

# COUNTY OF MONTEREY

## STANDARD LEASE AGREEMENT



LEASED PREMISES: 234 Monterey Street  
Salinas, California 93901

DEPARTMENT: Social Services, FC&S

LESSOR: 232 Monterey St., LLC

# COUNTY OF MONTEREY STANDARD LEASE AGREEMENT

## PREAMBLE

THIS LEASE ("Lease") is made by and between **232 Monterey St., LLC**, a California non-profit limited liability company, and the **County of Monterey**, a political subdivision of the State of California ("LESSEE"), (sometimes collectively referred to as "the parties"), for the **Department of Social Services** as of the last date opposite the respective signatures below, and effective as of the "Commencement Date" specified at Section 2.1 "Lease Term" below. Lease Agreement A -13087 between LESSOR and LESSEE dated April 15, 2016 shall be terminated and superseded by the terms and conditions of this Lease which shall be effective as of the "Commencement Date" specified in Section 2.1 below.

Whereas, the parties understand and agree the following Lease Exhibits are incorporated by this reference;

**EXHIBIT A** DESCRIPTION OF THE PREMISES  
**EXHIBIT B** STATEMENT OF SEISMIC ADEQUACY  
**EXHIBIT C** [INTENTIONALLY LEFT BLANK]  
**EXHIBIT D** SUMMARY OF SERVICES AND UTILITIES  
**EXHIBIT E** SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES  
**EXHIBIT F** REMEDIAL CONTRACTORS SPECIFICATIONS  
**EXHIBIT G** SERVICE CONTACT LIST  
**EXHIBIT H** PROPOSITION 65 WARNING

LESSOR and LESSEE hereby agree as follows:

## ARTICLE 1 - PREMISES

1.1 **Description:** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, a portion of that certain real property and its appurtenances, situated at **234 Monterey Street Salinas, California 93901** (the "Building") and described as follows: General offices consisting of approximately **4,286** rentable square feet of space, located on the 1<sup>st</sup> floor of the Building, as designated in **EXHIBIT A – DESCRIPTION OF PREMISES - Current Basic Floor Plan** (hereinafter, "the Premises"). The term "rentable square feet" shall mean the "Rentable Area" of the Premises as calculated pursuant to the Building Owners and Managers Association International's Office Buildings: Standard Methods of Measurement (ANSI/BOMA Z65.1, 2010). The Premises constitute **4,286 square feet** of a 30,205 square foot Building. The Premises constitute (14.19%) of the total rentable space of the Building.

1.2 **Common Areas:** LESSEE shall also have the non-exclusive right to use at all times, in common with other tenants in the Building, any and all of the following areas which may be appurtenant to the Premises: Common entrances, lobbies, corridors, hallways, elevators, stairways and access ways, loading and unloading areas, visitor parking areas, ramps, drives, platforms, public rest rooms, common walkways and sidewalks necessary for access to the Premises, and any other public or common areas located within or appurtenant to the Building (collectively, the "Common Areas").

1.3 **Parking Areas:** LESSEE shall be responsible for providing adequate permit parking spaces located near the Premises.

1.4 **Compliance with the "Americans with Disabilities Act of 1990" (ADA):** LESSOR shall ensure that the Premises are in compliance with the Americans with Disabilities Act of 1990 ("ADA"), as may be amended

from time to time, and, if necessary, prior to the Commencement Date, shall modify the Premises to comply with the Act and the regulations promulgated to implement the ADA requirement.

1.5 **Compliance with "No Smoking Law" (2003 Assembly Bill 846):** LESSOR shall ensure that the Premises and the Common Areas are in compliance with Government Code Title 1, Division 7, Chapter 32 (commencing with section 7596), as may be amended from time to time, and, if necessary, prior to the Commencement Date, shall modify the Premises to comply with the law and the regulations promulgated to implement 2003 Assembly Bill 846.

1.6 **Statement of Seismic Adequacy:** A Statement of Seismic Adequacy from a licensed structural engineer is attached to this Lease as **EXHIBIT B – STATEMENT OF SEISMIC ADEQUACY**, and incorporated herein by this reference.

## **ARTICLE 2 - TERM**

2.1 **Lease Term:** The term of this Lease (the "Lease Term") shall be **two (2) years**, commencing on **July 1, 2025** with such rights of termination and extension of the Lease Term as are hereinafter set forth.

2.2 **Extended Term:** Upon completion of the initial Lease Term, the LESSEE may renew the Lease for the **first** extended **two (2) year** term ("First Extended Term"), and upon the expiration of the First Extended Term, the LESSEE may renew the Lease for **second** extended **two (2) year** term ("Second Extended Term"), in each case by giving LESSOR advance written notice of its intent to renew ninety (90) days prior to expiration of the initial Lease Term or First Extended Term, as applicable.

## **ARTICLE 3 - RENT**

In consideration of the continuing right of use, quiet enjoyment and possession of the Premises, LESSEE shall pay to LESSOR as monthly rent for the Premises the initial sum of **Eight Thousand Two Hundred Eighty-Five Dollars and 00/100 (\$8,285.00)** payable on or before the first day of each month. LESSEE shall commence rental payments on the Lease Commencement Date. If the Lease Commencement Date is other than the first day of a calendar month, then the rent for that month shall be prorated on a daily basis, based on a thirty (30) day month. Rent shall be payable to LESSOR at the address specified in Article 6 or at such other address as LESSOR may from time to time designate in writing. In addition, LESSEE shall contract and pay directly to its vendors for its responsibilities as outlined in EXHIBIT D – SUMMARY OF SERVICES AND UTILITIES which is attached and incorporated by this reference and EXHIBIT E - SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES which is attached and incorporated by this reference. Monthly rent shall include LESSEE'S proportional share of real estate taxes, assessments, common area insurance (liability and fire) and the Monterey Regional Water Pollution Control (MRWPCA) fee for the Premises.

## **ARTICLE 4 –RENT ADJUSTMENT**

At the end of the two year period of the Lease Term or any two year period of any Extended Term, the monthly rent shall be increased by the fixed amount of four percent (4%).

