

ALAMEDA COUNTY  
**HEALTH CARE SERVICES**  
AGENCY  
ALEX BRISCOE, Director



Agenda \_\_\_\_\_ June 11, 2013

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May 31, 2013

Honorable Board of Supervisors  
County of Alameda  
1221 Oak Street, Suite 536  
Oakland, California 94612

Dear Board Members:

**SUBJECT: TEN-YEAR LEASE FOR THE HEALTH CARE SERVICES AGENCY (HCSA) AT 1100 SAN LEANDRO BOULEVARD, SUITE 120, SAN LEANDRO, CA, WITH CREEKSIDE PLAZA PARTNERS, LLC, FOR 19,101 SQ. FT. OF OFFICE SPACE FOR THE HCSA HOME VISIT STAFF; MASTER CONTRACT NO. 900881, PROCUREMENT CONTRACT NO. 8894; TOTAL: \$7,970,061**

RECOMMENDATION:

- A. Approve a ten-year lease between Creekside Plaza Partners, LLC, (T. Lawrence Jett, Principal, P.O. Box 455 Santa Ynez, CA, 93460 and David C. Irmer, Principal, 1221 Bridgeway, Suite 1, Sausalito, CA 94965), and the County of Alameda for 19,101 square feet of office space for Health Care Services Agency's Home Visit Staff at 1100 San Leandro Boulevard, Suite 120, San Leandro, California. The lease rate is \$2.75 per sq. ft., per month, or \$52,527.75 per month, full-service, except for separately metered utilities which are estimated to be \$1,500 per month. The lease cost for FY 2013-14 will be \$630,333.00, with occupancy projected to start August 1, 2013. Total rental costs for the ten-year term will be \$7,226,061. Master Contract No. 900881; Procurement Contract No. 8894;
- B. Authorize one-time costs of \$744,100, comprising of \$634,700 furniture, \$94,000 communications, and \$15,400 moving expenses. These one-time costs will be funded from Tobacco Master Settlement Funds (trust 83424); and
- C. Include the adjustments listed in the attached financial recommendation in the final budget adjustments for fiscal year 2013-14.

DISCUSSION/SUMMARY:

The Alameda County Health Care Services Agency (HCSA) has identified an opportunity to consolidate the Home Visit Staff in space that has become available adjacent to other HCSA departments in the Creekside complex. Having the staff collocated (which are currently split between 1000 Broadway in Oakland and 1000 San Leandro Blvd.) will provide efficiencies in departmental operations.

Over the past two years, the Public Health Department (ACPHD) has been working to develop an integrated perinatal and early childhood home visiting system of care for the community. ACPHD's Family Health Services (FHS) houses the majority of the home visiting programs serving pregnant women, their children and their families and has been the lead on the integration effort. The goal of integrating home visiting is to align best practice models and current programs into a family-centered system to serve high-risk families with children from birth to age three who are facing multiple stressors. The proposed system re-design will create efficiencies in program management and allow limited funding to enhance services and to have stronger County-wide impacts.

Four of the ACPHD programs that are part of the home visiting integration project (Special Start, Your Family Counts, Black Infant Health and the Improving Pregnancy Outcomes Project) are currently located on the first floor of 1000 San Leandro Blvd, but they are in separate offices within that space. Despite their proximity to one another and similar focus, goals and target populations, there is little in the way of formal collaboration and communication between the programs. Two other components of the home visiting system – the Nurse Family Partnership Program and the newly formed Fatherhood Initiative – are located at 1000 Broadway. Additionally, one other home visiting program has been housed separately, including staff from the Maternal, Paternal, Child and Adolescent Health (MPCAH) unit, which provides support and technical assistance to both the FHS home visiting staff and to prenatal care providers in the community. The space on the first floor of 1100 San Leandro is large enough to house the entire home visiting and perinatal MPCAH staff in an open configuration that will encourage cross-program communication and collaboration. As such, the move to the former First 5 space represents an opportunity to physically integrate these programs through co-location. The move will enable the ACPHD to simultaneously devise common standards, outcomes and staff training and development opportunities for the entire system, and will engage staff in teambuilding and other activities that will improve cross-program integration.

The physical co-location of the home visiting and related MPCAH staff not only supports the goal of designing an integrated home visiting system, but also represents cost savings for the department. The project scope will include the execution of the ten-year Lease Agreement, the construction of initial tenant improvements, new furniture, communications cabling, and physical relocation of computers and files. The new space will house office space for 82 home visitors and other staff, and a suite of conference rooms that have historically been made available to community partners to use for meetings and special events. ACPHD will be managing the conference center. Priority for use of the rooms will be given to FHS programs but there will be ample opportunity for other ACPHD and HCSA staff, as well as community partners, to use the conference rooms. For the above reasons, a Sole Source Waiver has been submitted and approved by GSA to allow acquisition of 19,101 square feet of space without competitive bidding.

