COUNTY OF MONTEREY

STANDARD LEASE AGREEMENT

Lease Covers Premises Located At:	752 La Guardia Street Salinas, CA 93905
DEPARTMENT FOR WHICH THE SPACE IS LEASED:	District Attorney, Family Support Division
LESSOR 's Name, Address & Telephone Number:	Salinas Airport Business Park Partners 1000 South Main Street, Suite 301 Salinas, CA 93901 (408) 757-4089

11/03/97

SUMMARY OF LEASE TERMS

LESSEE:	County of Monterey District Attorney, Family Support Division	
LESSOR :	Salinas Airport Business Park Partners	
Address of Premises:	752 La Guardia Street, Salinas, CA 93905	Article 1
Rentable Square feet of Premises:	25,000 Square Feet	Article 1
Premises Percentage of Building:	100% of Building; 29.76 Percent of Complex	Article 1
Commencement Date:	Approximately May 1, 1998	Article 2
Expiration Date:	Approximately April 30, 2008	Article 2
Extended Term:	Options for three (3) five (5) year terms	Article 2
Monthly Rent:	$1.35 per square foot, equaling $33,750	Article 3
Addresses or Notices:		
LESSOR:	Salinas Airport Business Park Partners 1000 South Main Street, Suite 301 Salinas, CA 93901	Article 6
LESSEE:	County of Monterey Attn: Purchasing Manager 855 East Laurel Drive, Building C Salinas, CA 93905	
Use:	General Office	Article 10
Using Department:	District Attorney, Family Support Division	
Base Year for Operating Expenses:	1998	Article 11

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COUNTY OF MONTEREY
STANDARD LEASE AGREEMENT

PREAMBLE

THIS LEASE is made this 16th day of October, 1997, by and between Salinas Airport Business Park Partners, Federal Identification Number 320-26-3405, ("LESSOR") and COUNTY OF MONTEREY, ("LESSEE"), 855 East Laurel Drive, Building C, Salinas, CA, 93905. 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, that certain real property and its appurtenances, situated at 752 La Guardia Street, Salinas, CA 93905 and described as follows: Buildings consisting of approximately 25,000 rentable square feet of space, (the "Premises"), as designated in Exhibit A, which is attached and incorporated. The term "rentable square feet" shall be used as defined by the Building Owners and Managers Association ("BOMA"). If the Premises constitute only a portion of the building, the Premises represent one hundred percent (100%) of the total rentable space. As a condition precedent to LESSEE'S obligations under this Lease, LESSOR shall provide the statement or obtain the warranty described in Exhibit B with respect to seismic adequacy. This building is 29.76% of the total complex.

1.2 ***Non-Exclusive Use Areas***. LESSEE shall also have the non-exclusive right to use, in common with other LESSEES in the building, any and all of the following areas which may be appurtenant to the Premises: Common entrances, lobbies, elevators, stairways and access ways, loading and unloading areas, visitor parking areas, ramps, drives, platforms, public rest rooms, and common walkways and sidewalks necessary for access to the Premises.

1.3 ***Parking Areas***. A total of 430 parking spaces are assigned to the Salinas Airport Business Park complex. LESSOR will ensure that parking is made available to the LESSEE on a prorated basis of square footage leased to total complex square footage, IN ACCORDANCE WITH ARTICLE 14. JP GW

1.4 ***Compliance with the "Americans with Disabilities Act of 1990" (ADA)***: The LESSOR will ensure that the Premises are in compliance with the Americans with Disabilities Act of 1990 (ADA") and, if necessary, shall modify the Premises to comply with the Act and the regulations promulgated to implement the act.

ARTICLE 2 - TERM

2.1 ***Lease Term***. The term of this Lease (the "Lease Term") shall be ten (10) years, commencing approximately May 1, 1998, or upon completion of Premise Improvements, whichever is later ("Lease Commencement Date") with such rights of termination and extension of the Lease Term as are hereinafter set forth.

2.2 ***Extended Term***. LESSEE shall have the option to extend the Lease Term for three (3) additional five (5) year periods, ("Extended Term(s)") on the same terms and conditions. Such option shall be exercised no later than 270 days prior to the last day of the Lease Term (or Extended Term) by written notice to LESSOR of LESSEE'S intent to exercise this option to renew and/or extend this lease.

ARTICLE 3 - RENT

LESSEE shall pay to LESSOR as monthly rent for the Premises the initial sum of thirty-three thousand, seven hundred fifty dollars ($33,750) payable on or before the first day of each month. LESSEE shall commence rental payments upon completion of Premise Improvements, ("Rent Commencement Date"). If the rent 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. Monthly rental is computed as follows: Base rent is $1.15 per square foot per month plus $0.20 per square foot per month for building operation costs, totaling $1.35 per month for the initial term of the lease.

AS MUTUALLY DEFINED BY LESSOR AND LESSEE — BASE

Operational costs are estimated at $0.20 per square foot and are added to the rent. An annual adjustment will be made based on actual costs.

