

COUNTY OF MONTEREY

STANDARD MODIFIED LEASE

AGREEMENT



LEASED PREMISES:	<u>467 El Camino Real</u>
	<u>Greenfield, California 93927</u>
DEPARTMENT:	<u>Natividad Medical Center</u>
LESSOR:	SOUTHERN MONTEREY COUNTY MEMORIAL HOSPITAL, A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

PREAMBLE

This LEASE AGREEMENT (the “**Lease**”) is made by and between SOUTHERN MONTEREY COUNTY MEMORIAL HOSPITAL, a California nonprofit public benefit corporation, doing business as MEE MEMORIAL HEALTHCARE SYSTEM (“**LESSOR**”), and the COUNTY OF MONTEREY ON BEHALF OF NATIVIDAD MEDICAL CENTER (“**LESSEE**”), each a “Party” and collectively, the “Parties.” 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.

The Parties understand and agree that the following Lease Exhibits are attached and incorporated by this reference:

EXHIBIT A-1 DESCRIPTION OF THE PREMISES

EXHIBIT A-2 LEASE PERIODS

EXHIBIT A-3 DESCRIPTION OF EQUIPMENT

EXHIBIT B STATEMENT OF SEISMIC ADEQUACY

EXHIBIT B-1 – EVIDENCE OF CONSTRUCTION

EXHIBIT C REMEDIATION CONTRACTOR SPECIFICATIONS

EXHIBIT D SUMMARY OF SERVICES AND UTILITIES

EXHIBIT E SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

EXHIBIT F OMITTED

EXHIBIT G CUSTODIAL SERVICE SPECIFICATIONS

EXHIBIT H PROPOSITION 65 WARNING

RECITALS

A. LESSOR owns and operates a general acute care/critical access hospital in King City and associated outpatient clinics in King City and Greenfield, California.

B. LESSEE is a general acute care hospital located in Salinas, California, owned and operated by Monterey County, that provides comprehensive specialty, and outpatient primary care clinics.

C. The Parties entered into that certain Memorandum of Understanding, dated April 22, 2021 (the “**MOU**”), expressing a desire to collaborate to aid in providing high quality and efficient patient care delivery in South Monterey County.

D. LESSEE employs certain physicians specializing in obstetrics and gynecology, all of whom are licensed to practice medicine in the State of California, are members of the medical staff of LESSEE, and desire to establish an outpatient obstetrical clinic in South Monterey County.

E. In order to support its obstetrical practice, LESSEE desires to: (i) lease from LESSOR, and LESSOR is willing to lease to LESSEE, certain physical space located at 467 El Camino Real, Greenfield, California, 93927, during specified blocks of time, including without limitation the office space which is more fully described in Exhibit A-1 hereto; and (ii) obtain from LESSOR, and LESSOR is willing to provide to LESSEE, certain equipment, all on the terms and conditions of this Lease.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows.

AGREEMENT

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 467 El Camino Real, Greenfield, California, 93927 (the "**Building**") and described as follows: General offices consisting of approximately 565.5 rentable square feet of space, located within the Building, as designated in **EXHIBIT A1 – DESCRIPTION OF PREMISES** -, attached and incorporated by this reference (hereinafter, "the **Premises**"). The term "rentable square feet" shall mean the "**Rentable Area**" of the Premises as set forth on the as built plans for the Building. The Premises constitute the square feet designated in **Exhibit A1** of a 13,057 square foot Building used during the Lease Periods. LESSEE shall have the exclusive control, use and quiet enjoyment of the Premises for the purpose of performing obstetrics and gynecological services but only during the Lease Periods, as described in **EXHIBIT A-2 – LEASE PERIODS** and which may be modified by agreement between the Parties from time to time.

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, 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 have the right to use nonexclusive parking spaces in the parking area adjacent to the Building, at no cost to LESSEE throughout the Lease Term (defined below). Nonexclusive parking means nonexclusive to LESSEE or any other party and use by LESSOR. LESSOR agrees that at all times during the term of this Lease, LESSOR shall maintain the quantity and type of parking at the clinic as required by all applicable laws and regulations. LESSEE understands that adequate patient parking is important to the successful operation of its business and other businesses within the clinic.