Herman Miller furniture will be provided through Pivot Interiors, an authorized SLEB vendor for the County.

The lease terms and conditions include the following:


1. Term of lease is ten years, projected to commence on August 1, 2013 and projected to end on July 31, 2023.
2. The monthly lease rate is \$52,527.75, full service, except for separately metered utilities which are estimated at \$1,500 per month.
3. The rent increases 3% per year.
4. There are two (2) additional five (5) year renewal options at the then fair market value.
5. The Landlord to provide "turnkey" tenant improvements not to exceed \$15.00 per square foot totaling \$286,515.
6. The Landlord to provide 63 parking spaces.

FINANCING:

One-time furniture and relocation costs of \$744,000 will be paid from Tobacco Master Settlement Funds (trust 83424). Ongoing annual rent costs will be included in the FY 2013/14 Public Health Department budget. Approving these recommendations will have no effect on net County cost.

Respectfully Submitted,

  
Alex Briscoe  
Director, Health Care Services Agency

  
Aki K. Nakao  
Director, General Services Agency

AKN/NG:rlp I:\BOARD LETTERS\REAL PROPERTY\LETTERS\HOME VISIT STAFF AT 1100 SAN LEANDRO BLVD6-3.DOC

cc: Susan S. Muranishi, County Administrator  
Patrick J. O'Connell, Auditor-Controller  
Donna R. Ziegler, County Counsel

**COUNTY OF ALAMEDA  
FULL SERVICE OFFICE LEASE**

This Lease is made by Creekside Plaza Partners, LLC , a **California limited liability company**, **T. Lawrence Jett, Manager and David C. Irmer, Manager, (Tax ID 90-0820856)** (“Lessor”) and the County of Alameda (“County”) who agree as follows:

**PART ONE**

Fundamental Lease Provisions

The fundamental provisions of this Lease are:

1. Lease Execution Date: \_\_\_\_\_(by Board of Supervisors)
2. Lessor: Creekside Plaza Partners, LLC, T. Lawrence Jett and David Irmer, Managers.  
County: County of Alameda, a political subdivision of the State of California
3. Premises: Building A, Suite 120, located at 1100 San Leandro Blvd. San Leandro, CA totaling of approximately 19,101 ± Rentable Square Feet, as shown on Exhibit “A”. These Premises are located on Assessor’s Parcel Number (APN) 075-0036-061-00.
4. Term:
  - a. Duration of Term: Ten (10) Years (120 calendar months)
  - b. Commencement Date of the Term: As determined in the Paragraph 4.5, “Acceptance of Premises” of Exhibit “B” attached to this Lease,
5. Monthly Rent schedule:

The Rent is based on a starting rent of \$2.75 per Rentable Square Foot for the first year. The Full Service Monthly Rent is computed as follows: \$2.75 per square foot times 19,101 Rentable Square Feet.

Year No.	Rent per square foot per month	Monthly Rent
1	\$2.75	\$52,527.75
2	\$2.83	\$54,103.58
Year No.	Rent per square foot	Monthly Rent

	per month	
3	\$2.92	\$55,726.69
4	\$3.00	\$57,398.49
5	\$3.10	\$59,120.45
6	\$3.19	\$60,894.06
7	\$3.28	\$62,720.88
8	\$3.38	\$64,602.51
9	\$3.48	\$66,540.58
10	\$3.59	\$68,536.80

The above-captioned monthly rents are exclusive of gas and electric charges which will be metered separately and billed to the County directly.

6. Operating Expense: County shall be responsible for its pro-rata share of all operating Expense increase above a 2014 Base year, grossed up to one-hundred percent (100%) Occupancy as well as a fully assessed building for property tax purposes (including Tenant improvements within the Premises). The operating expense shall include ,but not be limited, to real estate taxes, insurance, common area maintenance, management, common area utilities, and janitorial. The pro- rata share shall be based on a full occupancy rate of the Property, regardless of actual rate of occupancy.
  
7. Permitted Use: Office, administrative, meeting space for the Alameda County Health Care Services Agency, or any other County of Alameda department office, administrative, meeting or public service space as may be substituted during the Term.
  
8. Options:
  - a. Extension Option: Two (2) successive, Five (5) year options (60 calendar months each).
  - b. Option Notice Period Expiration: 180 days before the expiration of the Term.
  - c. Extension Term(s) Full Service Monthly Rent (exclusive of gas and electric) at the then current “Fair Market Rental Rate” (FMR) defined in Part Two, Paragraph 6.B..
  