The LESSEE within 30 days of the execution of the ("Premise Improvement Agreement") will provide to the LESSOR the sum of $139,399.00 dollars, which represent costs associated with the accelerated building schedule and specified requirements/improvements including, but not limited to, specialized interview rooms and protective security material requirements. LESSOR will refund to LESSEE sums that are not expended, due to actual material or labor costs being less, if applicable.

AS SET FORTH IN EXHIBIT A TO ADDENDUM 1, ATTACHED HERETO AND INCORPORATED HERE BY REFERENCE.

ARTICLE 4 - TERMINATION BY COUNTY

INTENTIONALLY BLANK

ARTICLE 5 - PROPERTY TAX EXEMPTION

LESSOR will cooperate with LESSEE and do all acts reasonably necessary and appropriate to secure and maintain tax exemption of the Premises pursuant to Article XIII, Section 3 of the California Constitution. LESSOR will apply the amount of any reduction of tax resulting from such exemption either in the form of a cash payment or of rental credit to LESSEE as soon as possible after LESSOR receives the benefit of tax exemption.

If such exemption is granted for a fiscal year which is, in whole or in part, after the date of expiration or earlier termination date of this Lease, then, with respect to that portion of such fiscal year which is after the expiration of the term of this Lease, LESSOR will pay LESSEE the amount of such reduction of tax in cash.

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, certified, postage prepaid, and addressed as follows:

To LESSOR:
Salinas Airport Business Park Partners
1000 South Main Street, Suite 301
Salinas, CA 93901

To LESSEE:
County of Monterey
Attn: Purchasing Manager
855 East Laurel Drive, Building C
Salinas, CA 93905

Rent payments shall be made to (need not be sent certified): Salinas Airport Business Park Partners, 1000 South Main Street, Suite 301, Salinas, CA 93901

Any notice shall be deemed delivered five (5) days after notice is mailed or personally delivered. By written notice to the other, either party may change its own mailing address.

ARTICLE 7 - PREMISE IMPROVEMENTS

7.1 ***Premise Improvements***. Prior to the Lease Commencement Date, LESSOR shall construct LESSEE improvements and make installations in the Premises in accordance with plans and specifications approved by LESSEE and LESSOR and in accordance with those provisions of the attached Addendum 1 ("Premise Improvement Agreement") which describe construction. The work described in the preceding sentences and the resulting installations are referred to in this Lease as the "Premise Improvements", and Addendum 1 is referred to herein as the "Premise Improvement Agreement".

7.2 INTENTIONALLY BLANK

7.3 ***Premise Improvement Warranties***. LESSOR warrants to LESSEE that all materials and equipment furnished by LESSOR in its improvement of the Premises shall be new unless otherwise specified in the Premise Improvement Agreement, and that all of LESSOR 'S work to be performed under the Premise Improvement Agreement shall be of good and workmanlike quality, free from faults and defects, and in accordance with the final requirements of the Premise Improvement Agreement. Any of LESSOR'S work not conforming to the above standards shall be considered defective.

For one (1) year after the date of substantial completion of Premise Improvements, LESSOR shall, following written notice from LESSEE, unconditionally make any repair, replacement, correction or other alteration of any nature necessary by virtue of any defective construction of the Premises or defective materials used therein. Thereafter, LESSOR shall promptly make or cause to be made all repairs, replacements, corrections or alterations, at no expense to LESSEE, to correct latent defects in the Premises caused by a nonconformance with the Premise Improvement Agreement other than as approved by LESSEE.

ARTICLE 8 - NOTICE OF COMPLETION

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ARTICLE 9 - TIME LIMIT AND PRIOR TENANCY

On the Lease Commencement Date, LESSOR shall deliver possession of the Premises to LESSEE in the condition required by Article 10.2 with construction completed as required in Addendum 1, the Premise Improvement Agreement. No rent shall accrue under this Lease, nor shall LESSEE have any obligation to perform the covenants or observe the conditions herein contained until the Premises have been so delivered. If LESSOR does not deliver possession of the Premises, ready for occupancy by LESSEE on or before May 1, 1998, then LESSEE, in addition to any other remedies available, may terminate this Lease by notifying LESSOR in writing before LESSOR delivers possession of the Premises to LESSEE. If LESSOR 'S ability to deliver possession by the date as set forth in this provision is delayed as a result of any of the following causes, the date for delivery shall be postponed without penalty to LESSOR for a period of time equivalent to the period caused by such delay:

(a) acts of LESSEE, its agents or employees;
(b) acts of God which LESSOR could not reasonably have foreseen or guarded against;
(c) any strikes, boycotts or like obstructive actions by employees or labor organizations and which are beyond the control of LESSOR and which cannot be reasonably overcome; or
(d) restrictive regulations by the Federal Government which are enforced in connection with a national emergency.

It shall be LESSOR 'S responsibility to remove any prior LESSEE in the Premises.

ARTICLE 10 - USE

10.1 ***Use***. LESSEE shall use the Premises for general office use. LESSEE may alter said use to any lawful purpose, upon the written consent of LESSOR, which consent shall not be unreasonably withheld.

10.2 ***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 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. LESSEE absolves LESSOR 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.