## **ARTICLE 5 - TERMINATION BY COUNTY**

Notwithstanding any other provisions of this Lease, LESSEE, at its sole option, may terminate this Lease upon sixty (60) days written notice, solely on the condition that funds have not been budgeted for leasing of the property described herein. Such termination shall be without penalty to LESSEE. Such right of termination shall not be construed so as to permit LESSEE to terminate this Lease in order to lease other premises for a similar purpose within the City of Salinas. LESSEE represents that its intent is not to exercise

its rights under this ARTICLE unless financial conditions prevent the Monterey County Board of Supervisors from budgeting funds for this Lease.

### ARTICLE 6 - NOTICES

All notices or correspondence provided for herein shall be effective only when made in writing, personally delivered or deposited in the United States mail, sent certified, postage prepaid, and addressed as follows:

<p>To LESSOR:    232 Monterey St., LLC                                        c/o Sterling Property Management                                        801 Lighthouse Avenue #109                                        Monterey, California 93940                                        Phone: 831-643-9402                                        wsterling@sterlingmonterey.com</p>	<p>To LESSEE:        County of Monterey                                                 PWFP-Real Property                                                c/o Real Property Specialist                                                855 East Laurel Drive, Building C                                                Salinas, California 93901                                                Phone: 831-755-4859                                                Email: salcidog@countyofmonterey.gov</p>
<p>Copy to:            United Way of Monterey County                                                c/o President and CEO                                                232 Monterey Street, Suite 200                                                Salinas, California 93901                                                Phone: 831-318-1990                                                katy.castagna@unitedwaymcca.org</p>	<p>Copy to:            Department of Social Services                                                c/o Administrative Operations Manager                                                1000 S. Main St Suite 304                                                Salinas, California 93901                                                Phone: 831-755-4483                                                Email: soliss@countyofmonterey.gov</p>

Rent payments to LESSOR shall be made to (need not be sent certified) **232 Monterey St., LLC**, c/o Sterling Property Management, at the address listed above.

Any notice or correspondence shall be deemed delivered upon personal delivery or five (5) days after notice is mailed. Correspondence other than notices may be given by phone, regular mail, email or facsimile. Any correspondence sent by facsimile shall also be sent by United States mail if requested by either party. By written notice to the other, either party may change its own mailing address or correspondence information.

LESSOR or LESSOR'S designated property management company shall be available to LESSEE by phone during regular business hours, and for emergencies after hours and weekends. LESSOR or LESSOR'S designated property management company shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency. Emergency answering service phone number for LESSOR is **-831-643-9400 (Sterling Property Management)**.

LESSEE shall be available to LESSOR, by phone during regular business hours, and for emergencies after hours and on weekends. LESSEE shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency. Emergency answering service phone number for LESSEE is 831-212-0378 (Public Works-Facilities after hours "on call" staff).

If applicable, LESSOR'S designated property management company shall be vested with such power and authority as is reasonably necessary or incidental to the performance of this Lease and the accomplishment of its purpose.

## **ARTICLE 7 - PREMISE IMPROVEMENTS**

*[Intentionally Left Blank]*

## **ARTICLE 8 – NOTICE OF COMPLETION**

*[Intentionally Left Blank]*

## **ARTICLE 9 - PUBLIC WORKS LAWS**

Pursuant to California Labor Code Section 1720.2, any construction work done under private contract to improve the space to be leased by the County of Monterey for government services may be considered a 'public work' when all of the following conditions exist: a) The construction contract is between private persons. (b) The property subject to the construction contract is privately owned, but upon completion of the construction work, more than fifty (50) percent of the assignable square feet of the property is leased to the state or a political subdivision for its use. (c) Either of the following conditions exist: (1) The lease agreement between the LESSOR and the state or political subdivision, as LESSEE, was entered into prior to the construction contract. (2) The construction work is performed according to plans, specifications, or criteria furnished by the state or political subdivision, and the lease agreement between the LESSOR and the state or political subdivision, as lessee, is entered into during, or upon completion of, the construction work.

If applicable, LESSOR shall comply with provisions of law governing public works including, without limitation, California Labor Code Sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices) as may be amended from time to time.

## **ARTICLE 10 - TIME LIMIT AND PRIOR TENANCY**

*[Intentionally Left Blank]*

## **ARTICLE 11 - USE**

11.1 **Use:** LESSEE shall use the Premises for [family reception] space. LESSEE may alter said use to any lawful purpose, upon the written consent of LESSOR, which consent shall not be unreasonably withheld.

11.2 **Compliance with Laws:** LESSOR represents and warrants to LESSEE that, to the best of LESSOR'S knowledge, the construction (including all LESSOR-constructed Premise Improvements), the current and proposed uses, and the operation of the Premises and the Common Areas are in full compliance with applicable building and seismic codes, environmental, zoning and land use laws, and other applicable local, state and federal laws, regulations and ordinances. LESSOR absolves LESSEE of legal or other responsibility for any code violations or other deviations from applicable local, state and federal laws, regulations and ordinances as may be listed above. Said absolution excludes LESSEE installed improvements to the Premises such as phone/data cabling, support equipment, trade fixtures, and any other equipment installed by LESSEE and used to meet LESSEE'S operational needs.

11.3 **Hazardous Substances:** LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances in existence on the Premises or which result from LESSOR'S acts or omissions or which occur on any portion of LESSOR'S property not occupied by LESSEE, in each case unless, and only to the extent, caused by LESSEE. LESSOR will comply with all applicable laws concerning the handling and removal of any hazardous materials, including asbestos or polychlorinated biphenyl (PCB) containing materials. LESSOR warrants, to the best of LESSOR'S actual knowledge, that at the time of execution of

this Lease, there are no known areas on LESSOR'S property where hazardous or toxic materials or substances (including asbestos or PCBs) have been used, stored, or deposited. Nothing in this Lease shall be taken as LESSEE'S assumption of any duty or liability not otherwise imposed by law.

**11.4 Environmental Hazards – Remediation Contractor Specifications:** LESSOR hereby warrants and guarantees that the Premises and Common Areas will be maintained free of all Environmental Hazards (including hazards related to asbestos, leads, toxic mold spores or PCBs) and agrees to survey, test, and abate as applicable and in accordance with Environmental Protection Agency ("EPA") guidelines. A qualified industrial hygienist approved by LESSOR and LESSEE shall perform all testing and development of an abatement work plan as deemed necessary, with the test results/reports/plans forwarded to LESSOR and LESSEE upon completion. LESSOR further agrees to contract with a qualified remediation contractor to provide remediation services as specified in **EXHIBIT F – REMEDIATION CONTRACTOR SPECIFICATIONS** on an as needed basis. LESSOR specifically agrees that any costs related to abatement of Environmental Hazards shall be the LESSOR'S responsibility unless, and only to the extent, caused by LESSEE.