9. Addresses for Notices and Payment of Rent:

<p>To County:</p> <p>Real Property Manager          General Services Agency          1401 Lakeside Drive, 6th Floor          Oakland, CA 94612</p>	<p>To Lessor:</p> <p>Lanikai Management Corp          Attn: T. Lawrence Jett          P.O. Box 455          Santa Ynez, CA 93460</p>	<p>With Copy To (for Lessor)</p> <p>Creekside Plaza Partners, LLC          N/CO David C. Imer          Creekside Associates, LLC          1221 Bridgeway, Suite 1          Sausalito, CA 94965</p>
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10. Exhibits and Other Attachments: The following exhibits and other attachments are attached to this Lease and made a part of this Lease for all purposes.

- Exhibit "A" – Premises Space Plan; Building and site plan(s)
- Exhibit "B" – Work Letter
- Exhibit "C" – Commencement of Term
- Exhibit "D" – Insurance Requirements
- Exhibit "E" -- Subordination Agreement

11. Parking: A total of 63 parking spaces shall be available to the County, provided by Lessor. The County shall be provided these parking spaces at no cost.

12. Signage: Lessor shall provide County with requested Premises signage, and any exterior signs if available to other tenants of the building, all provide at Lessor's sole cost and expense, (except for Building exterior signage which shall be at the County's sole cost and expense and subject to Lessor's reasonable approval). County to provide exact wording for signage in writing, following execution of this Lease. County shall provide updated signage within 30 days of any request by Lessor. Lessor shall maintain an accurate directory, including information as provided by County, at no cost to County.

13. Definitions:

- a. Building. The term "Building" in this Lease refers to the building in which the Premises are located, as described in Paragraph 3 of these Fundamental Lease Provisions. References to the Building shall include Premises.
- b. Real Property. "Real Property" or "Property" means the Building, the areas servicing the Building (including any adjacent parking structure and parking

area), and the land on which the Building and those areas are located (as shown on the site plan attached to this Lease in Exhibit "A").

Each reference in this Lease to any provision in the Fundamental Lease Provisions shall be construed to incorporate all of the terms provided under such Fundamental Lease Provisions. In the event of any conflict between a provision in the Fundamental Lease Provisions and a provision in the balance of the Lease, the latter shall control.

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**Exhibit “A” – Premises and Space Plan**

**Exhibit “B” – Work Letter**

**Exhibit “C” – Commencement of Term**

**Exhibit “D” – Insurance Requirements**

**Exhibit “E” -- Subordination Agreement**

## PART TWO

### Lease Provisions:

#### 1. PREMISES.

- A. Lessor leases to County, and County leases from Lessor, the real property described in Paragraph 3 of the Fundamental Lease Provisions and delineated in Exhibit "A" (the "Premises"). Lessor shall construct the Premises as provided in Exhibit "A" and "B" (the "Space Plan" and "Work Letter"), which exhibit sets forth the obligations of Lessor and County to perform work and to supply materials in connection with the construction of the Premises. County shall have access to the Premises twenty-four (24) hours a day three hundred sixty-five (365) days a year.
- B. During the term of this Lease, County, without additional charge unless otherwise expressly provided herein, is entitled to all of the rights and appurtenances set forth in this Lease, including, but not limited to: (a) the non exclusive rights of ingress and egress to and from the Premises by the main entrances of the Building at all times for County and County's contractors, agents, employees, invitees, clients and other persons transacting business with County; (b) the reasonable, non-exclusive right to use the public or common entrances, lobbies, corridors, hallways, driveways, foot-ways, passage-ways, elevators, fire escapes, stairs, restrooms, auditoriums, meeting rooms, trash rooms, loading docks and other public or common facilities in or about the Building; (c) the right to maintain and use existing access to and from the Premises through hallways, corridors, stairs, elevators and fire escapes whether from reception rooms or by private office doors.

#### 2. TERM.

The terms and provisions of this Lease shall be effective between Lessor and County as of the Lease Execution Date described in Paragraph 1 of the Fundamental Lease Provisions. The Term of this Lease shall be for the period stated in Paragraph 4.(a.) of the Fundamental Lease Provisions commencing on the Commencement Date as provided

in the Work Letter and expiring on the Expiration Date, subject to renewal or termination rights as hereinafter set forth.