10.3 ***Hazardous Substances***. LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances in existence on the demised premises prior to LESSEE'S occupancy of the demised premises or which result from LESSOR 's acts or omissions or which occur on any portion of LESSOR 's property not occupied by LESSEE, unless caused by LESSEE, its agents, employees, invitees or guests. LESSOR specifically warrants 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. LESSEE will comply with all applicable laws concerning the handling or discharge of hazardous materials.

ARTICLE 11 - SIGNS AND FIXTURES

LESSEE may place such signs and advertisements upon the demised PREMISES as LESSEE may desire, subject to 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 restore the demised PREMISES to their original conditions. Any trade fixtures, equipment, furniture, demountable walls, and other property installed in demised 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 property which it may have stored or installed in the demised PREMISES, provided PREMISES are restored to acceptable condition. The LESSOR agrees not to mortgage or pledge the LESSEE'S trade fixtures, equipment and other property.

ARTICLE 12 - SERVICES AND UTILITIES

Services and utilities shall be furnished and the cost borne as outlined in Exhibit D. 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, 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, may deduct the amount thereof, including LESSEE'S service costs, from rent or other remuneration due LESSOR hereunder.

ARTICLE 13 - 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 demised PREMISES and arising out of the use of the demised 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 with liability limits of not less than $1,000,000 through self insured coverage 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 terms hereof, shall indemnify, defend and save 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, arising out of acts or omissions of the LESSOR .

LESSOR agrees that it will keep insured against loss or damage by fire, to at least eighty percent (80%) of the full fair insurable value thereof, the building on the demised PREMISES or of which the demised PREMISES are a part without recourse by the insurance carrier against the LESSEE for negligence.

ARTICLE 14 - - - PARKING

LESSOR shall retain the right to assign and control parking areas. LESSOR will ensure that LESSEE is provided with a minimum of 128 parking spaces adjacent to or near the Premises for the exclusive use of the LESSEE'S employees and visitors. LESSOR will designate a minimum of ten (10) parking spaces adjacent to the Premises for the exclusive use of the LESSEE, such spaces to be marked to designate reserved parking.

ARTICLE 15 - WAIVERS OF SUBROGATION

LESSOR and LESSEE each hereby waive any right of recovery against the other due to loss of or damage to the property of either LESSOR or LESSEE when such loss of or damage to property arises out of the acts of God or any of the property perils whether or not such perils have been insured, self-insured or non-insured.

ARTICLE 16 - REPAIR AND MAINTENANCE

16.1 ***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, which by this reference is incorporated herein.

16.2 ***Negligent Acts or Omissions of LESSEE.*** Notwithstanding the foregoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance required as a direct result of negligent acts or omissions of LESSEE, its agents, employees, or invitees.

16.3 ***Failure of LESSOR to Make Repairs.*** If LESSOR fails to maintain the Premises or to make the repairs required in this Article 16 within a reasonable time after written notice from LESSEE, LESSEE may perform such maintenance or make such repairs at its expense and deduct the reasonable cost thereof from the rent due hereunder.

16.4 ***LESSOR Obligations in Applying Noxious Substances:*** LESSOR and/or LESSEE, its officers, employees, and agents shall not apply any substance as part of any building maintenance or repair which would introduce irritating or noxious odors or any other hazardous condition to occupied spaces without

prior coordination and approval of the County of Monterey Facilities and Construction Manager. Prior notification and approval shall be made at least 48 hours prior to the desired application time. Also, a Product Safety Data Sheet shall be furnished by the proposed applicator to the District Attorney, Family Support Division. Examples of such substances or materials include, but are not limited to, the following:

- Termite Control Materials
- Pesticides
- Paint
- Water Treatment Chemicals
- Any other substance that is or could be construed as hazardous

ARTICLE 17 - ALTERATIONS, MECHANICS' LIENS

17.1 ***Alterations***. No structural alterations or improvements in excess of $0 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.

17.2 ***Condition at Termination***. LESSEE may remove any fixtures, machinery and equipment installed in the Premises by LESSEE upon the termination of this Lease, if LESSEE is not then in default under this Lease and if LESSEE repairs any damage to the Premises caused by such removal. 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, and alterations approved by LESSOR excepted.

17.3 ***Mechanic's Liens***. The parties shall keep the Premises free from any liens arising out of any work performed by, materials furnished to, or obligations incurred by the parties.

ARTICLE 18 - ASSIGNMENT AND SUBLETTING

LESSEE shall not assign or sublet all or any portion of the Premises without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

ARTICLE 19 - ENTRY BY LESSOR

LESSEE shall permit LESSOR and LESSOR'S agents to enter the Premises, with reasonable advance written notice (except in the case of emergency), provided such entry is made in a reasonable manner and does not unreasonably interfere with the conduct of LESSEE'S business.

ARTICLE 20 - 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 floor space 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 the period of thirty (30) days 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%), LESSOR shall have the option to terminate this Lease.

If LESSEE remains in possession 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 usable square feet LESSEE is thus precluded from occupying, bears to the total usable square feet in the Premises. "Usable square feet" shall mean actual inside dimensions and shall not include public corridors, stairwells, elevators, and rest rooms.

