

COUNTY OF MONTEREY

STANDARD LEASE AGREEMENT



LEASED PREMISES:	559 E. Alisal Street, Suites 106, 107, 108 and 200, Salinas, California 93905
DEPARTMENT:	<u>County of Monterey Health Department</u>
LESSOR:	San Jose Ave Apartments LLC, c/o Khosrow Haghshenas 200 Lee Road, Watsonville, CA 95076

COUNTY OF MONTEREY STANDARD LEASE AGREEMENT

PREAMBLE

THIS LEASE ("Lease") is made by and between **San Jose Ave Apartments LLC**, ("LESSOR") and the **COUNTY OF MONTEREY**, a political subdivision of the State of California ("LESSEE") (sometimes collectively referred to as "the parties"), for the Department of Health as of the last date opposite the respective signatures below, and effective as of the "Lease Commencement Date" as defined in ARTICLE 2, Section 2.1 "Lease Term", below. Following this series of amendments, Lease Agreement No. A-12690, originally dated April 29, 2015, subsequently amended on June 09, 2020, further amended on October 22, 2021, again amended on June 8th, 2023, and most recently amended on February 10, 2024, is hereby replaced by this LEASE and shall terminate on the effective date of this LEASE.

Whereas, the parties understand and agree that the following Lease Exhibits are attached and incorporated by this reference:

- EXHIBIT A1 DESCRIPTION OF PREMISES
- EXHIBIT A2 PARKING PLAN
- EXHIBIT B STATEMENT OF SEISMIC ADEQUACY
- EXHIBIT B-1 EVIDENCE OF CONSTRUCTION
- EXHIBIT C AMORTIZED PREMISE IMPROVEMENT COSTS
- EXHIBIT C-1 PREMISE IMPROVEMENT
- EXHIBIT C-2 PREMISE IMPROVEMENT PLANS AND SPECIFICATIONS
- EXHIBIT C-3 PREMISE IMPROVEMENT COSTS
- EXHIBIT C-4 CONSTRUCTION SCHEDULE
- EXHIBIT C-5 REMEDIATION CONTRACTOR SPECIFICATIONS
- EXHIBIT C-6 COUNTY OF MONTEREY INFORMATION TECHNOLOGY CABLING STANDARDS
- EXHIBIT D SUMMARY OF SERVICES AND UTILITIES
- EXHIBIT E SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES
- EXHIBIT F SERVICE CONTACT LIST
- EXHIBIT G CUSTODIAL SERVICE SPECIFICATIONS
- EXHIBIT H CALIFORNIA PROPOSITION 65 WARNING

LESSOR and LESSEE hereby agree as follows:

ARTICLE 1 - PREMISES

1.1 **Description:** LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, that certain real property and its appurtenances, situated at **559 East Alisal Street, Suites 106, 107, 108 and 200, Salinas, California 93905** (the "Building") and described as follows: Clinic and medical offices consisting of approximately 12,986 square feet of space (797 rentable square feet in Suite 106, 320 rentable square feet in 107, 905 rentable square feet in Suite 108, and 10,964 rentable square in Suite 200), as designated in **EXHIBIT A1- DESCRIPTION OF PREMISES - Current Basic Floor Plan**, attached and incorporated by this reference (hereinafter, "the Premises"). The term "rentable square feet" shall mean the "Rentable Area" of the Premises as calculated pursuant to the Building Owners and Managers Association International's Office Buildings: Standard Methods of Measurement (ANSI/BOMA Z65.1, 2010). The Premises constitutes one hundred percent (100%) of the total rentable space of the building.

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

1.3 Parking Areas: Parking facilities include both a parking garage and exterior parking. LESSEE shall have the exclusive right to use the parking garage except for three (3) parking spaces for LESSOR'S use on a "first come-first serve" basis. LESSEE shall have the non-exclusive right to use all other available parking on-site. Exclusive and nonexclusive parking areas to be further designated in **EXHIBIT A2 – PARKING PLAN**, which is attached and incorporated herein. LESSOR shall be responsible for security and proper ingress and egress of parking garage. At its sole cost and expense, LESSOR shall install and maintain such security systems and take all reasonable measures as are necessary to assure controlled access. Such systems or measures shall include, but not limited to the installation and maintenance of gates and/or other access control devices. The security system and controlled access to parking garage shall be subject to written approval of LESSEE. Such approval of security plans and controlled access to parking garage by LESSEE shall not be unreasonably withheld.

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

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

1.6 Statement of Seismic Adequacy: Prior to the Lease 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 for the Premises by a 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, prior to occupancy shall render this Lease null and void.

ARTICLE 2 - TERM

2.1 Lease Term: The term of this Lease (the "Lease Term") shall be ten (10) years, commencing on December 1st, 2025 or upon issuance of a certificate of occupancy from the City of Salinas and LESSEE'S final walk through and approval of all Premise Improvements, whichever is later, ("Lease Commencement

Date"), and ending November 30, 2035 or Ten (10) years from Lease Commencement Date, whichever is later (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 Premise Improvements are not certified as complete within one-hundred twenty (120) days from the agreed-upon schedule for construction of Premise Improvements, County may terminate this agreement. Within thirty (30) days of the occurrence of the Lease Commencement Date, LESSEE and LESSOR shall execute a side letter agreement confirming the actual Lease Commencement Date and Stated Expiration Date for this Lease.

2.2 Extended Term: Upon completion of the initial Lease Term, the LESSEE may renew the Lease for two (2) additional **Three (3) year terms** ("First Extended Term"), and upon the expiration of the First Extended Term, the LESSEE may renew the Lease for a second additional **Three (3) year term** ("Second Extended Term"), in each case by giving LESSOR advance written notice of its intent to renew one hundred fifty (150) days prior to expiration of the initial Lease Term or First Extended Term, as applicable.

2.3 Monthly Rent Limit: LESSOR and LESSEE agree that the monthly rent of any extended term shall be no more than Ninety Five percent (95%) of the then current market "Gross Lease" rents for *similar office space* in the Salinas, California area. As it pertains to this Lease, "Gross Lease" shall mean that the LESSOR will be responsible to pay for the general maintenance and repair, elevator maintenance and repair, property taxes and assessments, insurances (Real Property and lessor's risk liability), utilities and Common Area expenses out of the monthly rent paid by the LESSEE for the Premises and LESSEE shall not pay any additional rent therefor. In the event that LESSOR and LESSEE are unable to agree upon the then current market Gross Lease rents for the Premises within thirty (30) days of LESSEE'S delivery of its intent to renew this Lease as described in ARTICLE 2.2, LESSOR and LESSEE shall submit the determination of the then current market Gross Lease rent to arbitration.

ARTICLE 3 - RENT

In consideration of the continuing right of use, quiet enjoyment and possession of the Premises, LESSEE shall pay to LESSOR as monthly rent for the Premises the initial sum of Thirty-four thousand one hundred sixty and 57/100 (\$34,160.57) as it may be adjusted as provided in this Lease, "Monthly Rent", payable on or before the first day of each month. Subject to the immediately following paragraph, LESSEE shall commence rental payments upon the Lease Commencement Date. If the Lease 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 or at such other address as LESSOR may from time to time designate in writing. Monthly Rent is inclusive of, among other things, 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. *Initial rent is computed as follow: Base rent of \$2.25 per square foot per month for clinic and medical offices, plus a cost not to exceed \$0.38 per square foot for amortized Premise Improvement Allowance payment.*

It is hereby agreed that the Monthly Rent stated above is subject to adjustment, as provided in this Lease, and that the cost of any Premise Improvements requested by LESSEE pursuant to ARTICLE 7.2 below, will be paid in accordance with **EXHIBIT C – PREMISE IMPROVEMENT COSTS** that will be attached to this Lease Agreement upon completion of such LESSEE requested Premise Improvements and incorporated by this reference.

ARTICLE 4 – ANNUAL RENT ADJUSTMENT

At the end of each Year during the initial Lease Term or any Extended Term, the Monthly Rent (excluding any amortized Premise Improvement payments pursuant to ARTICLE 7.2) shall be increased by the fixed amount of **two and one half (2.5%)** (so that, for example, the Monthly Rent payable during the second Lease

Year shall be equal to **102.5%** of the Monthly Rent payable during the first Lease Year). A "Lease Year" shall mean each consecutive twelve-month (12-month) period during the initial Lease Term or Extended Term, as applicable; provided, however, that (a) the first Lease Year commences on the Lease Commencement Date as provided in ARTICLE 2, Section 2.1 above, or the first day of the Extended Term as provided in ARTICLE 2, Section 2.2 above, as applicable, and ends on the last day of the twelfth calendar month thereafter; (b) the second and each succeeding Lease Year commences on the first day of the next calendar month; and (c) the last Lease Year ends on the Stated Expiration Date as provided in Section 2.1 above, or the last day of the Extended Term as provided in Section 2.2 above, as applicable, or earlier date of termination.

Annual Rent Schedule

[To be added upon occupancy ("Lease Commencement Date")]

ARTICLE 5 - TERMINATION BY COUNTY

Notwithstanding any other provisions of this Lease, LESSEE, at its sole option, may terminate this Lease upon one hundred and eighty (180) days written notice, solely on the condition that funds have not been budgeted for leasing of the property described herein. Such termination shall be without penalty to LESSEE except as identified below. Such right of termination shall not be construed so as to permit LESSEE to terminate this Lease in order to lease other premises for a similar purpose within the City of Salinas. LESSEE represents that its intent is not to exercise its rights under this ARTICLE unless financial conditions prevent the Monterey County Board of Supervisors from budgeting funds for this Lease.