3. TENANT IMPROVEMENTS.

- A. Prior to the commencement of the Term, Lessor shall construct the improvements to the Premises as detailed on Exhibits "A" and "B" at Lessor's sole cost and expense, not to exceed \$15.00 per rentable square foot ("Lessor's Work"). County shall have the right to review and approve any costs and expenses, and shall not be obligated to pay cost or expense not approved. The Premises shall be delivered as specified in Exhibit "B". Lessor shall build out the Premises as approved by County specifications even if some details are not exactly listed in Exhibits "A" or "B", but are logical and capable of being discussed with County for clarification. As an example, Exhibit "A", which contains a new conference room, indicates that the Lessor shall construct walls and a door. It is understood that this shall include paint and carpeting. Any notation for a telephone or electrical outlet assumes the conduit and power necessary for such function.
- B. Occupancy of the leased Premises by the County shall not relieve Lessor in any respect from full compliance at all times with aforesaid Exhibits "A" and "B". It is further understood and agreed that any installation not in conformity with said Exhibits "A" and "B" shall be immediately corrected by the Lessor at Lessor's sole cost and expense. In the event Lessor shall, after notice in writing from the County requiring the Lessor to comply with the requirements of this paragraph in regard to a specified condition, fail, refuse or neglect to remedy such condition, County may terminate this Lease without further obligation, or as to such specified condition, at its option and in addition to any other remedy the County may have, withhold Rent due in an amount reasonably estimated by the County equal to the cost of the work, and bring the leased Premises into conformity with said Exhibits at its own cost including County's administrative costs, if any, and deduct the amount thereof from the Rent that may then be or thereafter become due hereunder. After the punch list and items have been completed and approved by County pursuant to Paragraph 4.6 of Exhibit B attached to this Lease. County

may not terminate this lease pursuant to this Paragraph 3B. of this Lease, but reserves all rights, including to terminate this Lease, as specified hereunder in this Lease.

- C. In addition to any painting completed prior to the Commencement Date of Term of this Lease, and touch up paint required after initial occupancy upon receipt of written request from the County, Lessor agrees, at Lessor's sole cost and expense to repaint all painted interior surfaces of the Premises, or such interior surfaces specified by a written request from County, which may be less than the entire Premises. In no event shall Lessor be required to repaint the entire private areas of the Premises (eg. offices, storage, equipment and data processing rooms) more than once during the first sixty (60) month period of this lease after the painting completed prior to the Commencement Date, and once during any succeeding sixty (60) month period. Lessor shall, within forty-five days from the giving of any such notice, arrange for and complete the painting. Colors are to be approved by the County. County shall coordinate with Lessor and assist in arranging for moving of furniture and equipment prior and subsequent to repainting. Lessor shall pay for the moving of the furniture and equipment, and provide drop cloths and covers to cover County's furniture and equipment as necessary to protect from paint.

4. CONFIRMATION OF TERM.

Within 15 (fifteen) days after the Commencement Date and the Expiration Date of the Term are determined, Lessor and County shall execute a memorandum setting forth such dates, substantially in the form of Exhibit "C", which memorandum shall thereupon be deemed attached hereto and made a part of this Lease. The failure of the parties to execute such memorandum shall not affect their obligations under this Lease.

5. RENT.

- A. Monthly Rent. County shall pay Monthly Rent as set forth in Paragraph 5 of the Fundamental Lease Provisions ("Monthly Rent") commencing with the Commencement Date, as defined in Paragraph as determined pursuant to Paragraph 4.5 of Exhibit B. County shall pay the Monthly Rent in arrears for each

calendar month during which County has had possession of the Premises as provided in this Lease. The term “in arrears” shall be construed to mean Monthly Rent will be paid no later than the 15<sup>th</sup> day of the month subsequent to the month for which rent is due. If the Commencement Date or the date of expiration of the Term of this Lease occurs on a day other than the first or last day of a calendar month, the Monthly Rent shall be prorated as the number of lease days in the month bears to the total number of days in the month. The term “Rent” and “Rental” as used in this Lease shall be deemed to mean Monthly Rental.

B. Monthly Rent includes:

- (1) All labor, materials, equipment, design fees, professional fees, permit fees, inspection fees, construction costs and services and all other similar costs and expenses related thereto or necessitated thereby in association with making and constructing the Premises, Building, common areas, parking garage and lot, and related facilities ready for occupancy in accordance with the requirements of this Lease and the County improvements described in Exhibit “A” and “B”.
- (2) Operating and maintenance costs relating to the Building, common areas, Property and leased Premises. This includes, but is not limited to, costs for property taxes, special assessment taxes, rental taxes, insurance, janitorial services, supplies, materials, maintenance, repairs, replacements, trash removal, landscaping, water, sewer charges, heating, electricity and/or gas to the Building to operate Building systems and common areas, security service, HVAC maintenance, parking lot maintenance and repair, property management fee, administrative costs, other services which may be provided to other tenant in the Building, or typically provided to other tenants in the Building, or typically provided to tenants in a similar building, and all other costs related to maintaining the leased Premises and common areas in tenantable condition.
- (3) Any capital improvement item to the Building, common areas, or parking areas that Lessor must expend.