ARTICLE 21 - PUBLIC WORKS LAWS

Under Section 1720.2 of the California Labor Code, any construction contract to improve the space to be leased by the County of Monterey for government services may be considered a 'public work' if certain conditions are met. If applicable, LESSOR shall comply with provisions of law governing public works including, without limitation, Labor Code sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices).

ARTICLE 22 - SERVICE COMPANIES

Within ten (10) days after occupancy of the Premises by LESSEE, LESSOR shall give LESSEE notice of the name, address and telephone number of an agency or person convenient to LESSEE as a local source of service with regard to LESSOR'S responsibilities under this Lease as to repairs, maintenance, and servicing of the Premises and any or all related equipment, fixtures and appurtenances. If LESSOR fails to provide such notice, LESSEE may choose service companies as needed and without penalty from LESSOR.

ARTICLE 23 - DEFAULT BY LESSEE

23.1 ***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 when such default continues for a period of thirty (30) days after written notice, 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, or
c. LESSEE is adjudicated bankrupt, or
d. LESSEE'S lease interest is sold under execution of judgment.

ARTICLE 24 - DEFAULT BY LESSOR

24.1 ***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 sixty (60) days are required for performance, then LESSOR shall not be in default if Landlord commences performance within such sixty (60) 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.

24.2 ***Remedies***. If LESSOR fails to cure a prospective default within the sixty (60) day period, LESSEE shall have the option to cure the default or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should LESSEE elect to cure the default itself, all costs associated with such cure, including reasonable attorneys' fees (if any), shall be reimbursed by LESSOR to LESSEE within sixty (60) days of receipt of LESSEE'S invoice for said costs. However, upon LESSOR'S failure to so reimburse or, at LESSEE'S option, said costs shall be held 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 25 - CONDEMNATION

If any part of the Premises is taken or condemned for a public or quasi-public use, this Lease shall terminate at the option of LESSEE as of the date title shall vest in the condemnor.

ARTICLE 26 - HOLDING OVER

If LESSEE, with LESSOR'S consent, remains in possession of the Premises after the Lease Term or any Extended Term, this Lease shall automatically be extended on a month-to-month basis at the monthly rent applicable to the last month of the Lease Term or Extended Term, subject to termination upon ninety (90) days' written notice by either party. All other terms and conditions shall remain in full force and effect.

ARTICLE 27 - WAIVER

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's consent to any breach of any term, covenant or condition be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

ARTICLE 28 - ATTORNEYS' FEES

In the event LESSOR or LESSEE bring suit against the other to enforce any rights under this Lease, the prevailing party shall recover from the other, in addition to any other award, an amount equal to reasonable attorneys' fees to be fixed by the court.

ARTICLE 29 - QUIET POSSESSION

As long as LESSEE keeps and performs the covenants in this Lease, 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 under LESSOR.

ARTICLE 30 - 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 mortgage 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, provided that such purchaser shall assume the obligations of LESSOR hereunder. 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 31 - 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 32 - MISCELLANEOUS PROVISIONS

32.1 ***No Amendments***. No oral amendment of this Lease shall be valid unless made in writing and signed by the parties hereto, and no prior oral understanding or agreement not incorporated herein shall be binding on either party hereto.

32.2 ***Time of the Essence***. Time is of the essence of each term and provision of this Lease.

32.3 ***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.

32.4 ***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.

32.5 ***Warranty of Authority***. If LESSOR is a corporation, the person executing this lease on behalf of LESSOR hereby covenants and warrants that LESSOR is a duly authorized and existing corporation and that he/she is duly authorized to execute this Lease.

32.6 ***Addendum***. In the event of conflict between this Lease and any Addendum or Exhibit attached hereto, the provisions of such Addendum or Exhibit shall control.

ARTICLE 33 - COST OF LIVING ADJUSTMENT

At the end of each year of the lease term, the monthly base rent shall be adjusted to reflect any increase in the Cost of Living Index. The increase shall be calculated on the basis of the U.S. Department of Labor Consumer Price Indexes, all item indexes, all urban consumers for the San Francisco-Oakland-San Jose area. The monthly rent shall be increased at the end of each year by the percentage increase in said index in the (12) twelve calendar month period preceding such adjustment, based on the most recent publication of the index prior to the adjustment date, provided that the maximum increase on any anniversary date is not to exceed 5%, and the minimum increase is not to be less than 2.5%.

ARTICLE 34 - EXPENSE STOP

This paragraph is intentionally left blank.

ARTICLE 35 - MAJOR APPLIANCES

This paragraph is intentionally left blank.