Notwithstanding the aforementioned, in the event LESSEE terminates this Lease pursuant to this section, LESSEE shall pay within sixty (60) days all unpaid Premise Improvement Allowance.

ARTICLE 6 - NOTICES

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

To
LESSOR: San Jose Apartments Ave. LLC.

To
LESSEE: County of Monterey

c/o Khosrow Hagshenas
200 Lee Road,
Watsonville, California 95076
Phone: 831-724-6630
E-Mail: pvchevron200@att.net

Public Works, Facilities and Parks

c/o Real Property Specialist

1441 Schilling Place, South Bldg., 2nd Floor
Salinas, California 93901

Phone: 831-755-4859

Fax 831-755-4688

Email: salcidog@countyofmonterey.gov

And:

County of Monterey
Health Department
Facilities Manager
1270 Natividad Rd.
Salinas, California 93906
Phone: 831-755-4513
leventonc@countyofmonterey.gov

Rent payments to LESSOR shall be made to (need not be sent certified) **San Jose Ave Apartments Ave. LLC.**, at the address listed above.

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

LESSOR or LESSOR'S designated property management company shall be available to LESSEE by phone during regular business hours, and for emergencies after hours and weekends. If applicable, LESSOR or LESSOR'S designated property management company shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in the event of an emergency. **Emergency answering service phone number for LESSOR is 831-970-7570.**

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 the event of an emergency. **Emergency answering service phone number for LESSEE is 831-212-0378.**

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

ARTICLE 7 - PREMISE IMPROVEMENTS

7.1 Premise Improvements: If requested by LESSEE at any time during the Lease Term or any Extended Term, LESSOR shall construct improvements to and make installations in the Premises (collectively "Premise Improvements") in accordance with plans and specifications to be approved by LESSEE and LESSOR ("Plans and Specifications"), and in accordance with those provisions which describe construction, set forth in **EXHIBIT C-1 - PREMISE IMPROVEMENT, EXHIBIT C-2 - PREMISE IMPROVEMENT PLANS AND SPECIFICATIONS, EXHIBIT C-3 - PREMISE IMPROVEMENT COSTS, EXHIBIT C-4 - CONSTRUCTION SCHEDULE, EXHIBIT C-5 - REMEDIATION CONTRACTOR SPECIFICATIONS AND EXHIBIT C-6 - COUNTY OF MONTEREY INFORMATION TECHNOLOGY CABLING STANDARDS** attached and incorporated by this reference.

7.2 Cost of Premise Improvements: If requested by LESSEE at any time during the Lease Term or any Extended Term, LESSOR shall provide, as an allowance to LESSEE for Premise Improvements to be constructed by LESSOR, an amount up to, but which shall not exceed, **Five hundred ninety-eight thousand two hundred twenty-five and 00/100 dollars, (\$598,225.00)** ("Premise Improvement Allowance"). The Premise Improvement Allowance is calculated as follows: Amortized Premise Improvement Costs of \$455,380; Contingency costs of \$142,845.

Subject to the State constitutional debt limitation provisions, LESSEE shall have the option to reimburse LESSOR for the Premise Improvement Allowance within sixty (60) days of receipt from LESSOR, or request that LESSOR amortize the Premise Improvement Allowance at a rate of five and half percent (5.5%) over ten (10) year term. Said amortized amount shall be paid monthly, concurrently with the Monthly Rent hereunder, as compensation to LESSOR for the Premise Improvement Allowance and be paid in accordance with an amortized Premise Improvement cost schedule to be attached to this Lease as **EXHIBIT C-AMORTIZED PREMISE IMPROVEMENT COSTS**. Once the Premise Improvement Allowance has been completely amortized over the Lease Term or any Extended Term as indicated in **EXHIBIT C**, LESSEE'S obligation to pay such additional Allowance shall terminate.

Additionally, LESSEE shall have the option to reimburse LESSOR with a one-time lump sum payment for contingency costs. Subject to the State and constitutional debt limitations provisions, LESSEE shall reimburse LESSOR for the contingency costs within sixty (60) days upon Premise Improvement completion, subject to approval of the Health Department Facilities Manager. Contingency funds shall be used only upon the mutual written agreement of the LESSOR and LESSEE and shall be applied to address unforeseen conditions or circumstances arising from improvements to the Premises.

No furniture or equipment items/cost shall be included in the Premise Improvement Allowance. LESSOR and LESSEE shall agree upon all Premise Improvement costs (presented in itemized format) and the construction schedule for the Premise Improvements (presented in an itemized and sequential format) prior to commencement of construction of the Premise Improvements. Premise Improvement costs shall include costs associated with architectural, engineering, building permits and fees, inspections and signage.

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 Plans and Specifications, and that all of LESSOR'S work to be performed under the Plans and Specifications shall be of good and workmanlike quality, free from faults and defects, and in accordance with the final requirements of **EXHIBIT C-1 - PREMISE IMPROVEMENT PLANS AND SPECIFICATIONS**. 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, promptly, unconditionally and at LESSOR'S sole cost and expense, 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.

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 exists: (1) the lease agreement between the lessor and the state or political subdivision, as lessee, was entered into prior to the construction contract. (2) The construction work is performed according to plans, specifications, or criteria furnished by the state or political subdivision, and the lease agreement between the lessor and the state or political subdivision, as lessee, is entered into during, or upon completion of, the construction work.

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

ARTICLE 10 - TIME LIMIT AND PRIOR TENANCY

It shall be LESSOR'S responsibility to remove any prior LESSEE in the Premises at LESSOR'S sole cost and expense.

ARTICLE 11 - USE

11.1 **Use:** LESSEE shall use the Premises for **clinic and medical office** purposes and for no other purpose without first having obtained LESSOR'S advanced written consent.

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

11.3 **Hazardous Substances:** LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances in existence on the Premises or which result from LESSOR'S acts or omissions or which occur on any portion of LESSOR'S property not occupied by LESSEE, in each case unless, and only to the extent, caused by LESSEE. LESSOR will comply with all applicable laws concerning the handling and removal of any hazardous materials, including asbestos or polychlorinated biphenyl (PCB) containing materials. LESSOR warrants, to the best of LESSOR'S actual knowledge, that at the time of execution of this Lease, there are no known areas on LESSOR'S property where hazardous or toxic materials or substances (including asbestos or PCBs) have been used, stored, or deposited. Nothing in this Lease shall be taken as LESSEE'S assumption of any duty or liability not otherwise imposed by law.

11.4 **Environmental Hazards – Remediation Contractor Specifications:** LESSOR hereby warrants and guarantees that the Premises and Common Areas will be maintained free of all Environmental Hazards (including hazards related to asbestos, leads, toxic mold spores or PCBs) and agrees to survey, test, and abate as applicable and in accordance with Environmental Protection Agency ("EPA") guidelines. A qualified industrial hygienist approved by LESSOR and LESSEE shall perform all testing and development of an abatement work plan as deemed necessary, with the test results/reports/plans forwarded to LESSOR and LESSEE upon completion. LESSOR further agrees to contract with a qualified remediation contractor to provide remediation services as specified in **EXHIBIT C-5** –

REMEDATION 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

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

ARTICLE 13 - SERVICES AND UTILITIES

Services and utilities for the Premises shall be furnished and the cost borne as outlined in **EXHIBIT D – SUMMARY OF SERVICES AND UTILITIES** attached and incorporated by this reference. In the event of failure by LESSOR to furnish, in a satisfactory manner, any of the services and utilities to the Premises for which LESSOR is responsible or to the Common Areas, LESSEE may furnish the same if LESSOR has not undertaken to correct such failure within fifteen (15) days after written notice, and, in addition to any other remedy LESSEE may have, LESSEE may deduct the amount thereof, including LESSEE'S service costs, from rent or other remuneration due LESSOR hereunder. As stated in **EXHIBIT D**, the term "adequate" shall mean sufficient enough to ensure the health, safety and general well-being of the occupants or invitees of the Premises; the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that appropriate action needs to be taken to ensure the health, safety and general well-being of the occupants and or invitees of the Premises.

ARTICLE 14 - REPAIR AND MAINTENANCE

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

14.2 **Negligent Acts or Omissions of LESSEE:** Notwithstanding the foregoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance as a direct result of the negligence or willful misconduct of LESSEE, its agents, employees, invitees or guests. Negligent acts or omissions shall include, but not be limited to, acts of vandalism, lack of cleanliness, and any other negligent act or omission that may be reasonably interpreted and agreed upon by mutual agreement between LESSOR and LESSEE.

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

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

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

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

In the event of any building construction, remodel, renovation, maintenance or repair to the Premises or other areas to the building which the Premises is a part of, LESSOR, to the best of LESSOR’S ability, shall exercise precautionary and protective measures to ensure the health, safety and

general wellbeing of the occupants and or invitees of the Premises. Examples of precautionary and protective measures may include, but may not be limited to:

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

No activities shall be taken (or failed to be taken) that would violate any Federal or Cal Occupational Safety and Health Administration (OSHA) standards.

ARTICLE 15 - SERVICE COMPANIES

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

ARTICLE 16 - ALTERATIONS, MECHANICS' LIENS

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

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

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

ARTICLE 17 - ASSIGNMENT AND SUBLETTING

LESSEE 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. Subletting shall be subject to use or uses stated in **Article 11**.

ARTICLE 18 - ENTRY BY LESSOR

LESSEE shall permit LESSOR and LESSOR'S agents to enter the Premises, with reasonable advance notice (except in the case of emergency that threatens the integrity of the building), provided such entry is made in a reasonable manner and does not unreasonably interfere with the conduct of LESSEE'S business. Such entry shall also be done in accordance with ARTICLE 30.7 of this Lease. In effecting any entry into the Premises,

LESSOR and its agents shall exercise all possible care to preserve and maintain the confidentiality of any records and information, consistent with state and federal privacy laws relating to private and medical information, and including protection of the privacy of clients and patients.