LESSEE shall immediately notify LESSOR of any suspected appearance of toxic mold spores and of any conditions (such as excessive moisture) that may lead to the appearance of toxic mold spores, and LESSOR agrees to investigate same.

LESSEE may request that LESSOR hire a qualified industrial hygienist, approved by LESSOR and LESSEE, to perform indoor air quality testing/surveying for the Premises and the Common Areas of the building as described in ARTICLE 1.2 with the understanding that if test results reveal that unacceptable levels (as determined by EPA guidelines) of Environmental Hazards are not present, LESSEE will reimburse LESSOR the cost of the testing within thirty (30) day of receipt of invoice from LESSOR. By providing for and requesting air quality testing, LESSOR'S duties and obligations are not diminished and LESSEE does not assume or agree to share in LESSOR'S duties and obligations with respect to maintenance of the Premises.

## **ARTICLE 12 - SIGNS AND FIXTURES**

LESSEE may place such signs and advertisements upon the Premises as LESSEE may desire, subject to compliance with applicable law and approval by the LESSOR which consent shall not be unreasonably withheld provided, however, that at the expiration of the term hereof or any renewal or extension of this Lease, LESSEE will remove said signs and will repair any damage caused by such removal. Any trade fixtures, equipment, furniture, demountable walls, and other movable personal property installed in the Premises by and at the expense of the LESSEE shall remain the property of the LESSEE, and the LESSOR agrees that the LESSEE shall have the right at any time, and from time to time, to remove any and all of its trade fixtures, equipment and other movable personal property which it may have stored or installed in the Premises, provided that LESSEE repairs any damage caused by such removal. LESSEE'S right to remove property described in the immediately forgoing sentence shall become an obligation of LESSEE at the expiration or earlier termination of the Lease Term. The LESSOR agrees not to mortgage or pledge the LESSEE'S trade fixtures, equipment and other property owned by LESSEE.

## **ARTICLE 13 - SERVICES AND UTILITIES**

Services and utilities for the Premises shall be furnished and the cost borne as outlined in **EXHIBIT D – SUMMARY OF SERVICES AND UTILITIES** attached and incorporated by this reference. In the event of failure by LESSOR to furnish, in a satisfactory manner, any of the services and utilities to the Premises for which LESSOR is responsible or to the Common Areas, LESSEE may furnish the same if LESSOR has not undertaken to correct such failure within fifteen (15) days after written notice, and, in addition to any other remedy LESSEE may have, LESSEE may deduct the amount thereof, including

LESSEE'S service costs, from rent or other remuneration due LESSOR hereunder. As stated in **EXHIBIT D**, the term "adequate" shall mean sufficient enough to ensure the health, safety and general well-being of the occupants or invitees of the Premises; the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that appropriate action needs to be taken to ensure the health, safety and general well-being of the occupants and or invitees of the Premises.

#### **ARTICLE 14 - REPAIR AND MAINTENANCE**

14.1 **LESSOR and LESSEE Obligations:** The respective repair and maintenance responsibilities of LESSOR and LESSEE are set forth in **EXHIBIT E – SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES**, attached and incorporated by this reference. As stated in **EXHIBIT E**, the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that appropriate action needs to be taken to ensure the health, safety and general well-being of the occupants and or invitees of the Premises.

14.2 **Negligent Acts or Omissions of LESSEE:** Notwithstanding the foregoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance to the extent required as a direct result of the negligence or willful misconduct of LESSEE.

14.3 **Failure of LESSOR to Make Repairs:** If LESSOR fails to maintain the Premises or to make the repairs required in this ARTICLE within the time periods as specified in ARTICLE 23.1, LESSEE may perform such maintenance or make such repairs at its expense and deduct the reasonable cost thereof from the rent due hereunder.

LESSOR agrees to perform all emergency repairs involving the Premises and the Common Areas with the utmost urgency. An emergency repair is a repair that is necessary in order to protect health and safety of persons or public property or to save the building's integrity. LESSEE agrees to make a diligent effort to contact LESSOR before it uses responsible judgment to contact the appropriate vendor identified in **EXHIBIT G – SERVICE CONTACT LIST** attached hereto and incorporated by this reference, to perform emergency repair to protect health and safety of persons or public property or to save the building's integrity.

14.4 **LESSOR/LESSEE Obligations in Applying Noxious Substances:** LESSOR, its officers, employees, and agents shall not apply or install any substance as part of any building construction, remodel, renovation, maintenance or repair which would cause an injurious, unsafe or hazardous condition to occupied spaces without prior notification of the LESSEE. Prior notification and approval shall be made at least forty eight (48) hours prior to the desired application or installation time to the LESSEE as identified under ARTICLE 6. Also, a Product Safety Data Sheet shall be furnished by the proposed applicator or installer to the LESSEE. Examples of such substances or materials may include, but are not limited to, the following:

- a. Termite Control Materials
- b. Pesticides
- c. Paint (excluding routine minor touch up in the common areas)
- d. Water Treatment Chemicals
- e. Carpeting, Pressed Wood Products, Insulation, Plastics and Glues
- f. Texture and Joint Compounds
- g. Roofing Material
- h. Construction Cleaning Solutions
- i. Any other substance that is or could be construed as hazardous (excluding common janitorial cleaning supplies)

In the event of any building construction, remodel, renovation, maintenance or repair to the Premises or other areas to the building which the Premises is a part of, LESSOR, to the best of

LESSOR'S ability, shall exercise precautionary and protective measures to ensure the health, safety and general wellbeing of the occupants and or invitees of the Premises. Examples of precautionary and protective measures may include, but may not be limited to:

- a. Isolating or disconnecting heating ventilation and air-conditioning (HVAC) systems.
- b. Performing work on the weekends and/or outside normal business hours.
- c. Installing appropriate plastic containment systems for egress and egress to and from the building construction, remodel, renovation, maintenance or repair area.
- d. Using a HEPA vacuum to clean up dust and debris from the Premises after work is done.
- e. Compliance with U.S. Department of Labor, Occupational Safety and Health Administration (OSHA) and State of California, Department of Industrial Relations, Division of Occupational Safety and Health (Cal/OSHA) regulations as may be amended from time to time.