LESSEE:

By: _____
PURCHASING MANAGER
COUNTY OF MONTEREY

Title: _____

LESSOR:

By: _____

Title: MANAGING PARTNER

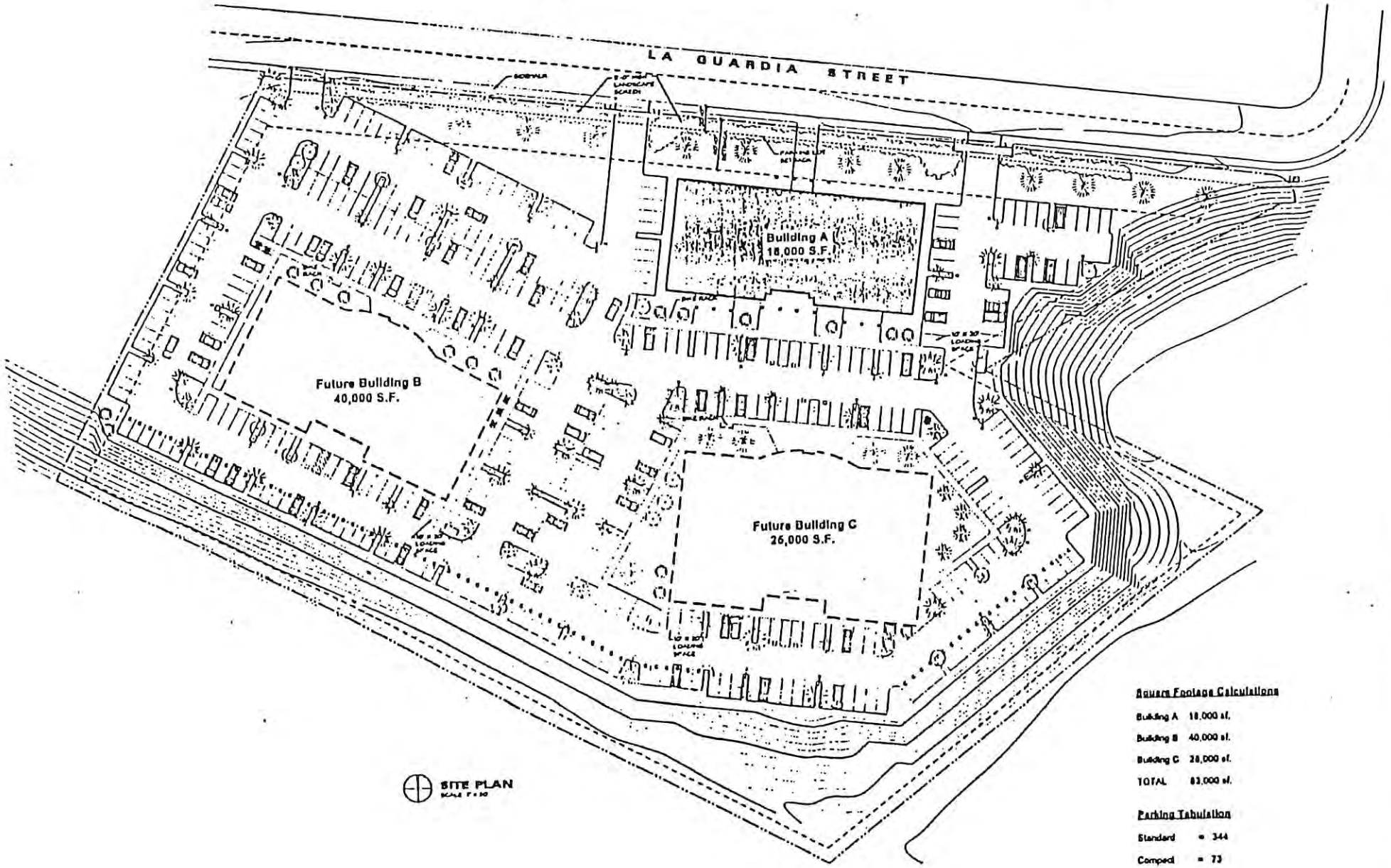
Approved as to Form:

_____, County Counsel

By: _____

11/3/97

EXHIBIT A



Square Footage Calculations

Building A	18,000 sf.
Building B	40,000 sf.
Building C	26,000 sf.
TOTAL	83,000 sf.

Parking Tabulation

Standard	= 344
Compact	= 73
Loading	= 3
Handicapped	= 10
TOTAL	= 430

PRELIMINARY ONLY
NOT FOR CONSTRUCTION

AIRPORT BUSINESS PARK

EXHIBIT A

DESCRIPTION OF PREMISES

(Floor Plan with Dimensions)

(Parking Location or Plan)

(Site Map)

(Architectural Rendering of Building Exterior (Elevation View))

EXHIBIT B

STATEMENT OF SEISMIC ADEQUACY

INTENTIONALLY BLANK

EXHIBIT C

TENANT IMPROVEMENTS

INTENTIONALLY BLANK

EXHIBIT D

SUMMARY OF SERVICES AND UTILITIES

The following is a summary of service and utility responsibilities of LESSOR and LESSEE:

	N/A	Lessor	Lessee	Frequency
Paper supplies, dispensers and waste containers (Premises & rest rooms)			X	
Light bulbs & fluorescent light tubes & starters			X	
Ballasts & transformers for fluorescent lights, light switches and electrical outlets			X	
Heating & air conditioning control switches (thermostats)			X	
Janitorial service for interior of premises (dust, waste removal, vacuum, mop, cleaning)			X	
Janitorial service for exterior of premises and common areas		X		
Carpet, tile and linoleum			X	
Gas			X	
Electric			X	
Water		X		
Window washing – interior			X	
Landscaping and gardening		X		
Drapes, blinds, window shades			X	
Kitchen appliances			X	
Refuse, rubbish and garbage disposal		X		
Pest control – Interior			X	
OTHER:				
Pest control – Exterior		X		