ARTICLE 19 - INSURANCE AND INDEMNIFICATION

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

LESSEE shall maintain public liability and property damage coverage or program of self-insurance with liability limits of not less than \$2,000,000 for injury or death to one (1) or more persons and property damage limits of not less than \$100,000 per occurrence insuring against all liability of LESSEE and its authorized representatives arising out of and in connection with LESSEE'S use or occupancy of the Premises.

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

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

ARTICLE 20 – CONFIDENTIALITY OF LESSEE'S SERVICES/CLIENTS

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

ARTICLE 21 - DESTRUCTION

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

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

If such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, LESSOR shall forthwith give notice to LESSEE of the specific number of days required to repair the same. If LESSOR under such circumstances shall not give such notice within fifteen (15) calendar days after such destruction, or if such notice shall specify that such repairs will require more than ninety (90) days to complete from the date such notice is given, LESSEE, in either such event, at its option, may terminate this Lease.

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

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

If LESSEE remains in occupancy of the Premises though partially destroyed, the rent for said Premises as herein provided, during restoration, shall be reduced by the same ratio as the rentable square feet LESSEE is thus precluded from occupying, bears to the total rentable square feet in the Premises. For purposes of this ARTICLE 21, "rentable square feet" shall mean actual inside dimensions and shall not include public areas.

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 pursues such cure to completion, LESSOR'S obligation to provide written notice to LESSEE of a default by LESSEE is limited to those instances where knowledge of LESSEE'S default is within the actual knowledge of LESSOR, 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 Agreement (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 Agreement (if any), shall be reimbursed by LESSOR to LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs which shall be accompanied by invoice and receipts to document 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 more than ten percent (10%) of the floor space area of the Premises is taken or condemned for a public or quasi-public use, or the part taken renders the entire Premises insufficient for the conduct of LESSEE'S business and operations, then this Lease shall terminate at the option of LESSEE as of the date title shall vest in the condemner. If only part of the Premises is taken and the remainder of the Premises is sufficient for the conduct of LESSEE'S business and operations, then LESSOR shall restore the Premises to a single architectural unit and the Lease shall continue as to the part not taken, but the monthly rent shall be reduced in proportion that the rentable area of the Premises taken bears to the rentable area of the Premises before the taking.

ARTICLE 25 - HOLDING OVER

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

ARTICLE 26 - WAIVER

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

term, covenant or condition, nor shall either party be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

ARTICLE 27 - QUIET POSSESSION

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

ARTICLE 28 - SUBORDINATION

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

ARTICLE 29 - ESTOPPEL CERTIFICATE

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

ARTICLE 30 - MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 31 - MAJOR APPLIANCES

Installation of major appliances such as vending machines, refrigerators, stoves, etc., must be approved by LESSOR prior to installation. The LESSOR will grant installation approval for new appliances only. Such approval shall not be unreasonably withheld. No Vending machines shall be placed around the exterior of the building, without the mutual written consent of the parties.

ARTICLE 32 – PROPERTY TAX EXEMPTION

LESSOR, at no cost to the 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 tax exemption of the Premises 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, in accordance with directions from the Monterey County Assessor's Office.

ARTICLE 33 - PUBLIC TRANSPORTATION

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

ARTICLE 34 – ALTERNATE ENERGY

LESSOR and LESSEE agree to work together to explore options to install solar and/or other alternate energy options and enhancements to the Premises. In the event any alternate energy enhancement creates a tax deduction, PG&E rebate or any other form of monetary credit to LESSOR, LESSOR further agrees to pass to LESSEE said monetary credit to defray LESSEE'S operational cost for the Premises as identified in **EXHIBIT D - SUMMARY OF SERVICES AND UTILITIES** and **EXHIBIT E - SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES** of this Lease. In the event that LESSOR shall install any eco-friendly upgrade, including but not limited to, programs financed by PG&E or other third parties, any credit paid to such third parties pursuant to a financing arrangement shall not be classified as a monetary credit.

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. In the event of failure by LESSOR 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 have, LESSEE may deduct the amount thereof, including LESSEE'S service costs, from rent or other remuneration due LESSOR hereunder. In the event of failure by LESSEE to furnish, in a satisfactory manner, any of the service specifications for the Premises for which LESSEE is responsible, LESSOR may furnish the same if LESSEE has not undertaken to correct such failure within fifteen (15) days after written notice, and, in addition to any other remedy LESSOR may have, LESSEE shall reimburse LESSOR within thirty (30) days of the date an approved invoice, approved by the Health Department – Facilities Manager, is submitted to the Auditor-Controller's Office, including LESSOR'S service costs or other remuneration due LESSOR hereunder. The term "adequate" shall mean sufficient enough to ensure the health, safety and general well-being of the occupants or invitees of the Premises; the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that appropriate action needs to be taken to ensure the health, safety and general well-being of the occupants and or invitees of the Premises.

ARTICLE 36 - PROPOSITION 65 WARNING

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

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

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

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

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

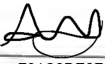
Pursuant to California Civil Code Section 1938 (d), if the Premises have been issued an inspection report by a CASp, as described in paragraph (1) of subdivision (a) of Section 55.53, indicating that it meets applicable standards, as defined in paragraph (4) of subdivision (a) of Section 55.52, LESSOR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

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

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

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

LESSEE: (County of Monterey)

DocuSigned by:
By:  JAIME AYALA
F81C2DE2F34A415...

Title: Acting Deputy Contracts & Procurement Officer

Date: 11/21/2025 | 11:33 AM PST

**APPROVED AS TO FORM & LEGALITY:
(Office of the County Counsel)**

Signed by:
By:  Mary Grace Perry
0B3242707AC6447D...

Title: Deputy County Counsel

Date: 10/7/2025 | 1:39 PM PDT

**APPROVED AS TO FISCAL PROVISIONS:
(County Auditor/Controller)**

DocuSigned by:
By:  Patricia Ruiz
F7105E9F71254F6...

Title: [Assistant] Auditor Controller
Auditor Controller Analyst I

Date: 10/8/2025 | 8:17 AM PDT

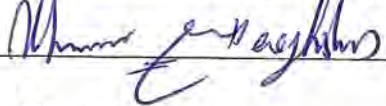
**APPROVED AS TO LIABILITY
PROVISIONS: (County Risk Management)¹**

DocuSigned by:
By:  David Bolton
3E7A6EF11DD8446...

Title: Risk Manager

Date: 10/7/2025 | 1:17 PM PDT

LESSOR: San Jose Ave Apartments LLC.

By: 

Name: Khosrow
Hagshenas

Title: GENERAL
PARTNER manager/owner

Date: 10/6/25

By: _____

Name: _____

Title: _____

Date: _____

¹¹ Approval by Risk Management is necessary only if changes are made to ARTICLES 19.

EXHIBIT A1

DESCRIPTION OF PREMISES Current Basic Floor Plan

Suite 200



Suite 106, 107, and 108

Current Basic Second Floor Plan

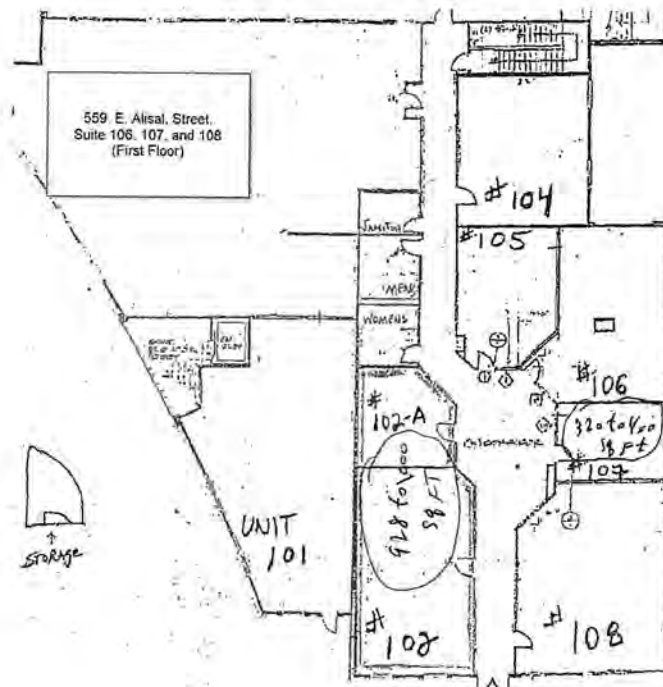
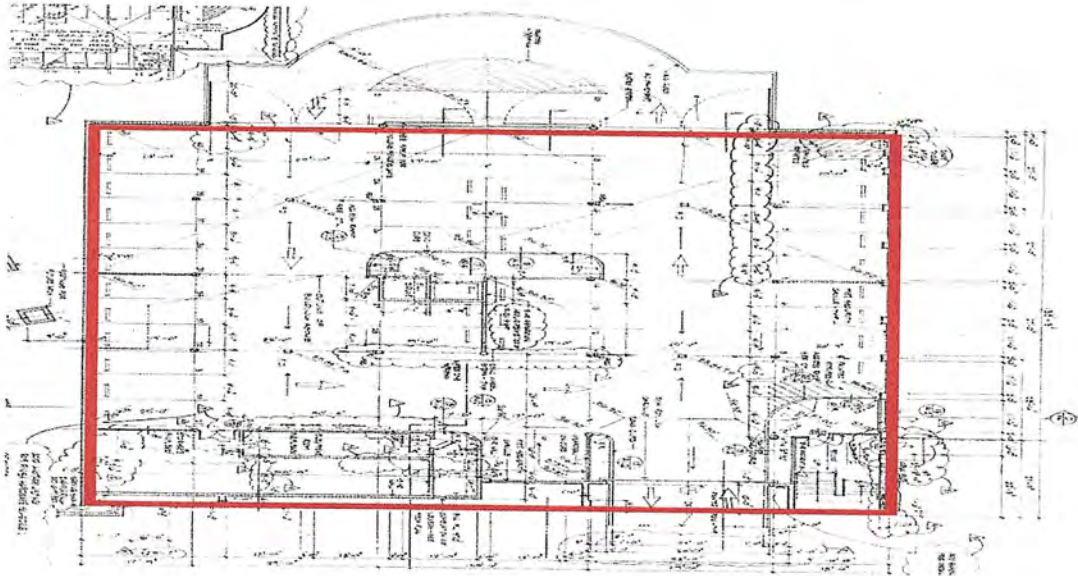