6. OPTION TO EXTEND TERM.

- A. County shall have the option to extend the term stated in Paragraph 8.(a) of the Fundamental Lease Provisions (“Extension Option”). If County wishes to exercise the Extension Option, the County shall deliver written notice (“Option Notice”) to Lessor before the Option Notice Period Expiration stated in Paragraph 7(b) of the Fundamental Lease Provisions of County’s intent to extend the Lease for such additional period (“Extension Term”). Within 90 days after the commencement of each Extension Term, Landlord shall repaint the Premises and replace all carpeted floor coverings during non-business hours, and provide other minor improvements customary as if the County were first occupying the Premises. Lessor, at Lessor's sole cost, shall arrange for moving of furniture and equipment prior to and subsequent to the repainting, and provide drop cloths, and covers as necessary to facilitate the work during non-business hours.
- B. Extension Term Rent: The Extension Term Rent is that specified in 8 (b.) of the Fundamental Lease Provisions. The then fair-market rental rate (“Fair Market Rental Rate”) is defined as that rental rate and inducements for comparable properties, located in the market area commonly and generally regarded as San Leandro, given comparable tenant’s creditworthiness, comparable length of term, as determined in this Paragraph 6. Any annual increase in the Rent shall be at a fixed annual percentage increase for each year of the Extension term, considering the above comparable conditions.
- 1). Upon County providing Lessor with the Option Notice, both parties shall meet to determine the then Fair Market Rental Rate under the terms above. If County and Lessor fail to reach agreement within ten (10) business days following the Option Notice, then each party shall make a separate determination of the Fair Market Rental Rate for the Extension Term Rent within five (5) business days, and such determinations shall be submitted to arbitration in accordance with Paragraphs 6.B. (2) through 6.B.(8) below.
  - 2). County and Lessor shall each appoint one arbitrator who shall be a real estate appraiser who shall have been active over the five (5) year period

ending on the date of such appointment in the appraising of commercial office leases and buildings in the Alameda County Metro area. Each such arbitrator shall be appointed within 15 days after both parties fail to reach agreement on the Extension Term Rent as specified in Paragraph 6.B.(1) above.

- 3). The two (2) arbitrators so appointed shall within 10 days of the date of the appointment of the last appointed arbitrator agree upon and appoint a third arbitrator who shall be qualified under the same criteria set forth hereinabove for qualification of the initial two (2) arbitrators.
- 4). The three (3) arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to whether the parties shall use Lessor's or County's submitted Extension Term Rent and shall notify Lessor and County thereof.
- 5). The decision of the majority of the three (3) arbitrators shall be binding upon Lessor and County.
- 6). If either party fails to appoint an arbitrator within the applicable time frames above, then the arbitrator appointed by one of them shall reach a decision, notify both parties thereof, and such arbitrator's decision shall be binding upon Lessor and County.
- 7). If the two (2) arbitrators fail to agree upon and appoint a third arbitrator, or if both parties fail to appoint an arbitrator, then the appointment of the third arbitrator or any arbitrator shall be dismissed and the matter to be decided shall be forthwith submitted to arbitration under the provisions the American Arbitration Association , but subject to the instructions set forth in this Paragraph.
- 8). The cost of the arbitration shall be paid by Lessor and County equally.

7. SERVICES, UTILITIES, MAINTENANCE: GENERAL.

- A. As part of the Full Service Monthly Rent, the County shall have access to the Premises at all times without additional payment, including the use, during other



than normal hours, of necessary services and utilities such as elevators and freight elevators, toilets, lights, and electric power.

- B. As part of the Full Service Monthly Rent, Lessor shall provide services, utilities (except electricity and gas) maintenance and repairs described in Paragraph 9 (Services, Utilities, Maintenance and Repairs) below. The Lessor shall have a building superintendent or a locally designated representative available to manage and coordinate services, and to promptly correct deficiencies.

8. **FORCE MAJEURE**

A. Force Majeure. Any prevention, delay or stoppage due to acts of God, war, judicial orders, civil commotion, and other causes beyond the reasonable control of either party obligated to perform, shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage.