EXHIBIT E

SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

The following is a summary of repairs and maintenance responsibilities of Lessor and Lessee:

	N/A	Lessor	Lessee
Foundations		X	
Exterior and Bearing Walls		X	
Roof		X	
Electrical Systems		X	
Lighting Systems		X	
Plumbing Systems		X	
Heating Systems		X	
Ventilation Systems		X	
Air Conditioning Systems		X	
Alarm Systems			X
Plate Glass		X	
Windows & Window Frames		X	
Gutters, Drains, Downspouts		X	
Elevators	X		
Floor Slabs		X	
Common Areas		X	
Ceilings			X
Interior Walls			X
Interior Doors			X
Interior Surfaces of Windows			X
Appliances & Fixtures			X
Repainting of Interior Walls (Every 5 Years)			X
Base and/or Moldings			X
Parking Lot Area		X	
OTHER:			

ADDENDUM 1
PREMISE IMPROVEMENT AGREEMENT
TO LEASE AGREEMENT DATED OCTOBER 16, 1997
BY AND BETWEEN
COUNTY OF MONTEREY
AND
SALINAS AIRPORT BUSINESS PARK PARTNERS

PREMISE IMPROVEMENT AGREEMENT

THIS PREMISE IMPROVEMENT AGREEMENT, dated October 16, 1997, is by and between SALINAS AIRPORT BUSINESS PARK PARTNERS ("LESSOR"), and COUNTY OF MONTEREY, ("LESSEE")

1. Definitions. The terms used in this Premise Improvement Agreement shall have the meanings as defined in the Lease dated October 16, 1997, by and between LESSOR and LESSEE (the "Lease").

2. Premise Improvements. LESSOR shall construct all Premise Improvements in accordance with the Plans and Specifications and the conditions of any applicable governmental approval. Premise Improvements must satisfy the Federal Americans with Disabilities Act. General improvements required as summarized at paragraph 3 of this Addendum.

3. General Improvements required are summarized as follows:

   Per plans and specifications approved by LESSOR and LESSEE.

4. Construction Plans, LESSOR Review, Estimated Costs, Changes and Delay

   (a) LESSOR, for LESSEE'S approval, which approval shall not be unreasonably withheld, shall provide the complete and detailed proposed Plans and Specifications for the Premises the design of which shall conform to LESSEE'S approved program for use of the Premises, ~~as summarized in the attached EXHIBIT A~~.

   (b) LESSEE shall provide LESSOR with written notice of its approval or disapproval of the Plans and Specifications within ten (10) business days after receipt of such Plans and Specifications.

   (c) During construction LESSOR and LESSEE'S Representative (as defined below) shall confer periodically regarding the progress of the work and the approximate cost of the work completed. LESSEE'S Representative may request changes, modifications or alterations to the Plans and Specifications by written change order delivered to LESSOR, but no such change shall be made without the written approval of LESSOR, which approval shall not be unreasonably withheld. LESSOR shall approve or deny each LESSEE change order within two (2) business days, and LESSOR shall also provide to LESSEE'S designated representative (LESSEE'S Representative), by written notice to LESSOR, ~~with~~ an estimate of the maximum cost of each change order within five (5) business days after the delivery of the change order to LESSOR. No work based upon a change order shall be undertaken unless and until LESSEE'S Representative shall have approved (by notice to LESSOR) LESSOR'S cost estimate.

(d) If LESSOR determines that a change proposed by LESSEE will delay completion of the construction beyond the period allocated for such construction, LESSOR shall, within one (1) business day, notify LESSEE'S Representative of the estimated length of the delay caused by LESSEE'S request. LESSEE'S Representative shall advise LESSOR within one (1) business day after receipt of such notice as to whether LESSOR shall proceed with requested change, modification or alteration. LESSOR shall not make the requested change to the Plans and Specifications without LESSEE'S approval of any proposed time extensions.

(e) If LESSOR requires that LESSEE clarify or refine the Plans and Specifications, then LESSEE'S Representative shall meet with LESSOR for the purpose of clarifying or refining the Plans and Specifications within two (2) business days after LESSEE'S receipt of LESSOR'S request therefor. No such clarification or refinement shall be deemed to be a change order.

(f) If LESSOR determines that the Plans and Specifications must be changed as a result of omissions or errors in the Plans and Specifications, then LESSOR shall, at LESSOR'S cost, prepare and submit to LESSEE revised Plans and Specifications correcting any such omission or error. LESSEE shall approve or disapprove such revised Plans and Specifications within two (2) business days after receipt and shall not unreasonably withhold its approval.