EXHIBIT A2

DESCRIPTION OF EXCLUSIVE AND NON-EXCLUSIVE PARKING AREAS

Exclusive Parking Area Located on Parking Garage



Non- Exclusive Parking Area Located outside of the building



EXHIBIT B

STATEMENT OF SEISMIC ADEQUACY

(Article I, Section 1.6)

If the Premises are contained in a building constructed before 1973, or one of which has undergone major structural renovation since 1973, the LESSOR shall obtain a Statement of Seismic Adequacy from its licensed structural engineer, which contains the following declaration:

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: _____

By: _____

Name: _____

Title: _____

Date: _____

LESSOR'S Licensed Structural Engineer:

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C

AMORTIZED PREMISE IMPROVEMENT COSTS

1 OF 2

Total Amortized Improvement Costs	\$ 455,380.00
-----------------------------------	---------------

Premise Improvement Payments

Soft Costs

EXHIBIT J

Enter Values	
Loan Amount	\$ 455,380.00
Annual Interest Rate	5.50 %
Loan Period in Years	10
Number of Payments Per Year	12
Start Date of Loan	10/1/2025
Optional Extra Payments	\$ -

Loan Summary	
Scheduled Payment	\$ 4,942.07
Scheduled Number of Payments	120
Actual Number of Payments	120
Total Early Payments	\$ -
Total Interest	\$ 137,668.36

Lessor Name: San Jose Apartments

Health Department - Clinic Services Bureau -
559 E. Alisal Street Salinas CA 93905

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	11/1/2025	\$ 455,380.00	\$ 4,942.07	\$ -	\$ 4,942.07	\$ 2,854.91	\$ 2,087.16	\$ 452,525.09	\$ 2,087.16
2	12/1/2025	452,525.09	4,942.07	-	4,942.07	2,868.00	2,074.07	449,657.09	4,161.23
3	1/1/2026	449,657.09	4,942.07	-	4,942.07	2,881.14	2,060.93	446,775.95	6,222.16
4	2/1/2026	446,775.95	4,942.07	-	4,942.07	2,894.35	2,047.72	443,881.60	8,269.88
5	3/1/2026	443,881.60	4,942.07	-	4,942.07	2,907.61	2,034.46	440,973.99	10,304.34
6	4/1/2026	440,973.99	4,942.07	-	4,942.07	2,920.94	2,021.13	438,053.05	12,325.47
7	5/1/2026	438,053.05	4,942.07	-	4,942.07	2,934.33	2,007.74	435,118.73	14,333.21
8	6/1/2026	435,118.73	4,942.07	-	4,942.07	2,947.78	1,994.29	432,170.95	16,327.51
9	7/1/2026	432,170.95	4,942.07	-	4,942.07	2,961.29	1,980.78	429,209.67	18,308.29
10	8/1/2026	429,209.67	4,942.07	-	4,942.07	2,974.86	1,967.21	426,234.81	20,275.50
11	9/1/2026	426,234.81	4,942.07	-	4,942.07	2,988.49	1,953.58	423,246.31	22,229.08
12	10/1/2026	423,246.31	4,942.07	-	4,942.07	3,002.19	1,939.88	420,244.12	24,168.96
13	11/1/2026	420,244.12	4,942.07	-	4,942.07	3,015.95	1,926.12	417,228.17	26,095.08
14	12/1/2026	417,228.17	4,942.07	-	4,942.07	3,029.77	1,912.30	414,198.40	28,007.37
15	1/1/2027	414,198.40	4,942.07	-	4,942.07	3,043.66	1,898.41	411,154.74	29,905.78
16	2/1/2027	411,154.74	4,942.07	-	4,942.07	3,057.61	1,884.46	408,097.13	31,790.24
17	3/1/2027	408,097.13	4,942.07	-	4,942.07	3,071.62	1,870.45	405,025.50	33,660.69
18	4/1/2027	405,025.50	4,942.07	-	4,942.07	3,085.70	1,856.37	401,939.80	35,517.05
19	5/1/2027	401,939.80	4,942.07	-	4,942.07	3,099.85	1,842.22	398,839.95	37,359.28
20	6/1/2027	398,839.95	4,942.07	-	4,942.07	3,114.05	1,828.02	395,725.90	39,187.29
21	7/1/2027	395,725.90	4,942.07	-	4,942.07	3,128.33	1,813.74	392,597.58	41,001.04
22	8/1/2027	392,597.58	4,942.07	-	4,942.07	3,142.66	1,799.41	389,454.91	42,800.44
23	9/1/2027	389,454.91	4,942.07	-	4,942.07	3,157.07	1,785.00	386,297.84	44,585.44
24	10/1/2027	386,297.84	4,942.07	-	4,942.07	3,171.54	1,770.53	383,126.31	46,355.98
25	11/1/2027	383,126.31	4,942.07	-	4,942.07	3,186.07	1,756.00	379,940.23	48,111.97
26	12/1/2027	379,940.23	4,942.07	-	4,942.07	3,200.68	1,741.39	376,739.55	49,853.37
27	1/1/2028	376,739.55	4,942.07	-	4,942.07	3,215.35	1,726.72	373,524.21	51,580.09
28	2/1/2028	373,524.21	4,942.07	-	4,942.07	3,230.08	1,711.99	370,294.12	53,292.07
29	3/1/2028	370,294.12	4,942.07	-	4,942.07	3,244.89	1,697.18	367,049.24	54,989.26
30	4/1/2028	367,049.24	4,942.07	-	4,942.07	3,259.76	1,682.31	363,789.47	56,671.56
31	5/1/2028	363,789.47	4,942.07	-	4,942.07	3,274.70	1,667.37	360,514.77	58,338.93
32	6/1/2028	360,514.77	4,942.07	-	4,942.07	3,289.71	1,652.36	357,225.06	59,991.29
33	7/1/2028	357,225.06	4,942.07	-	4,942.07	3,304.79	1,637.28	353,920.28	61,628.57
34	8/1/2028	353,920.28	4,942.07	-	4,942.07	3,319.94	1,622.13	350,600.34	63,250.71
35	9/1/2028	350,600.34	4,942.07	-	4,942.07	3,335.15	1,606.92	347,265.19	64,857.63
36	10/1/2028	347,265.19	4,942.07	-	4,942.07	3,350.44	1,591.63	343,914.75	66,449.26
37	11/1/2028	343,914.75	4,942.07	-	4,942.07	3,365.79	1,576.28	340,548.96	68,025.53
38	12/1/2028	340,548.96	4,942.07	-	4,942.07	3,381.22	1,560.85	337,167.74	69,586.38
39	1/1/2029	337,167.74	4,942.07	-	4,942.07	3,396.72	1,545.35	333,771.02	71,131.74
40	2/1/2029	333,771.02	4,942.07	-	4,942.07	3,412.29	1,529.78	330,358.73	72,661.52
41	3/1/2029	330,358.73	4,942.07	-	4,942.07	3,427.93	1,514.14	326,930.81	74,175.66
42	4/1/2029	326,930.81	4,942.07	-	4,942.07	3,443.64	1,498.43	323,487.17	75,674.10
43	5/1/2029	323,487.17	4,942.07	-	4,942.07	3,459.42	1,482.65	320,027.75	77,156.75
44	6/1/2029	320,027.75	4,942.07	-	4,942.07	3,475.28	1,466.79	316,552.48	78,623.54
45	7/1/2029	316,552.48	4,942.07	-	4,942.07	3,491.20	1,450.87	313,061.27	80,074.41
46	8/1/2029	313,061.27	4,942.07	-	4,942.07	3,507.21	1,434.86	309,554.07	81,509.27
47	9/1/2029	309,554.07	4,942.07	-	4,942.07	3,523.28	1,418.79	306,030.79	82,928.06
48	10/1/2029	306,030.79	4,942.07	-	4,942.07	3,539.43	1,402.64	302,491.36	84,330.70
49	11/1/2029	302,491.36	4,942.07	-	4,942.07	3,555.65	1,386.42	298,935.71	85,717.12
50	12/1/2029	298,935.71	4,942.07	-	4,942.07	3,571.95	1,370.12	295,363.76	87,087.24
51	1/1/2030	295,363.76	4,942.07	-	4,942.07	3,588.32	1,353.75	291,775.44	88,440.99
52	2/1/2030	291,775.44	4,942.07	-	4,942.07	3,604.77	1,337.30	288,170.67	89,778.30
53	3/1/2030	288,170.67	4,942.07	-	4,942.07	3,621.29	1,320.78	284,549.39	91,099.08

