities, Common Areas, systems and equipment, roof, and structural portions of the same.

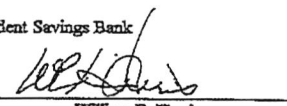
Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, 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 the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions in connection with such Renovations.

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this Lease as of the day and date first above written.

"Landlord": Riverside Development Associates, LLC

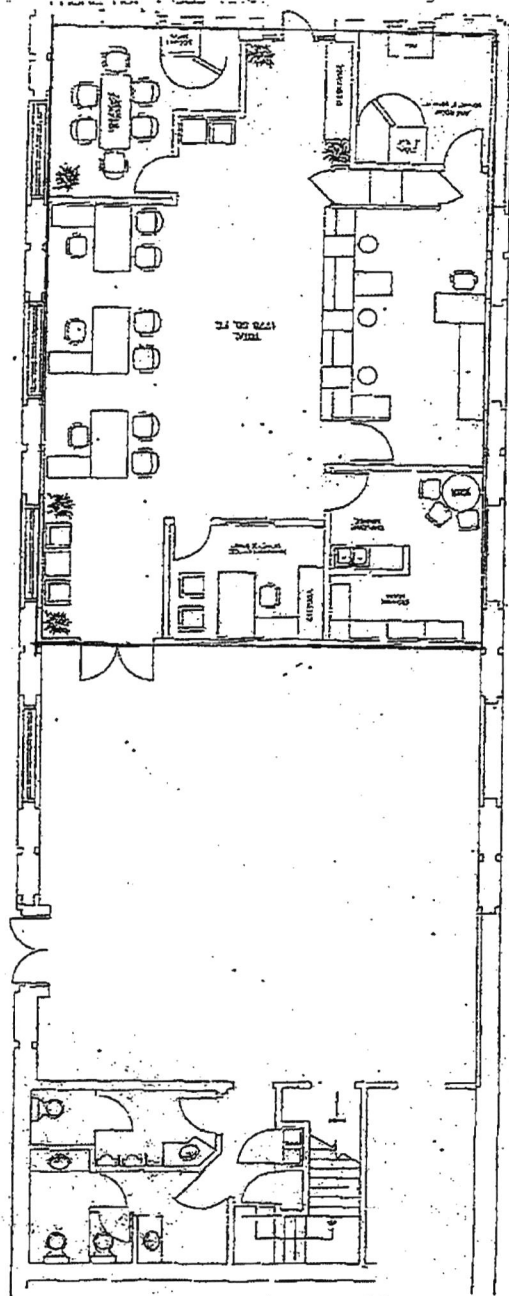
By: 
Charles J. Rotkin
General Manager

"Tenant": Provident Savings Bank

By: 
William E. Harris
Senior Vice President

**EXHIBIT A
SPACE PLAN**

The Premises subject to the Lease are described as follows:
Suite A - shown in red



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Provident

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EXHIBIT B
RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord.
2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to Premises.
3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the Downtown Riverside area of California. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.
4. No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.
5. No furniture, packages, supplies, equipment or merchandise will be received, in the Building or carried up or down in the elevators (if applicable), except between such hours and in such specific elevator as shall be designated by Landlord.
6. The requirements of Tenant will be attended to only upon application at the management office for the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.
7. Tenant shall not disturb, solicit, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent the same.
8. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.
9. Tenant shall not overload the floor of the Premises, nor mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's prior written consent.
10. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.
11. Tenant shall not use or keep in or on the Premises, the Building, or the Project, or any portion thereof, any kerosene, gasoline or other flammable or combustible fluid or material.
12. Tenant shall not without the prior written consent of Landlord use any method of heating or air conditioning other than that supplied by Landlord.
13. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therein.
14. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals, birds, bicycles or other vehicles.
15. No cooking shall be done or permitted on the Premises, nor shall the Premises be used for the storage of merchandise, for-lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations.
16. Landlord will approve where and how telephone and telegraph wires are to be introduced to the Premises. No boring or cutting for wires shall be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

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EXHIBIT B (Cont.)
RULES AND REGULATIONS

17. Landlord reserves the right to exclude or expel from the Project any person 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.
18. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, halls, stairways, elevators (if applicable), or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.
19. Tenant shall not waste electricity, water or air conditioning 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.
20. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash in the vicinity of the Building without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators (if applicable) provided for such purposes at such times as Landlord shall designate.
21. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.
22. Tenant shall assume any and all responsibility for protecting the Premises from theft robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.
23. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord. Tenant shall abide by Landlord's regulations concerning the opening and closing of window coverings which are attached to the windows in the Premises, if any, which have a view of any interior portion of the Building or the Building Common Areas.
24. The 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 shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.
25. Tenant must comply with requests by Landlord concerning the informing of their employees of items of importance to Landlord.
26. Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or such in promoting or advertising the business of Tenant except as Tenant's address.

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, Project, and the Common Areas, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein, Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project. 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 C
FORM OF LEASE TERM DATES

To: Provident Savings Bank
4001 Main St.
Riverside, CA. 92522

Re: Office Lease dated _____, 1997 between Riverside Development Associates, LLC ("Landlord") and Provident Savings Bank, concerning Suite A on the ground floor of the Building located at 4001 Main St., Riverside, CA. 92522.

Gentlemen:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm the following:

1. Substantial Completion of the Premises has occurred, and the Lease Term shall commence on or has commenced on _____, 1997, for a term of five (5) years, ending on _____.
2. Rent commenced to accrue on _____, 1997, in the amount of \$2,400.30 per month.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a prorata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Your rent checks should be made payable to: Riverside Development Associates, LLC
at:
1501 Westcliff Dr., #200
Newport Beach, CA. 92660
5. The exact number of rentable square feet within the Premises is 1,778 square feet.
6. Tenant's share as adjusted based upon the exact number of rentable square feet within the Premises is approx. 25%.

Agreed to and accepted as of _____, 1997.

"Landlord": Riverside Development Associates, LLC

By: _____

Charles J. Rotkin
General Manager

"Tenant": Provident Savings Bank

By: _____

William E. Harris
Senior Vice President

Provident

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EXHIBIT D
TENANT WORK LETTER

Landlord to provide the following Tenant Improvements in Tenant's suite "A":

1. Double glass entry doors - front and side
2. Chandelier and wall sconce lighting plus additional lighting per plan
3. HVAC
4. Painted drywall (Tenant to choose paint color)
5. New carpet per mutually acceptable plan
6. Electrical outlets and jacks
7. Built in counters and cabinets
8. Demising wall (with upper portion to be glass or other transparent material)

All above improvements are subject to a mutually acceptable plan and to the terms set forth in Item 17 of the attached Summary of Basic Lease Information.

Provident

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[Handwritten initials]

EXHIBIT E
FORM OF TENANT ESTOPPEL CERTIFICATE

Provident Bank ("Tenant"), hereby certifies as follows:

1. The undersigned is the Tenant under that certain Office Lease dated May 5, 1997 (the "Lease"), executed by Riverside Development Associates, LLC ("Landlord") as Landlord and the undersigned Tenant, covering a portion of the property located at 4001 Main St., Riverside, CA (the "Property").
2. Pursuant to the Lease, Tenant has leased approximately 2,284 square feet of space (the "Premises") at the Property and has paid Landlord a security deposit of \$2400.30. The Security Deposit balance owed after verification of the square footage of the Premises is \$ 682.70. The term of the Lease commenced on October 10, 1997 and the expiration date of the Lease is October 9, 2002. The Tenant has paid rent through November 9, 1997. The next rental payment in the amount of \$2,157.96 is due on November 1, 1997.
3. Tenant is entitled to use eight (8) parking spaces.
4. Except as expressly provided in the Lease, and other documents attached hereto, Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any preferential right to purchase all or any part of the Premises or the Property.
5. True and complete copies of the Lease and all amendments, modifications, and supplements thereto are attached hereto and to the Lease, as so amended, modified, and supplemented, is in full force and effect, and represents the entire agreement between Landlord and Tenant with respect to the Premises and the Property. There are no amendments, modifications, or supplements to the Lease, whether oral or written, except as follows (include the date of such amendment, modification, or supplement):

6. All space and improvements leased by Tenant have been completed and furnished in accordance with the provisions of the Lease, and Tenant has accepted and taken possession of the Premises.
7. Landlord is not in any respect in default in the performance of the terms and provisions of the Lease. Tenant is not in any respect in default under the Lease, and has not assigned, transferred, or hypothecated the Lease or any interest therein or subleased all or any portion of the Premises.
8. There are no offsets or credits against rentals payable under the Lease and no free periods or rental concessions have been granted to Tenant, except as follows:

9. Tenant has no actual or constructive knowledge of any processing, use, storage, disposal, release or treatment of any hazardous or toxic materials or substances on the Premises or the Property except as follows (if none, state "none"):
NONE
10. This Certificate is given to Landlord with the understanding that they will rely hereon in connection with the conveyance of the Property of which the Premises constitute a part to _____. Following such conveyance, Tenant agrees that the Lease shall remain in full force and effect and shall bind and inure to the benefit of the Landlord and its successor in interest as if no purchase had occurred.

Dated: 10/10/97

"Tenant": Provident Bank

By: W. E. Harris

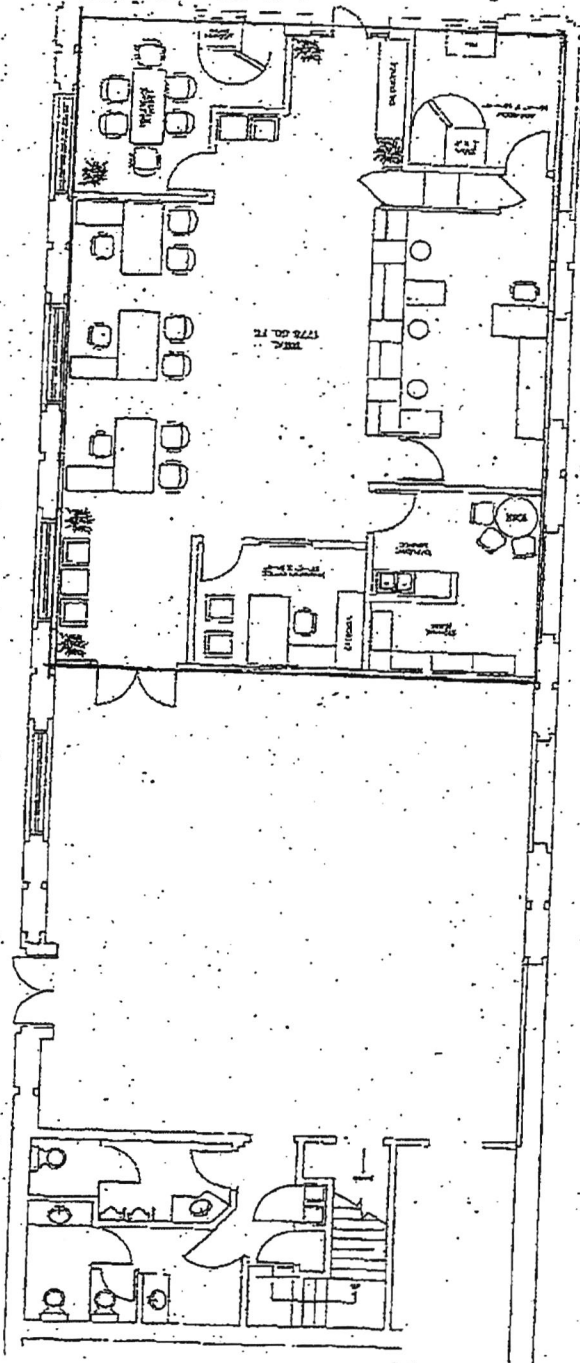
Name: WILLIAM E. HARRIS

Title: SENIOR VICE PRES.

Provident

**EXHIBIT A
SPACE PLAN**

The Premises subject to the Lease are described as follows:
Suite A - shown in red




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Provident

[Handwritten initials]

FILED / POSTED
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder
E-202300688
06/29/2023 08:01 AM Fee: \$ 50.00
Page 1 of 2

Removed: _____ By: _____ Deputy _____



NOTICE OF EXEMPTION

May 17, 2023

Project Name: Authorization to Sell Surplus Property Located in the City of Riverside Assessor's Parcel Number (APN) 215-092-008

Project Number: FM0417200409

Project Location: 4001 Main Street /3744 10th Street, Riverside, CA 92501, APN 215-092-008

Description of Project: The County of Riverside owns surplus property consisting of approximately 0.15 acres of land, containing an approximately 8,214 square foot partially vacant commercial building at the southwest corner of Main and 10th Streets, commonly known as 4001 Main Street and 3744 10th Street, Riverside, California, and identified by APN 215-092-008 (Property). The minimum bid for this Property was established using a Fair Market Value Appraisal which set the minimum bid at \$1,450,000.

The Property was Declared as Surplus Property on March 1, 2022 (M.O. #3.13). In accordance with Government Code section 54222, public agencies and all County departments were notified in writing regarding this offer to sell the Property. No agencies or departments indicated interest to purchase the Property during the requisite 60 day noticing period under Government Code section 54222. The State of California Department of Housing and Community Development (HCD) determined that the County had met all requirements under the Surplus Land Act for the purpose of disposing of the surplus property.

On January 10, 2023 (M.O. #3.7), the Board of Supervisors adopted Resolution No. 2023-009, Notice of Intention to Set Public Hearing for the Sale of Real Property Located in the City of Riverside and the Unincorporated Area of Palm Springs, County of Riverside, State of California, Assessor's Parcel Numbers 215-292-001, 215-292-002, 215-292-003, 215-292-004, 189-080-001, 215-092-008, 213-252-005, & 666-140-024 providing notice of intent to set a public hearing for the sale of the surplus property and invited bids to acquire the Properties at the date set for the bids to be reviewed and considered by the Board.

On April 4, 2023 (M.O. #19.1), the Board of Supervisors, in compliance with Government Code Sections 25520 et seq. and the Surplus Land Act, opened for public hearing, reviewed and rejected all written and oral bids, and authorized Facilities Management-Real Estate (FM-RE) to continue to market the Property for sale and return to the Board for consideration of any reasonable offer. On May 10, 2023, Mark Sterner (Buyer) submitted a Proposal to Purchase Real Property for the Property. After negotiations, the Buyer agreed to purchase the Property for the amount of \$1,450,000. The sale of Property is identified as the proposed project under the California Environmental Quality Act (CEQA). 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

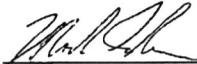
JUN 27 2023 3:35

Exempt Status: State CEQA Guidelines 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 sale of the Property.

Section 15061 (b) (3) – “Common Sense” Exemption: In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or ‘it can be seen with certainty that the activity in question will not have a significant effect on the environment’, no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The sale of the Property is an administrative function and would not result in direct effects. Indirect effects of the sale would result in new ownership of property containing an existing building. The conveyance would not result in any direct or indirect physical environmental impacts. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 5-17-2023
Mike Sullivan, Senior Environmental Planner
County of Riverside

Recorded at request of and return to:

FREE RECORDING
This instrument is for the benefit of
the County of Riverside and is
entitled to be recorded without fee.
(Govt. Code 6103)

(Space above this line reserved for Recorder's use)

PROJECT: 4001 Main Street, 3744 10th Street
APN: 215-092-008

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, COUNTY OF RIVERSIDE, a political subdivision of the State of California, ("Grantor") hereby GRANTS to _____ ("Grantee"), the real property in the County of Riverside, State of California, as more particularly described in that certain legal description attached hereto as Exhibit "A" and incorporated herein by this reference, subject only to matters of record ("Property").

Grantee shall not discriminate against, or segregate, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the subsequent sales, leases, subleases, transfers, uses, occupancy, tenure, or enjoyment of the Property conveyed hereunder. Grantee, or any person claiming under or through Grantee, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or, occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. If Grantee violates any of the covenants and restrictions set forth herein, Grantor shall have the right, but not the obligation, to retake ownership of the Property, and may exercise its right of reversion by sending a written notice of exercise ("Exercise Notice") to Grantee. Grantee shall then transfer the Property back to Grantor in its then current condition, as-is, within thirty (30) days of Grantee's receipt of the Exercise Notice.

If ten (10) or more residential units are developed on the Property, not less than 15 percent of the total number of residential units developed on the property shall be sold or rented at affordable housing cost, as defined in Section 50052.5 of the California Health and Safety Code, or affordable rent, as defined in Section 50053 of the California Health and Safety Code, to lower income households, as defined in Section 50079.5 of the California Health and Safety Code. Rental units shall remain affordable to and occupied by lower income households for a period of 55 years for rental housing and 45 years for ownership housing. The initial occupants of all ownership units shall be lower income households, and the units shall be subject to an equity sharing agreement consistent with the provisions of paragraph (2) of subdivision (c) of 65915 of the California Government Code. These requirements shall be covenants or restrictions running with the land and shall be enforceable against any owner who violates a covenant or restriction and each successor-in-interest who continues the violation by any of the entities described in subdivisions (a) to (f), inclusive, of Section 54222.5 of the California Government Code.