LESSOR shall not be responsible for any delays in the time for completion of construction resulting from LESSEE'S delay. For purposes herein, LESSEE'S delay in the completion of the construction of the LESSEE improvements that may arise solely as a result of: (I) LESSEE'S failure to comply with its obligations set forth in subsections (a), ~~(c)~~, (f), ~~(g), and (h)~~, above, within the time specified; (ii) any change made after notification to LESSEE that a change will delay completion of the construction as provided in subsection ~~(f) of (h)~~, above; or (iii) extra time required to obtain any long lead items specified by LESSEE. For purposes herein, an item shall be considered a long lead item if LESSOR notifies LESSEE within ten (10) business days after receipt of LESSEE'S approval of the Plans and Specifications that such item is not readily available or readily installable after the same is requested by LESSEE.

5. Approval of Plans by Public Authorities. LESSOR shall obtain approval of the Plans and Specifications for the Premises from all appropriate government agencies, and a copy of the Plans and Specifications, as approved, shall be dated and initialed by both LESSOR and LESSEE. LESSOR shall exercise due diligence in obtaining any such approval.

6. Quality of Work. All work performed hereunder shall be done in a good and workmanlike manner, free from faults and defects and in accordance with the Plans and Specifications. All materials and equipment installed in the Premise Improvements shall be new unless otherwise specified in the Plans and Specifications.

7. Acceptance of Premises. At any time during the construction of the Premise Improvements, LESSEE may reject any work that does not conform to the Plans and Specifications. Within five (5) business days after LESSOR delivers to LESSEE a list of work items remaining to be done or corrected and notifies LESSEE that the Premise Improvements are ready for inspection by LESSEE'S Representative. LESSEE shall deliver to LESSOR a list of items that LESSEE shall have reasonably determined that LESSOR must complete or correct prior to LESSEE'S acceptance of possession in order for the work to conform to the Plans and Specifications. LESSOR shall

immediately commence to complete or correct the items listed by LESSEE, except those it contends are not justified. If LESSEE fails to deliver such a list within the five (5) business day period, LESSEE shall be deemed to have accepted the Premises subject to completion of the corrections on LESSOR'S list of corrections and to have approved the construction. Failure of LESSOR and LESSEE to agree on the items to be corrected or completed within the five (5) days after LESSEE delivers its list of items, shall entitle LESSEE to initiate arbitration to be conducted pursuant to the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction.

8. LESSEE'S Access during Construction. LESSEE and its agents and contractors shall have access to the Premises during the construction of the Premise Improvements for activities and purposes related to construction of the Premises or preparation of the Premises for occupancy. LESSOR shall provide to LESSEE, at the earliest practicable time but in no event later than fifteen (15) days prior to the date of Substantial Completion, LESSOR'S best estimate of the date of Substantial Completion. LESSEE may, beginning fifteen (15) days prior to LESSOR'S best estimate of Substantial Completion, enter the Premises for the purpose of installing furniture, fixtures, and equipment. LESSEE'S representatives on the Premises during construction shall cooperate with LESSOR'S contractor and not delay in any way the performance by LESSOR'S contractor or Landlord's representatives of any work (including but not limited to the construction of Premise Improvements).

9. Notices. All notices required or permitted hereunder shall be in writing and shall be delivered as follows:

   (a) If to LESSOR, to:
   Salinas Airport Business Park Partners
   1000 South Main Street, Suite 301
   Salinas, CA 93901

   (b) If to LESSEE, to
   COUNTY OF MONTEREY
   Attention: Purchasing Manager
   855 East Laurel Drive, Building C
   Salinas, CA 93905

10. Notice of Non-Responsibility. LESSOR may post such notices of non-responsibility as it reasonably deems appropriate in the Premises during the construction provided for herein.

11. Responsibility for Damage. If LESSEE installs equipment in the Premises prior to completion of the work hereunder, LESSEE shall bear the risk of loss to such equipment other than loss that is a result of negligence or willful misconduct by LESSOR, its agents or contractors.

12. Approval of this agreement will result in a construction of a facility suitable for the District Attorney's Family Support Division. This agreement does not provide for necessary telecommunications/data processing linkages. This work will be coordinated by the County Information Systems Division, and will either be done by County crews or contracted out BY COUNTY. Completion of this element of the project as well as installation of an alarm system and the actual move will result in additional costs, TO BE BOURNE BY COUNTY.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

LESSOR:

By: _____

Title:
Salinas Airport Business Park Partners

LESSEE:

By: _____

Title: Purchasing Manager
COUNTY OF MONTEREY

APPROVED AS TO FORM
_____
DEPUTY COUNTY COUNSEL
COUNTY OF MONTEREY
11/3/97

ADDENDUM 1 EXHIBIT 'A'

San Jose Construction Co., Inc.
General Contractors

October 31, 1997

Mr. Sam Kobrinsky
1000 S. Main Street
Salinas, CA

Ref: **Salinas Airport Business Park**
752 La Guardia Street, Salinas
Office of the District Attorney, Family Support Division
Subj: Scope Revisions

Mr. Kobrinsky:

As requested, we provide the following cost revisions for scope of work in addition to that described in the original lease request for proposal or shown the sheet SD-5 dated 3/31/97 by Jerome Kasavan Associates.