No activities shall be taken (or failed to be taken) that would violate any Federal or California Occupational Safety and Health Administration (OSHA) standards as may be amended from time to time.

### **ARTICLE 15 - SERVICE COMPANIES**

Within ten (10) days after occupancy of the Premises by LESSEE, LESSOR shall give LESSEE a list (see **EXHIBIT G**) of the names, addresses and telephone numbers of an agencies or persons convenient to LESSEE as a local source of service with regard to LESSOR'S responsibilities under **EXHIBIT D** and **EXHIBIT E** of this Lease. If LESSOR fails to provide such list, LESSEE may choose service companies as needed and without penalty from LESSOR and shall have the right to offset the cost of such services as provided in ARTICLE 14.3.

### **ARTICLE 16 - ALTERATIONS, MECHANICS' LIENS**

16.1 **Alterations:** Except for the Premise Improvements, no alterations or improvements shall be made to the Premises by LESSEE or at LESSEE'S request without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

16.2 **Condition at Termination:** Upon termination of this Lease, LESSEE shall return the Premises in the same condition as when delivered to LESSEE, reasonable wear and tear, and damage by casualty or condemnation, and alterations approved by LESSOR excepted.

16.3 **Mechanic's Liens:** LESSOR and LESSEE shall keep the Premises free from any liens arising out of any work performed by, materials furnished to, or obligations incurred by such party.

### **ARTICLE 17 - ASSIGNMENT AND SUBLETTING**

LESSEE may assign or sublet all or any portion of the Premises for uses compatible with those permitted in this Agreement. LESSE shall provide prior written notice to LESSOR of its intent to sublet or assign, no less than thirty (30) days prior to entering into any agreement to sublet or assign any portion of the Premises.

### **ARTICLE 18 - ENTRY BY LESSOR**

LESSEE shall permit LESSOR and LESSOR'S agents to enter the Premises, with reasonable advance notice (except in the case of emergency that threatens the integrity of the building), provided such entry is made in a reasonable manner and does not unreasonably interfere with the conduct of LESSEE'S business. Such entry shall also be done in accordance with ARTICLE 20 of this Lease. In effecting any entry into the Premises, LESSOR and its agents shall exercise all possible care to preserve and maintain



the confidentiality of any records and information, consistent with state and federal privacy laws relating to private and medical information, and including protection of the privacy of clients and patients.

### **ARTICLE 19 - INSURANCE AND INDEMNIFICATION**

LESSEE, during the term hereof, shall indemnify and hold harmless the LESSOR from and against any and all claims and demands whether for injuries to persons or loss of life, or damage to property, occurring within the Premises and to the extent arising out of the use of the Premises by the LESSEE, excepting however, such claims and demands whether for injuries to persons or loss of life, or damage to property, caused by acts or omissions of the LESSOR.

LESSEE shall maintain public liability and property damage coverage or program of self-insurance with liability limits of not less than \$1,000,000 for injury or death to one or more persons and property damage limits of not less than \$50,000 per occurrence insuring against all liability of LESSEE and its authorized representatives arising out of and in connection with LESSEE'S use or occupancy of the Premises.

LESSOR, during the term hereof, shall indemnify, defend and hold harmless the LESSEE from and against any and all claims and demands whether for injuries to persons or loss of life, or damage to property, to the extent arising out of acts or omissions of the LESSOR, excepting however, such claims and demands whether for injuries to persons or loss of life, or damage to property, to the extent caused by acts or omissions of the LESSEE.

LESSOR agrees that it will keep insured against loss or damage by fire, at full replacement value, the Building, which insurance shall be, at a minimum, comparable to the coverage and amounts of insurance that are carried by reasonably prudent landlords of comparable buildings in the city of which the Premises is located.

### **ARTICLE 20 – CONFIDENTIALITY OF LESSEE’S SERVICES/CLIENTS**

LESSOR recognizes and understands that LESSEE'S services, identity of clients, and records relate to a confidential relationship between the LESSEE and its clients, and LESSOR agrees that, in its interaction with LESSEE, its clients and records, whether through itself, its employees, or its agents, it will maintain such confidences as might become available to it and not release or divulge such confidential identities, information, or records; provided that all such confidential items are maintained in a locked environment and that any confidential items are shredded prior to disposing of them in trash receptacles. **LESSOR and LESSEE shall consider the entire Premises a locked environment.** LESSOR and its agents shall exercise all possible care to preserve and maintain the confidentiality of any records and information, consistent with state and federal privacy laws relating to private and medical information. This includes protection of the identity of patients, clients, and users of the Premises.

### **ARTICLE 21 - DESTRUCTION**

If the Premises are totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party.

If such casualty shall render ten percent (10%) or less of the rentable area of the Premises unusable for the purpose intended, LESSOR shall effect restoration of the Premises as quickly as is reasonably possible, but in any event restoration shall begin within thirty (30) days after such destruction.

If such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, LESSOR shall forthwith give notice to LESSEE of the specific number of days required to repair the same. If LESSOR under such circumstances shall not give such notice within fifteen (15) calendar days

after such destruction, or if such notice shall specify that such repairs will require more than ninety (90) days to complete from the date such notice is given, LESSEE, in either such event, at its option, may terminate this Lease.

In the event of any such destruction other than total, where LESSEE has not terminated the Lease as herein provided, LESSOR shall diligently prosecute the repair of the Premises and, in any event, if said repairs are not completed within thirty (30) calendar days from the work commencement date, for destruction aggregating ten percent (10%) or less of the floor space, or within the period specified herein in connection with partial destruction aggregating more than ten percent (10%), LESSEE shall have the option to terminate this Lease. LESSEE shall assist LESSOR with obtaining all applicable building permits if necessary.

LESSOR and LESSEE understand that, in circumstances for which a building permit is required, work cannot commence before a building permit is obtained. Time deadlines set forth herein shall not commence before required permits are issued. LESSOR warrants to diligently pursue issuance of said permits.