JUN 27 2023 3.35

IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed on its behalf by its officer hereunto duly authorized on this date.

Dated: 6/27/23

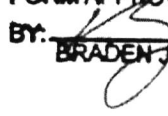
GRANTOR:

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

By: 
Kevin Jeffries, Chair
Board of Supervisors

ATTEST:
Kimberly Rector
Clerk of the Board

By: 
Deputy

FORM APPROVED COUNTY COUNSEL
BY:  6/6/23
BRADEN J. HOLLY DATE

PETER ALDANA
COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER

Recorder
P.O. Box 751
Riverside, CA 92502-0751
(951) 486-7000

www.riversideacr.com

CERTIFICATION

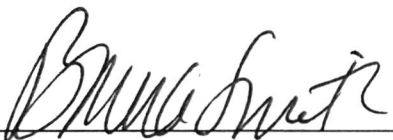
Pursuant to the provisions of Government Code 27361.7, I certify under the penalty of perjury that the following is a true copy of illegible wording found in the attached document:

(Print or type the page number(s) and wording below):

CLARIFICATION FOR SEAL for the Riverside County Board of Supervisors
(EMBOSSSED ON DOCUMENT)



Date: 06/27/2023

Signature: 

Print Name: Breanna Smith, Clerk of the Board Assistant

EXHIBIT "A"
Legal Description

All that certain real property situated in the County of Riverside, State of California, described as follows:

Lots 1 & 2 of C. J. Gill's Resubdivision of Block 10, Range 7, Riverside, in the City of Riverside, County of Riverside, State of California, as shown by Map on file in Book 5, Page 71 of Maps, in the Office of the County Recorder of San Bernardino County.

EXCEPTING therefrom the Southerly 10 feet of said Lot 2.

APN: 215-092-008

PROPOSAL TO PURCHASE REAL PROPERTY
LOCATED IN THE CITY OF RIVERSIDE
IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
April 4, 2023, 9:30 a.m.
APN 215-092-008

5/10/2023

Date of Submittal

Pursuant to Resolution No. 2023-009, Notice of Intention to Set Public Hearing for the Sale of Real Property Located in the City of Riverside of Riverside County, the undersigned bidder hereby offers to purchase the real property in the County of Riverside described in Exhibit "A" of Resolution No. 2023-009, said property consisting of approximately 0.15 acres of land, containing an approximately 8,214 square foot office building situated thereon, commonly known as 4001 Main Street and 3744 10th Street, Riverside, California. The total amount hereby offered for the purchase of said property is the sum of One Million Four Hundred Fifty Thousand \$ 1,450,000, to be paid as follows:

1. Cash down payment in the sum of \$ 43,500, including enclosed deposit.
2. The balance of the purchase price shall be paid in cash, cashier's check or a certified check to the County of Riverside, Facilities Management, Real Estate Division, 3450 14th Street, Suite 200, Riverside, California 92501 or to the escrow holder when directed in the event the transaction is consummated through escrow.
3. This bid is accompanied by a deposit in cash, cashier's check, or a certified check equal to at least three percent (3%) of the amount of the bid. In the event this proposal is accepted by the Board of Supervisors, said amount shall be credited to the amount due to consummate the transaction if such bid is accepted by the Board.
4. This proposal is for the purchase of the real property specified in Resolution No. 2023-009 in accordance with the terms and conditions set forth below and is an irrevocable offer for the time period specified in the Offer and Agreement to Purchase Real Property.

Terms:

A. In the event that there are no successful oral bids made through the public auction and two or more of the acceptable written proposals are for equal purchase price amounts and are also the highest written proposals; then, the successful bid shall be determined as follows:

- (1) The one of such highest written proposals providing for the highest amount of cash down payment shall be the successful bid.
- (2) If two or more of such equal highest written proposals are equal in all the above respects, or are all cash proposals; then, in that event, the one accompanied by the largest deposit shall be the successful bid.

B. The full amount of such bid, less any deposit, shall be paid within sixty (60) days of the date of the acceptance thereof or prior to the close of escrow, whichever shall occur first.

JUN 27 2023 3.35

C. Title insurance shall be required as follows:

If the Property is purchased for cash, title insurance shall be at purchaser's option, and shall be at purchaser's expense.

D. Conveyance of title shall be by Grant Deed to the successful bidder or his nominee. Title shall be subject to covenants, conditions, reservations, restrictions, easements and rights-of-way of record, whether or not recorded, if any. No guarantee, either expressed or implied, is made by the County regarding any permitted land use of the subject property or any possible change in land use zone or the availability of public utilities services to the property. Lack of success in obtaining any certain land use permits or utilities services for the property shall not be a basis for the successful bidder to refuse to complete the purchase.

E. An escrow, to be handled by a separate company, may be requested by the successful bidder; however, all costs thereof shall be at purchaser's expense.

F. All real property transfer taxes and recording fees, if any, shall be paid by the purchaser.

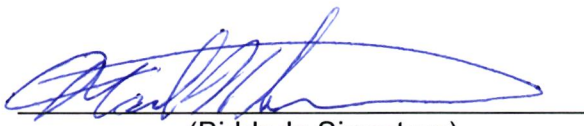
G. All cash and any necessary documents required of purchaser to complete the sale shall be delivered to County by purchaser within sixty (60) days of the date that the successful bid is accepted by the Board of Supervisors following the public hearing or prior to close of escrow, whichever shall occur first.

H. If, prior to the recordation of the Grant Deed to the successful bidder or his nominee, the successful bidder fails to make any payment at the time due, or to perform any covenant or agreement when such performance is required under the terms of the Resolution; then the County may, at its option, declare a cancellation and termination of the sale by written notice to the successful bidder; and, at the expiration of ten (10) days following the depositing of such notice by first-class mail, postage prepaid and addressed to the successful bidder at his address designated at the time his bid was submitted, the sale shall be ended and of no further effect.

I. IN THE EVENT THE COUNTY DECLARES A CANCELLATION AND TERMINATION OF THE SALE, PURSUANT TO PARAGRAPH "H", THEN THE COUNTY MAY RETAIN THE DEPOSIT SUBMITTED WITH THE BID AS LIQUIDATED DAMAGES FOR SUCH FAILURE TO CARRY OUT THE SALE OF THE PROPERTY. THE SUCCESSFUL BIDDER, BY MAKING A BID PURSUANT HERETO, AND THE COUNTY AGREE THAT SUCH DAMAGES ARE TO BE THE SOLE REMEDY FOR SUCH A BREACH, IN THAT AT THE TIME OF MAKING AND ACCEPTING THE BID, IT WOULD BE IMPRACTICAL, AND EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES THAT WOULD FLOW FROM THE SUCCESSFUL BIDDER'S REFUSAL OR FAILURE TO CONSUMMATE THE TRANSACTION, INCLUDING BUT NOT LIMITED TO, THE DIFFERENCE IN MONEY BETWEEN THE TOTAL SUM TO BE PAID BY ANOTHER PARTY TO COUNTY FOR PURCHASE OF THE PROPERTY, IF THE FORMER SUM IS IN EXCESS OF THE LATTER, PLUS THE PREPARATION OF BID DOCUMENTS AND PUBLICATION COSTS IN CONNECTION THEREWITH.

J. The right to reject all bids, both written and oral, and to withdraw from sale is reserved.

Dated: 5/10/2023



(Bidder's Signature)

Name: Mark Sterner

Address: 5425 Wilson Street
Riverside, Ca. 92509

C O N F I D E N T I A L

BIDDER'S QUESTIONNAIRE
INDIVIDUAL

This questionnaire is a part of your bid to purchase the real property described in Resolution No. 2023-009, Notice of Intention to Set Public Hearing for the Sale of Real Property Located in the City of Riverside, County of Riverside, State of California, Assessor's Parcel Numbers 215-092-008. The information contained herein is confidential and must be executed under penalty of perjury. Answer all questions in full. Use the back of each page for additional information, or attach sheets as required.

The COUNTY may choose to obtain a credit report to further establish your qualifications.

I. PERSONAL INFORMATION:

- A. Full name (print) Mark Sterner
- B. Home address 5425 Wilson Street, Riverside, CA. 92509
- C. Home telephone no. 909-241-1050
- D. Your education _____

II. BUSINESS INFORMATION: Fill in this information if you are, or ever have been self-employed or presently work in your own business.

- A. Name, address, and telephone no. of business Inland Empire Foods
5425 Wilson Street, Riverside, CA. 92509
- B. What is the nature of the business? Investor
currently own and manage the Loring Building in Downtown Riverside
- C. How long in this business? +30 years
- D. Are you an operator owner? If other, what is your function? _____
Own and manage several commercial properties in the City of Riverside
- E. How many people do you employ or supervise? N/A
- F. Who is your business landlord, and what is his address? N/A
Property owner. No Landlords

INDIVIDUAL

III. EMPLOYMENT INFORMATION: Fill in if you are now or have within the past ten (10) years been employed by others.

A. Names and addresses of employers and dates of employment:

	DATES EMPLOYED		<u>WAGES</u>
	<u>FROM</u>	<u>TO</u>	
1.	_____	_____	_____
	_____	_____	_____
2.	_____	_____	_____
	_____	_____	_____
3.	_____	_____	_____
	_____	_____	_____
4.	_____	_____	_____
	_____	_____	_____

B. Job Descriptions: Describe your employer's business and responsibilities for each job listed above. Use back side of the sheet or attach sheets as required. Include the number and type of employees you supervised, if any, and the name and title of your immediate supervisor.

IV. PROOF OF FUNDS: Bidder shall furnish a letter of prequalification or preapproval from a lending institute, a statement from a financial institution, or other form acceptable to County in County's sole discretion, showing proof of available funds for the full purchase price minus the down payment. If bidder intends to submit multiple bids for multiple properties, proof of funds should be shown for the sum of all of the properties being bid upon minus the down payments. If (i) Bidder fails to timely provide such proof of committed funds, or (ii) County determines, in County's sole discretion, that the proof of funds provided to County by Bidder is unacceptable, then County shall have the right, at County's option, to provide written notice to Bidder that this Bid is rejected. If County exercises such right, then this Bid shall be deemed rejected effective as of the date that County delivers written notice of rejection to Bidder.

V. ADDITIONAL INFORMATION: List any additional information which might further describe your qualifications as related to the bid to purchase the real property.

current owner of the Loring Building located at 3673 Main Street, Riverside, CA.

Assessor's Parcel No.: 215-092-008

Property Location: 4001 Main Street and 3744 10th Street, Riverside, CA 92501

OFFER AND AGREEMENT TO PURCHASE REAL PROPERTY

BUYER: Mark Sterner

SELLER: County of Riverside, a political subdivision of the State of California

For valuable consideration, BUYER has made an offer and agrees to purchase and SELLER agrees to sell the real property, hereinafter referred to as the "Property," located at 4001 Main Street and 3744 10th Street, Riverside, California 92501, further described below in Section 1, and in the Resolution 2023-009 attached hereto as "Exhibit A," upon the terms and conditions as stated herein for the purchase price of:

One Million Four Hundred Fifty Thousand

write out purchase price in words

(\$ 1,450,000)

Insert price in numbers

BUYER has given SELLER a good faith deposit (hereinafter the "Bid Deposit") in the amount of three percent of the minimum bid amount set by the Board of Supervisors of the County of Riverside.

1. PROPERTY.

1.1 For the purchase price provided above and on the terms and conditions set forth in this Agreement, SELLER shall sell to BUYER, and BUYER shall purchase from SELLER the Property consisting of the following and subject to all encumbrances, easements and exceptions, whether of record or not:

That certain real property legally described and depicted in Exhibit "B", attached hereto and by this reference incorporated herein, including all improvements thereon.

The property purchased under this Agreement is collectively referred to as the "Property."

1.2 Lease Assignment: Seller entered into a Lease Agreement dated May 5, 1997, with Provident Financial Holdings, Inc., a Delaware limited liability company, which has since been amended, most recently on October 30, 2013. The Lease Agreement and its amendments are attached hereto as Exhibit A-2 and by this reference incorporated herein. Seller hereby assigns the Lease Agreement to Buyer, commencing upon the completion of the sale of the Property. Buyer shall bear all rights, obligations, and duties, and be entitled to all benefits from that Lease Agreement.

2. TERMS OF OFFER.

2.1 This offer will remain open and will not be revoked by BUYER for the period commencing with the date of execution of this agreement by BUYER and ending on the earlier of:

- A. 60 days thereafter; or
- B. Receipt of written notice from SELLER that the offer has been rejected.


_____(initial)

2.2 Within 60 days after the execution of this Agreement by BUYER, SELLER shall consider this offer and accept or reject it. SELLER's failure to consider the offer and accept or reject it within the 60 day period shall neither subject SELLER to any liability, nor constitute an acceptance of the offer.

2.3 SELLER may accept this offer after expiration of such 60-day period, subject to BUYER's right to withdraw the offer as set forth in Section 2 (Rejection or Withdrawal of Offer).

2.4 BUYER acknowledges that no rights or interests in the Property are created by submission of this offer. This Agreement is not binding upon SELLER until the offer is accepted in the manner prescribed herein, and the SELLER authorizes the sale, approves the Agreement and BUYER complies fully with each and every term and condition contained herein.

2.5 Should this offer be rejected, the Bid Deposit paid by BUYER shall be refunded. Should SELLER fail to accept or reject this offer within the 60-day period specified in Clause 1 (Term of Offer), BUYER may withdraw the offer by providing written notice to SELLER. In such event, the Bid Deposit paid by BUYER shall be refunded, provided BUYER withdraws the offer prior to SELLER's acceptance of the offer as set forth in Section 2 (Terms of Offer).

3. **FINANCING.** All costs for financing, including new loans and offer or purchase related costs, will be at the expense of BUYER and shall not delay this transaction. The offer and this sale is for cash and is not contingent upon BUYER obtaining funds or borrowing to complete this purchase.

4. **ESCROW.** Upon Board approval of this Agreement, BUYER and SELLER agree to open escrow within ten (10) days of said approval by the Board and to execute escrow instructions reasonably required by Chicago Title Company, hereinafter referred to as the "Escrow Holder." Signed escrow instructions shall be delivered to the Escrow Holder within 10 days thereafter and shall provide for close of escrow within 60 days, or sooner if it is mutually desirable to BUYER and SELLER. The term of escrow shall not be extended unless authorized in writing by SELLER.

4.1 Balance of the bid amount hereby offered, in excess of the down payment shall be paid in cash within sixty (60) days of the bid acceptance or prior to close of escrow, whichever shall occur first.

4.2 Close of escrow shall be the date that the documents are recorded. If escrow does not close within the original 60-day term, or within the term of any authorized extension, SELLER may cancel escrow. In such event, the Escrow Holder shall remit to SELLER all escrow payments made by BUYER, except an amount equal to escrow and title cancellation fees which shall be retained by the Escrow Holder. SELLER shall disburse this remittance in accordance with Section 16 (Liquidated Damages).

5. **DEPOSITS.**

5.1 Prior to the close of escrow, BUYER shall pay into escrow an amount hereinafter referred to as the "Additional Deposit," equal to the escrow and title cancellation fees. These fees shall be applied to BUYER's closing costs, provided escrow is not canceled.

5.2 In the event BUYER fails, for any reason whatsoever, to pay into escrow within such time period the amounts specified in this clause, SELLER may cancel escrow and retain the Bid Deposit as liquidated damages in accordance with Section 16 (Liquidated Damages).

5.3 The Bid Deposit paid by BUYER outside of escrow and the Additional Deposit specified in this clause shall constitute a portion of the purchase price. The balance of the purchase price shall be paid into escrow by BUYER as provided in Section 8 (Delivery of Documents and Funds).

6. **BUYER'S COSTS.**

6.1 BUYER shall pay the following closing costs in connection with this purchase:

- A. The standard owner's title insurance policy; if BUYER desires to purchase;
- B. The escrow fee;
- C. Lender's title insurance policy, if any;
- D. Documentary transfer tax; and
- E. All other closing costs and recording fees applicable to this purchase, including, without limitation, preliminary change of ownership fees, taxes and assessments.

6.2 If all conditions of this offer are met by SELLER, but BUYER does not complete the purchase, BUYER will be responsible for payment of any escrow and title cancellation fees.

7. SELLER'S COSTS.

- 7.1 SELLER shall pay the following closing costs in connection with this purchase: None
- 7.2 All closing costs shall be borne by BUYER.

8. DELIVERY OF DOCUMENTS AND FUNDS.

8.1 SELLER shall deliver to escrow a Grant Deed including covenants provided in Section 17 herein this Agreement, in the form attached hereto as "Exhibit C," and such other documents as are required to transfer title to the Property. Prior to the date set for close of escrow and when so instructed by the Escrow Holder, BUYER shall pay into escrow:

- A. The balance of the purchase price; and
- B. An amount sufficient to pay for all of BUYER's closing costs, as calculated by the Escrow Holder.