AMORTIZED PREMISE IMPROVEMENT COSTS

2 OF 2

54	4/1/2030	284,549.39	4,942.07	-	4,942.07	3,637.88	1,304.18	280,911.50	92,403.26
55	5/1/2030	280,911.50	4,942.07	-	4,942.07	3,654.56	1,287.51	277,256.94	93,690.77
56	6/1/2030	277,256.94	4,942.07	-	4,942.07	3,671.31	1,270.76	273,585.63	94,961.54
57	7/1/2030	273,585.63	4,942.07	-	4,942.07	3,688.14	1,253.93	269,897.50	96,215.47
58	8/1/2030	269,897.50	4,942.07	-	4,942.07	3,705.04	1,237.03	266,192.46	97,452.50
59	9/1/2030	266,192.46	4,942.07	-	4,942.07	3,722.02	1,220.05	262,470.44	98,672.55
60	10/1/2030	262,470.44	4,942.07	-	4,942.07	3,739.08	1,202.99	258,731.36	99,875.54
61	11/1/2030	258,731.36	4,942.07	-	4,942.07	3,756.22	1,185.85	254,975.14	101,061.39
62	12/1/2030	254,975.14	4,942.07	-	4,942.07	3,773.43	1,168.64	251,201.71	102,230.03
63	1/1/2031	251,201.71	4,942.07	-	4,942.07	3,790.73	1,151.34	247,410.98	103,381.37
64	2/1/2031	247,410.98	4,942.07	-	4,942.07	3,808.10	1,133.97	243,602.88	104,515.33
65	3/1/2031	243,602.88	4,942.07	-	4,942.07	3,825.56	1,116.51	239,777.32	105,631.85
66	4/1/2031	239,777.32	4,942.07	-	4,942.07	3,843.09	1,098.98	235,934.23	106,730.83
67	5/1/2031	235,934.23	4,942.07	-	4,942.07	3,860.70	1,081.37	232,073.53	107,812.19
68	6/1/2031	232,073.53	4,942.07	-	4,942.07	3,878.40	1,063.67	228,195.13	108,875.86
69	7/1/2031	228,195.13	4,942.07	-	4,942.07	3,896.18	1,045.89	224,298.95	109,921.76
70	8/1/2031	224,298.95	4,942.07	-	4,942.07	3,914.03	1,028.04	220,384.92	110,949.79
71	9/1/2031	220,384.92	4,942.07	-	4,942.07	3,931.97	1,010.10	216,452.95	111,959.89
72	10/1/2031	216,452.95	4,942.07	-	4,942.07	3,949.99	992.08	212,502.95	112,951.97
73	11/1/2031	212,502.95	4,942.07	-	4,942.07	3,968.10	973.97	208,534.85	113,925.94
74	12/1/2031	208,534.85	4,942.07	-	4,942.07	3,986.28	955.78	204,548.57	114,881.72
75	1/1/2032	204,548.57	4,942.07	-	4,942.07	4,004.56	937.51	200,544.01	115,819.24
76	2/1/2032	200,544.01	4,942.07	-	4,942.07	4,022.91	919.16	196,521.10	116,738.40
77	3/1/2032	196,521.10	4,942.07	-	4,942.07	4,041.35	900.72	192,479.76	117,639.12
78	4/1/2032	192,479.76	4,942.07	-	4,942.07	4,059.87	882.20	188,419.89	118,521.32
79	5/1/2032	188,419.89	4,942.07	-	4,942.07	4,078.48	863.59	184,341.41	119,384.91
80	6/1/2032	184,341.41	4,942.07	-	4,942.07	4,097.17	844.90	180,244.24	120,229.81
81	7/1/2032	180,244.24	4,942.07	-	4,942.07	4,115.95	826.12	176,128.29	121,055.93
82	8/1/2032	176,128.29	4,942.07	-	4,942.07	4,134.82	807.25	171,993.47	121,863.18
83	9/1/2032	171,993.47	4,942.07	-	4,942.07	4,153.77	788.30	167,839.70	122,651.49
84	10/1/2032	167,839.70	4,942.07	-	4,942.07	4,172.80	769.27	163,666.90	123,420.75
85	11/1/2032	163,666.90	4,942.07	-	4,942.07	4,191.93	750.14	159,474.97	124,170.89
86	12/1/2032	159,474.97	4,942.07	-	4,942.07	4,211.14	730.93	155,263.83	124,901.82
87	1/1/2033	155,263.83	4,942.07	-	4,942.07	4,230.44	711.63	151,033.38	125,613.44
88	2/1/2033	151,033.38	4,942.07	-	4,942.07	4,249.83	692.24	146,783.55	126,305.68
89	3/1/2033	146,783.55	4,942.07	-	4,942.07	4,269.31	672.76	142,514.24	126,978.44
90	4/1/2033	142,514.24	4,942.07	-	4,942.07	4,288.88	653.19	138,225.36	127,631.63
91	5/1/2033	138,225.36	4,942.07	-	4,942.07	4,308.54	633.53	133,916.82	128,265.16
92	6/1/2033	133,916.82	4,942.07	-	4,942.07	4,328.28	613.79	129,588.54	128,878.95
93	7/1/2033	129,588.54	4,942.07	-	4,942.07	4,348.12	593.95	125,240.42	129,472.89
94	8/1/2033	125,240.42	4,942.07	-	4,942.07	4,368.05	574.02	120,872.37	130,046.91
95	9/1/2033	120,872.37	4,942.07	-	4,942.07	4,388.07	554.00	116,484.29	130,600.91
96	10/1/2033	116,484.29	4,942.07	-	4,942.07	4,408.18	533.89	112,076.11	131,134.80
97	11/1/2033	112,076.11	4,942.07	-	4,942.07	4,428.39	513.68	107,647.72	131,648.48
98	12/1/2033	107,647.72	4,942.07	-	4,942.07	4,448.68	493.39	103,199.04	132,141.86
99	1/1/2034	103,199.04	4,942.07	-	4,942.07	4,469.07	473.00	98,729.97	132,614.86
100	2/1/2034	98,729.97	4,942.07	-	4,942.07	4,489.56	452.51	94,240.41	133,067.37
101	3/1/2034	94,240.41	4,942.07	-	4,942.07	4,510.13	431.94	89,730.27	133,499.31
102	4/1/2034	89,730.27	4,942.07	-	4,942.07	4,530.81	411.26	85,199.47	133,910.57
103	5/1/2034	85,199.47	4,942.07	-	4,942.07	4,551.57	390.50	80,647.90	134,301.07
104	6/1/2034	80,647.90	4,942.07	-	4,942.07	4,572.43	369.64	76,075.46	134,670.71
105	7/1/2034	76,075.46	4,942.07	-	4,942.07	4,593.39	348.68	71,482.07	135,019.38
106	8/1/2034	71,482.07	4,942.07	-	4,942.07	4,614.44	327.63	66,867.63	135,347.01
107	9/1/2034	66,867.63	4,942.07	-	4,942.07	4,635.59	306.48	62,232.03	135,653.49
108	10/1/2034	62,232.03	4,942.07	-	4,942.07	4,656.84	285.23	57,575.20	135,938.72
109	11/1/2034	57,575.20	4,942.07	-	4,942.07	4,678.18	263.89	52,897.01	136,202.60
110	12/1/2034	52,897.01	4,942.07	-	4,942.07	4,699.63	242.44	48,197.39	136,445.05
111	1/1/2035	48,197.39	4,942.07	-	4,942.07	4,721.16	220.90	43,476.22	136,665.95
112	2/1/2035	43,476.22	4,942.07	-	4,942.07	4,742.80	199.27	38,733.42	136,865.22
113	3/1/2035	38,733.42	4,942.07	-	4,942.07	4,764.54	177.53	33,968.88	137,042.75
114	4/1/2035	33,968.88	4,942.07	-	4,942.07	4,786.38	155.69	29,182.50	137,198.44
115	5/1/2035	29,182.50	4,942.07	-	4,942.07	4,808.32	133.75	24,374.18	137,332.19
116	6/1/2035	24,374.18	4,942.07	-	4,942.07	4,830.35	111.71	19,543.83	137,443.91
117	7/1/2035	19,543.83	4,942.07	-	4,942.07	4,852.49	89.58	14,691.33	137,533.48
118	8/1/2035	14,691.33	4,942.07	-	4,942.07	4,874.73	67.34	9,816.60	137,600.82
119	9/1/2035	9,816.60	4,942.07	-	4,942.07	4,897.08	44.99	4,919.52	137,645.81
120	10/1/2035	4,919.52	4,942.07	-	4,919.52	4,896.97	22.55	0.00	137,668.36

EXHIBIT C - 1

PREMISE IMPROVEMENTS

1. Premise Improvements:

- a. LESSOR shall construct all Premise Improvements in accordance with the Plans and Specifications as approved by LESSOR and LESSEE, which Plans and Specifications are or will be attached to this Exhibit C upon such approval. Premise Improvements must satisfy the Federal Americans with Disabilities Act, as and if applicable.
- b. Premise Improvements are generally described as follows: **Please refer to Exhibit C-2 for details.**
- c. LESSOR shall commence construction of the Premises Improvement work at the earliest opportunity. Cost and schedule of Premise Improvement work shall be approved by LESSOR and LESSEE prior to commencement.
- d. LESSOR shall diligently pursue construction of approved Premises Improvement work and deliver the Premises to LESSEE in a condition suitable for occupancy no later than a date certain, that will be mutually established by LESSOR and LESSEE on or before the date LESSOR'S contractor commences construction of the Premise Improvements.