If LESSEE remains in occupancy of the Premises though partially destroyed, the rent for said Premises as herein provided, during restoration, shall be reduced by the same ratio as the rentable square feet LESSEE is precluded from occupying, as bears to the total "rentable square feet" of the Premises as designated in Exhibit A1 and as defined in Article 1, Section 1.1 Description. The term "rentable square feet" shall defined and measured from the outside finished surface of permanent outer building walls and to the center of the existing interior or common walls.

## **ARTICLE 22 - DEFAULT BY LESSEE**

**22.1 Default:** If any of the following events occur, each such event shall constitute a material breach of this Lease, and LESSOR may, at LESSOR'S option, exercise any or all rights available to a LESSOR under the laws of the State of California:

- a. A default in the payment of rent or other obligation when such default continues for a period of thirty (30) days after written notice from LESSOR to LESSEE of such default, or
- b. LESSEE fails to faithfully perform or observe any other covenant or undertaking required under this Lease and such failure continues for a period of thirty (30) days after written notice thereof from LESSOR to LESSEE of such default or, if such default is not reasonably curable within such thirty (30) day period, LESSEE fails to commence to cure such default within such thirty (30) day period and thereafter diligently pursue such cure to completion, or
- c. LESSEE is adjudicated bankrupt, or
- d. LESSEE'S lease interest is sold under execution of judgment.

**22.2 Remedies:** If LESSEE fails to cure a default within the-time frames outlined above, LESSOR shall have the option to cure the default and terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSOR elect to cure the default, all reasonable costs associated with such cure, including reasonable attorneys' fees incurred and awarded as a result of any legal action or proceeding brought to enforce or interpret this Lease Agreement (if any), shall be reimbursed by LESSEE to LESSOR, as additional rent, within thirty (30) days of receipt of LESSOR'S invoice for said costs which shall be accompanied by invoice and receipts to document LESSOR'S cost to cure said default, and by any Court Order awarding reasonable attorney's fees incurred to cure said default.

## **ARTICLE 23 - DEFAULT BY LESSOR**

**23.1 Default:** LESSOR shall not be in default unless LESSOR fails to perform its obligations under this Lease within a reasonable time, but in no event later than thirty (30) days after written notice by LESSEE to LESSOR specifying wherein LESSOR has failed to perform such obligations. If the nature of LESSOR'S

obligation is such that more than thirty (30) days are required for performance, then LESSOR shall not be in default if LESSOR commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. LESSEE'S obligation to provide written notice to LESSOR of a default by LESSOR is limited to those instances where knowledge of LESSOR'S default is within the actual knowledge of LESSEE.

**23.2 Remedies:** If LESSOR fails to cure a default within the time periods outlined above, LESSEE shall have the option to cure the default, if curable, or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSEE elect to cure the default, all reasonable costs associated with such cure, including reasonable attorneys' fees incurred and awarded as a result of any legal action or proceeding brought to enforce or interpret this Lease Agreement (if any), shall be reimbursed by LESSOR to LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs which shall be accompanied by invoice and receipts to document LESSOR'S cost to cure said default, and by any Court Order awarding reasonable attorney's fees incurred to cure said default. However, upon LESSOR'S failure to so reimburse LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs, at LESSEE'S option, said costs shall be deducted from rent due hereunder. If LESSOR'S default hereunder prevents LESSEE'S use of the Premises, there shall be an abatement of rental payments for the period of such non-use.

#### **ARTICLE 24 - CONDEMNATION**

If more than ten percent (10%) of the floor space area of the Premises is taken or condemned for a public or quasi-public use, or the part taken renders the entire Premises insufficient for the conduct of LESSEE'S business and operations, then this Lease shall terminate at the option of LESSEE as of the date title shall vest in the condemner. If only part of the Premises is taken and the remainder of the Premises is sufficient for the conduct of LESSEE'S business and operations, then LESSOR shall restore the Premises to a single architectural unit and the Lease shall continue as to the part not taken, but the monthly rent shall be reduced in proportion that the rentable area of the Premises taken bears to the rentable area of the Premises before the taking.

#### **ARTICLE 25 - HOLDING OVER**

If LESSEE remains in possession of the Premises after the Lease Term or any Extended Term, this Lease shall automatically be extended on a two month to two month basis at the monthly rent applicable to the last month of the Lease Term or Extended Term, subject to termination upon sixty (60) days' written notice by either party. All other terms and conditions shall remain in full force and effect.

#### **ARTICLE 26 - WAIVER**

Any waiver of any term or condition of this Lease must be in writing and signed by LESSEE and LESSOR. The waiver by LESSOR or LESSEE of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition, nor shall either party consent to any breach of any term, covenant or condition, nor shall either party be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

#### **ARTICLE 27 - QUIET POSSESSION**

LESSEE shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the Premises, without suit, trouble or hindrance from LESSOR or any person claiming any interest in this Lease Agreement under LESSOR, subject to the terms of this Lease. LESSOR, to the best of LESSOR'S ability, shall also be responsible for ensuring that all other tenants in the building or complex do not interfere with the quiet enjoyment of the LESSEE.

## **ARTICLE 28 - SUBORDINATION**

This Lease shall be subject and subordinated to the lien of any mortgages and deeds of trust which are hereafter placed against the LESSOR'S interest or estate in the property provided that the mortgagor or beneficiary under such mortgage or deed of trust shall agree in writing that, in the event of a foreclosure of same or of any other such action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be barred, terminated, cut off, or foreclosed, nor will the rights and possession of LESSEE hereunder be disturbed if LESSEE shall not then be in default under the terms of this Lease, and LESSEE shall attorn to the purchaser at such foreclosure, sale or other action or proceeding. The foregoing subordination shall be effective without the necessity of having any further instruments executed by LESSEE, but LESSEE shall nonetheless execute, upon demand, such further instruments evidencing such subordination as may be reasonably requested by LESSOR or any mortgagee or beneficiary.

## **ARTICLE 29 - ESTOPPEL CERTIFICATE**

Within thirty (30) days of written notice by one party to the other, each will execute, acknowledge and deliver to the other an estoppel certificate in writing declaring any modifications, defaults or advance payments and whether the lease, as may be modified, is in full force and effect. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

## **ARTICLE 30 - MISCELLANEOUS PROVISIONS**

30.1 **Amendment:** This Lease may be amended or modified only by an instrument in writing signed by LESSEE and LESSOR.

30.2 **Time is of the Essence:** Time is of the essence of in each and all of the provisions of this Lease.