8.2 All payments specified in this section shall be by cash, cashier's check, or wire transfer such that the Escrow Holder can disburse cash proceeds accrued to SELLER at close of escrow.

9. TITLE.

9.1 If BUYER chooses to purchase a standard coverage owner's title insurance policy with liability equal to the purchase price, it shall be supplied by Chicago Title Company. Title shall be subject to:

- A. Exceptions shown in Exhibit A-1, the Preliminary Report attached hereto, except any delinquent taxes shown in said Report which shall be paid through escrow; and
- B. Any deed of trust or other documents needed to perfect the security interest of the lender, if any, providing purchase money for this purchase.

9.2 If SELLER is unable to deliver title to the Property as set forth above, BUYER shall have the option to:

- A. Accept title in the condition it exists, without a reduction in the purchase price. Acceptance of such title by BUYER shall constitute full satisfaction of the terms of this Agreement as they relate to title, and SELLER shall in no way be liable for failure to deliver title as set forth above; or
- B. Terminate this Agreement by delivering written notice thereof to SELLER and to the Escrow Holder. In such event, BUYER shall receive a refund of all money paid hereunder except costs already expended by the BUYER for initiating the sale. BUYER and SELLER shall be relieved of further obligation to one another. If the Agreement is terminated as provided for in this paragraph, all escrow and title fees incurred shall be paid by SELLER, and BUYER shall not be liable therefore.

10. **VESTING.** Title to the Property to be conveyed pursuant to this Agreement shall be vested as set forth by BUYER below. Verify and initial (MS)

Mark Sterner

Print or Type full legal name of Grantee

BUYER IS AWARE THAT THE MANNER OF TAKING TITLE MAY HAVE SIGNIFICANT LEGAL AND TAX CONSEQUENCES AND HAS GIVEN THIS MATTER SERIOUS CONSIDERATION.

11. **PRORATIONS.** Property taxes shall not be prorated to the close of escrow. BUYER is responsible for taxes and assessments that are due and payable at the close of escrow. There shall be no other prorations made in connection with this purchase.

12. **TAXES.** THE PROPERTY WILL BE REASSESSED UPON CHANGE OF OWNERSHIP. THIS WILL AFFECT THE AMOUNT OF PROPERTY TAXES. After close of escrow, a Supplemental Tax Bill will be issued which shall be the responsibility of BUYER to pay.

13. **POSSESSION.** Possession and occupancy of the Property shall be delivered to BUYER at close of escrow.

14. **PROPERTY SOLD IN "AS-IS" CONDITION.**

14.1 BUYER acknowledges that the Property is sold in "as-is" condition, as of the date of this Agreement, without warranty, and that SELLER is not responsible for making corrections or repairs of any nature. BUYER further acknowledges that SELLER has made no representations or warranties regarding the Property, including, but not limited to:

- A. Property lines and boundaries;
- B. Square footage, room dimensions, lot size, and age of property improvements;
- C. Condition of any built-in improvements, foundations, roofs, plumbing, heating, air conditioning, electrical, mechanical security, pool/spa, if any, other structural and non-structural systems and components, and energy efficiency of the Property;
- D. Type, size, adequacy, capacity, and condition of sewer systems and components;
- E. Possible absence of required governmental permits, inspections, certificates, or other determinations affecting the Property; limitations, restrictions, and requirements affecting the use of the Property, future development, zoning, building, and size;
- F. Governmental restrictions which may limit the amount of rent that can lawfully be charged and/or the maximum number of persons who can lawfully occupy the Property;
- G. Water and utility availability and use restrictions;
- H. Potential environmental hazards, including asbestos, formaldehyde, radon, methane, other gases, lead-based paint, other lead contamination, fuel or chemical storage tanks, contaminated soil or water, hazardous waste, waste disposal sites, electromagnetic fields, nuclear sources, and other substances, materials, products, or conditions;
- I. Neighborhood or area conditions, including schools, proximity and adequacy of law enforcement, proximity to commercial, industrial, or agricultural activities, crime statistics, fire protection, other governmental services,

existing and proposed transportation, construction, and development which may affect noise, view, or traffic, airport noise, noise or odor from any source, wild and domestic animals, or other nuisances, hazards, or circumstances;

- J. Geologic/seismic conditions, soil and terrain stability, suitability, and drainage; and
- K. Conditions and influences of significance to certain cultures and/or religions, and personal needs, requirements, and preferences of BUYER.

14.2 BUYER represents and warrants to SELLER that BUYER and/or BUYER's representatives and employees have made their own independent inspections, investigations, tests, surveys, and other studies of the Property and agrees to purchase the Property in "as-is" condition.

15. **INTENTIONALLY DELETED.**

16. **LIQUIDATED DAMAGES.** IF BUYER FAILS TO PROCEED WITH THE PURCHASE AS HEREIN PROVIDED BY REASON OF ANY DEFAULT OF BUYER, SELLER SHALL BE RELEASED FROM SELLER'S OBLIGATION TO SELL THE PROPERTY TO BUYER. BY INITIALING THIS PARAGRAPH, BUYER AND SELLER AGREE THAT, IN SUCH EVENT, SELLER SHALL RETAIN AS LIQUIDATED DAMAGES THE LESSER OF THE TOTAL DEPOSITS ACTUALLY PAID BY BUYER, OR ANY AMOUNT THEREFROM, NOT EXCEEDING 3% OF THE PURCHASE PRICE, AND SHALL PROMPTLY RETURN ANY EXCESS TO BUYER.

SELLER's Initials _____ / _____

BUYER's Initials MA / _____

Failure to initial the paragraph above renders this offer non-responsive and the offer will be returned to BUYER without consideration of SELLER.

17. **NON-DISCRIMINATION AND PROPERTY USE.** BUYER agrees that there shall be no discrimination against, or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin, or ancestry in the subsequent sales, leases, subleases, transfers, uses, occupancy, tenure, or enjoyment of the Property. BUYER, or any person claiming under or through BUYER, shall not establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or, occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. BUYER acknowledges that the covenants and restrictions contained in this clause shall be included as covenants and restrictions in the Grant Deed conveying title to the Property.

18. **PERMITS AND LICENSES.** BUYER shall be required to obtain any and all permits and/or licenses which may be required in connection with the purchase of the Property. No permit, approval, or consent given to BUYER by SELLER, in its governmental capacity, shall affect or limit BUYER's obligations hereunder. No approvals or consents given by SELLER, as a party to this Agreement, shall be deemed approval as to compliance or conformance with applicable governmental codes, laws, or regulations.

19. **ASSIGNMENT.** This Agreement shall not be sold, assigned, or otherwise transferred by BUYER without the prior written consent of SELLER. Failure to obtain SELLER's written consent shall render such sale, assignment, or transfer void.

20. **SUCCESSORS IN INTEREST.** Subject to the restrictions in Section 19 (Assignment), this Agreement shall inure to the benefit of, and be binding upon, BUYER and SELLER and their respective heirs, successors, and assigns.

21. **PARTIAL INVALIDITY.** This Agreement shall be governed by and construed according to the laws of the State of California. The invalidity of any provision in this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

22. **NOTICES.** All notices, documents, correspondence, and communications concerning this transaction shall be addressed as set forth in this clause, or as the parties may hereafter designate by written notice, and shall be sent through the United States mail, duly registered or certified with postage prepaid. Any such mailing shall be deemed served or delivered 24 hours after mailing. Notwithstanding the above, SELLER may also provide notices, documents, correspondence, or such other communications to BUYER by personal delivery or by regular mail and, so given, shall be deemed to have been given upon receipt if provided by personal delivery or 48 hours after mailing if provided by regular mail.

If to **SELLER:**
County of Riverside
Facilities Management - Real Estate
3450 14th Street, Suite 200
Riverside, CA 92501
Telephone: 951-955-4820

If to **BUYER:**
Mark Sterner
5425 Wilson Street
Riverside, CA. 92509
909-241-1050

23. **TIME.** Time is of the essence in the performance of BUYER's and SELLER's respective obligations contained in this Agreement. Failure to comply with any time requirement contained herein shall constitute a material breach of this Agreement.

24. **AMENDMENTS.** This Agreement contains the sole and only Agreement between BUYER and SELLER relating to this offer and agreement to purchase the Property described herein. All negotiations and agreements between BUYER and SELLER are merged into this Agreement. Any oral representations or modifications are of no force and effect unless contained in a subsequent instrument made in writing and signed by both BUYER and SELLER.

25. **ATTACHMENTS.** This Agreement includes the following, which are attached and made a part hereof:

Exhibit A: Resolution No. 2023-009
Exhibit A-1: Preliminary Title Report
Exhibit A-2: Lease and Amendments
Exhibit B: Legal Description and Depiction of the Property
Exhibit C: Grant Deed

(Signatures on the following page)

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Agreement.

SELLER:

County of Riverside, a political subdivision of the State of California

By: 
Kevin Jefferies, Chair
Board of Supervisors

BUYER:


By: 
Name:

Its: *Mark H. Steiner*

BUYER hereby submits this offer with full cognizance of the terms and conditions contained herein.

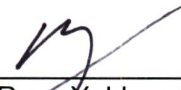
ATTEST:

Kimberly Rector
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

Minh C. Tran
County Counsel

By: 
~~Ryan Yabke~~ Braden Holly
Deputy County Counsel

100

1 Board of Supervisors

County of Riverside

2 **Resolution Number 2023-009**

3 Notice of Intention to Set Public Hearing for the Sale of

4 Real Property Located in the City of Riverside and the Unincorporated

5 Area of Palm Springs, County of Riverside, State of California, Assessor's Parcel Numbers

6 215-292-001, 215-292-002, 215-292-003, 215-292-004, 189-080-001, 215-092-008,

7 213-252-005, & 666-140-024

8
9 **WHEREAS**, pursuant to California Government Code Section 25526, a county shall,
10 prior to ordering the sale of any real property interest it owns, by a two-thirds vote of the Board
11 of Supervisors of the County of Riverside, State of California, in regular session, adopt a
12 resolution declaring its intention to sell the real property determined to be surplus and no longer
13 needed for a county's use and purposes provided not less than three (3) weeks thereafter; and

14 **WHEREAS**, the County of Riverside ("County") owns multiple parcels of real property,
15 each improved with various improvements in the City of Riverside and the Unincorporated Area
16 of Palm Springs, California, (the "Properties") identified in Attachment 1 and more particularly
17 described in Attachment 2, attached hereto and by this reference incorporated herein; and

18 **WHEREAS**, the Properties have been assessed and determined to be no longer
19 needed for County use or purposes and it is recommended that the Properties be sold in
20 accordance with Government Code Sections 25520 et seq., as required by law; and

21 **WHEREAS**, on March 1, 2022, the County declared the Properties as surplus property
22 that is no longer needed for County uses or purposes; and

23 **WHEREAS**, pursuant to Government Code Section 54222, the County sent out notices
24 of its desire to sell and offer the Properties to other public agencies and whereby no public
25 agencies indicated sincere interest during the requisite sixty (60) day period; and

26 **WHEREAS**, the County now desires to initiate the sale of the Properties; now,
27 therefore,

28

FORM APPROVED COUNTY COUNSEL
BY:  RYAND YABKO
DATE: 12/20/22

1 **BE IT RESOLVED, DETERMINED, AND ORDERED, AND NOTICE IS HEREBY**
2 **GIVEN** by the Board of Supervisors of the County of Riverside ("Board"), in regular session
3 assembled in the meeting room of the Board, located at 4080 Lemon Street, Riverside,
4 California, on January 10, 2023, at 9:30 am or soon thereafter, by a vote of not less than two-
5 thirds of all members concurring, that this Board declares its intention to sell the Properties
6 pursuant to the provisions of the Government Code Sections 25520, et. seq., upon the
7 following terms and conditions:

8 1. The nature of the fee simple interest in real properties to be sold is described in
9 Attachment 1 and is located in the City of Riverside and the Unincorporated Area of Palm
10 Springs, California.

11 2. The sale will be held on April 4, 2023, in the meeting room of the Board of
12 Supervisors, County Administrative Center, 4080 Lemon Street, Riverside, California 92502-
13 1359, at 9:30 a.m., or as soon thereafter as the agenda of the Board permits, ("Sale Date")
14 where sealed bids and oral bids shall be received and considered.

15 3. Sealed written bids will be received by the Clerk of the Board at any time up to
16 9:30 a.m. on said Sale Date at the Clerk of the Board's office on the 1st floor of the County
17 Administrative Center. Bids shall be submitted on the County's bid form and bids shall be
18 plainly marked on the outside "Proposal to Purchase Real Property in the City of Riverside and
19 the Unincorporated Area of Palm Springs, 9:30 a.m., April 4, 2023." The County's bid form may
20 be obtained from Facilities Management - Real Estate Division, located at 3450 14th Street,
21 Suite 200, Riverside, California 92501, along with the instructions to bidders. The bid form
22 contains the terms and conditions for the sale of the Properties. Prospective bidders may
23 inspect the bid form at no charge.

24 4. All sealed bids shall be for no less than Fair Market Value (FMV) as referenced
25 in Attachment 1 and shall be accompanied or preceded by a deposit of not less than three
26 percent (3%) of the bid amount ("Deposit"), in cash, cashier's check, or certified check as
27 security that the successful bidder will complete the terms and conditions of the sale. Bids
28 shall be made only upon serialized bid forms to be obtained solely from the Deputy Director of

1 the Real Estate Division of Facilities Management.

2 5. Balance of the bid amount hereby offered, in excess of the Deposit, shall be
3 paid in cash within sixty (60) days of the bid acceptance.

4 6. After the sealed bids have been opened and read, a call for oral bids will be
5 made by the Clerk of the Board until the highest bid has been made and the bidding is closed.
6 Oral bids must be accompanied by a deposit as required for written bid proposal, unless
7 deposit was previously made. The first oral bid shall exceed the highest written proposal by
8 not less than ten percent (10%) and any additional oral bids thereafter shall be in incremental
9 amounts not less than ten percent (10%). Unless a deposit has been previously made with a
10 sealed written bid, oral bidders must, prior to the time of the bidders first oral bid, submit a
11 Deposit in the amount required by Paragraph 4 of this Resolution in order to be considered.

12 7. If the Board accepts an oral bid, the successful bidder shall submit their highest
13 oral bid in writing on the County's bid form and submit said form, along with any appropriate
14 additional funds so that the deposit will be equal three percent (3%) of the accepted bid, to the
15 Deputy Director of the Real Estate Division of Facilities Management no later than 4:00 p.m. of
16 the date of the accepted oral bid to remain the successful oral bidder for the purchase of the
17 Properties.

18 8. Final acceptance of the successful bid by the Board may be made on the Sale
19 Date or any adjourned session of the same meeting held within ten (10) days next following.

20 9. The right to reject any and all bids, both written and oral, and to withdraw the
21 Properties from sale is reserved. If the successful bidder fails to purchase the Properties, the
22 County reserves the right to take such measures as it deems appropriate to sell the Properties.
23 The County may, but shall have no obligation to, accept the next highest bid, or successive
24 highest bid. In the event that the County desires to accept the next highest bid or successive
25 highest bid upon the first successful bidder failing to purchase the Properties, the authorization
26 of the sale shall be submitted to the Board for approval on a future date.

27 10. Deposits of unsuccessful bidders will be returned or refunded after final
28 acceptance or rejection of all bids, or after withdrawal of the Properties from sale.

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BE IT FURTHER RESOLVED, DETERMINED AND ORDERED that the Clerk of the Board is directed to cause the notice of this intention to sell the Properties and the time and place of holding the public bidding sale to be given, pursuant to Government Code Section 25528, by posting copies of this Resolution signed by the Chairman of the Board of Supervisors in three (3) public places in the County of Riverside, not less than fifteen (15) days before the Sale Date, and by publishing the notice pursuant to Government Code Section 6063 at least three (3) weeks before the Sale Date.

JA:rh/113022/FM407,408,409,412,413/30.848

ATTACHMENT 1

	<u>ADDRESS</u>	<u>APN(s)</u>	<u>SQUARE FEET</u>	<u>MINIMUM BID</u>
1	4200 Orange Street Riverside	215-292-001 215-292-002 215-292-003 215-292-004	36,335	\$ 3,050,000
2	5950 Wilderness Avenue Riverside	189-080-001	48,706	\$ 3,900,000
3	4001 Main Street & 3744 10th Street Riverside	215-092-008	8,214	\$ 1,450,000
4	3133 Mission Inn Avenue Riverside	213-252-005	36,999	\$ 2,440,000
5	63775 Dillon Road North Palm Springs	666-140-024	5,325	\$ 480,000
			TOTAL =	\$ 11,320,000

ATTACHMENT 2

Address 1 - 4200 Orange Street, Riverside

PARCEL 1: (APN 215-292-001)

Beginning at the Northwestern corner of Block 12, Range 5, as shown by Map of the Town of Riverside, in the City of Riverside, County of Riverside, State of California, on file in Book 7, page 17 of Maps, records of San Bernardino County, California;

Thence Easterly along the Southerly line of Twelfth Street, 157 feet to the Westerly line of and alley;

Thence at a right angle Southerly, along the Westerly line of said alley, 63 feet;

Thence at a right angle Westerly, parallel with the Southerly line of Twelfth Street, 157 feet, to the Easterly line of Orange Street;

Thence Northerly, along the Easterly line of Orange Street, 63 feet to the point of beginning.