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. LESSEE, however, shall be responsible for compliance as to its specific use of the Premises.

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:** Prior to the Commencement Date specified in Section 2.1 below, LESSOR shall provide either 1); If the Premises are contained in a building constructed on or before December 31, 1972, or one of which has undergone major structural renovation since January 1, 1973, the LESSOR shall obtain a Statement of Seismic Adequacy from its licensed structural engineer and it shall be attached to this Lease as **EXHIBIT B – STATEMENT OF SEISMIC ADEQUACY**, which is attached and incorporated herein by this reference. Or; 2) If the Premises are contained in a building constructed on or after January 1, 1973, LESSOR shall provide LESSEE with official documentation evidencing the Construction Date from the respective Municipality's, or Political Subdivision's Building Department with jurisdiction over the Premises at the time of construction. If the Premises are contained in a building constructed on or after January 1, 1973, official documentation from said Municipality or Political

Subdivision of the State of California shall be attached as **EXHIBIT B-1 – EVIDENCE OF CONSTRUCTION**, and incorporated by this reference. The Parties understand and agree that the Statement of Seismic Adequacy, or Evidence of Construction is a condition precedent to the occupancy of the Premises and that failure to obtain said Statement of Seismic Adequacy by a licensed structural engineer, or a functional equivalent by a licensed design professional acceptable to the County, or Evidence of Construction, prior to occupancy shall render this Lease null and void.

1.7 **Area of the Premises**: Within sixty (60) days after the Lease Commencement Date, and upon LESSEE'S written request, LESSOR shall have the rentable square feet of the Premises measured as described in ARTICLE – 1 Premises, Section 1.1 by a licensed, independent architect mutually selected by LESSEE and LESSOR (the "**Architect**"). LESSEE'S Architect shall prepare an Exhibit entitled "Description of the Premises" to be incorporated into this Lease as **EXHIBIT A-1 DESCRIPTION OF THE PREMISES**.

1.8 **Right of First Refusal**: LESSEE shall have the right of first refusal to lease any additional suites in the Building if available for use on a periodic basis on same terms as provided herein. LESSOR shall grant LESSEE up to sixty (60) days from notification of available space for LESSEE to obtain approval from the Monterey County Board of Supervisors.

1.9 **Lease of Equipment**. LESSOR hereby leases (or, to the extent applicable and subject to lessor approval, sub-leases) to LESSEE the furniture, fixtures and equipment described in **EXHIBIT A-3 – DESCRIPTION OF EQUIPMENT** (the "**Equipment**") for use at the Premises during the Lease Periods. Institute represents that it has sufficient right, title and interest in the Equipment to fulfill its obligations under this Lease.

1.10 **Title and Maintenance**. During the term of this Lease, LESSOR grants to LESSEE the right to use the Equipment on the terms and conditions hereinafter set forth. Title to the Equipment owned by LESSOR, including any improvements thereto, shall be and remain in LESSOR at all times. LESSEE agrees to take no action that would adversely affect LESSOR'S title to or interest in the Equipment. At all times, LESSEE shall use the Equipment hereunder in a careful and proper manner, and in accordance with all applicable manufacturer, vendor and LESSOR specifications. LESSEE shall be responsible for maintaining the Equipment in good condition and repair, reasonable wear and tear from normal use excepted, in connection with LESSEE'S use of the Equipment hereunder. All maintenance, repair and replacement, if necessary, of the Equipment shall be performed by LESSOR on behalf of LESSEE, at LESSEE'S sole expense, including, where necessary, the replacement or substitution of parts, except for such repairs as are occasioned by the negligent, reckless or willful conduct of LESSEE, which shall be the sole financial responsibility of LESSOR. LESSEE shall not undertake any repairs or modifications to the Equipment without the express written consent of LESSOR. LESSEE shall promptly notify LESSOR of any defective or malfunctioning Equipment. LESSEE agrees to make the Equipment available for inspection by LESSOR at all reasonable times.