30.3 **Binding Effect:** Subject to any provision hereof restricting assignment or subletting by LESSEE, this Lease shall bind the parties, their personal representatives, successors, and assigns.

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

30.5 **Authority:** Any individual executing this Lease on behalf of LESSEE or LESSOR represents and warrants hereby that he or she has the requisite authority to enter into this Lease on behalf of such party and bind the party to the terms and conditions of this Lease.

30.6 **Interpretation of Conflicting Provisions:** In the event of any conflict or inconsistency between the provisions of this Lease and the provisions of any addendum or exhibit attached hereto, the provisions of this Lease shall prevail and control.

30.7 **Successors and Assigns:** This Lease and the rights, privileges, duties, and obligations of LESSEE and LESSOR under this lease, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successor, permitted assigns, and heirs.

30.8 **Headings:** The headings in this Lease are for convenience only and shall not be used to interpret the terms of this Lease.

30.9 **Governing Law:** This Lease shall be governed by and interpreted under the laws of the State of California.

30.10 **Construction of Lease:** LESSEE and LESSOR agree that each party has fully participated in the review and revision of this Lease and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Lease or any amendment to this Lease.

30.11 **Counterparts:** This Lease may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one (1) and the same Lease

30.12 **Integration:** This Lease, including the exhibits and addenda, represents the entire agreement between LESSEE and LESSOR with respect to the subject matter of this Lease and shall supersede all prior negotiations, representations or agreements, either written or oral, between LESSEE and LESSOR as of the effective date of this Lease, which is the date that LESSEE signs this Lease.

30.13 **Incorporation of Recitals:** The parties understand and agree that preamble and recitals above are hereby incorporated into this Lease.

30.14 **Consent to Use Electronic Signatures:** The Parties to this Lease consent to the use of electronic signatures via DocuSign to execute this Lease. The Parties understand and agree that the legality of electronic signatures is governed by state and federal law, 15 U.S.C Section 7001 et seq.; California Government Code Section 16.5; and, California Civil Code Section 1633.1 et. seq. Pursuant to said state and federal law as may be amended from time to time, the Parties to this Lease hereby authenticate and execute this Lease, and any and all Exhibits to this Lease, with their respective electronic signatures, including any and all scanned signatures in portable document format (PDF) which may be delivered by mail, E-Mail, or Facsimile.

### **ARTICLE 31 - MAJOR APPLIANCES**

Installation of major appliances such as vending machines, refrigerators, stoves, etc., must be approved by LESSOR prior to installation. The LESSOR will grant installation approval for new appliances only. Such approval shall not be unreasonably withheld.

### **ARTICLE 32 – PROPERTY TAX EXEMPTION** ***[Intentionally Left Blank]***

### **ARTICLE 33 - PUBLIC TRANSPORTATION**

LESSOR and LESSEE shall cooperate to make public transportation (bus service) available to the site in which the Premises are a part of. The service level of this public transportation will be sufficient to service the employees who will work at the site as well as LESSEE’S clients and customers who need access by public conveyance to and from the site.

### **ARTICLE 34 – ALTERNATE ENERGY**

LESSOR and LESSEE agree to work together to explore options to install solar and/or other alternate energy options and enhancements to the Premises. In the event any alternate energy enhancement creates a tax deduction, PG&E rebate or any other form of monetary credit to LESSOR, LESSOR further agrees to pass to LESSEE said monetary credit to defray LESSEE’S operational cost for the Premises as identified in **EXHIBIT D - SUMMARY OF SERVICES AND UTILITIES** and **EXHIBIT E - SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES** of this Lease.

### **ARTICLE 35 – CUSTODIAL SERVICE SPECIFICATIONS**

Custodial Service Specifications for the Premises shall be furnished and the cost borne as outlined in **EXHIBIT D- SUMMARY OF SERVICES AND UTILITIES** attached and incorporated by this reference.

### **ARTICLE 36 - PROPOSITION 65 WARNING**

If applicable to the Premises which are the subject of this Lease, LESSOR AND LESSEE agree to post the **CALIFORNIA PROPOSITION 65 WARNING** on the Premises in substantially the same form as follows set forth in **EXHIBIT H - CALIFORNIA PROPOSITION 65 WARNING** attached and incorporated by this reference.

### **ARTICLE 37 – LESSOR’S STATEMENT REGARDING DISABILITY ACCESS & CERTIFIED ACCESS SPECIALIST INSPECTION (CASp) REPORT**

Pursuant to California Civil Code Section 1938 (a), LESSOR represents that the Premises [ ] has [ X] has not undergone inspection by a Certified Access Specialist (CASp).

Pursuant to California Civil Code Section 1938 (b), if the Premises has undergone inspection by a CASp, and to the best of LESSOR’s knowledge, there have been no modifications or alterations completed or commenced between the date of the inspection and the date of execution of the Lease Agreement which have impacted the subject premises' compliance with construction related accessibility standards, LESSOR shall provide, prior to execution of the Lease Agreement, a copy of any report prepared by the CASp with an agreement from LESSEE that information in the report shall remain confidential, except as necessary for the LESSEE to complete repairs and corrections of violations of construction related accessibility standards that the LESSEE agrees to make.

Pursuant to California Civil Code Section 1938 (c), making any repairs or modifications necessary to correct violations of construction related accessibility standards that are noted in a CASp report is presumed to be the responsibility of the LESSOR, unless otherwise mutually agreed upon by LESSOR and LESSEE. LESSEE shall have the opportunity to review any CASp report prior to execution of the Lease. If the report is not provided to the LESSEE at least 48 hours prior to execution of the Lease Agreement, LESSEE shall have the right to rescind the Lease, based upon the information contained in the report, for 72 hours after execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (d), if the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, LESSOR shall provide a copy of the current disability access inspection certificate and any inspection report to LESSEE not already provided pursuant to subdivision (b) within seven (7) days of the date of the execution of the Lease Agreement.

Pursuant to California Civil Code Section 1938 (e), if the Premises have not been issued a disability access inspection certificate, as described in subdivision (e) of Section 55.53, LESSOR shall state the following on the Lease Agreement:

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the


arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

IN WITNESS WHEREOF, the LESSOR and LESSEE have executed this Lease on the date set forth beneath their respective signatures below.