2. Construction Plans and Specifications, Change Orders and Delay:

- a. LESSOR shall provide for LESSEE'S approval the complete and detailed proposed Plans and Specifications for the Premises Improvements, the design of which shall conform to LESSEE'S approved program for use of the Premises.
- b. LESSEE shall provide LESSOR with written notice of its approval or disapproval of the Plans and Specifications within five (5) business days after receipt of such Plans and Specifications. If LESSEE disapproves the Plans and Specifications, LESSEE shall describe the reasons for its disapproval in reasonable detail in LESSEE'S notice of disapproval. LESSOR shall revise the Plans and Specifications to satisfy the issues giving rise to LESSEE'S disapproval and submit the revised Plans and Specification to LESSEE as provided in clause 2.a. of this Exhibit C.
- 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 four (4) business days, and LESSOR shall also provide to LESSEE'S Representative, by written notice to LESSEE, 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 four (4) business days, notify LESSEE'S Representative of the estimated length of the delay caused by LESSEE'S request. LESSEE'S Representative shall advise LESSOR within two (2) business days 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 therefore. 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, 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.
 - g. 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 Premise Improvements are delays that may arise solely as a result of: (1) LESSEE'S failure to comply with its obligations set forth in subsection b, d, e, or f, above, within the time specified; (2) any change directed by LESSEE after notification to LESSEE that the change will delay completion of the construction as provided in subsection d, above; or (3) 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 fifteen (15) 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.
3. Approval of Plans by Public Authorities: Following LESSEE'S approval of the Plans and Specifications, LESSOR shall obtain approval of the Plans and Specifications for the Premises from all appropriate governmental agencies, and a copy of the Plans and Specifications, as approved by such governmental agencies, shall be dated and initialed by both LESSOR and LESSEE. LESSOR shall exercise due diligence in obtaining any such approval. LESSEE shall cooperate with LESSOR in obtaining all such approvals, and in this regard, LESSEE shall approve all revisions and changes to the Plans and specifications reasonably required by any governmental agency, with due diligence and without delays.
4. 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.
5. LESSEE'S Access during Construction: LESSEE'S representative, agents, consultants and contractors ("LESSEE'S Representatives") 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. 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 contractors or LESSOR'S representatives of any work (including but not limited to the construction of Premise Improvements).
6. Acceptance of Premises:
 - a. At any time during the construction of the Premise Improvements, LESSEE may reject any work that does not conform to the Plans and Specifications or does not meet good and workmanlike standards as reasonably interpreted by and at the sole discretion of the LESSEE.
 - b. 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.

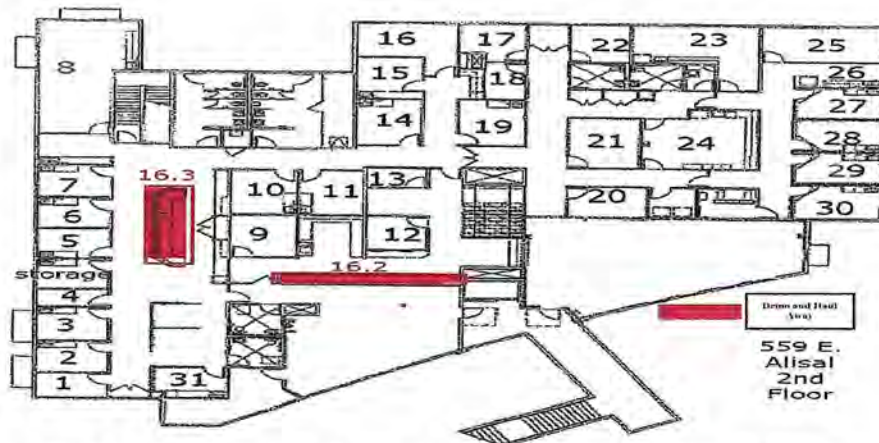
- c. Acceptance by LESSEE shall not be unreasonably withheld.
7. Notices: All notices required or permitted hereunder shall be in writing and shall be delivered as indicated in ARTICLE 6 of the Lease to which this Exhibit is attached.
 8. Notice of Non-Responsibility: LESSOR may post such notices of non-responsibility for payment to LESSEE contracted vendors as it reasonably deems appropriate in or around the Premises during the construction provided for herein.
 9. 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.
 10. Telecommunications/Data: Premise Improvements may include the installation of necessary telecommunications/data processing linkages, and alarm systems. Specification for telecommunications/data processing linkages and alarm systems will be developed and provided by the Monterey County Information Technology Department as specified in **EXHIBIT C-6 – COUNTY OF MONTEREY INFORMATION TECHNOLOGY CABLING STANDARDS** attached and incorporated by this reference.

EXHIBIT C-2

PREMISE IMPROVEMENT PLANS AND SPECIFICATIONS

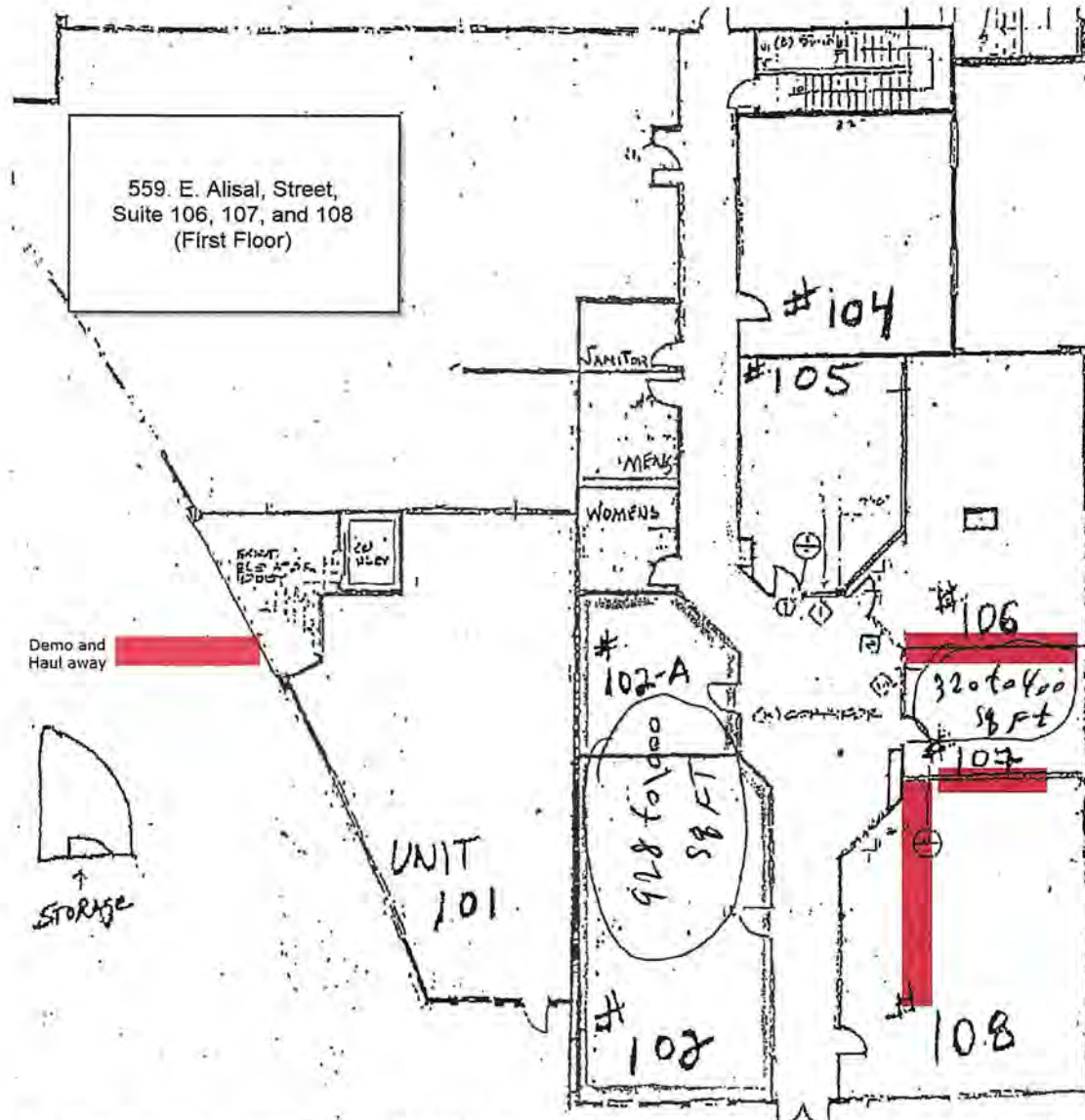
PAGE 1 OF 2

Suite 200



- Demo and Haul Away: Remove reception counters as indicated on the above TI drawings.
- New interior flooring on both floors. Professionally replace all substructure and subflooring material. Replace all floor coverings. Flooring to be structurally leveled upon completion. Floor coverings to be approved by LESSOR and LESSEE prior to installation.
- Paint all interior walls, hard ceilings, window trim, and door trim throughout the Premises. Sheen and colors to be confirmed by LESSOR and LESSEE prior to painting. Install plastic corner guards, protective wall strips, and door kick plates throughout Premises to protect paint on walls and doors. Color and size to be confirmed by LESSEE and LESSOR prior to install.
- All stained or damaged ceiling tiles are to be replaced throughout the Premises. Cause to be investigated and repaired.
- Inspect and adjust/balance the heating, ventilation, and air-conditioning (HVAC) system as needed. Replace any HVAC units deemed beyond their useful life by a reputable licensed HVAC contractor to meet air quality standards.
- Remove the existing commercial bathroom stalls and install new ones.
- Replace the current toilets in all commercial restrooms with new toilets.