1.11 **Provision of Basic Medical Supplies**. In addition to use of the Premises, LESSEE shall be entitled to de minimis use of routine medical office supplies generally available to other occupants of the Building (the "**Supplies**") as reasonably necessary for the provision of medical services at the Premises. Nothing contained herein shall require LESSOR to order or stock Supplies specifically requested by LESSEE, which specialty supplies, stocking and any storage shall be done by LESSEE at its expense. LESSOR and LESSEE shall mutually agree on the scope of supplies to be provided and the intervals for refilling the supplies.

1.12 **Lessee's Obligations**. LESSEE shall be responsible for scheduling its own patients during the Lease Periods. LESSEE shall be responsible for providing or arranging for the provision of the professional medical services provided to its patients during the Lease Periods. LESSEE shall establish a schedule of fees for the services it provides to its patients. LESSEE shall bill such patients, or, as applicable, responsible third-party payors, in LESSEE'S own name, using LESSEE'S own billing and provider

number(s), and in compliance with legal requirements and payment policies of applicable third-party payors, and LESSEE shall be entitled to all collections derived therefrom. LESSOR shall not bill to patients or third-party payors or collect therefrom for the facility fees in connection with services provided to LESSEE'S patients at the Premises during the Lease Periods. LESSEE shall be exclusively responsible for completing all patient records relating to the services provided to LESSEE'S patients who receive LESSEE'S services hereunder (the "**Medical Records**"). The Medical Records shall be the sole and exclusive property of LESSEE.

ARTICLE 2 – TERM

2.1 **Lease Term:** This Lease shall have an initial term of one (1) year (the "**Lease Term**"), commencing on July 1, 2021 (the "**Lease Commencement Date**"), and ending **one (1) year** from said Lease Commencement Date, (the "**Stated Expiration Date**"), with such rights of termination and extension of the Lease Term as are hereinafter set forth. In the event that the Premises are not delivered within thirty 30 days from the date first noted in this Section 2.1 **Lease Term**, County may terminate this agreement. Within thirty (30) days of the occurrence of the Lease Commencement Date, if said date differs from the date specified in this Section 2.1 **Lease Term**, LESSEE and LESSOR shall execute a written Amendment to Section 2.1 of this Lease confirming the actual Lease Commencement Date and the Stated Expiration Date for this Lease.

2.2 **Extended Term:** , upon completion of the initial Lease Term, the LESSEE may renew the Lease for the First extended one (1) year term ("**First Extended Term**"), and upon the expiration of the First Extended Term, the LESSEE may renew the Lease for a Second extended one (1) 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. However, the LESSOR nevertheless reserves the right to terminate LESSEE'S right to effect an extended term if LESSOR provides LESSEE with at least ninety (90) days written notice prior to the end of the Lease Term or any Extended Term LESSOR'S desire to terminate the Lease for all purposes.

ARTICLE 3 – RENT

3.1 **Rent.** In consideration of the continuing right of use, quiet enjoyment and possession of the Premises, LESSEE shall pay to LESSOR: (i) as monthly rent for the Premises the sum of \$284.88 per month, based upon the rate of \$2.65 per square foot (assuming a twenty [20] working day month) multiplied by number of Lease Period days as reflected in **Exhibit A-2**; plus (ii) as monthly rent for the Equipment and Supplies the sum of \$768.00 per month. The monthly rent for the Premises, the monthly rent for the Equipment, and the Supply fee shall be \$1,052.88 (collectively referred to herein as the "**Monthly Rent**"), and shall be paid according to the following:

The Monthly Rent is payable on or before the first day of each month. LESSEE shall commence rental payments upon the Lease Commencement Date ("**Rent Commencement Date**"). If the Rent Commencement Date is other than the first day of a calendar month, then the Monthly Rent for that month shall be prorated on a daily basis, based on a thirty (30) day month. Monthly Rent shall be payable to LESSOR at the address specified in **ARTICLE 6 – NOTICES** or at such other address as LESSOR may from time to time designate in writing.

3.2 **Gross Rent.** Except as provided below, the Monthly Rent includes equipment, all use of Common Area, maintenance, medical waste disposal (provided it is appropriately deposited per law, utilities, and janitorial, LESSEE'S share of real estate taxes, assessments, insurances (Real Property and Lessor's risk liability), and Monterey Regional Water Pollution Control Agency (MRWPCA) fee for the Premises.