**LESSEE: County of Monterey**, a political subdivision of the State of California

**LESSOR: 232 Monterey St., LLC**

By: \_\_\_\_\_  
Name: Debra R. Wilson, PhD

By: \_\_\_\_\_  
Name: Katy Castagna

Title: Contract and Purchasing Officer

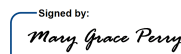
Title: Manager

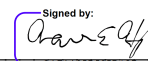
Date: \_\_\_\_\_

Date: 5/21/2025 | 5:45 PM PDT

**APPROVED AS TO FORM:**  
Office of the County Counsel  
Susan K. Blitch, County Counsel

&

By: \_\_\_\_\_  
Name: Mary Grace Perry

By: \_\_\_\_\_  
Name: Warren Hoy

Title: Deputy County Counsel

Title: Manager

Date: 5/23/2025 | 11:40 AM PDT

Date: 5/22/2025 | 11:59 AM PDT

**APPROVED AS TO FISCAL PROVISIONS:**

Rupa Shah, Auditor-Controller

By: \_\_\_\_\_  
Name: Jennifer Forsyth

Title: Auditor-Controller Analyst II

Date: 5/23/2025 | 11:38 AM PDT





## EXHIBIT B

### STATEMENT OF SEISMIC ADEQUACY

(Article 1, Section 1.6)

G.A. Graebe & Associates, Inc.  
Civil and Structural Engineers  
154 West San Luis Street, Salinas, California 93901  
(408) 422-6409 • (408) 394-1180 • FAX (408) 422-3275

EXHIBIT B

3551

November 17, 1999

Mr. Jim Gattis  
Jim Gattis Investment Properties  
60 West Market Street  
Suite 200  
Salinas, California 93901

RE: Unreinforced Masonry Building Seismic Retrofit For 247 Main Street,  
Salinas, California.

Dear Jim,

This letter confirms that our office has performed periodic structural observations per Uniform Building Code, Chapter 17 and find that the work observed was done in substantial conformance with our structural project drawings dated March 1999 and subsequent field reports.

Please call our office if you have any questions regarding this letter.



Sincerely,

*Wisam N. Nader*

Wisam N. Nader  
Structural Engineer  
G.A. Graebe & Assoc., Inc.

WNN: jmb

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## EXHIBIT C

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## EXHIBIT D

### SUMMARY OF SERVICES AND UTILITIES

The following is a summary of services and utilities responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Provide adequate paper supplies, dispensers, and waste and recycling containers for the Premises and restrooms within Premises (not in common area)			X
Provide adequate custodial service for the interior of the Premises			X
Provide adequate custodial service for exterior of the Premises and the non-exclusive areas of the building as described in ARTICLE 1.2 (including steam cleaning or pressure washing sidewalks)		X	
Professionally clean carpets, rugs, tile and linoleum flooring			X
Professionally clean existing drapes, blinds, and window shades			X
Professionally clean interior windows			X
Professionally clean exterior windows		X	
Provide adequate pest control for the interior of the Premises		X	
Provide adequate pest control for exterior of Premises		X	
Provide adequate landscape maintenance and gardening (including landscape irrigation system and associated water supply and service)	X		
Provide adequate parking lot area sweeping	X		
Provide adequate refuse, rubbish, garbage, and recyclable (paper, plastic, and aluminum, if available) disposal and pick up service		X	
Provide adequate fire sprinkler systems testing		X	
Provide adequate fire alarm systems monitoring		X	
Provide adequate intrusion/security alarm systems monitoring			X
Provide adequate patrolled security guard service (to common area only, from 6 am to 9 pm M-F, and 7 am to 4 pm on Sat.) (Subject to change with mutual written consent)	X		
Provide adequate heating, ventilation & air conditioning (HVAC) systems filter replacements, unit inspections, unit lubrications and record keeping pursuant to the California Code of Regulations, Title 8, Section 5142		X	
Provide adequate servicing of uninterrupted power source (UPS)	X		
Provide adequate servicing of back up generator	X		
Provide adequate gas utility service as per ARTICLE 13			X
Provide adequate electric utility service as per ARTICLE 13			X
Provide adequate water utility service as per ARTICLE 13		X	
Provide adequate telephone and data service (including connection charges)			X

**LESSOR and LESSEE contact information is detailed in ARTICLE 6 of this Lease.**

## EXHIBIT E

### SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

The following is a summary of maintenance and repair responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Common Areas		X	
Foundations and Floor Slabs		X	
Elevators and/or Dumb Waiters		X	
Exterior and Bearing Walls		X	
Exterior Doors and Hardware		X	
Exterior Windows and Window Frames		X	
Roofs (including replacement if deemed necessary)		X	
Gutters, Drains and Downspouts		X	
Parking Lots	X		
Ceilings (damage due to roof leaks only)		X	
Fire Sprinkler Systems		X	
Fire Alarm Systems		X	
Intrusion/Security Alarm Systems (excluding common areas)			X
Heating, Ventilation and Air Conditioning (HVAC) Systems (including replacement if deemed necessary)		X	
Heating, Ventilation and Air Conditioning (HVAC) control switches, sensors and thermostats		X	
Electrical Systems (including electrical outlets, panels, circuit breakers and wiring)		X	
Plumbing Systems (including sewer and drain stoppages, and fixtures)		X	
Exterior Lighting (including starters, ballasts, transformers and light switches)		X	
Interior Lighting (including starters, ballasts, transformers and light switches)		X	
Interior Light Bulbs and Fluorescent Light Tubes (replacement)		X	
Interior Walls		X	
Interior Wall Surfaces (including repainting every 5 years if Premises wall surfaces are accessible)		X	
Interior Doors and Hardware		X	
Interior Windows and Window Frames		X	
Carpet, VCT, and Linoleum Flooring (including replacement if deemed necessary and with the understanding that LESSEE pays for moving office furniture and equipment).		X	
Base and/or Moldings (including replacement if deemed necessary)		X	
Appliances (excluding common area)			X
Communication Systems (data/telephone cabling, connections and equipment)			X

**\*Notwithstanding the forgoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance required as a result of negligent acts or omissions, or which is otherwise the fault, of LESSEE, its agents, employees, contractors, guests, or invitees.**