EXCEPTING therefrom that portion described as follows:

The Northwestern 10 feet and the Southeasterly 2 feet of the Northeasterly 63 feet of the Northwestern 157 feet of Block 12, Range 5 of the Town of Riverside, as shown by Map on file in Book 7, page 17 of Maps, records of San Bernardino County, California, as conveyed to the City of Riverside by document recorded February 1, 1966, as Instrument No. 11826 of Official Records of Riverside County, California.

PARCEL 2: (APN 215-292-002; 215-292-003; 215-292-004)

That portion of Block 12, Range 5, as shown on the Map of the Town of Riverside, on file in Book 7, Page 17 of Maps, Records of San Bernardino County, California, in the City of Riverside, County of Riverside, State of California, described as follows:

Beginning at the Northwest corner of said Block 12;

Thence Easterly along the Southerly line of Twelfth Street, 157.00 feet to the Westerly line of an alley;

Thence Southerly along the Westerly line of said alley, 63.00 feet to the True Point of Beginning;

Thence Southerly along said Westerly line 167.70 feet;

Thence Westerly parallel with the Southerly line of Twelfth Street, 157.00 feet to the Easterly line of Orange Street;

Thence Northerly along the Easterly line of Orange Street, 167.70 feet;

Thence Easterly parallel with the Southerly line of Twelfth Street, 157.00 feet to the True Point of Beginning.

EXCEPTING therefrom that portion described as follows:

Thence Northwesterly 10 feet and the Southeasterly 2 feet of the Southwesterly 62 feet of the Northeasterly 125 feet of the Northwesterly 157 feet of Block 12, Range 5 of the Town of Riverside, as shown by Map on file in Book 7, Page 17 of Maps, Records of San Bernardino County, California, as conveyed to the City of Riverside by document recorded February 1, 1966, as Instrument No. 11826 of Official Records of Riverside County, California.

ALSO EXCEPTING therefrom the Northwesterly 10 feet and the Southeasterly 2 feet of the Southwesterly 50 feet of the Northeasterly 230.70 feet of the Northwesterly 157 feet of Block 12, Range 5 of the Town of Riverside, as shown by Map on file in Book 7, Page 17 of Maps, Records of San Bernardino County, California, as conveyed to the City of Riverside, by document recorded February 1, 1966, as Instrument No. 11827 of Official Records of Riverside County, California.

ALSO EXCEPTING therefrom the Northwesterly 10 feet and the Southeasterly 2 feet of the Southwesterly 55.70 feet of the Northeasterly 180.70 feet of the Northwesterly 157 feet of Block 12, Range 5 of the Town of Riverside, as shown by Map on file in Book 7, Page 17 of maps, Records of San Bernardino County, California, as conveyed to the City of Riverside by document recorded February 1, 1966, as Instrument No. 11825 of Official Records of Riverside County, California.

Address 2 - 5950 Wilderness Avenue, Riverside

All that certain real property situated in the County of Riverside, State of California, described as follows:

That portion of Lot 40, Block 20 of Tract 4 of Riverview addition to the City of Riverside, in the City of Riverside, County of Riverside, State of California, as per map recorded in Book 7, Page(s) 6, of Maps, in the Office of the County Recorder of said County, described as follows:

Beginning at the Northwest corner of the property described in Deed to Prudential Overall Supply recorded October 23, 1963 as Instrument No. 112034 of Official Records of Riverside County, California, said corner being North 00° 06' 45" East, as measured on the East line of Wilderness Street, (formerly Marion Street) 60.00 feet in width, 376.00 feet from the Southwest corner of Lot 39 of said Block 20;

Thence continuing North 00° 06' 45" East on the East line of Wilderness Street to the South line of Gage Street, 50.00 feet in width, as shown on Map of Riverview Addition to the City of Riverside;

Thence Easterly on the South line of Gage Street to the intersection of the Southwesterly line of the property described in deed to the Metropolitan Water District of Southern California, recorded in Book 262, Page(s) 194 of Official Records of Riverside County, California;

Thence South 23° 20' 00" East on the Southwesterly line of the Metropolitan Water District conveyance to the Northeast corner of the aforementioned conveyance to Prudential Overall Supply, 370.59 feet to the point of beginning.

Except that portion described in Deed to the City of Riverside, a Municipal Corporation, recorded March 4, 1966 as Instrument No. 23700, Official Records.

APN: 189-080-001-7

Address 3 – 4001 Main Street & 3744 10th Street, Riverside

All that certain real property situated in the County of Riverside, State of California, described as follows:

Lots 1 & 2 of C. J. Gill's Resubdivision of Block 10, Range 7, Riverside, in the City of Riverside, County of Riverside, State of California, as shown by Map on file in Book 5, Page 71 of Maps, in the Office of the County Recorder of San Bernardino County.

EXCEPTING therefrom the Southerly 10 feet of said Lot 2.

Assessor's Parcel No: 215-092-008

Address 4 – 3133 Mission Inn Avenue, Riverside

All that certain real property situated in the County of Riverside, State of California, described as follows:

The Southeasterly rectangular 172.35 feet of Block 6, Range 1, of the Town of Riverside, in the City of Riverside, State of California, as shown by map on file in Book 7, Page 17, of Maps, in the Office of the County Recorder of San Bernardino County.

APN: 213-252-005

Address 5 - 63775 Dillon Road, North Palm Springs

All that certain real property situated in the County of Riverside, State of California, described as follows:

That portion of the Northwest One Quarter of the Northeast One Quarter of the Southeast One Quarter of Section 10, Township 3 South, Range 4 East, San Bernardino Base and Meridian, in the County of Riverside, State of California, described as follows:

Beginning at the Northeast corner of said Northwest One Quarter of the Northeast One Quarter of the Southeast One Quarter of Section 10;
Thence South $00^{\circ}09'20''$ West along the Easterly line thereof a distance of 240.00 feet;
Thence South $89^{\circ}47'20''$ West parallel with the Northerly line of said Southeast One Quarter of Section 10, a distance of 225.00 feet;
Thence North $00^{\circ}00'20''$ East parallel with said Easterly line of the Northeast One Quarter of the Southeast One Quarter of Section 10 a distance of 240.00 feet to the Northerly line thereof.
Thence North $89^{\circ}47'20''$ East along said Northerly line a distance of 225.00 feet to the point of beginning;

Excepting the Northerly 55 feet thereof;

Also excepting that portion lying within the Parcel of land conveyed to the County of Riverside by deed recorded February 4, 1958 as Instrument No. 8232, in Book 2216, Page 512 of Official Records of said County.

Assessor's Parcel No: 666-140-024-1



Victor Miceli Law Library
3989 Lemon Street
Riverside, CA 92501
t: (951) 368-0368
f: (951) 368-0185

Indio Branch
48-900A Monroe Street
Indio, CA 92201
t: (760) 848-7151
f: (760) 347-4500

Temecula Law Resource Center
Temecula Public Library
30600 Pauba Road
Temecula, CA 92592
t: (951) 693-8900

AMENDMENT #4

This Amendment No. 4 is made this 30th day of October, 2013 by and between the Board of Law Library Trustees (who purchased the subject property from Main Street Building Partnership) hereinafter called "Landlord" or "Lessor" and Provident Bank, hereinafter called "Tenant" or "Lessee", for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

LEASE TERM: The Lease term is extended for a five (5) year period until October 9, 2019 based upon the terms of the original lease agreement as amended.

BASE RENT: The rental amount will remain the same as the previous year (10/9/13 - 10/8/14) then will begin CPI increases on the anniversary date starting October 9, 2015.

OPTION TO EXTEND: Tenant to have one (1) additional five (5) year option to extend the term based on the original lease agreement.

BOARD OF LAW LIBRARY TRUSTEES

PROVIDENT BANK

By: *Michele D. Levine* 11.11.13
Date

By: *Craig G. Blunden* 11/14/2013
Date

NAME
PRINTED: MICHELE D. LEVINE
TITLE: PRESIDENT PROVIDENT.COM
AND VICE PRESIDENT
OF TRUSTEES.

NAME
PRINTED: CRAIG G. BLUNDEN
TITLE: C.E.O.

JL

AMENDMENT #3

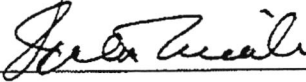
This Amendment No. 3 is made this 15th day of October, 2008 by and between Board of Law Library Trustees (who purchased the subject property from Main Street Building Partnership) hereinafter called "Landlord" or "Lessor" and Provident Bank, hereinafter called "Tenant" or "Lessee", for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

- A) LANDLORD: Riverside Development Associates, LLC was purchased by the Board of Law Library Trustees, who assumed landlord's position.
- B) EXERCISE OF OPTION TO EXTEND: The lease term is extended for a five (5) year period until October 9, 2014 based upon the terms of the original lease agreement as amended.

BOARD OF LAW LIBRARY TRUSTEES

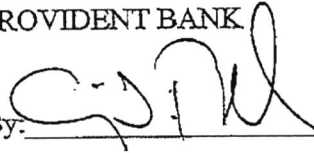
PROVIDENT BANK

By: _____



10/8/09
Date

By: _____



7/8/2009
Date

NAME

PRINTED: Victor Miceli

TITLE: President

NAME

PRINTED: Craig Blunden

TITLE: President

Sign & Return

AMENDMENT NO. 2 TO LEASE

THIS AMENDMENT NO. 2 TO LEASE ("Amendment No. 2") is made this 6th day of August, 2004, by and between RIVERSIDE DEVELOPMENT ASSOCIATES, LLC ("subsequently purchased by MAIN STREET BUILDING PARTNERSHIP") hereinafter called "Landlord" or "Lessor" and PROVIDENT BANK, (hereinafter called "Tenant" or "Lessee"), for the premises located at 4001 Main Street, Riverside, California ("Premises"). All parties agree as follows:

RECITALS:

- A. Riverside Development Associates, LLC acting in the capacity of Landlord, entered into a Lease dated May 5, 1997 and amended by "First Amendment to Office Lease" dated February 28, 2001 (herein referred to collectively as "Lease") with Tenant. Riverside Development Associates, LLC was purchased by Main Street Building Partnership, who assumed the lease obligations of Provident Bank.
- B. The Term of the Lease commenced on or about October 10, 1997 was extended on February 28, 2001 and the current Term is due to expire on October 9, 2004.
- C. The current monthly Basic Rent is \$6,230.57.
- D. Tenant has paid and Landlord holds a Security Deposit of \$3,093.00 pursuant to the Lease with respect to the Premises.
- E. Tenant has exercised its Right of First Offer as stated in the Lease and expanded its premises to lease a total of 4,790 rentable square feet.
- F. Landlord and Tenant desire to acknowledge the foregoing and to further amend the Lease as hereinafter provided.

NOW, THEREFORE, Landlord and Tenant do hereby agree to extend the Lease term based on the following:

1. Premises

- Tenant's occupied square footage totals approximately 4,790 rentable square feet and Tenant will continue to have use of these premises.

2. Commencement Date.

Commencement of Lease Extension shall begin on October 10, 2004 and continue through October 9, 2009.

3. Rental Rate.

The base rent during this extended term shall be \$6,897.60/month beginning October 10, 2004 through October 9, 2005. This base rent will escalate annually on the anniversary date in accordance with the original Lease Agreement. ←

4. Option to Extend Lease Term.

Tenant is hereby exercising its first option to extend the Lease Term for a five- (5) year period and Tenant will continue to have one (1) additional five- (5) year option to extend the term based upon the terms of the Lease Agreement.

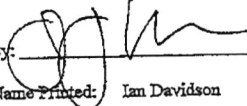
All other terms set forth in the Lease and subsequent Amendments, except for those set forth herein, shall remain in full force and effect. In the event of any inconsistencies between this Amendment No. 2 and the Lease (and/or any Addenda or Amendments), the terms of this Amendment No. 2 shall prevail.

The parties signing below are authorized to bind their respective companies. This Amendment No. 2 shall be binding upon and inure to the benefit of the parties, their successors, assigns and personal representatives.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 2 as of the dates below.
Reference date of this Amendment No. 2 is July 15, 2004.

"LANDLORD"

RIVERSIDE DEVELOPMENT ASSOCIATES, LLC
BY MAIN STREET BUILDING PARTNERSHIP

By: 

Name Printed: Ian Davidson

Title: General Partner

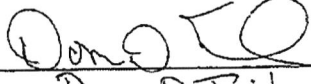
By: _____

Name Printed: _____

Title: _____

"TENANT"

PROVIDENT BANK

By: 

Name Printed: Donna D Trail

Title: Vice President

By: _____

Name Printed: _____

Title: _____

FIRST AMENDMENT TO OFFICE LEASE

by and between

RIVERSIDE DEVELOPMENT ASSOCIATES, LLC, ("LESSOR")

and

PROVIDENT BANK ("LESSEE")

WHEREAS, Lessee currently occupies a portion of the subject building under the terms of that certain Office Lease dated May 5, 1997, and desires to expand its premises within the building and modify the Lease terms and conditions as described herein.

NOW THEREFORE, the Office Lease and is hereby modified in the following respects:

Tenant: Provident Bank

Premises: Approximately 4,462 rentable square feet (2,284 current + 2,178 expansion) as depicted on the attached Exhibit "A".

Term: The expiration of the term shall be October 9, 2004

Tenant

Improvements: Lessee shall be responsible for constructing all tenant improvements at its sole cost, in accordance with all applicable governmental codes. Lessee guarantees lien-free completion of all work. Lessor agrees to contribute to the tenant improvement cost by way of a Base Rent reduction, as stated below.

Base Rent: The monthly Base Rent (currently \$3,199.10 per month) shall remain unchanged until the date that Lessee's tenant improvements are completed, or until May 1, 2001; whichever first occurs (the "Tenant Improvement Period").

Commencing upon the expiration of the Tenant Improvement Period and continuing for a period of eighteen (18) months ("Reduced Rental Period"), the monthly Base Rent shall be \$5,267.29, and the annual rental increase(s) during this period will be waived.

Commencing upon the expiration of the Reduced Rental Period, the monthly Base Rent shall be \$6,049.10, and the annual rental increases shall resume on November 1, 2003.

City Approval

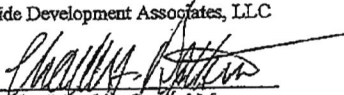
Contingency: Lessor acknowledges that this First Amendment to Office Lease is contingent upon Lessee obtaining all required permits and approvals from the City of Riverside for proposed tenant improvements.

Except as specifically modified herein, the Office Lease shall remain in full force and effect.

This First Amendment to Office Lease is executed and agreed to this 23 day of February 2001.

LESSOR

Riverside Development Associates, LLC

By: 
Charles J. Rofkin, General Manager

LESSEE

Provident Bank


By: 
Name: Robert G. Schrader
Its: Executive Vice President

EXHIBIT C
FORM OF LEASE TERM DATES

To: Provident Bank
4001 Main St.
Riverside, CA. 92522

Re: Office Lease dated May 5, 1997 between Riverside Development Associates, LLC ("Landlord") and Provident Bank, concerning the Premises covering a portion of the ground floor of the Building located at 4001 Main St., Riverside, CA. 92522.

Gentlemen:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm the following:

1. Substantial Completion of the Premises has occurred, and the Lease Term shall commence on or has commenced on October 10, 1997, for a term of five (5) years, ending on October 9, 2002.
2. Rent commenced to accrue on October 10, 1997, in the amount of \$3,083.00 per month.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a prorata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Your rent checks should be made payable to: Riverside Development Associates, LLC
at
1501 Westcliff Dr., #200
Newport Beach, CA. 92660
5. The exact number of rentable square feet within the Premises is 2,284 square feet.
6. Tenant's share as adjusted based upon the exact number of rentable square feet within the Premises is approx. 25%.

Agreed to and accepted as of 10/10, 1997

"Landlord": Riverside Development Associates, LLC

By: Charles J. Rotkin

Charles J. Rotkin
General Manager

"Tenant": Provident Bank

By: William E. Harris

Name: WILLIAM E. HARRIS

Title: SENIOR VICE PRES.

Provident

EXHIBIT E
FORM OF TENANT ESTOPPEL CERTIFICATE

Provident Bank ("Tenant"), hereby certifies as follows:

1. The undersigned is the Tenant under that certain Office Lease dated May 5, 1997 (the "Lease"), executed by Riverside Development Associates, LLC ("Landlord") as Landlord and the undersigned Tenant, covering a portion of the property located at 4001 Main St., Riverside, CA (the "Property").