9. **SERVICES, UTILITIES, MAINTENANCE AND REPAIRS.**

A. Lessor, at Lessor's sole cost and expense, during the Term and any extensions of this Lease shall furnish the following services, utilities, and supplies to the Premises, and also to the "common" building areas (if any) such as lobbies, elevators, stairways, corridors, etc., which County shares with other tenants, if any:

1. Sewer, trash disposal, and water service, including both hot and cold water to the restrooms.
2. Elevator (if any) service.
3. The meters provided by the local utility to furnish water electricity and/or gas as necessary to provide power for water, heating, ventilating, and air conditioning and electrical or gas service as needed for County's operations. It is acknowledged that the Lessor shall provide separate electricity and gas meters to the Premises and County shall separately contract and pay for the ongoing electricity and/gas service.
4. Janitorial services sufficient to maintain the interior in a clean well-maintained condition; that is, to eliminate all visible dust, dirt, litter,

grime, stains, smears, finger marks, etc., to the greatest practical degree possible, by performing at least the following:

***Daily:***

- (a) Empty and clean all trash containers, and dispose of all trash and rubbish.
- (b) Clean and maintain in a sanitary and odor-free condition all floors, wash mirrors, basins, toilet bowls, and urinals.
- (c) Furnish and replenish all toilet room supplies (including soap, towels, seat covers, toilet tissue, and sanitary napkins).
- (d) Sweep or dust mop all hard surface floors, and carpet sweep (or vacuum) all high-traffic carpeted areas, including stairways and halls. Offices or break rooms with hard surface floors and the public lobby area shall be damp-mopped daily.
- (e) Remove finger marks and smudges from all glass entrance doors.
- (f) Specifically check, and if action is needed, then:
  - (1). Dust the tops of all furniture, counters, cabinets, and windowsills, (which are free of interfering objects).
  - (2). Remove spots and/or spills from the carpets, floors, and stairways to the greatest possible degree.

***As needed, but not less frequently than twice Weekly:***

- (a) Damp mop all hard surface floors.
- (b) Dust all window blinds.
- (c) Treat stainless steel fountains and sinks to eliminate stains and mineral deposits.
- (d) Spot clean the walls.
- (e) Sweep parking areas and sidewalks.
- (f) Vacuum all carpets.

***Quarterly:***

- (a) Strip all hard surface floors and apply a new coat of floor finish if prescribed by manufacturer; buff as necessary to produce a uniformly shining appearance.

(b) Treat carpets for static electricity control (if not integrated in the fabric).

***Semi-annually*** Wash all windows, window blinds, light fixtures, walls, and painted surfaces.

***Annually:***

(a) Steam clean carpets to remove all stains and spots.

(b) Clean drapes.

5. Lessor shall keep exterior walls, doors, windows, walkways, and entrances free from graffiti, litter, trash, and other nuisances.

In the event of failure by the Lessor to furnish any of the above services or supplies in a satisfactory manner, the County may furnish the same at its own cost; and, in addition to any other remedy the County may have, may deduct the amount thereof, including County's Administrative costs, from the Rent that may then be, or thereafter become due hereunder

B. Lessor shall at its sole cost maintain the Premises, the Building and Property, and common areas, including building systems (including all safety systems) and all equipment, fixtures and appurtenances furnished by Lessor under this Lease, in good repair and tenantable condition, in a manner acceptable to County, and consistent with any applicable industry building standards so as to minimize breakdowns and reasonably preventable or recurring disruption loss of the County's use of the Premises caused by deferred or inadequate maintenance, as is required for the County's access to, occupancy, possession, use and enjoyment of the Premises as provided in this Lease including but not limited to the following items:

(1) Generally maintaining the Premises and Buildings in good, vermin free, operating condition and appearance.

(2) Furnishing prompt, good quality repair of the Building, equipment, and appurtenances.

(3) Furnishing inspections as required by law and preventative maintenance, including, but not limited to, manufacturers recommended servicing of

equipment such as elevator (if any), heating, ventilating and air conditioning equipment, boilers, and fixtures.

- (4) Furnishing and promptly replacing any inoperative light bulbs, fluorescent tubes, ballasts, starters, and filters for the heating, ventilating and air conditioning equipment as required.
  - (5) Furnishing remedial painting as necessary as a result of normal wear and tear to maintain the Premises and Building in a neat, clean and orderly condition.
  - (6) Annual testing and maintenance of all fire extinguishers in or adjacent to the Premises.
  - (7) Repairing and replacing as necessary interbuilding network telephone cable to the Building minimum point of entry.
  - (8) Repairing and replacing parking lot bumpers and paving as necessary. Repaint directional arrows, striping, etc., as necessary.
  - (9) Maintaining landscaped areas, including sprinklers, drainage, etc., on a weekly basis, in a growing, litter-free, weed-free, and neatly mowed and/or trimmed condition.
  - (10) Repairing and replacing carpeted floor covering as a result of normal wear and tear. County shall arrange for moving of furniture and equipment prior and subsequent to the repairing or replacement of carpeted floor coverings. Lessor shall pay for the cost for the expense associated with the moving of the equipment
  - (11) Keeping all walkways, parking lots, entrances, and auxiliary areas free of standing water, oil spills, debris, or other materials, which may be hazardous to users of the building.
- C. Lessor shall provide prompt repair or correction for any damage or injury to the Premises and Building caused by the acts or omissions of Lessor or its employees or agents and/or caused by Lessor's breach of its obligations under the Lease.
- D. County shall repair any damage or injury to the Premises caused by the acts or omissions of County or its employees or agents and/or caused by County's breach of its obligations under this Lease.