3.3 **No Referrals.** The Parties hereto represent, warrant and acknowledge that the Monthly Rent paid and payable hereunder by LESSEE to LESSOR has been determined by the Parties through good-faith and

arm's length bargaining and is commercially reasonable. The Monthly Rent has not been determined in a manner that takes into account, either directly or indirectly, the volume or value of any referral from LESSEE to LESSOR, or from LESSOR to LESSEE. No amount paid or payable hereunder is intended, nor shall be construed to be, an inducement or payment for referral of or recommending referral of, patients by LESSEE to LESSOR, or by LESSOR to LESSEE, or for ordering, leasing or purchasing any item or service covered by any governmental or private health care payment program. In addition, the Monthly Rent charged hereunder does not include any discount, rebate, kickback or other reduction in charge, and the Monthly Rent is not intended, nor shall it be construed to be, an inducement or payment for referral, or recommendation of referral, of patients by LESSEE to LESSOR, or by LESSOR to LESSEE.

3.4 Excessive or Increased Cost Associated With Use of Premises Including Access to or Use of Common Area and Common Area Utilities and Services. LESSOR is responsible for water/sewer and trash service and Common Areas services, including cleaning and landscaping; however if, as a result of LESSEE'S use of the Premises, including water and trash use, use of the Common Area improvements (including without limitation restrooms, landscaping areas or parking areas) are materially damaged due to acts or omissions by LESSEE, its employees or patients, or the burden on the Common Area improvements or use is substantially increased due to LESSEE'S or its agent or invitees use or accommodation thereof, including due to legal requirements imposed due to LESSEE'S occupancy or use, whether pursuant to applicable law or otherwise, upon notice from LESSOR of the damage or increased burden or cost to LESSOR including, without limitation, maintenance, trash, water, landscaping, cleaning, parking lot, painting, repair or otherwise, LESSOR shall provide LESSEE with a budget approximating the cost of repair prior to incurring any such cost. LESSOR and LESSEE shall mutually agree on a budget for the cost of repair. LESSEE shall be responsible for all such increased costs and expenses as reflected in the mutually agreed upon budget, which shall be paid by LESSEE as soon as reasonably practical upon invoice by LESSOR.

ARTICLE 4 – ANNUAL RENT ADJUSTMENT

[Intentionally Omitted]

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 Premises. 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 Greenfield. LESSEE represents that its intent is not to exercise its rights under this ARTICLE 5 unless financial conditions prevent the Monterey County Board of Supervisors from budgeting funds for this Lease. If terminated by the County per this Article 5, LESSEE shall be responsible for all patient continuity or care requirements related to LESSEE'S patients.

ARTICLE 6 - NOTICES

All notices, requests, consents and other communications which may or are required to be given under or with respect to this Lease shall be in writing, shall be given either by personal delivery or by mail, and shall be deemed to have been given or made when personally delivered, or otherwise when received, addressed to the respective Parties as follows:

To	Mee Memorial Healthcare System	To LESSEE:	County of Monterey
LESSOR:	Rena Salamacha		Daniel Leon

Chief Executive Officer
300 Canal Street
King City, CA 93930
rsalamacha@meememorial.com

Natividad Medical Center –
Administration
1441 Constitution Blvd., Bldg. 300
Salinas, California 93906

Copy to: Adamski Moroski Madden
Cumberland & Green LLP
Linda Somers Smith
P.O. Box 3835
San Luis Obispo, CA
93403-3835
lss@ammcglaw.com

Copy to: Office of the County Counsel
Stacy Saetta
Deputy County Counsel
Office of the County Counsel
County of Monterey
168 West Alisal Street, 3rd Floor
Salinas, California 93901
saettas@co.monterey.ca.us

or to such other address as any Party may from time to time designate by notice to the other Parties.

Rent payments to LESSOR shall be made to (need not be sent certified) Mee Memorial Healthcare System, Attn: Mark Woolery, at the LESSOR address listed above.

LESSOR shall designated a maintenance contact available to LESSEE by phone during regular business hours.