2. Pursuant to the Lease, Tenant has leased approximately 2,284 square feet of space (the "Premises") at the Property and has paid Landlord a security deposit of \$2400.30. The Security Deposit balance owed after verification of the square footage of the Premises is \$ 682.70. The term of the Lease commenced on October 10, 1997 and the expiration date of the Lease is October 9, 2002. The Tenant has paid rent through November 9, 1997. The next rental payment in the amount of \$2,157.96 is due on November 1, 1997.

3. Tenant is entitled to use eight (8) parking spaces.

4. Except as expressly provided in the Lease, and other documents attached hereto, Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any preferential right to purchase all or any part of the Premises or the Property.

5. True and complete copies of the Lease and all amendments, modifications, and supplements thereto are attached hereto and to the Lease, as so amended, modified, and supplemented, is in full force and effect, and represents the entire agreement between Landlord and Tenant with respect to the Premises and the Property. There are no amendments, modifications, or supplements to the Lease, whether oral or written, except as follows (include the date of such amendment, modification, or supplement):

6. All space and improvements leased by Tenant have been completed and furnished in accordance with the provisions of the Lease, and Tenant has accepted and taken possession of the Premises.

7. Landlord is not in any respect in default in the performance of the terms and provisions of the Lease. Tenant is not in any respect in default under the Lease, and has not assigned, transferred, or hypothecated the Lease or any interest therein or subleased all or any portion of the Premises.

8. There are no offsets or credits against rentals payable under the Lease and no free periods or rental concessions have been granted to Tenant, except as follows: _____

9. Tenant has no actual or constructive knowledge of any processing, use, storage, disposal, release or treatment of any hazardous or toxic materials or substances on the Premises or the Property except as follows (if none, state "none"):

NONE

10. This Certificate is given to Landlord with the understanding that they will rely hereon in connection with the conveyance of the Property of which the Premises constitute a part to _____. Following such conveyance, Tenant agrees that the Lease shall remain in full force and effect and shall bind and inure to the benefit of the Landlord and its successor in interest as if no purchase had occurred.

Dated: 10/10/97

"Tenant": Provident Bank
By: [Signature]
Name: WILLIAM E. HARRIS
Title: SENIOR VICE PRES.

Provident

ORIGINAL

4001 Main St.
Riverside, CA

OFFICE LEASE

by and between

Riverside Development Associates, LLC

"Landlord"

and

Provident Savings Bank

"Tenant"

SUMMARY OF BASIC LEASE INFORMATION

The undersigned hereby agree to the following terms of this Summary of Basic Lease Information (the "Summary"). This Summary is hereby incorporated into and made a part of the attached Office Lease (this Summary and the Office Lease to be known collectively as the "Lease") which pertains to the "Project", as that term is defined in the Office Lease. Each reference in the Office Lease to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Office Lease, the terms of the Office Lease shall prevail. Any initially capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Office Lease.

TERMS OF LEASE

(References are to the Office Lease)

1. Dated as of: 5/5, 1997

2. Landlord: Riverside Development Associates, LLC

3. Address of Landlord: 1501 Westcliff Dr., #200
Newport Beach, CA 92660

4. Tenant: Provident Savings Bank

5. Address of Tenant
(Section 29.14): 3756 Central Ave.
Riverside, CA 92506 (Prior to Lease Commencement Date)

and

4001 Main St., Ste. A
Riverside, CA 92522 (After Lease Commencement Date)

6. Premises
(Article 1)

6.1 Building: 4001 Main St.
Riverside, CA 92522

6.2 Premises: Approximately 1,778 rentable square feet of space located on the ground floor of the Building, as set forth in Exhibit A attached hereto, known as Suite A.

7. TERM (Article 2)

7.1 Lease Term: Five (5) years
OPTION: Two 5-year option periods, original Lease terms to continue

7.2 Lease Commencement: The date of Lessor's Completion of the Premises, as such term is defined in the Tenant Work Letter attached hereto as Exhibit D, and further described in the Space Plan, attached hereto as Exhibit A. The Lease Commencement Date is anticipated to be: August 1, 1997. Using as Anniversary date

7.3 Lease Expiration Date: The date which is five (5) years after the Lease Commencement Date occurs.

7.4 Base Rent Escalation: Base Rent increases will be calculated annually according to the Los Angeles/Anaheim/Riverside Consumer Price Index (CPI), and the base rent amount will be adjusted annually. CPI increases are not to exceed 3% per year, and will continue through the option periods if exercised.

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8. Base Rent (Article 3):

<u>Lease Year</u>	<u>Annual Base Rent</u>	<u>Monthly Installment of Base Rent</u>	<u>Annual Rental Rate per Rentable Square Foot</u>
1997	\$ 28,803.60	\$ 2,400.30	\$ 16.20

** Tenant to pay first month's rent and a security deposit equal to one month's rent upon execution of Lease.

9. Additional Rent

(Article 4): None, except for taxes directly attributable to Tenant's furniture, fixtures, and equipment, and other personal property located on the Premises.

10. Security Deposit

(Article 21): \$2,400.30

11. Number of Parking Passes

(Article 23): Eight (8) adjacent spaces at rear of building to be for the exclusive use of Tenant for as long as they are available.

12. Brokers (Section 29.19): NONE

13. Build-out/Tenant Improvement: Build-out to be performed by Landlord in accordance with the attached Space Plan.

14. Signs: Tenant can erect signs on the building front (Main St.), side (10th St.), and in the foyer entrance per City code and permit requirements. Signs must coordinate with those of Kelly's Coffee & Fudge in a mutually acceptable manner.

15. Co-tenancy: It is agreed that Provident Savings Bank will share space with another tenant, said co-tenancy being subject to Provident Savings Bank approval.

16. Rest Rooms: During normal business hours, Tenant shall have access to, and the right to use, the existing restrooms. Access shall be via a door in Tenant's interior demising wall, and through the premises of the co-tenant.

16. Basement: Tenant shall have free access to a portion of the basement for storage, at no charge.

17. Tenant Improvement Allowance: Landlord will pay up to \$30.00 per square foot for Tenant Improvements. Any amount in excess of this allowance will be paid by Tenant.

The foregoing terms of this Summary are hereby agreed to by Landlord and Tenant.

"Landlord": Riverside Development Associates, LLC

By: Charles J. Rotkoff
Charles J. Rotkoff
General Manager

"Tenant": Provident Savings Bank

By: William E. Harris
Name: WILLIAM E. HARRIS
Its: SENIOR VICE PRES.

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OFFICE LEASE

This Office Lease, which includes the preceding Summary of Basic Lease Information (the "Summary") attached hereto and incorporated herein by this reference (the Office Lease and Summary to be known sometimes collectively hereafter as the "Lease"), dated as of the date set forth in Section 1 of the Summary, is made by and between Riverside Development Associates, LLC ("Landlord"), and Provident Savings Bank ("Tenant").

ARTICLE 1

PROJECT, BUILDING AND PREMISES

1.1 Premises, Building, Project and Common Areas.

1.1.1 The 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 set forth in Section 6.2 of the Summary (the "Premises"), which Premises are located in the building whose address is set forth in Section 6.1 of the Summary (the "Building"), reserving, however to Landlord: (i) all of the Building, except for the space within the inside surfaces bounding the Premises, and except as provided below in this Article 1, and (ii) the rights, interests and estates reserved to Landlord by provisions of this Lease or operation of law. The outline of the Premises is set forth in Exhibit A attached hereto. The rentable square footage of the Premises and the Building are set forth in Section 6 of the Summary.

1.1.2 The Building and the Project. The Building is an office building project known as "4001 Main St.". The term "Project", as used in this Lease, shall mean the Building, the "Common Areas", as that term is defined in Section 1.1.3 below, the land (which is improved with surface parking areas and other improvements) upon which the Building, and the Common Areas are located, and at Landlord's discretion, any additional real property, areas, buildings or other improvements added thereto. Tenant acknowledges that Landlord has made no representation or warranty regarding the condition of the Project except as specifically set forth in the Lease.

1.1.3 Common Areas. Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules, regulations and restrictions attached hereto as Exhibit B (the "Rules and Regulations"), those portions of the Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas designated by Landlord, in its discretion, are collectively referred to herein as the "Common Areas"). The Common Areas shall consist of the "Project Common Areas" and the "Building Common Areas." The term "Project Common Areas," as used in Lease, shall mean the portion of the Project designated as such by Landlord, and may include, without limitation, any parking facilities, fixtures, systems, signs, facilities, gardens, parks or other landscaping used in connection with the Project, and may include any city sidewalks adjacent to the Project, pedestrian walkway system, whether above or below grade, park or other facilities open to the general public and roadways, sidewalks, walkways, parkways, driveways and landscape areas appurtenant to the Project. The term "Building Common Areas," as used in this Lease, shall mean the portions of the Common Areas located within the Building and may include, without limitation, the common entrances, lobbies, restrooms, elevators (if any), stairways and accessways, loading docks, ramps, drives, platforms, passageways, common pipes, conduits, wires, equipment, loading and unloading areas, and trash areas servicing the Building. The manner in which the Common Areas are maintained and operated shall be at the sole discretion of Landlord. Landlord reserves the right without notice to Tenant to make alterations or this additions to or to change the location of elements of the Project and the Common Areas

1.2 Verification of Rentable Square Feet of Premises and Building. For purposes of this Lease, "rentable square feet" shall be calculated pursuant to Standard Method for Measuring Floor Area in Buildings, ANSI Z65.1 - 1980 ("BOMA"), provided that the rentable square footage of the Building and other buildings in the Project shall include all of (and the rentable square footage of the Premises therefore shall include a portion of) (i) the Building Common Areas and (ii) the occupied space of the portion of the Project dedicated to the service of the Office Project. The rentable square feet of the Premises, Building and the Project are subject to verification from time to time by Landlord's planner/designer and such verification shall be made in accordance with the provisions of this Article 1. Tenant's architect may consult with Landlord's planner/designer regarding such verification as it pertains to the Premises; however, the determination of Landlord's planner/designer shall be conclusive and binding upon the parties. In the event that Landlord's planner/designer determines that the amounts thereof shall be different from those set forth in this Lease, all amounts, percentages and figures appearing or referred to in this Lease based upon such incorrect amount (including, without limitation, the amount of the "Rent," "Tenant's Share" and any "Security Deposit," as those terms are defined in Article 4 and Article 21 of this Lease, respectively) shall be modified in accordance with such determination. If such determination is made, it will be confirmed in writing by Landlord to Tenant.

ARTICLE 2

LEASE TERM

The terms and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "Lease Term") shall be as set forth in Section 7.1 of the Summary and shall commence on the date (the "Lease Commencement Date") set forth in Section 7.2 of the Summary, and shall terminate on the date (the "Lease Expiration Date") set forth in Section 7.3 of the Summary, unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "Lease Year" shall mean each consecutive twelve (12)-month period during the Lease Term. At any time during the Lease Term, Landlord may deliver to Tenant a notice in the form as set forth in Exhibit C attached hereto, which Tenant shall execute and return to Landlord within five (5) days of receipt thereof. Tenant shall have the option to extend the term of the Lease, and the initial Lease Expiration Date for a period of up to two 5-year periods (the "Extension Term"). Tenant may exercise the extension option by giving Landlord written notice of Tenant's intent to exercise the extension option at least ninety (90) days prior to the Lease Expiration Date.

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(G) costs of any items to the extent Landlord receives reimbursement from insurance proceeds (such proceeds to be excluded from Operating Expenses in the year in which received, except that any deductible amount under any insurance policy shall be included within Operating Expenses) or from a third party; and (H) costs of capital improvements, except those set forth in this Section 4.2 or those includable in Operating Expenses pursuant to an application by Landlord of sound real estate management principles.

4.2.4 "Project Expenses" shall mean "Operating Expenses" and "Tax Expenses."

4.2.5 "Tax Expenses" shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary (including, without limitation, real estate taxes, general and special assessments, transit taxes, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, 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 shall pay or incur during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project. For purposes of this Lease, Tax Expenses shall be calculated during each Expense Year (including the Base Year) as if the tenant improvements in the Project were fully constructed and the Project, and all tenant improvements in the Project were fully assessed for real estate tax purposes.

4.2.5.1 Tax Expenses shall include, without limitation:

(i) 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, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of in the June 1978 election (Proposition 13) and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, conservation, refuse removal and for other governmental services formerly provided without charge to property owners or occupants. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies, and charges and all similar assessments, taxes, fees, levies and charges be included within the definition of Tax Expenses for purposes of this Lease;

(ii) 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 with respect to the receipt of such Rent, or 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;

(iii) 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

(iv) Any possessory taxes charged or levied in lieu of real estate taxes.

4.2.5.2 Any expenses incurred by Landlord in attempting to protest, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are paid.

4.2.5.3 Notwithstanding anything to the contrary set forth in this Section 4.2.5, in no event shall the Tax Expenses for any Expense Year following the Base Year be less than the component of Tax Expenses for the Base Year.

4.2.5.4 Notwithstanding anything to the contrary contained in this Section 4.2.5 (except as set forth in Section 4.2.5.1 or levied in whole or part in lieu of Tax Expenses), there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project) and (ii) any items included as California Operating Expenses.

4.2.6 "Tenant's Share" shall mean the percentage set forth in Section 9.2 of the Summary, calculated by dividing the number of rentable square feet of the Premises by the total rentable square feet of the buildings in the Project.

4.3 Allocation of Project Expenses to Tenants of the Building. Project Expenses (i.e., Operating Expenses and Tax Expenses) are determined annually for the Project as a whole. Expenses shall be allocated by Landlord, in its reasonable discretion, to the tenants of the Building. The portion of Project Expenses allocated to the tenants of the Building shall consist of (i) all Project Expenses attributable solely to the Building and (ii) an equitable portion of Project Expenses attributable to the Project as a whole and not attributable solely to the Building or to any Adjacent Building in the Project. Additionally, in allocating Project Expenses to the tenants of the Building, Landlord shall have the right, from time to time, to equitably allocate some or all of the Project Expenses allocable to tenants of the Project among different tenants of the Project (the "Cost Pools"). Such Cost Pools may include, but shall not be limited to, the office space tenants of the Project and the retail space tenants of the Project.

4.4 Calculation and Payment of Additional Rent

4.4.1 Calculation of Excess. If for any Expense Year ending or commencing within the Lease Term, Tenant's Share of Project Expenses for such Expense Year exceeds Tenant's Share of the amount of Project Expenses applicable to the Base Year, then Tenant shall pay to Landlord, in the manner set forth in Section 4.4.2 below, and as Additional Rent, an amount equal to the excess (the "Excess").

4.4.2 Statement of Actual Project Expenses and Payment by Tenant. Landlord shall endeavor to give to Tenant on or before the first day of April following the end of each Expense Year, a statement (the "Statement") which shall state the Project Expenses incurred or accrued for such preceding Expense Year and the amount thereof allocated to the tenants of the Building, and which shall indicate the amount, if any, of any Excess. Upon receipt of the Statement for each Expense Year ending during the Lease Term, if an Excess is present, Tenant shall pay, with its installment of Base Rent due, the full amount of the Excess for such Expense Year, less the amount, if any, paid during such Expense Year as "Estimated Excess," as that term is defined in Section 4.4.1 below. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord from enforcing its rights under this Article 4.

Even though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of the Project Expenses allocated to the tenants of the Building for the Expense Year in which this Lease terminates, if an Excess is present, Tenant shall immediately pay to Landlord an amount as calculated pursuant to the provisions of Section 4.4.1 of this Lease. The provisions of this Section 4.4.2 shall survive the expiration or earlier termination of the Lease Term.

4.4.2 Statement of Estimated Project Expenses. In addition, Landlord shall give Tenant a yearly expense estimate statement (the "Estimate Statement") which shall set forth Landlord's reasonable estimate (the "Estimate") of what the total amount of Project Expenses for the then current Expense Year shall be and the estimated Excess (the "Estimated Excess") as calculated by comparing Tenant's Share of Project Expenses allocated to the tenants of the Building, which shall be based upon the Estimate, to Tenant's Share of Project Expenses applicable to the Base Year, which Estimate Statement may be revised and reissued by Landlord from time to time. The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Excess under this Article 4, if pursuant to the Estimate Statement (or a revision thereof) an Estimated Excess is calculated for the then current Expense Year. Tenant shall pay to Landlord, with its next installment of Base Rent due, a fraction of the Estimated Excess (or the increase in the Estimated Excess if pursuant to a revised Estimated Statement) for the then current Expense Year (reduced by any amounts paid pursuant to the last sentence of this Section 4.4.2). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year to the month of such payment, both months inclusive, and shall have twelve (12) as its denominator. Until a new Estimate Statement is furnished, Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one twelfth (next 1/12) of the total Estimated Excess set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5 Allocation of Project Expenses. Notwithstanding anything to the contrary set forth in this Article 4, when calculating the Project Expenses for the Base Year, such Project Expenses shall not include (i) any increase in Tax Expenses attributable to special assessments, charges, costs, or fees, or due to modifications or changes in governmental laws or regulations, including but not limited to the institution of a split tax roll, (ii) market-wide labor rate increases due to extraordinary circumstances, including, but not limited to, boycotts and strikes, (iii) utility rate increases due to extraordinary circumstances including, but not limited to, conservation surcharges, boycotts, embargoes or other shortages, and (iv) amortized costs relating to capital improvements or expenditures.