Suite 106, Suite 107, and Suite 108



- Demo and Haul Away: walls indicated in above TI Drawings. Lessor to verify walls are not load bearing.
- New interior flooring on both floors. Professionally replace all substructure and subflooring material. Replace all floor coverings. Flooring to be structurally leveled upon completion. Floor coverings to be approved by LESSOR and LESSEE prior to installation.
- Paint all interior walls, hard ceilings, window trim, and door trim throughout the Premises. Sheen and colors to be confirmed by LESSOR and LESSEE prior to painting. Install plastic corner guards, protective wall strips, and door kick plates throughout Premises to protect paint on walls and doors. Color and size to be confirmed by LESSEE and LESSOR prior to install.

- All stained or damaged ceiling tiles are to be replaced throughout the Premises. Cause to be investigated and repaired.
- Inspect and adjust/balance the heating, ventilation, and air-conditioning (HVAC) system as needed. Replace any HVAC units deemed beyond their useful life by a reputable licensed HVAC contractor to meet air quality standards.

Exterior

- Roofing system to be inspected and certified by a reputable licensed roofing contractor to be watertight for a minimum of Twenty (20) years, with proper annual inspection and maintenance.

EXHIBIT C- 3

PREMISE IMPROVEMENT COSTS

Premise Improvement Costs		
Location	Description	Total
559 E. Alisal 2nd Floor, Suites 200	Demo and Hauling	\$ 24,000.00
	Equipment Rental	\$ 13,000.00
	Patch Prep Paint all interior walls, hard ceilings, window trim	\$ 116,400.00
	Replaced stained or damaged ceiling tiles throughout premises	\$ 15,000.00
	Floor Leveling	\$ 52,000.00
	Flooring with 20 Mill 100% water proof	\$ 165,360.00
	New baseboards	\$ 10,500.00
	New flooring and leveling all 4 restrooms in clinic	\$ 22,000.00
	Replace all existing commercial bathroom stalls in patient restrooms with new stalls	\$ 24,000.00
	Replace all existing commercial toilets in patient restrooms with new toilets	\$ 7,000.00
	Provide Power and data workstation at 16.2 and 16.3 permits	\$ 15,000.00
		\$ 25,000.00
	2nd Floor Sub Total (Suite 200)	\$ 489,260.00
559 E. Alisal 1st floor 106,107 &108	Paint all interior walls, any hard ceilings, window trims throughout premises	\$ 44,600.00
	Replace stained or damaged ceiling tiles	\$ 10,000.00
	Floor leveling	\$ 11,000.00
	New Flooring	\$ 16,520.00
	1st Floor Sub Total (Suite 106, 107 & 108)	\$ 82,120.00
	Lessor's Premise Improvement Credit	\$ (116,000.00)
	Total Amortized Improvement Costs	\$ 455,380.00
	Total Contingency Costs of 25% (Contingency funds shall be used only upon the mutual written agreement of the Lessor and Lessee and shall be applied to address unforeseen conditions or circumstances arising from improvements to the premises.) (Lump Sum Payment).	\$ 142,845.00
	Total Premise Improvement Allowance	\$598,225.00

EXHIBIT C-4

CONSTRUCTION SCHEDULE

To be added when completed.

EXHIBIT C-5

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 C - 6

COUNTY OF MONTEREY INFORMATION TECHNOLOGY CABLING STANDARDS (Page 1 of 3)

General:

- All requirements necessary to accomplish the items set forth below shall be considered part of this scope of work.
- All work and materials shall be compliant to the latest version of the Monterey County Cabling Specifications, corresponding County drawings, and the scope of work contained herein.

1.0 MPOE, MDF Equipment Racks, and Cable Management:

- 1.1** LESSOR shall ensure building entry for service providers (such as AT&T) is adequate and meets service providers specifications in order to install copper, fiber, or coax for connectivity.
- 1.2** LESSOR shall provide and install four (4) standard two-post racks (7-foot tall with 19-inch mounting rails) with appropriate seismic anchor bolts in the MDF room. Install in location designated on COUNTY provided drawing and label each accordingly:
 - Rack# 1.1
 - Rack# 1.2
 - Rack# 1.3
 - Rack# 1.4
- 1.3** LESSOR shall provide and install cabling ladder rack and hardware above the MDF racks as specified on drawings.
- 1.4** LESSOR shall provide and install three (3) 10" vertical double sided wire managers for in-between-racks as specified in drawings.
- 1.5** LESSOR shall provide and install two (2) 6" vertical double sided wire managers for the end racks (end of rack row) as specified in drawings.
- 1.6** LESSOR shall provide and install fourteen (14) 2 RU horizontal double side wire managers as specified in drawings.
- 1.7** LESSOR shall provide and install six (6) 2 RU horizontal single side wire manager as specified in drawings.
- 1.8** LESSOR shall provide and install four (4) 4" diameter cabling entry conduits secured to the building framing. Provide grommets for perimeters of wall, floor, and/or ceiling penetrations made to accommodate the entry conduits. Coordinate location of entry ports with the COUNTY prior to installation.

1.9 LESSOR shall provide and install fire rated $\frac{3}{4}$ " thick plywood on all MDF walls from 3'-6" A.F.F. to 7'-6" A.F.F..

2.0 Copper Infrastructure:

- 2.1 LESSOR shall provide and install six (6) 48-port angled patch panels on Rack 1.3 for workstation location cabling termination.
- 2.2 LESSOR shall install three (3) CAT6 cables for each workstation location designated on the floorplan (preliminary count at 86 locations is subject to change). The LESSOR shall verify a final count of locations with the COUNTY prior to the commencement of said work. Each workstation location shall consist of a faceplate with three (3) data jacks that are labeled as D1, D2, and D3. Each location shall have a unique location number and labeled accordingly. The CAT6 workstation cables shall be routed and terminated on the dedicated patch panels in Rack 1.3 in a manner that is in compliance with the COUNTY specifications i.e. use of j-hooks, cable trays, awareness of bend radius, etc..
- 2.3 LESSOR shall provide and install two (2) 48-port angled patch panels on Rack 1.2 for Voice Transition Patch Panels (VTPP).
- 2.4 COUNTY shall provide and install LFU VTPP cables as required to connect Phone System to VTPP
- 2.5 LESSOR shall provide and install two (2) CAT6 cables from the MDF to the MPOE. The cables shall be terminated on surface mount biscuit jacks on both ends. Coordinate with the COUNTY prior to installation for placement of biscuit jacks.
- 2.6 LESSOR shall provide and install one (1) 25 Pair copper feeder from the MDF to the MPOE. The feeder shall be terminated on wall mounted 110-blocks on both ends. Coordinate with the COUNTY prior to installation for placement of the 110-blocks.

3.0 Fiber Infrastructure:

- 3.1 LESSOR shall provide, install, and secure in place a fiber optic inner duct with pull string from the MPOE to the MDF.

4.0 MDF Electrical:

- 4.1 LESSOR shall provide and install four (4) dedicated 120V/20A standard receptacles in the MDF. The said receptacles shall be installed and concealed inside the vertical wire management as specified in the drawing.
- 4.2 LESSOR shall provide and install five (5) dedicated 120V/20A NEMA 5-20R standard duplex receptacles at 18" above finished floor (A.F.F.) in the MDF as specified in the drawing.
- 4.3 COUNTY shall provide and install four (4) vertical power strips mounted at rack rear Geist PDU 120V/20A standard receptacles with customized rack mount standoff brackets.

5.0 Network and Phone System Equipment:

- 5.1 COUNTY shall provide and install all network devices, phone system components, and uninterruptible power supplies (UPS) as specified in the drawings.

5.2 COUNTY shall coordinate with AT&T to install ASE Fiber services in Rack I.1 as specified in drawings for network connectivity.

5.3 If necessary, the COUNTY shall provide a second UPS for the AT&T ASE Fiber equipment.

6.0 General Specifications:

6.1 All work shall be completed in accordance to the latest edition of COUNTY supplied plans, drawings, technical specifications, and with the Monterey COUNTY Low Voltage Cabling Standards (April 2015 or later).

6.2 All work shall conform to the requirements of the local building code, the latest edition, and all other applicable codes and ordinances.

6.3 All construction coordination efforts, work, and materials to deliver a turnkey project shall be provided by the LESSOR unless specifically and otherwise noted.

6.4 LESSOR shall submit a project schedule within 3 days of receipt of a Notice to Proceed (NTP) for review and approval by Health Department Operations Manager.

6.5 LESSOR shall have a single point of contact (Health Department Operation Manager) during entire project.

6.6 Before work has been completed, LESSOR shall notify Health Department Operations Manager and County ITD to schedule a final walk-through.

6.7 All debris, trash, etc. resulting from installation shall be removed on a daily basis from site.

6.8 LESSOR shall receive clarification and authorization by Health Department Operation Manager and County ITD, in writing, prior to starting work on any items not clearly defined or identified in the construction drawings and/or the scope of work provided herein.

6.9 Any drawing provided by Monterey COUNTY Information Technology Department (ITD), shall be marked up "red lined" by LESSOR with any pertinent changes and information

6.10 Modified drawings shall be returned to ITD during final expectance walk-through

6.11 All completed aspects of this IT Scope-of-Work shall be inspected and signed off by the Health Department Operation Manager.

6.12 LESSOR'S work crew (low voltage contractor) will be on site for final inspection and all discrepancies shall be corrected prior to acceptance.

7.0 Cabling Specifications:

7.1 LESSOR shall verify all cabling distances prior to installation.

7.2 LESSOR shall provide a minimum of ten feet of service loop (slack) to allow for future movement for all copper/fiber cable runs into cabinet and racks. The service loop shall be neatly coiled and concealed where possible.

7.3 LESSOR shall utilize existing conduit infrastructure where feasible and shall notify ITD prior to pulling new cable, if the existing cabling route (conduit) cannot accommodate the proposed work.