- E. Except in emergency situations, the Lessor shall give not less than) five (5) business days prior notice (including phone numbers and a contact to call with any questions or concerns) to County, in the event of any pest control, painting, remodeling, renovation, repair, carpet installation, or other work (“Non-emergency Work”) affecting the Premises or common areas of the Building or Property, including but not limited to any Non-emergency Work that generates dust, fumes, mists, vapors, gases or other odors. Lessor shall provide to County at the time of the prior notice copies of all Material Safety Data Sheets for all materials to be used in the Non-emergency Work. Lessor shall ensure the affected areas are properly ventilated and the proper signs, barriers, or work area notices are properly installed. In case of emergency situation requiring immediate attention, Lessor shall respond to the emergency as appropriate for the situation, shall timely notify County of such emergency situation and after the appropriate response to the situation, have available copies of all Material Safety Data Sheets for all materials used.
- F. Lessor shall maintain Building and Premises at all times in conformity with the Americans with Disabilities Act (ADA) – Building Access, and all later enacted amendments thereof, and shall be responsible for all repairs, alterations and/or maintenance of Building and Premises under said laws. Lessor shall indemnify, defend and hold harmless County, its officers, agents and employees from all claims, liability, damages, or penalties (including costs of investigation and attorneys fees) arising out of Lessor’s failure, or alleged failure, to meet its obligations as described herein this Paragraph 9 (F).

10. ALTERATIONS AND CHANGE ORDERS DURING THE TERM.

- A. County shall have the right to furnish and install such voice and data cabling, counters, shelves, signs, furniture, fixtures or other equipment necessary, erect additions or modify the space (“Alterations and Improvements”) to fulfill the stated use of the Premises by County, as in the judgment of County may be appropriate, and all such Alterations and Improvements that may be required by County shall be done at the cost, charge, and expense of County, and shall comply with all

applicable codes and regulations. All such Alterations and Improvements placed therein by County shall remain the property of County and may be removed therefrom by County upon the expiration of this Lease or any extension thereof or any sooner termination thereof, at the sole discretion of County.

- B. County shall have the right to install, or to cause a carrier, vendor, or other operator selected by County to install wire, cable, conduit, antenna, satellite dish, or other facility or equipment for use in connection with any telephone, television, telecommunications, computer, internet, or other equipment (which systems, services, and equipment are referred to collectively as “Telecommunications Equipment”) in, on, or about the Premises, the Building and its roof, and the Property. In the event County installs Telecommunications Equipment, County shall do so at its sole cost and expense, and County shall obtain, at its sole cost and expense, any and all permits, authorizations, and certificates from all governmental agencies, including, without limitation, such zoning variances or changes as may be required with respect to such Telecommunications Equipment (provided that Lessor agrees to reasonably cooperate with County to obtain same if required by applicable governmental agencies). County’s right to install Telecommunications Equipment is subject to the following: (i.) The installation shall be performed by a licensed contractor who is experienced in the installation of such equipment; and (ii) County shall be responsible for all costs of repairs and improvements, including, without limitation, any patching or strengthening of the roof of the Building, which may be necessary on account of, or be necessary for, the installation of the Telecommunications Equipment. Lessor shall not require that all Telecommunications Equipment be provided by one or more designated carriers, vendors, or operators, provided that Lessor shall have the right to require that the installation, maintenance, operation, alteration, repair, or replacement of Telecommunications Equipment by multiple carriers, vendors, or other operators, be coordinated as reasonably necessary for the orderly and efficient management and operation of the Building.
- C. In the event County desires Alterations and Improvements or Telecommunications Equipment and County elects not to perform the work, any such work, when

authorized in writing by County shall be performed by the Lessor in accordance with plans and specifications provided by County. Lessor agrees to obtain competitive bids from at least three licensed contractors and contract with the lowest bidder meeting the specifications and County's approval. Lessor further agrees that the overhead and profit for the work shall not exceed twelve percent (12%) total for Lessor and any general contractor combined. Within thirty (30) days after receiving reviewing and approving Lessor's notice of completion of the requested work and an invoice requesting payment therefor, together with a complete detailed accounting of all costs for each trade, County agrees to either reimburse Lessor by a single total payment for the cost of such work; or, with Lessor's prior written approval, County will amortize the cost of the requested work over the remaining Term of the Lease by increasing the monthly Rent by an amount to include the principal and interest on the unpaid balance. The interest rate may not exceed the prime rate (the base rate on corporate loans posted by at least seventy-five percent (75%) of the nations 30 largest banks) plus two percent (2%) as of the date of the County's written authorization to proceed. In the event of an early termination of the Lease prior to the expiration of the Term, County agrees to pay Lessor the portion of the principal balance which is unamortized as of the effective date of the termination. Said payment shall be a single payment to be made within forty-five days after the effective date of termination.