4.6 Taxes and Other Charges for Which Tenant Is Directly Responsible. Tenant shall reimburse Landlord, as Additional Rent, upon demand for any and all taxes required to be paid by Landlord (except to the extent included in Tax Expenses by Landlord), excluding state, local and federal 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:

4.6.1 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 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; or

4.6.2 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, any portion of the Project or the parking facilities used by Tenant in connection with this Lease.

4.7 Landlord's Books and Records. Within forty-five (45) days after receipt of a Statement by Tenant, if Tenant disputes the amount of Additional Rent set forth in the Statement, an independent certified public accountant (which accountant is a member of a nationally recognized accounting firm), designated by Tenant, may, after reasonable notice to Landlord and was reasonable times, inspect Landlord's records at Landlord's offices, provided that Tenant is not then in default under this Lease. If after such inspection, Tenant still disputes such Additional Rent, a certification as to the proper amount shall be made, at Tenant's expense, by Landlord's independent certified public accountant, which certification shall be final and conclusive.

ARTICLE 5 USE OF PREMISES

5.1 General Provisions. Tenant shall use the Premises solely for general office and retail banking purposes. 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 any use or purpose contrary to the Rules and Regulations, or in violation of the laws of the United States of America, the State of California, 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 faithfully observe and comply with the Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of such Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project. Tenant shall comply with all recorded covenants, conditions, and restrictions now or hereafter affecting the Project.

5.2 Other Terms.

5.2.1 Prohibition. Tenant shall not cause or permit any "Hazardous Material" as that term is defined below, to be generated, produced, brought upon, used, stored, treated, discharged, released, spilled or disposed of on, in, under or about the Project by Tenant, its affiliates, agents, employees, contractors, sublessees, assignees or invitees. Tenant shall indemnify, defend, protect, and hold Landlord harmless from and against any and all actions (including, without limitation, remedial or enforcement actions of any kind, administrative or judicial proceedings, and orders or judgments arising out of or resulting therefrom), costs, claims, damages (including, without limitation, punitive damages), expenses (including, for without limitation, attorneys', consultants' and experts' fees, court costs and amounts paid in settlement of any claims or actions), fines, forfeitures or other civil, administrative or criminal penalties, injunctive or other relief (whether or not based upon personal injury, property damage, or contamination of, or adverse effects upon, the environment, water tables or natural resources), liabilities or losses arising from a breach of the foregoing prohibition by Tenant, its affiliates, agents, employees, contractors, sublessees, assignees or invitees.

In the event that Hazardous Materials are discovered upon, in, or under the Project, and any governmental agency or entity having jurisdiction over the Project requires the removal of such Hazardous Material, Tenant shall be responsible for removing those Hazardous Materials arising out of or related to the use or occupancy of the Project by Tenant or its affiliates, agents, employees, contractors, sublessees, assignees or invitees.

5.2.2 Notice Requirements. Notwithstanding the foregoing, Tenant shall not take any remedial action in or about the Premises, the Building or the Project without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to protect Landlord's interest with respect thereto. Tenant immediately shall notify Landlord in writing of (i) any spill, release, discharge or disposal of any Hazardous Material in, on or under the Premises, the Building, the Project or any portion thereof, (ii) any enforcement, cleanup, removal or other governmental or regulatory action instituted, contemplated, or threatened (if Tenant has notice thereof) pursuant to any Hazardous Materials laws; (iii) any claim made or threatened by any person against Tenant, the Premises, the Building or the Project relating to damage, contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iv) any reports made to any governmental agency or entity arising out of or in connection with any Hazardous Materials in, on, under or about or removed from the Premises, the Building or the Project, including any complaints, notices, warnings, reports or asserted violations in connection therewith. Tenant also shall supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to Hazardous Materials. The respective rights and obligations of Tenant and Landlord under this Article 5 shall survive the expiration or earlier termination of this Lease.

5.2.3 Definitions. As used in this Lease, the term "Hazardous Material" means any flammable items, explosives, radioactive materials, hazardous or toxic substances, material or waste or related materials, including any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "infectious wastes," "hazardous materials" or "toxic substances" now or subsequently regulated under any federal, state or local laws, regulations or ordinances and including any different products and materials which are subsequently found to have adverse effects on the environment or the health and safety of persons.

ARTICLE 6

SERVICES AND UTILITIES

6.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

6.1.1 Subject to all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating and air conditioning when necessary for normal comfort for normal office use in the Premises, from Monday through Friday, during the period from 7:00 a.m. to 6:00 p.m., and on Saturday during the period from 8:30 a.m. to 2:00 p.m., except for the date of observation of New Year's Day, Independence Day, Labor Day, Memorial Day, Thanksgiving Day, Christmas Day (collectively, the "Holidays"), subject to change, to be determined by Tenant.

6.1.2 Landlord shall provide adequate electrical wiring, facilities and power for normal general office use as determined by Landlord. Landlord shall bear the cost of replacement of lamps, starters and ballasts lighting fixtures within the Premises.

6.1.3 Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes.

6.1.4 Landlord shall provide janitorial services five (5) days per week, except the date of observation of the Holidays, in and about the Premises.

6.2 Overstandard Tenant Use. Tenant shall not, without Landlord's prior written consent, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than building standard lights in the Premises, which may affect the temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Landlord pursuant to the terms of Section 6.1 of this Lease. If such consent is given, Landlord shall have the right to install supplementary air conditioning units or other facilities in the Premises, including supplementary or additional metering devices, and the cost thereof, including the cost of installation, operation and maintenance, increased wear and tear on existing equipment and other similar charges, shall be paid by Tenant to Landlord upon billing by Landlord. If Tenant uses water, electricity, heat or air conditioning in excess of that supplied by Landlord pursuant to Section 6.1 of this Lease, Tenant shall pay to Landlord, upon billing, the cost of such excess consumption, the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter any increased use and in such event Tenant shall pay the increased cost directly to Landlord, on demand, including the cost of such additional metering devices. If Tenant desires to use heat, ventilation or air conditioning during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease, Tenant shall give Landlord such prior notice, as Landlord shall from time to time establish as appropriate, of Tenant's desired use and Landlord shall supply such utilities to Tenant at such hourly cost to Tenant as Landlord shall from time to time establish. Amounts payable by Tenant to Landlord for such use of additional utilities shall be deemed Additional Rent hereunder and shall be billed on a monthly basis.

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 or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

Landlord may comply with voluntary controls or guidelines promulgated by any governmental entity relating to the use or conservation of energy, water, gas, light or electricity or the reduction of automobile or other emissions without creating any liability of Landlord to Tenant under this Lease, provided that the Premises are not thereby rendered untenable.

ARTICLE 7
REPAIRS

Tenant shall, at Tenant's own expense, pursuant to the terms of this Lease, including without limitation Article 8 hereof, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense but under the supervision and subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, pursuant to the terms of this Lease, including without limitation Article 8 hereof, promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make 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 Building and/or 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. Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements and additions to the Premises or to the Project or to any equipment located in the Project as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree. 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. 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 that no Hazardous Material is incorporated into or brought into the Project or Premises. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter, attached hereto as Exhibit D, and not the terms of this Article 8.

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 sole discretion may deem desirable, including, but not limited to, the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term, and/or the requirement that Tenant utilize for such purposes only contractors, materials, mechanics and materialmen selected by Landlord. 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 and pursuant to a valid building permit, issued by the City of Riverside, in conformance with Landlord's construction rules and regulations. 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 Project, Building or Common Areas or any portion thereof, by any other tenant of the Project, and as not to obstruct the business of Landlord or other tenants in the Project, or interfere with the labor force working in the Project. Upon completion of any Alterations, Tenant agrees to cause a timely Notice of Completion to be recorded in the office of the Recorder of the County of Riverside in accordance with the terms of Section 3093 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to the Project management office a reproducible copy of the "as built" drawings of the Alterations.

8.3 Payment for Improvements. The charges for such work performed by a contractor selected by Landlord shall be deemed Additional Rent under this Lease, payable upon billing therefor, either periodically during construction or upon the substantial completion of such work, at Landlord's option. Upon completion of such work, Tenant shall deliver to Landlord evidence of payment, contractors' affidavits and full and final waivers of all liens for labor, services or materials. Tenant shall pay to Landlord a percentage, to be established by Landlord, of the cost of such work to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's involvement with such work.

8.4 Construction Insurance. In the event that Tenant makes any Alterations, Tenant agrees to carry "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.

8.5 Landlord's Property. All Alterations, improvements, and/or 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, except that Tenant may remove any Alterations, improvements, fixtures and/or equipment which Tenant can substantiate to Landlord have not been paid for with any tenant improvement or refurbishment allowance funds provided to Tenant by Landlord, provided Tenant repairs any damage to the Premises and Building caused by such removal. Furthermore, if Landlord, as a condition to Landlord's consent to any Alteration, requires that Tenant remove any Alteration upon the expiration or early termination of the Lease Term, Landlord may, by written notice to Tenant prior to the end of the Lease Term, or given upon any earlier termination of this Lease, require Tenant at Tenant's expense to remove such Alterations and to repair any damage to the Premises and Building caused by such removal. If Tenant fails to complete such removal and/or to repair any damage caused by the removal of any Alterations, Landlord may do so and may charge the cost thereof to Tenant.

INITIAL 

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 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 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, in the event that such lien is not released and removed on or before the date occurring five (5) days after 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 immediately be due and payable by Tenant.

ARTICLE 10
INSURANCE

10.1 Indemnification and Waiver. To the extent not prohibited by law, Landlord, its partners, trustees, ancillary trustees and their respective officers, directors, shareholders, beneficiaries, agents, servants, employees, and independent contractors (collectively, the "Landlord Parties") shall not be liable for any fixtures damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify defend, protect, and hold harmless Landlord Parties from any and all loss, cost, damage, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in connection with or arising from any cause in, on or about the Premises, either prior to, during, or after the expiration of the Lease Term provided that the terms of the foregoing indemnity shall not apply to the gross negligence or willful misconduct of Landlord. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability occurring prior to such expiration or termination.

10.2 Tenant's Compliance with Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for any insurance policies carried by Landlord, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and, with any similar body.

10.3 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts,

10.3.1 Commercial General Liability Insurance covering the insured against claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use of the Premises, including a Commercial General Liability endorsement covering the insuring provisions of this Lease and the performance by Tenant of the indemnity agreements set forth in Section 10.1 of this Lease, for limits of liability not less than: (i) Bodily Injury and Property Damage Liability - \$1,000,000 each occurrence and \$2,000,000 annual aggregate, and (ii) Personal Injury Liability - \$1,000,000 each occurrence and \$2,000,000 annual aggregate.

10.3.2 Physical Damage Insurance covering (i) all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the "Tenant Improvements," as that term is defined in the Tenant Work Letter, and (iii) all other improvements, alterations and additions to the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include a vandalism and malicious mischief endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage.

10.3.3 Loss-of-income and extra-expense insurance in such amounts as will reimburse Tenant for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of access to the Premises, to the Building or to the Project as a result of such perils.

10.3.4 Form of Policies. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) name Landlord, and any other party it so specifies, as an additional insured; (ii) specifically cover the liability assumed by Tenant under this Lease, including, but not limited to, Tenant's obligations under Section 10.1 of this Lease; (iii) be issued by an insurance company having a rating of not less than A-X in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance requirement of Tenant; (v) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord; and (vi) contain a cross-liability endorsement or severability of interest clause acceptable to Landlord. Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least thirty (30) days before the expiration dates thereof. If Tenant fails to carry the amounts and types of insurance required to be carried by it pursuant to this Article 10, in addition to any remedies Landlord may have under this Lease, such failure shall be deemed to be a covenant and agreement by Tenant to self-insure with respect to the type and amount of insurance which Tenant so failed to carry, with full waiver of subrogation with respect thereto.

10.4 Subrogation. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any rights of subrogation that such companies may have against Landlord or Tenant, as the case may be, so long as the insurance carried by Landlord and Tenant, respectively, is not invalidated thereby. As long as such waivers of subrogation are contained in their respective insurance policies, Landlord and Tenant hereby waive any right that either may have against the other on account of any loss or damage to their respective property to the extent such loss or damage is insurable under policies of insurance for fire and all risk coverage, theft, or other similar insurance.

10.5 Additional Insurance Obligations. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10, and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord. Notwithstanding anything to the contrary contained in this Lease, in the event any termination of this Lease pursuant to Article 11 or Article 13 below, Tenant shall assign and deliver to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease.

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 any other casualty. If the Premises or any Common Areas 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 11, restore the base, shell, and core of the Premises and such Common Areas. 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 zoning and building codes and other laws or by the holder of a mortgage on the Building 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. Notwithstanding any other provision of this Lease, upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease, and Landlord shall repair any injury or damage to the Tenant Improvements installed in the Premises and shall return such Tenant Improvements to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's repair of the damage. In connection with such repairs and replacements, Tenant shall, prior to the commencement of construction, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work. Such submittal of plans and construction of improvements shall be performed in substantial compliance with the terms of the Tenant Work Letter as though such construction of improvements were the initial construction of the Tenant Improvements. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, 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 shall have damaged 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, contractors, licensees, or invitees, Landlord shall allow Tenant a proportionate abatement of Rent 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 Landlord's Option to Repair. Notwithstanding the terms of Section 11.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, Building and/or Project and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after Landlord becomes aware of such damage, such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within one hundred eighty (180) days of the date of damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or Project or ground lessor with respect to the Building or Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) the damage is not fully covered, except for deductible amounts, by Landlord's insurance policies; or (iv) any owner of any other portion of the Project, other than Landlord, does not intend to repair the damage to such portion of the Project.

11.3 Waiver of Statutory Provisions. The provisions of this Lease, including this Article 11, 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 statute or regulation of 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.

11.4 Damage Near End of Term. In the event that the Premises, the Building or the Project is destroyed or damaged to any substantial extent during the last six (6) months of the Lease Term, then notwithstanding anything contained in this Article 11, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within thirty (30) days after Landlord becomes aware of such damage or destruction, in which event this Lease shall cease and terminate as of the date of such notice, Tenant shall pay the Base Rent and Additional Rent, properly apportioned up to such date of damage, 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.

ARTICLE 12
NONWAIVER

No waiver of any provision of this Lease shall be implied by any failure of Landlord 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 Landlord 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.

No payment by Tenant or receipt or acceptance by Landlord of a lesser amount than the correct Rent due shall be deemed to be other than a payment on account, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance, treat such partial payment as a default or pursue any other remedy provided in this Lease or at law.

ARTICLE 13
CONDEMNATION

If ten percent (10%) or more of the Premises, the Building or the 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 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, or if access to the Premises is substantially impaired, Tenant 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. 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 Building or 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 Rent 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.

ARTICLE 14
ASSIGNMENT AND SUBLETTING

14.1 Transfers. Tenant shall not, without the prior written consent of Landlord, 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"). If Tenant shall desire Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "Transfer Notice") shall include (i) the proposed effective date of the Transfer, which shall not be less than forty-five (45) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "Subject Space"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including a calculation of the "Transfer Premium," as that term is defined in Section 14.3, below, in connection with such 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, (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, and any other information required by Landlord, which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, (v) an executed estoppel certificate from Tenant in the form attached hereto as Exhibit E, and (vi) 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 Section 19.1.7 of this Lease. Whether or not Landlord shall grant consent, Tenant shall pay Landlord's review and processing fees, as well as any reasonable legal fees incurred by Landlord, within thirty (30) days after written request by Landlord.