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 [INSERT PHONE NUMBER] (Public Works Facilities after hours “on call” staff).

ARTICLE 7 - PREMISES IMPROVEMENTS

[Intentionally Omitted].

ARTICLE 8 - NOTICE OF COMPLETION

If applicable, LESSOR will ensure that a properly prepared Notice of Completion is filed with the County Clerk-Recorder’s Office on all construction and remodeling work performed as a result of this Lease. The Notice of Completion form is to be filed within ten (10) working days after the LESSOR and the LESSEE have concurred that the construction is complete. LESSOR shall forward a copy of the recorded Notice of Completion to LESSEE within five (5) days of recordation.

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 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.

LESSOR shall be under no obligation to do any work on or about the Premises for the benefit of LESSEE. All work required by LESSEE whether to the Premises or the Common Area of its required use shall be at its own cost and expense. If applicable, LESSEE 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. Notwithstanding the forgoing, LESSOR and LESSEE expressly acknowledge that LESSOR shall be under no obligations to do any construction or other improvement work to the Premises on behalf of or for the benefit of LESSEE.

ARTICLE 10 - TIME LIMIT AND PRIOR TENANCY

LESSOR occupies the Premises on an interim basis and will not schedule use during LESSEE'S use. There are no other tenants or occupants of the Premises. The Common Area will continue to be used by LESSOR'S patients, staff and invitees.

ARTICLE 11 - USE

11.1 **Use:** LESSEE shall use the Premises for medical office 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, other than LESSEE'S compliance with such law related to its specific use. Said absolution excludes LESSEE use of its own equipment used to meet LESSEE'S operational needs.

11.3 **Hazardous Substances:** LESSEE agrees to provide or use labeled receptacles for disposal of medical waste. Except for such obligation, 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 its 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, other than medical waste, incidental office uses of substances in compliance with applicable law, 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 (collectively, "**Environmental Hazards**"). 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). LESSEE shall have the right at any time to survey and test at its expense, and, if necessary, request abate, at LESSOR'S expense, 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 C 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, its agents, employees, invitees or guests.

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 the County Auditor-Controller's receipt of a County approved 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 in respect of maintenance of the Premises.

ARTICLE 12 - SIGNS AND FIXTURES

12.1 Building Signage: LESSEE may place such signs and advertisements upon the Premises as LESSEE may desire, subject to compliance with applicable law and administrative requirements 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. LESSEE shall not install trade fixtures, equipment, furniture, demountable walls, and other movable personal property at the Premises unless approved in advance by LESSOR and at the sole expense of LESSEE, which installations 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. If LESSOR does not 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 invoice LESSOR for such costs, 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 agree 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. Notwithstanding the foregoing, LESSOR in no event shall be responsible for utility interruption not within its control, including, without limitation, interrupted service due to actions taken by applicable utilities per fire risk public safety power shutoff programs.

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 agree 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. Nothing contained herein shall prevent LESSOR from carrying out improvements or making repairs and maintenance on its own behalf and such repairs and maintenance for its own benefit and such shall not be deemed completed on behalf of LESSEE.

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 or its agents or invitees.

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.

When necessary or upon LESSEE’S notice, 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.

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)

If any 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. Advance written notice, with rescheduling of LESSEE’S use and patient appointments.
- b. Isolating or disconnecting heating ventilation and air-conditioning (HVAC) systems.

- c. Performing work on the weekends and/or outside normal business hours.
- d. Installing appropriate plastic containment systems for egress and egress to and from the building construction, remodel, renovation, maintenance or repair area.
- e. Using a HEPA vacuum to clean up dust and debris from the Premises after work is done.
- f. 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

[Intentionally Omitted.]

ARTICLE 17 - 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 18 - ENTRY BY LESSOR AND LESSEE

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.