**\*\*LESSEE will also pay to LESSOR the reasonable cost of any repair or maintenance required for LESSEE-installed improvements to the Premises, such as phone/data cabling, support equipment, trade fixtures, special door locks, and any other equipment used to meet LESSEE'S operational needs that are considered above normal general office space improvements.**

**LESSOR and LESSEE contact information is detailed in ARTICLE 6 of this Lease.**

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## EXHIBIT F

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### REMEDIATION CONTRACTOR SPECIFICATIONS

#### A. Scope of Services

Remediation Contractor to provide treatment, cleanup, damage restoration and any other necessary remediation of:

- Water and/or sewage damage
- Mold, asbestos, lead, and polychlorinated biphenyl (PCB) contamination
- Fire and smoke damage
- Hazardous materials within the license and certification capabilities of the Remediation Contractor
- Human bodily fluids, including but not limited to blood, vomit, urine, feces, and saliva
- Routine sanitation cleanup

#### B. Work Standards

All work must be done in accordance with the California Health and Safety Code, California Occupational Safety and Health Act (OSHA), and other applicable laws and regulations as may be amended from time to time. The Remediation Contractor must take all care to ensure that work proceeds under the highest standards of safety and prudence, and in compliance with all applicable laws.

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## EXHIBIT G

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### SERVICE CONTACT LIST

Item	Contact	Number
Cabinets/Millwork	Sterling Property Management	831-643-9400 ext. 9
Ceiling Tile	Sterling Property Management	831-643-9400 ext. 9
Electrical	Sterling Property Management	831-643-9400 ext. 9
Exterior Door and Hardware	Sterling Property Management	831-643-9400 ext. 9
Flooring	Sterling Property Management	831-643-9400 ext. 9
Fire Sprinkler System	Sterling Property Management	831-643-9400 ext. 9
Fire Extinguisher Servicing	Sterling Property Management	831-643-9400 ext. 9
Fire Alarm	Sterling Property Management	831-643-9400 ext. 9
Heating & Air Conditioner	Sterling Property Management	831-643-9400 ext. 9
Interior Door and Hardware	Sterling Property Management	831-643-9400 ext. 9
Janitorial for common areas	Sterling Property Management	831-643-9400 ext. 9
Janitorial for the Premises	Sterling Property Management	831-643-9400 ext. 9
Landscape Maintenance	Sterling Property Management	831-643-9400 ext. 9
Light Bulbs & Fluorescent Tubes	Sterling Property Management	831-643-9400 ext. 9
Locksmith	Sterling Property Management	831-643-9400 ext. 9
Painting	Sterling Property Management	831-643-9400 ext. 9
Pest Control	Sterling Property Management	831-643-9400 ext. 9
Parking Lot Repair	Sterling Property Management	831-643-9400 ext. 9
Parking Lot Sweeping	Sterling Property Management	831-643-9400 ext. 9
Plumbing	Sterling Property Management	831-643-9400 ext. 9
Remediation of Env. Hazards	Sterling Property Management	831-643-9400 ext. 9
Roofing System	Sterling Property Management	831-643-9400 ext. 9
Roof Gutters & Downspouts	Sterling Property Management	831-643-9400 ext. 9
Security Alarm Company	Sterling Property Management	831-643-9400 ext. 9
Sewer & Drain Cleaning	Sterling Property Management	831-643-9400 ext. 9
Tree Trimming & Removal	Sterling Property Management	831-643-9400 ext. 9
Utility (Gas & Electric)	Sterling Property Management	831-643-9400 ext. 9
Utility (Telephone)	Sterling Property Management	831-643-9400 ext. 9
Utility (Water)	Sterling Property Management	831-643-9400 ext. 9
Waste Disposal & Recycle	Sterling Property Management	831-643-9400 ext. 9
Window Replacement & Repair	Sterling Property Management	831-643-9400 ext. 9
Window Cleaning	Sterling Property Management	831-643-9400 ext. 9

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## EXHIBIT H

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### PROPOSITION 65 WARNING

**CALIFORNIA PROPOSITION 65 WARNING.** This warning is provided in compliance with the requirements of California's Proposition 65, due to exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm, from exposures to materials used in and around the construction site of 1127 Baldwin St, Salinas California.

**"WARNING: MATERIALS INCLUDED IN THE CONSTRUCTION OF THE PREMISES AND PROPERTY WILL EXPOSE YOU TO FORMALDEHYDE AND OTHER CHEMICALS KNOWN TO THE STATE OF CALIFORNIA TO CAUSE CANCER AND BIRTH DEFECTS OR OTHER REPRODUCTIVE HARM. FURTHER INFORMATION MAY BE OBTAINED FROM THE MANAGER/OWNER."**

This warning is provided to inform tenants of the exposure to formaldehyde and other chemicals known to the State to cause cancer and birth defects or other reproductive harm, The exposures are caused by the materials of which the office buildings on this site are constructed. **Environmental exposures to chemicals known to the State of California to cause cancer and birth defects or other reproductive harm will continue for as long as \_\_\_\_\_ engages in ongoing construction on and around the surrounding property.**

**Formaldehyde.** The United States Environmental Protection Agency, the California Air Resources Board, and other agencies have measured the presence of formaldehyde in the indoor air of homes in California, Levels of formaldehyde that present a significant cancer risk have been measured in most homes and offices. Formaldehyde is present in the air because it is emitted by a variety of building materials and products purchased by the builder from materials suppliers. These materials and products include carpeting, pressed wood products, insulation, plastics, and glues.

**Other Chemicals.** The Premises and/or ongoing construction sites in this development have not been tested. Given the cost of testing, it is not feasible to test every rental property and nearby construction site to ascertain the level of formaldehyde or other carcinogens and reproductive toxicants present in the rental property or ongoing construction sites nearby, Most homes, offices and construction sites that have been tested elsewhere do contain formaldehyde as well as other carcinogens and reproductive toxicants, although their concentrations vary from property to property with no obvious explanations for the differences, One of the problems is that many of the suppliers of building materials and products do not provide information on chemical ingredients to their builders, In the absence of specific information on these leased Premises, and in light of the materials used in and around their construction, we believe that a warning is necessary.

Please provide this warning to invitees and guests entering this leased property, You may have further questions about these issues \_\_\_\_\_, has made no inquiries of our material suppliers concerning these matters is willing to provide, upon request, the names of known material suppliers, which may be contacted for further information.