14.2 Landlord's Consent. Landlord shall not unreasonably withhold 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 deemed to 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:

14.2.1 The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project;

14.2.2 The Transferee is either a governmental agency or instrumentality thereof;

14.2.3 The Transferee's intended use of the Premises is inconsistent with the permitted use specified in Article 2 above;

14.2.4 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;

14.2.5 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;

14.2.6 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);

14.2.7 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, (i) occupies space in the Project at the time of the request for consent, (ii) is negotiating with Landlord to lease space in the Project at such time, or (iii) has negotiated with Landlord during the twelve (12)-month period immediately preceding the Transfer Notice; or

14.2.8 The Transferee does not intend to occupy the entire Premises and conduct its business therefrom for a substantial portion of the term of the Transfer. In the event Landlord withholds or conditions its consent and Tenant believes that Landlord did so contrary to the terms of this Lease, Tenant may prosecute an action for declaratory relief to determine if Landlord properly withheld or conditioned its consent, but Tenant waives and discharges any claims it may have against Landlord for damages arising from Landlord's withholding or conditioning its consent. In any such action, each party shall bear its own attorneys' fees. Tenant shall indemnify, defend and hold harmless Landlord from any and all liability, losses, claims, damages, costs, expenses, causes of action and proceedings involving any third party or parties (including without limitation Tenant's proposed subtenant or assignee) who claim they were damaged by Landlord's wrongful withholding or conditioning of Landlord's consent. If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (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 (i) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, or (ii) 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 14.3, received by Tenant from such Transferee. "Transfer Premium" shall mean all rent, additional rent or other consideration payable by such Transferee (the "Transferee's Rent") 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. "Transfer Premium" shall also include, but 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 Landlord's Option as to Subject Space. Notwithstanding anything to the contrary contained in this Article 14, Landlord shall have the option, by giving written notice to Tenant within thirty (30) days after receipt of any Transfer Notice, to (i) recapture the Subject Space, or (ii) take an assignment or sublease of the Subject Space from Tenant. Such recapture, or sublease or assignment notice shall cancel and terminate this Lease, or create a sublease or assignment, as the case may be, with respect to the Subject Space as of the date stated in the Transfer Notice as the effective date of the proposed Transfer until the last day of the term of the Transfer as set forth in the Transfer Notice. In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner to recapture, sublease or take an assignment of the Subject Space under this Section 14.4, then, provided Landlord has consented to the proposed Transfer, Tenant shall be entitled to proceed to transfer the Subject Space to the proposed Transferee, subject to provisions of the last paragraph of Section 14.2 of this Lease.

14.5 Effect of Transfer. If Landlord consents to a Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) 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, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) 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 Premises thirty (30) days after demand, pay the deficiency and Landlord's costs of such audit.

14.6 Additional Transfers. For purposes of this Lease, except as expressly provided in Section 14.7 below, the term "Transfer" shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of twenty-five percent (25%) or more of the partners, or transfer of twenty-five percent or more of partnership interests, within a twelve (12)-month period, or the dissolution of partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (i.e., whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant, (B) the sale or other transfer of more than an aggregate of twenty-five percent (25%) of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of more than an aggregate of twenty-five percent (25%) of the value of the unencumbered assets of Tenant within a twelve (12)-month period.

14.7 Non-Transfers. Notwithstanding anything to the contrary contained in this Lease, neither (i) an assignment to a transferee of all or substantially all of the assets of Tenant, (ii) an assignment of the Premises to a transferee which is the resulting entity of a merger or consolidation of Tenant with another entity, nor (iii) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant), shall be deemed a Transfer under Article 14 of this Lease, provided that Tenant notifies Landlord of any such assignment or sublease and promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such transfer or transferee as set forth in items (i) through (iii) above, that such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, and that such transferee or affiliate shall have a net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles (the "Net Worth") at least equal to the greater of (A) the Net Worth of Tenant immediately prior to such assignment or sublease, or (B) the Net Worth on the date of this Lease of the original named Tenant. "Control," as used in this Section 14.7, shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity.

ARTICLE 15
SURRENDER OF PREMISES; 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 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 subtenancies affecting the Premises.

15.2 Removal of Tenant Props 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, Tenant shall, without expense to Landlord, cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense, 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.

ARTICLE 16
HOLDING OVER

If Tenant holds over after the expiration of the Lease Term hereof, 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 Rent shall be payable at a monthly rate equal to 150% of the Rent applicable during the last rental period of the Lease Term under this Lease. Such month-to-month tenancy shall be subject to every other term, covenant and agreement contained herein. At the option of Landlord, expressed in a written notice to Tenant and not otherwise, such holding over shall constitute a renewal of this Lease for a period of one year at such Base Rent and Additional Rent as would be applicable for such year, and for purposes of determining the Additional Rent for any renewal period, the original Base Year shall remain as the Base Year. Upon 30-day written notification, Tenant may vacate or accept the extension. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord 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 16 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 limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender, and any lost profits to Landlord resulting from such failure to surrender.

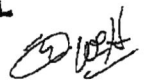
ARTICLE 17
ESTOPPEL CERTIFICATES

Within ten (10) 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 substantially in the form of Exhibit E, attached hereto, (or such other form as may be required by any prospective mortgagee or purchaser of the Building or 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 or purchasers. Tenant shall execute and deliver whatever other instruments may be reasonably required for such purposes. In connection therewith, Landlord may require Tenant to provide Landlord with a current financial statement and financial statements of the two (2) years to the current financial statement year. Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. 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.

ARTICLE 18
SUBORDINATION

This Lease is subject and subordinate to all present and future accountant ground or underlying leases of the Building or Project and to the lien of any mortgages or trust deeds, now or hereafter in force against the Building or Project, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made hereafter 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. Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage, to attorn, without any deductions or setoffs whatsoever, to the purchaser upon any such foreclosure sale if so requested to do so by such purchaser, and to recognize such purchaser as the lessor under this Lease. Tenant shall, within five (5) days of request by Landlord, execute 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. Tenant hereby irrevocably authorizes Landlord to execute and deliver in the name of Tenant any such instrument or instruments if Tenant fails to do so, provided that such authorization shall in no way relieve Tenant from the obligation of executing such instruments of subordination or superiority. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of Tenant hereunder in the event of any foreclosure proceeding or sale.

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ARTICLE 19
DEFAULTS; REMEDIES

19.1 Defaults. The occurrence of any of the following shall constitute a default of this Lease by Tenant:

19.1.1 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; or

19.1.2 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 fifteen (15) days after written notice thereof from Landlord to Tenant; provided however, that any such notice shall be in lieu of, and not in addition to, any notice required under California Code of Civil Procedure Section 1161 or any similar or successor law; or

19.1.3 To the extent permitted by law, a general assignment by Tenant or any guarantor of the Lease for the benefit of creditors, or the filing by or against Tenant or any guarantor of any proceeding under an insolvency or bankruptcy prior law, unless in the case of a proceeding filed against Tenant or any guarantor the same is dismissed within sixty (60) days, or the appointment of a trustee or receiver to take possession of all or substantially all of the assets of Tenant or any guarantor, unless possession is restored to Tenant or such guarantor within thirty (30) days, or any execution or other judicially authorized seizure of all or substantially all of Tenant's assets located upon the Premises or of Tenant's interest in this Lease, unless such seizure is discharged within thirty (30) days.

19.2 Remedies Upon Default. Upon the occurrence of a default by Tenant, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity, 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.

19.2.1 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:

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

(i) 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

(ii) 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

(iv) 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

(v) 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 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Paragraphs 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article 21 of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in Paragraph 19.2.1(ii) 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%).

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

19.3 Subleases 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.

19.4 Form of Payment After Default. Following the occurrence of a default by Tenant, Landlord shall have the right to require that any or all subsequent amounts paid by Tenant to Landlord hereunder, whether in the cure of the default in question or otherwise, be paid in the form of cash, money order, cashier's or certified check drawn on an institution acceptable to Landlord, or by other means approved by Landlord, notwithstanding any prior practice of accepting payments in any different form.

19.5 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.

ARTICLE 20
ATTORNEYS' FEES

If either party commences litigation against the other for the specific performance of this Lease, for damages for the breach hereof or otherwise for enforcement of any remedy hereunder, the parties hereto agree to and hereby do waive any right to a trial by jury and, in the event of any such commencement of litigation, the prevailing party shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred.

ARTICLE 21
SECURITY DEPOSIT

Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "Security Deposit") in the amount set forth in Section 10 of the Summary. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may, but shall not be required to, use, apply or retain all or any part of the Security Deposit for the payment of any Rent or any other sum in default, or for the payment of any amount that Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a default under this Lease. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit, or any balance thereof, shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within sixty (60) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, and all other provisions of law, now or hereafter in force, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any officer, employee, agent or invitee of Tenant.

ARTICLE 22
SUBSTITUTION OF OTHER PREMISES

Landlord shall have the privilege of moving Tenant to other space in the Project comparable to the Premises, and all terms hereof shall apply to the new space with equal force. In such event, Landlord shall give Tenant prior notice, shall provide Tenant, at Landlord's sole cost and expense, with tenant improvements at least equal in quality to those in the Premises 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 practicable. Simultaneously with such relocation of the Premises, the parties shall immediately execute an amendment to this Lease stating the relocation of the Premises.

ARTICLE 23
SIGNS

23.1 Tenant Signage. Tenant may install signs on the building front (Main St.), side (10th St.), and inside the foyer entrance. Signs must meet all city code and permit requirements.

23.2 Prohibited Signage and Other Items. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been individually approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. 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 written approval of Landlord, in its sole discretion.

ARTICLE 24
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. At its sole cost and expense, Tenant shall promptly comply with all such governmental measures, other than the making of structural changes or changes to the Building's life safety system. Should any standard or regulation now or hereafter be imposed on Landlord or Tenant by a state, federal or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards for employers, employees, landlords or tenants, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. 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 governmental measures, shall be conclusive of that fact as between Landlord and Tenant.

ARTICLE 25
LATE CHARGES

If any installment of Rent or any other sum due from Tenant not be received by Landlord or Landlord's designee within five (5) days after said amount is due, then Tenant shall pay to Landlord a late charge equal to ten percent (10%) of the overdue amount, plus any attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid on or before the date they are due shall thereafter bear interest until paid at the lesser of (i) the Interest Rate (as such term is defined in Section 4.2.3), or (ii) the highest rate permitted by applicable law.

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ARTICLE 26
LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT

26.1 Landlord's Cure. 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. If Tenant shall fail to perform any of its obligations under this Lease, within a reasonable time after such performance is required by the terms of this Lease, Landlord may, but shall not be obligated to, after reasonable prior notice to Tenant, make any such payment or perform any such act on Tenant's part without waiving its right based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2 Tenant's Reimbursement. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) 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 26.2 shall survive the expiration or sooner termination of the Lease Term.

ARTICLE 27
ENTRY BY LANDLORD

Landlord reserves the right at all reasonable times and upon reasonable notice to the Tenant to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, mortgagees or tenants, or to the ground or underlying lessors; (iii) post notices of nonresponsibility; or (iv) 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. Notwithstanding anything to the contrary contained in this Article 27, Landlord may enter the Premises at any time to (A) perform services required of Landlord; (B) take possession due to any breach of this Lease in the manner provided herein; and (C) perform any covenants of Tenant which Tenant fails to perform. Landlord may make any such entries without the abatement of Rent and may take such 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 use any means that Landlord may deem proper to open the doors in and to the Premises. Any entry into the Premises by Landlord in the manner herein before 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 Lease Premises.

ARTICLE 28
TENANT PARKING

During the Lease Term, Tenant shall be entitled to exclusive use of the 8 adjacent parking spaces, for as long as they are available.

ARTICLE 29
MISCELLANEOUS PROVISIONS

29.1 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.

29.2 No Air Rights. No rights to any view or light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any windows of the Premises are temporarily darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Agreement.

29.3 Modification of Lease. Should any current or prospective mortgagee or ground lessor of the Building or 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 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.

29.4 Transfer of Landlord's Interest. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer and a transfer of the Security Deposit, 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. 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.

29.5 Prohibition Against Recording. Except as provided in Section 29.3 of this Lease, 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.

29.6 Captions. 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.

29.7 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 venture 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.

29.8 Time of Essence. Time is of the essence of this Lease and each of its provisions.

29.9 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.

29.10 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 Parties hereunder (including any successor landlord) and any recourse by Tenant against Landlord shall be limited solely and exclusively to the equity interest of Landlord in and to the Project. Neither Landlord, nor any of its constituent partners, shall have any 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.

29.11 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.

29.12 Right to Lease. Landlord reserves the absolute right to effect such other tenancies in 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 Project.

29.13 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (collectively, the "Force Majeure"), 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 as to Tenant's obligations under Articles 5 and 24 of this Lease 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.

29.14 Notices. All notices, demands, statements, approvals 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 personally (i) to Tenant at the appropriate address set forth in Section 5 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord; or (ii) to Landlord at the addresses set forth in Section 3 of the Summary, 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 mailed as provided in this Section 29.14 or upon the date personal delivery is made or attempted to be made. 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, 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.

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

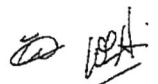
29.16 Authority. If Tenant is a corporation or partnership, each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so.

29.17 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California.

29.18 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.

29.19 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 brokers or agents specified in Section 12 of the Summary (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) 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. The terms of this Section 29.19 shall survive the expiration or earlier termination of the Lease Term.

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29.20 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.

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

29.22 Transportation Management. Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Project or Building, 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. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant; (ii) increased vehicle occupancy; (iii) implementation of an in-house ridesharing manager program and an employee transportation coordinator; (iv) working with employees and any Project, Building or area-wide ridesharing program; (v) instituting employer-sponsored incentives (financial or in-kind) to encourage employees to rideshare; and (vi) utilizing flexible work shifts for employees; and (vii) establishing and/or increasing parking fees for single occupancy vehicles.

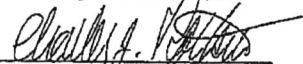
29.23 Successors. Except as otherwise expressly provided herein, the obligations of this Lease shall bind and benefit the successors and assigns of the parties hereto; provided, however, that no assignment, sublease or other transfer in violation of the provisions of Article 14 shall operate to vest any rights in any putative assignee, subtenant or transferee of Tenant.

29.24 Landlord Renovations. 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, Building, Project or any part thereof and that no representations respecting the condition of the Premises, the Building or the Project have been made by Landlord to Tenant except as specifically set forth in this Lease or in the Tenant Work Letter. However, Tenant acknowledges that Landlord may during the Lease Term renovate, improve, alter, or modify (collectively, the "Renovations") the Building, Premises, and/or Project, including without limitation the parking facilities, Common Areas, systems and equipment, roof, and structural portions of the same.

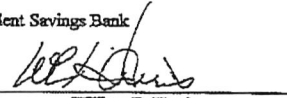
Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility or for any reason be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, 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 the Renovations or Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions in connection with such Renovations.

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this Lease as of the day and date first above written.

"Landlord": Riverside Development Associates, LLC

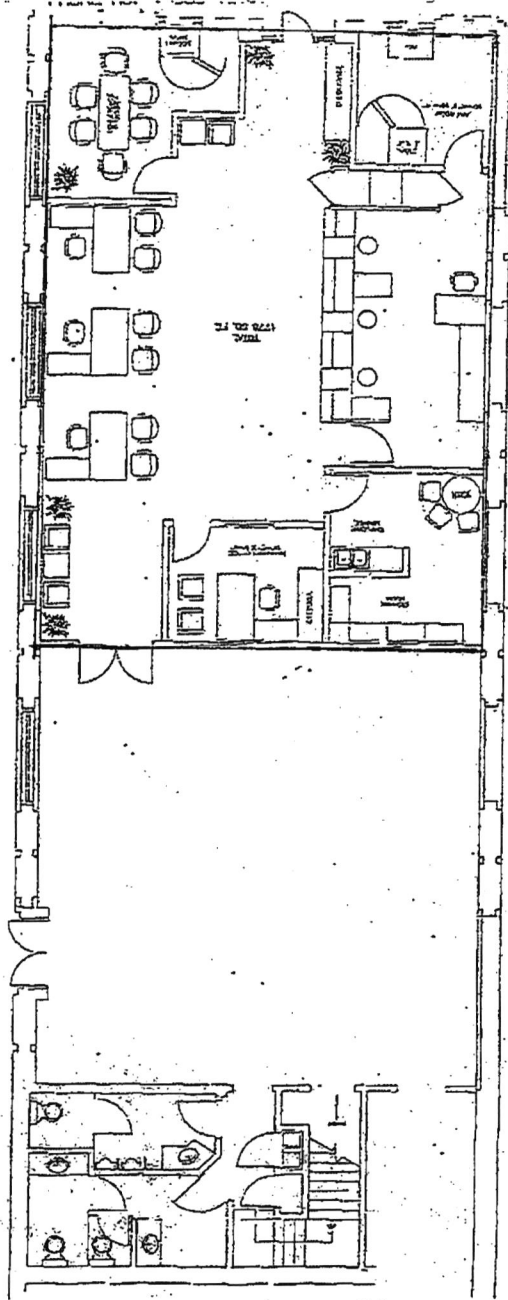
By: 
Charles Y. Rotkin
General Manager

"Tenant": Provident Savings Bank

By: 
William E. Harris
Senior Vice President

**EXHIBIT A
SPACE PLAN**

The Premises subject to the Lease are described as follows:
Suite A - shown in red



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EXHIBIT B
RULES AND REGULATIONS

Tenant shall faithfully observe and comply with the following Rules and Regulations. Landlord shall not be responsible to Tenant for the nonperformance of any of said Rules and Regulations by or otherwise with respect to the acts or omissions of any other tenants or occupants of the Project.