LESSEE acknowledges that LESSOR will be occupying the Building and no Premises areas, including Common Area, during the Lease Periods. LESSEE will not, and will instruct its staff and patients to limit use to LESSEE'S Premises and, as necessary, the Common Area during the Lease Periods. Regardless, LESSEE'S use shall also be done in accordance with ARTICLE 20 of this Lease. In effecting any entry into the Building while LESSOR is also present, LESSEE 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 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/\$2,000,000 aggregate for injury or death to one or more persons 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 AND LESSOR SERVICES/PATIENTS

LESSOR and LESSEE each recognize and understand that the other's services, identity of patients, and records relate to a confidential relationship between the such party and its patients, and each agrees that, in its interaction with the other, its patients 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, LESSEE and each of their 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 and remainder of the Building.

ARTICLE 21 - DESTRUCTION

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

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 "the rentable area of the Premises" of the Premises as designated in Exhibit A1 and as defined in Article 1, Section 1.1 Description. The term "the rentable area of the Premises" shall be 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, if curable, or to 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 (if any), shall be reimbursed by LESSEE to LESSOR, as additional rent, within thirty (30) days of the County Auditor-Controller's receipt of LESSOR'S County approved invoice for said costs which shall be accompanied by County approved invoices 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 prospective default within the time periods outlined above, 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, 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 (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 LESSEE'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 any part of the rentable 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.

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 of this Lease 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

Subject to LESSOR'S contemporaneous use of the Building, except for LESSEE'S Premises during schedule periods, 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 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 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 one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Lease. Executed copies of this Lease delivered electronically, by email in PDF or by digital signature shall be deemed the same as originals.

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 the preamble and recitals above are hereby incorporated into this Lease.

30.14 **Compliance with Laws.** The Parties shall at all times comply with all applicable federal, state and local laws, rules and regulations. The Parties specifically represent and warrant that they intend that the use of the Premises and Equipment will be in compliance with the federal "Stark" law, 42 U.S.C. § 1395nn, the federal anti-kickback law, 42 U.S.C. § 1320a-7b and any applicable state anti-kickback and self-referral laws, each as amended from time to time. The Parties acknowledge that, although LESSOR is obligated to provide services and LESSEE is obligated to make certain payments to LESSOR, as specified in this Lease, there is no obligation of LESSOR or of LESSEE to refer patients to the other Party, nor any intent to influence the judgment of the other Party regarding where services should be provided to or received by patients.

ARTICLE 31 - MAJOR APPLIANCES

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

ARTICLE 32 – PROPERTY TAX EXEMPTION

[Intentionally Omitted]

ARTICLE 33 - PUBLIC TRANSPORTATION

LESSOR will cooperate with LESSEE as necessary to make public transportation (bus service) available to the site in which the Premises are a part of.

ARTICLE 34 – ALTERNATE ENERGY

[Intentionally Omitted]

ARTICLE 35 – CUSTODIAL SERVICE SPECIFICATIONS

Custodial Service Specifications for the Premises shall be furnished and the cost borne as outlined in **EXHIBIT G – CUSTODIAL SERVICE SPECIFICATIONS** attached and incorporated by this reference. If LESSOR fails to furnish, in a satisfactory manner, any of the service specifications for 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 perform such services and invoice LESSOR the costs thereof. 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 agree 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 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 this Lease 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. The LESSOR and LESSEE specifically waive this presumption and agree as set forth below. 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 Civil Code Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Civil Code 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 Civil Code Section 1938 (b) within seven (7) days of the date of the execution of this 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 Civil Code Section 55.53, the parties understand and agree that the following provision shall apply to this 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, if requested by the LESSEE. 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 shall be made by LESSEE. The cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises shall be agreed by the LESSOR and LESSEE and if they cannot agree, the Lease may be terminated.

[Signature page to follow]

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 on behalf of Natividad Medical Center

By: _____
Name: Chad Harris, M.D.