Reception Counter Area:

1) Glazing: Provide four (4) 3'9" wide x 4' tall bullet resistant glazed openings using the following material description. Transparent (bullet resistant material) with vertical off set baffle design voice ports or other approved method to allow natural communication. Two pieces of ballistic material (UL 752, level III), are off set by 1" to 2" with another piece that overlaps for protection. Design required to not weaken material and or allow actual penetration of bullet. (Level III Polycarbonate(UL 752 Listing Required).

Glazing Material, and speaker holes	10,975.00
Frames for Glazing	2,000.00

2) Counter: Plastic Laminate tops with rounded wood edges front and rear. (added cost to inlay wood edge only) 550.00

3) Transaction dip trays: Four 4 (ea) stainless steel (edges smooth with no burn marks) recess mounted. Standard width with depth t that will not allow for an hand holding a gun to pass under. (1) package exchange pass through compartment (transparent design required) with a "secure" side which is never exposed to line of fire.

Four (4) ea. dip trays (level III)	2,000.00
One (1) ea. pass through compartment	2,665.00

Interview area:

1) Glazing: Provide four (6) 5'6" wide x 4' tall bullet resistant glazed openings using the following material description. Transparent (bullet resistant material) with vertical off set baffle design voice ports or other approved method to allow natural communication. Two pieces of ballistic material (UL 752, level III), are off set by 1" to 2" with another piece that overlaps for protection. Design required to not weaken material and or allow actual penetration of bullet. (Level III Polycarbonate(UL 752 Listing Required).

Glass	17,179.00
Frames	2,500.00
Dip trays (6) ea.**(level III)**	2,483.00

2) Counter: Plastic laminate top with curved oak inlayed front and rear edges. 2'4" wide on the case worker side, 1'3" wide on the customer side.

Increased cost for laminate tops	1,500.00

3)	Customized work station on caseworker side of interview booths to accommodate under counter computer screen compartment with glass viewing window in the laminate top. Provide two sets of drawers (3 per set) counter to floor, pencil drawer, and leg space under each counter. Design similar but not identical to Fresno County Drawing.	3,450.00
4)	View lights in each door on each side of interview room (12) ea.	990.00
5)	Delete six (6) ea. doors at due to redesign of interview rooms.	<3,300.00>

Drawing Station:

1)	View lights in both doors (2) ea. (6"x16")	330.00
2)	Stainless steel sink with hot and cold running water.	In Proposal
3)	Counter top and cabinets (plastic laminate) with adjustable storage shelves and locking cabinet doors.	
	Counter tops and cabinets, with adjustable shelves.	In Proposal
	Locking cabinet doors.	125.00
4)	Fiberglass batt insulation in walls and ceiling.	In Proposal

Security Station:

1)	Plastic laminate counter top (10') with corbels .	970.00
2)	View light in door to waiting area.(1) ea.(6"x16")	165.00

Accounting:

1)	Floor safe in storage room, small capacity.	Deleted

Public service unit area:

1)	20 minute rated window. Install 16'wide by 3'6" tall window (wire glass) with seven vertical mullions to meet code.	
	Glass (wire)	967.00
	45 minute rated hollow metal frames	1,800.00

Breakroom area:

1)	Provide exterior windows per shell plan.	In Proposal
2)	Double doors to outside patio. No quote.	Single door in proposal
3)	Kitchen area 220V power. No quote.	Kitchen not allowed.
4)	Adequate counter space with stainless steel sink and hot and cold water.	In Proposal

Mail Storage area:

1)	Electrical: Dedicated circuits for the following equipment:	
	Shredder	210.00
	Large volume copier	235.00

File Storage:

1)	Exterior windows. Not possible due to progress of shell design.	No Quote
2)	Dutch doors at one door with shelf. Second door is fire rated and can not be a dutch door.	150.00
3)	Carpet:	In Proposal

Case work area:

1)	Confirm exit door configuration.	No Added Cost

Break/Training Room:

1)	Double doors to outside patio area.	Single door in proposal

General:

1)	Provide 18 cell parabolic lights with electronic ballast's and T-8 lamps.	15,200.00
2)	Provide sound insulation at all private office walls and 2' on each side of wall on top of acoustical ceilings.	3,200.00
3)	Enclose copy room in investigation area, no doors on room drywall hvac (supply only) fire sprinklers other (base, paint, etc.)	450.00 300.00 150.00 250.00
4)	Add storage room in accounting area.	3,500.00
5)	Add one private office at word processing area.	4,500.00
6)	Add view lights at conference room doors(6"x16") 3 ea.	495.00
7)	Provide additional electrical circuits to furniture partitions so that a total of 25 clean circuits (separate ground and neutral), and 50 dirty circuits are available for the furniture cubicles.	3,410.00
8)	Add 4" conduit for furture fiber optics from the building electrical room to the property line nearest the existing County of Monterey Information Systems Building. Utilize existing on site joint trench. Includes 5 ea. small communication boxes.	No Accepted

9)	Schedule acceleration costs.	$60,000.00
	Total All Items Above	**$139,399.00**

END