1. Tenant shall not alter any lock or install any new or additional locks or bolts on any doors or windows of the Premises without obtaining Landlord's prior written consent. Tenant shall bear the cost of any lock changes or repairs required by Tenant. Two keys will be furnished by Landlord for the Premises, and any additional keys required by Tenant must be obtained from Landlord at a reasonable cost to be established by Landlord.
2. All doors opening to public corridors shall be kept closed at all times except for normal ingress and egress to Premises.
3. Landlord reserves the right to close and keep locked all entrance and exit doors of the Building during such hours as are customary for comparable buildings in the Downtown Riverside area of California. Tenant, its employees and agents must be sure that the doors to the Building are securely closed and locked when leaving the Premises if it is after the normal hours of business for the Building. Any tenant, its employees, agents or any other persons entering or leaving the Building at any time when it is so locked, or any time when it is considered to be after normal business hours for the Building, may be required to sign the Building register. Access to the Building may be refused unless the person seeking access has proper identification or has a previously arranged pass for access to the Building. Landlord and its agents shall in no case be liable for damages for any error with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building or the Project during the continuance thereof by any means it deems appropriate for the safety and protection of life and property.
4. No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving activity into or out of the Building shall be scheduled with Landlord and done only at such time and in such manner as Landlord designates. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy property brought into the Building and also the times and manner of moving the same in and out of the Building. Safes and other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property in any case. Any damage to any part of the Building, its contents, occupants or visitors by moving or maintaining any such safe or other property shall be the sole responsibility and expense of Tenant.
5. No furniture, packages, supplies, equipment or merchandise will be received, in the Building or carried up or down in the elevators (if applicable), except between such hours and in such specific elevator as shall be designated by Landlord.
6. The requirements of Tenant will be attended to only upon application at the management office for the Project or at such office location designated by Landlord. Employees of Landlord shall not perform any work or do anything outside their regular duties unless under special instructions from Landlord.
7. Tenant shall not disturb, solicit, or canvass any occupant of the Project and shall cooperate with Landlord and its agents of Landlord to prevent the same.
8. The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed, and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from the violation of this rule shall be borne by the tenant who, or whose employees or agents, shall have caused it.
9. Tenant shall not overload the floor of the Premises, nor mark, drive nails or screws, or drill into the partitions, woodwork or plaster or in any way deface the Premises or any part thereof without Landlord's prior written consent.
10. Except for vending machines intended for the sole use of Tenant's employees and invitees, no vending machine or machines other than fractional horsepower office machines shall be installed, maintained or operated upon the Premises without the written consent of Landlord.
11. Tenant shall not use or keep in or on the Premises, the Building, or the Project, or any portion thereof, any kerosene, gasoline or other flammable or combustible fluid or material.
12. Tenant shall not without the prior written consent of Landlord use any method of heating or air conditioning other than that supplied by Landlord.
13. Tenant shall not use, keep or permit to be used or kept, any foul or noxious gas or substance in or on the Premises or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to Landlord or other occupants of the Project by reason of noise, odors, or vibrations, or interfere in any way with other tenants or those having business therein.
14. Tenant shall not bring into or keep within the Project, the Building or the Premises any animals, birds, bicycles or other vehicles.
15. No cooking shall be done or permitted on the Premises, nor shall the Premises be used for the storage of merchandise, for lodging or for any improper, objectionable or immoral purposes. Notwithstanding the foregoing, Underwriters' laboratory-approved equipment and microwave ovens may be used in the Premises for heating food and brewing coffee, tea, hot chocolate and similar beverages for employees and visitors, provided that such use is in accordance with all applicable federal, state and city laws, codes, ordinances, rules and regulations.
16. Landlord will approve where and how telephone and telegraph wires are to be introduced to the Premises. No boring or cutting for wires shall be allowed without the consent of Landlord. The location of telephone, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.

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EXHIBIT B (Cont.)
RULES AND REGULATIONS

17. Landlord reserves the right to exclude or expel from the Project any person 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.
18. Tenant, its employees and agents shall not loiter in or on the entrances, corridors, sidewalks, lobbies, halls, stairways, elevators (if applicable), or any Common Areas for the purpose of smoking tobacco products or for any other purpose, nor in any way obstruct such areas, and shall use them only as a means of ingress and egress for the Premises.
19. Tenant shall not waste electricity, water or air conditioning 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.
20. Tenant shall store all its trash and garbage within the interior of the Premises. No material shall be placed in the trash boxes or receptacles if material is of such nature that it may not be disposed of in the ordinary and customary manner of removing and disposing of trash in the vicinity of the Building without violation of any law or ordinance governing such disposal. All trash, garbage and refuse disposal shall be made only through entry-ways and elevators (if applicable) provided for such purposes at such times as Landlord shall designate.
21. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations established by Landlord or any governmental agency.
22. Tenant shall assume any and all responsibility for protecting the Premises from theft robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.
23. No awnings or other projection shall be attached to the outside walls of the Building without the prior written consent of Landlord. No curtains, blinds, shades or screens shall be attached to or hung in, or used in connection with, any window or door of the Premises without the prior written consent of Landlord. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Building must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord. Tenant shall abide by Landlord's regulations concerning the opening and closing of window coverings which are attached to the windows in the Premises, if any, which have a view of any interior portion of the Building or the Building Common Areas.
24. The 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 shall not be covered or obstructed by Tenant, nor shall any bottles, parcels or other articles be placed on the windowsills.
25. Tenant must comply with requests by Landlord concerning the informing of their employees of items of importance to Landlord.
26. Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or such in promoting or advertising the business of Tenant except as Tenant's address.

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, Project, and the Common Areas, and for the preservation of good order therein, as well as for the convenience of other occupants and tenants therein, Landlord may waive any one or more of these Rules and Regulations for the benefit of any particular tenants, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of any other tenant, nor prevent Landlord from thereafter enforcing any such Rules or Regulations against any or all tenants of the Project. 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.

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EXHIBIT C
FORM OF LEASE TERM DATES

To: Provident Savings Bank
4001 Main St.
Riverside, CA 92522

Re: Office Lease dated _____, 1997 between Riverside Development Associates, LLC ("Landlord") and Provident Savings Bank concerning Suite A on the ground floor of the Building located at 4001 Main St., Riverside, CA 92522.

Gentlemen:

In accordance with the Office Lease (the "Lease"), we wish to advise you and/or confirm the following:

1. Substantial Completion of the Premises has occurred, and the Lease Term shall commence on or has commenced on _____, 1997, for a term of five (5) years, ending on _____.
2. Rent commenced to accrue on _____, 1997, in the amount of \$2,400.30 per month.
3. If the Lease Commencement Date is other than the first day of the month, the first billing will contain a prorata adjustment. Each billing thereafter, with the exception of the final billing, shall be for the full amount of the monthly installment as provided for in the Lease.
4. Your rent checks should be made payable to: Riverside Development Associates, LLC
at:
1501 Westcliff Dr., #200
Newport Beach, CA 92660
5. The exact number of rentable square feet within the Premises is 1,778 square feet.
6. Tenant's share as adjusted based upon the exact number of rentable square feet within the Premises is approx. 25%.

Agreed to and accepted as of _____, 1997

"Landlord": Riverside Development Associates, LLC

By: _____

Charles J. Rotkin
General Manager

"Tenant": Provident Savings Bank

By: _____

William E. Harris
Senior Vice President

Provident

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EXHIBIT D
TENANT WORK LETTER

Landlord to provide the following Tenant Improvements in Tenant's suite "A":

1. Double glass entry doors - front and side
2. Chandelier and wall sconce lighting plus additional lighting per plan
3. HVAC
4. Painted drywall (Tenant to choose paint color)
5. New carpet per mutually acceptable plan
6. Electrical outlets and jacks
7. Built in counters and cabinets
8. Demising wall (with upper portion to be glass or other transparent material)

All above improvements are subject to a mutually acceptable plan and to the terms set forth in Item 17 of the attached Summary of Basic Lease Information.

Provident

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EXHIBIT E
FORM OF TENANT ESTOPPEL CERTIFICATE

Provident Bank ("Tenant"), hereby certifies as follows:

1. The undersigned is the Tenant under that certain Office Lease dated May 5, 1997 (the "Lease"), executed by Riverside Development Associates, LLC ("Landlord") as Landlord and the undersigned Tenant, covering a portion of the property located at 4001 Main St., Riverside, CA (the "Property").
2. Pursuant to the Lease, Tenant has leased approximately 2,284 square feet of space (the "Premises") at the Property and has paid Landlord a security deposit of \$2400.30. The Security Deposit balance owed after verification of the square footage of the Premises is \$ 682.70. The term of the Lease commenced on October 10, 1997 and the expiration date of the Lease is October 9, 2002. The Tenant has paid rent through November 9, 1997. The next rental payment in the amount of \$2,157.96 is due on November 1, 1997.
3. Tenant is entitled to use eight (8) parking spaces.
4. Except as expressly provided in the Lease, and other documents attached hereto, Tenant does not have any right or option to renew or extend the term of the Lease, to lease other space at the Property, nor any preferential right to purchase all or any part of the Premises or the Property.
5. True and complete copies of the Lease and all amendments, modifications, and supplements thereto are attached hereto and to the Lease, as so amended, modified, and supplemented, is in full force and effect, and represents the entire agreement between Landlord and Tenant with respect to the Premises and the Property. There are no amendments, modifications, or supplements to the Lease, whether oral or written, except as follows (include the date of such amendment, modification, or supplement):

6. All space and improvements leased by Tenant have been completed and furnished in accordance with the provisions of the Lease, and Tenant has accepted and taken possession of the Premises.
7. Landlord is not in any respect in default in the performance of the terms and provisions of the Lease. Tenant is not in any respect in default under the Lease, and has not assigned, transferred, or hypothecated the Lease or any interest therein or subleased all or any portion of the Premises.
8. There are no offsets or credits against rentals payable under the Lease and no free periods or rental concessions have been granted to Tenant, except as follows:

9. Tenant has no actual or constructive knowledge of any processing, use, storage, disposal, release or treatment of any hazardous or toxic materials or substances on the Premises or the Property except as follows (if none, state "none"):
NONE
10. This Certificate is given to Landlord with the understanding that they will rely hereon in connection with the conveyance of the Property of which the Premises constitute a part to _____. Following such conveyance, Tenant agrees that the Lease shall remain in full force and effect and shall bind and inure to the benefit of the Landlord and its successor in interest as if no purchase had occurred.

Dated: 10/10/97

"Tenant": Provident Bank

By: [Signature]

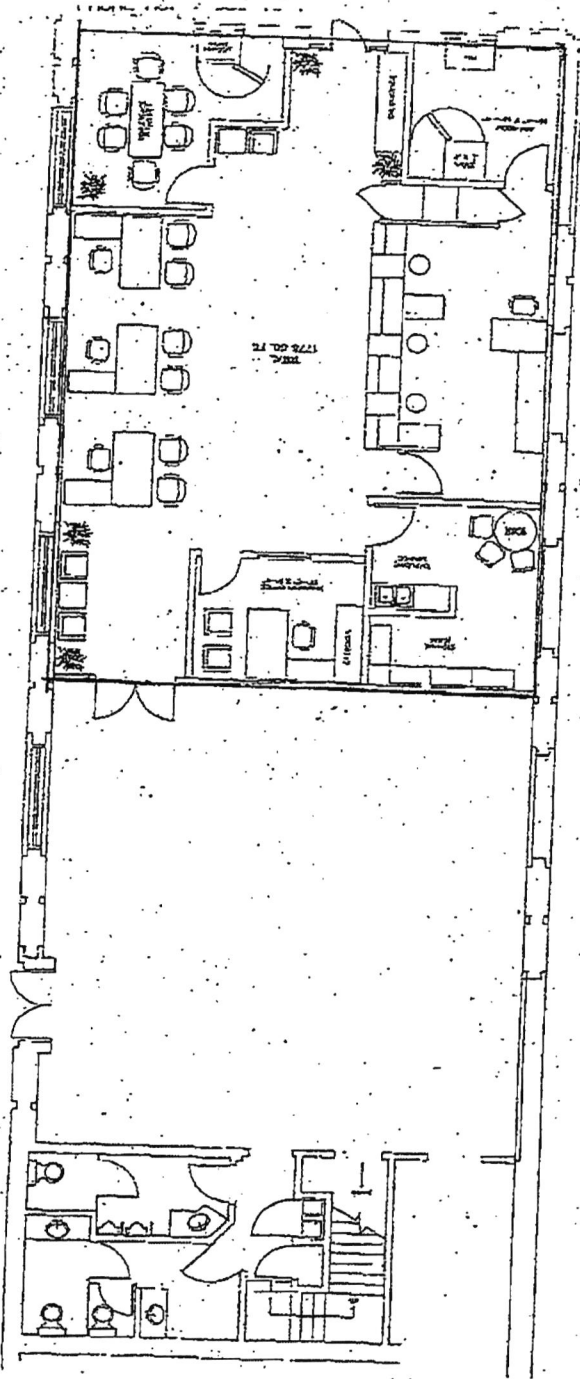
Name: WILLIAM E. HARRIS

Title: SENIOR VICE PRES.

Provident

**EXHIBIT A
SPACE PLAN**

The Premises subject to the Lease are described as follows:
Suite A - shown in red



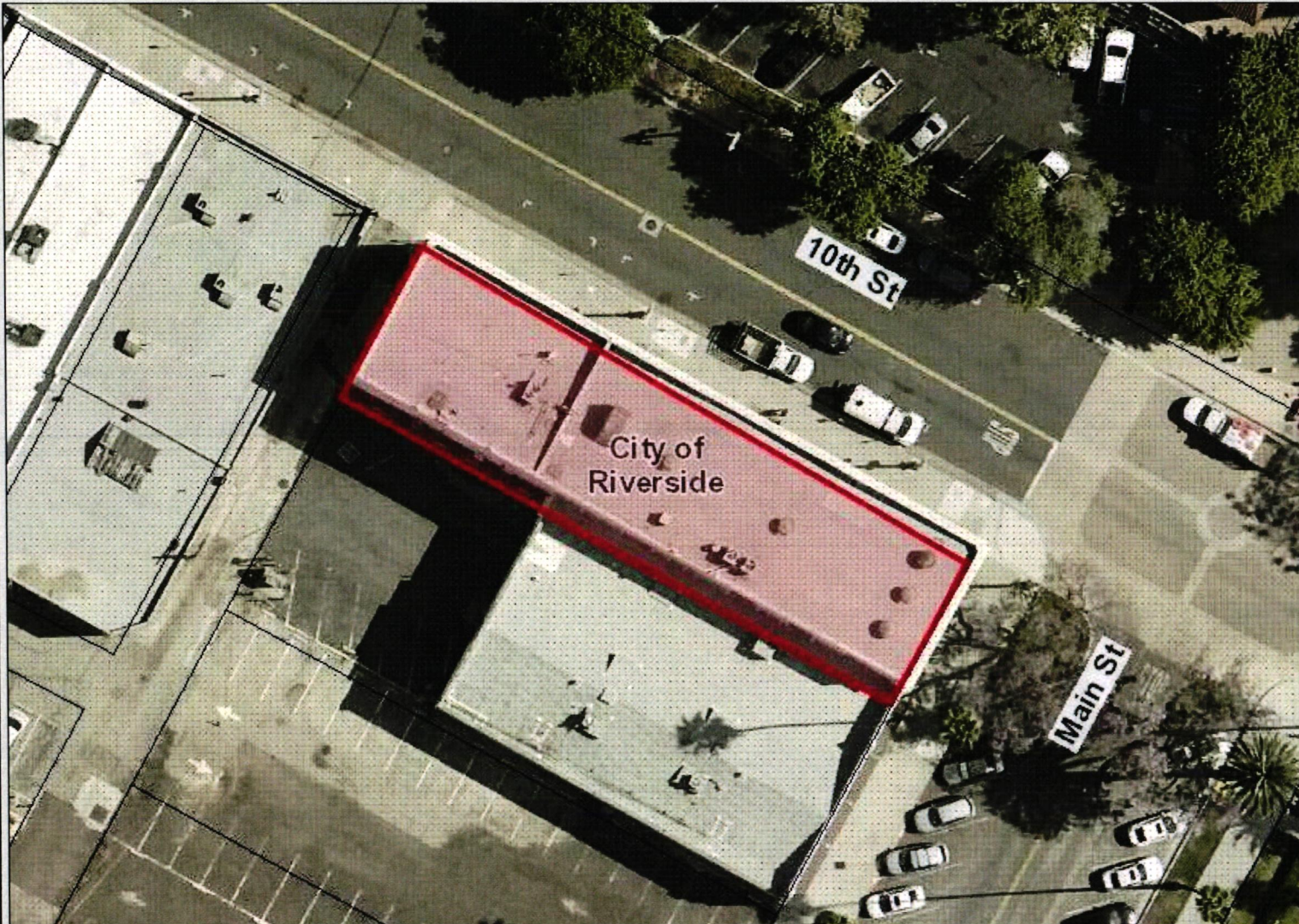
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and

Aerial Map

County of Riverside



Legend

- Parcels
- County Centerline Names
- City Areas



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.

Notes

APN: 215-092-008

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