Title: Interim Chief Executive Officer

Date: _____

APPROVED AS TO FORM: Office of the County Counsel-

By:  _____
Name: Stacy Saetta

Title: Deputy County Counsel

Date: 6/17/2021

APPROVED AS TO FISCAL PROVISIONS:
County Auditor/Controller

By: _____
Name:

Title: [Assistant] Auditor Controller

Date: _____

APPROVED AS TO LIABILITY PROVISIONS:

County Counsel-Risk Management

By: _____
Name:

Title: Chief Assistant/Risk Manager

Date: _____

LESSOR:
Southern Monterey County Memorial Hospital, dba George L. Mee Memorial Healthcare System, a California nonprofit public benefit corporation

By: _____

Name: Rena Salamacha

Title: Chief Executive Officer

Date: _____

EXHIBIT A-1

DESCRIPTION OF THE PREMISES

Total Building sq. ft = 13,057

Rooms designated for LESSEE:

OB 21, 22, and 23 – Provider Room and Back Office:

Provider Room	97.5 sq. ft.
Exam Room 21	88 sq. ft
Exam Room 22	88 sq. ft
Exam Room 23	88 sq. ft
Back Office	<u>176 sq. ft.</u>
	537.5 sq. ft.

EXHIBIT A-2

LEASE PERIODS

LESSEE shall initially lease the Premises one day per week, as follows (the “**Lease Periods**”):

- Monday _ a.m. through _ p.m.
- Tuesday _ a.m. through _ p.m.
- Wednesday _ a.m. through _ p.m.
- Thursday _ a.m. through _ p.m.
- Friday 9 a.m. through 5 p.m.

The Lease Periods for any month of the Term may be modified by agreement between the Parties at least ten (10) days before the start of such month. In the event of any such modification, the Monthly Fee shall likewise be adjusted to reflect the total amount of rent owed for LESSEE’s occupancy of the Premises during the Lease Periods.

For example, in the event that LESSEE occupies the Premises one half day per week (10% of the month), the Monthly Fee will be calculated as follows: $10\% \times (537.5 \text{ sq. ft.} \times \$2.65) = \$142.44$ per month. In the event that LESSEE increases occupancy of the Premises to one full day per week (20% of the month), the Monthly Fee would be calculated as follows: $20\% \times (537.5 \text{ sq. ft.} \times \$2.65) = \$284.88$ per month.

EXHIBIT A-3

DESCRIPTION OF EQUIPMENT

1. One Ultrasound Machine, including all equipment required to operate the Machine.
2. One Colposcopy Machine, including all equipment required to operate the Machine.

EXHIBIT B

STATEMENT OF SEISMIC ADEQUACY

(Article 1, Section 1.6)

Construction/renovation of the Building containing the Premises occurred on _____ (date).
Construction/renovation plans have been determined to be in compliance with all building codes
applicable to seismic safety.

I declare under penalty of perjury of the laws of the State of California that the foregoing Statement
of Seismic Adequacy is true and correct.

Executed this ____ day of _____, 20__ at _____, California, County of
Monterey.

LESSOR'S Licensed Structural Engineer:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT B-1

EVIDENCE OF CONSTRUCTION
(Article 1, Section 1.6)

EXHIBIT C

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.

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 during the Lease Periods:

	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 per schedule attached as Exhibit G, "Custodial Services Specifications"		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 as indicated in Exhibit G		X	
Professionally clean existing drapes, blinds, and window shades as indicated in Exhibit F		X	
Professionally clean interior windows as indicated in Exhibit G		X	
Professionally clean exterior windows as indicated in Exhibit G		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, computer 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	
Solar Photo Voltaic System		R	
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. LESSEE shall be responsible for advising LESSOR and reimbursing all cost if work is required to be completed per ARTICLE 9 of this Lease.**

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

R – Expenses reimbursable by LESSEE pursuant to Article 34

EXHIBIT F

[Intentionally Omitted]

EXHIBIT G

CUSTODIAL SERVICE SPECIFICATIONS

DAILY SERVICE (Monday through Saturday)

1. Remove Trash
2. High Dust/Low Dust
3. Damp Wipe/Disinfect
4. Clean Exam Rooms/Restrooms/Lobby
5. Clean Offices/cubicles
6. Wash sinks
7. Dry Mop or Vacuum
8. Wet Mop
9. Clean Glass Windows
- 10 Restock supplies where needed
11. Empty Red Garbage

*** LESSOR and LESSEE agree that it may be necessary to modify the foregoing Custodial Service Specifications to better meet facility needs. Such modification shall be with mutual written consent. LESSOR and LESSEE acknowledge that additional costs may apply.**

EXHIBIT H

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 [INSERT ADDRESS].

“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.