7.4 LESSOR shall verify placement and orientation of equipment racks with the Health Department Operation Manager prior to installation.

7.5 LESSOR shall label each cabling component (Rack, Patch Panel, LIU, etc.) as specified on plans and drawings.

7.6 LESSOR shall test and certify each copper and fiber termination.

8.0 Grounding Specifications:

8.1 All above grade connections shall be exothermic welds, two-hole high compression tinned copper lugs or crimps. In some cases, the LESSOR shall make connections as specified in the plans sheet notes.

8.2 All below grades connections shall be exothermic welds.

8.3 All materials and labor shall be provided by the LESSOR unless otherwise noted.

8.4 All nuts, bolts, washers, brackets, and other miscellaneous hardware shall be stainless steel.

8.5 All non-conductive coatings shall be removed and the metal shall be burnished prior to all bonds.

8.6 Anti-oxidant compound shall be applied to all mating surfaces prior to bonding.

8.7 All completed exterior bonds shall be treated with a zinc galvanizing compound.

8.8 All construction/work shall be performed in a SAFE, WORKMANLIKE manner and in accordance with National Electrical Code and COUNTY Specifications. If there is a conflict in the differing specifications, the most stringent shall prevail.

8.9 All parts and materials shall be listed by U.L. /equivalent agency or be approved by the Authority Having Jurisdiction (AHJ).

8.10 All parts and materials shall be installed/used in the manner listed/intended.

EXHIBIT D

SUMMARY OF SERVICES AND UTILITIES

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

	N/A	LESSOR	LESSEE
Provide adequate paper supplies, dispensers, and waste and recycling containers for the Premises and restrooms within Premises			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 the interior of elevator (including minor vacuuming of door tracks)			X
Provide adequate custodial service for exterior of the Premises, as described in ARTICLE 1.2 (including steam cleaning or pressure washing sidewalks and stairs), Once a year (Annually)		X	
Provide custodial services to empty the three trash receptacles located outside of the elevator, and one each floor			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 G			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. This excludes termites, common areas, and or any other areas not leased by LESSEE, which are the owners responsibility.			X
Provide adequate pest control for exterior of Premises (including issues concerning termites, and swarming pest such as wasp and bees)		X	
Provide adequate landscape maintenance and gardening (including landscape irrigation system and associated water supply and service)		X	
Provide adequate parking lot area sweeping as necessary.			X
Provide one-time restriping during the initial lease term, ADA parking every 5 years, during each extended lease term		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 fire extinguishers and respective certification		X	
Provide adequate intrusion/security alarm systems monitoring			X
Provide adequate patrolled security guard	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 backup generator	X		
Provide adequate gas utility service as per ARTICLE 13			X
Provide adequate electric utility service as per ARTICLE 13			X
Provide adequate water utility service as per ARTICLE 13		X	

Provide adequate telephone and data service (including connection charges)			X
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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 (exterior only)		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 Lot Garage Door and Parking Garage Electronic Access Card Reader		X	
Individual Ceiling Tiles Damaged by the LESSEE (Lessee will not be responsible for any repairs beyond the ceiling tiles, including but not limited to ceiling grid repairs, structural repairs, or any other repairs.)			X
Replacement of restroom fixtures		X	
Reasonable routine maintenance and repairs of restroom fixtures		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	
Resetting of the non-defective circuit breaker of electrical outlet on exterior walls provided that the LESSEE has access to the electrical panel			X
Plumbing Systems (including sewer, below the floor fixture, and or in walls)		X	
Plumbing Systems (including sewer, below the floor fixture, and or in walls)		X	
Clearing drain stoppages in the fixtures, extending to the wall and floor. LESSOR will address any issues beyond this scope			X
Exterior Lighting (including starters, ballasts, transformers and light switches)		X	
Interior Lighting (including starters, ballasts, transformers and light switches)			X
Interior Light Bulbs and Fluorescent Light Tubes (replacement)			X
Interior Walls		X	
Interior Wall Surfaces (including repainting every 5 years if Premises wall surfaces are accessible), If needed.		X	
Interior Doors and Hardware		X	
Interior Windows and Window Frames		X	
Carpet, VCT, and Linoleum Flooring for normal wear and tear (including replacement if deemed necessary and with the understanding that LESSEE pays for moving office furniture and equipment). This item does not include stains or damage due to tenant negligence.		X	
Base and/or Moldings (including replacement if deemed necessary)		X	
Appliances (excluding common area)			X
Communication Systems (data/telephone cabling, connections and equipment)			X

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

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

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

EXHIBIT F

SERVICE CONTACT LIST (Page 1 of 2)

Item	Contact	Number
Back Up Generator		
Cabinets/Millwork		
Carpenter		
Ceiling Tile		
Electrical		
Electronic Gates and Garage Doors		
Elevator		
Elevator Phone		
Exterior Door and Hardware		
Flooring		
Fire Sprinkler System		
Fire Extinguisher Servicing		
Fire Alarm		
Heating & Air Conditioner		
Industrial Hygienist		
Interior Door and Hardware		
Janitorial for common areas		
Janitorial for the Premises		
Landscape Maintenance		
Light Bulbs & Fluorescent Tubes		
Locksmith		
Painting		
Pest Control		
Parking Lot Repair		

SERVICE CONTACT LIST (Page 2 of 2)

Item	Contact	Number
Parking Lot Sweeping		
Patrolled Security		
Plumbing		
Remediation of Env. Hazards		
Roofing System		
Roof Gutters & Downspouts		
Security Alarm Company		
Sewer & Drain Cleaning		
Tree Trimming & Removal		
Utility (Gas & Electric)		
Utility (Telephone)		
Utility (Water)		
Waste Disposal & Recycle		
Water Softening/Treatment		
Window Replacement & Repair		
Window Cleaning		

EXHIBIT G

CUSTODIAL SERVICE SPECIFICATIONS (Page 1 of 3)

DAILY SERVICE (Monday through Friday)
A. General Cleaning
1. Empty wastebaskets; replace liners, place trash in dumpster
2. Sweep outside of the Premises entrances
3. Remove graffiti from any interior walls
B. Floor and Carpet Care (including stairways)
1. Sweep and dust mop hard surface floors with treated mop
2. Vacuum carpeted floors and entry mats
3. Damp mop all spills on hard surfaces
4. Remove gum/candy from carpet/floors
C. Window Cleaning
1. Clean entry door and lobby glass, inside and outside
2. Clean interior partitions and counter glass
3. Clean interior/exterior door glass
D. Restroom Cleaning (including non-exclusive areas of the building)
1. Empty waste containers
2. Sweep and wet mop floors
3. Restock dispensers with the proper product (common area to have extra service performed in mid-morning and mid-afternoon, M-F)
4. Clean and disinfect all restroom fixtures (common area to have extra service performed in mid-morning and mid-afternoon, M-F)
5. Unstop urinals, toilets and sinks (Notify LESSOR of necessary repairs.) (common area only)
6. Clean restroom mirrors and glass
7. Replenish air fresheners in all restrooms (common area only and as needed)
8. Remove graffiti from interior walls
9. Damp wipe all walls and partitions (as needed)
10. Clean around all door knobs and push plates
E. Dusting
1. Tops of all filing cabinets (only if cleared off and with notice posted by office worker)
2. Tops of desks where cleared (only if cleared off and with posted notice by office worker)
3. Table tops and counters where cleared

CUSTODIAL SERVICE SPECIFICATIONS (Page 2 of 3)

WEEKLY SERVICE (Fridays)
A. General Cleaning
1. Remove fingerprints from doors, walls, and light switches
2. Remove marks/clean door kick plates
3. Wash wastebaskets/trash receptacles inside and out
4. Wash all handrails
5. Clean around door knobs/push plates
B. Floor and Carpet Care (including stairways)
1. Damp mop all hard surface floors
2. Buff all hard surface floors using a high speed buffing machine
3. Spot clean all carpeted floors
C. Restroom Cleaning
1. Scrub all sinks with abrasive cleaner
2. Scrub inside toilets and urinals with acid-type bowl cleaner
D. Dusting
1. All windows and door sills
2. Ledges, baseboards, and partitions
3. All chairs
4. Remove cobwebs from ceilings, corners and crevices, etc.
BI-WEEKLY SERVICES (Fridays)
Dry shampoo all carpeted areas.
MONTHLY SERVICE (Last Weekend of the Month)
A. Floor and Carpet Care
1. Scrub and refinish all hard surface floors using an acrylic finish
2. Edge out all carpet areas (areas that are out of reach during normal vacuuming)
B. Restroom Cleaning (including non-exclusive areas of the building)
1. Wash all walls and partitions
C. Dusting
1. Vacuum all upholstered furniture
2. Clean all blinds, drapes and window shades
D. Additional requirements specific to Premises
1. Shampoo all upholstered furniture

CUSTODIAL SERVICE SPECIFICATIONS (Page 3 of 3)

QUARTERLY SERVICES (January, April, July, October)
A. General Cleaning
1. Wash exterior of all desks, filing cabinets, and tables
B. Floor and Carpet Care
1. Shampoo all carpeted areas using bonnet method
2. Strip and refinish all hard surface floors using an acrylic finish
C. Window Cleaning
1. Wash inside and outside windows
D. Dusting
1. High dust all light fixtures, HVAC vents and surface/ledges above six (6) feet.
BI-ANNUAL SERVICES (April and October)
A. Restroom Cleaning (including non-exclusive areas of the building)
1. Machine scrub restroom floors (porcelain tile floors)
ANNUAL SERVICES
A. Floor and Carpet Care
1. Steam/Extraction clean all carpeted areas

*** 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 _____

"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.