11. FAILURE IN PERFORMANCE.

The covenant to pay rent and the covenant to provide any service, supply, utility, maintenance, or repair required under this Lease are interdependent. In the event of any failure by Lessor to provide any service, supply, utility, maintenance, repair or replacements required under this Lease which in any manner affects County's use, enjoyment, and occupancy of the Premises, County shall provide Lessor with a written notice specifying the nature of failure. The notice shall specify a reasonable time frame for Lessor to remedy said failure. However, if the failure persists past the time allowed within the written notice, or if Lessor refuses, fails or neglects to comply with such notice, or in the event of an emergency constituting a hazard to the health or safety

hazard, the County may by contract or otherwise, perform the required work or service at its own cost and in addition to any other remedy the County may have, deduct from any payment or payments under this Lease, then or thereafter due, the resulting cost to the County, including all administrative costs. If the County elects to perform any such requirement, the County and each of its contractors shall be entitled to access to any and all areas of the Building and Property, access to which is necessary to perform any such requirement, and the Lessor shall afford and facilitate such access. Alternatively, the County may deduct from any payments under this Lease, then or thereafter due, an amount that reflects the reduced value of the contract requirement not performed. No deduction from Rent pursuant to this clause shall constitute a default by the County under this Lease. In each such event of failure as specified in County's written notice to Lessor, if County elects to proceed with the remedies of a deduction from Rent or any other payments due under this Lease, as provided in this Paragraph 11, such single failure shall not constitute a default by Lessor under Paragraph 21.A. but repeated failures by Lessor may constitute a default under Paragraph 21.A. even if County has proceeded to perform the required work or service or made the deductions permitted by this Paragraph 11. These remedies are not exclusive and are in addition to any other remedies, which may be available under this Lease or at law.

12. ASSIGNMENT AND SUBLETTING.

County shall not assign this Lease, or any interest therein, and shall not sublet the Premises, or any part thereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents, servants, business visitors, and other municipal, community-based, and/or governmental organizations working with County excepted) to occupy or use the Premises, or any portion thereof without the written consent of Lessor first had and obtained, and a consent to one assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Any such assignment or subletting without such consent shall be void, and shall, at the option of Lessor, terminate this Lease. Lessor shall not unreasonably deny County's request to sublet all or a portion of the Premises or assign this Lease. Notwithstanding the foregoing, Lessor acknowledges that County may, at any time and



from time to time, substitute any County agency or agencies for the County agency or agencies, for the actual agency that occupies the Premises under this Lease, and that which substitution of County agency(ies) shall not be construed as an assignment or subletting, and shall not require Lessor's consent, but each Agency shall be bound by the terms of this Lease.

13. HOLD OVER.

County shall have the right to holdover the Premises. Should County hold over the Premises after this Lease has terminated in any manner, such holding over shall be deemed merely a tenancy from month to month and at the first month of holdover rent shall be at 105% (One Hundred Five Percent) of the Rent specified in Paragraph 5 (that is the rent amount paid in the last month of the specified term plus 5%) for a full service lease occupancy ("Holdover Rent"), but otherwise on the same terms and conditions as herein provided. If the last Rental amount referenced in Paragraph 5 included the amortization of a capital sum expended by Lessor for certain for County improvements, as described in a separate paragraph herein, and the capitol sum has been fully amortized, the holdover Rent shall be reduced by the amount of the monthly amortization.

14. ENTRY.

Lessor, or its duly authorized representatives or agents, may enter upon the Premises upon two (2) days written notice during the term of this Lease for the purpose of determining whether County is complying with the terms and conditions hereof, or for any other purpose incidental to the rights of the Lessor. In case of emergency only may Lessor or its agents enter Premises without prior consent. Lessor may not enter room(s) in the Premises designated by County as confidential. County shall have a separate key to those designated confidential room(s), and shall not be required to provide Lessor a copy of such key until the Lease terminates.

15. INDEMNITY.

County hereby agrees to defend, indemnify, protect and hold harmless Lessor from and against any and all damages, loss claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of County's negligent acts or

omissions or willful misconduct occurring in connection with this Lease. Lessor hereby agrees to defend, indemnify, protect and hold harmless County, its offices, employees and agents from and against any and all damage, loss, claim, cause of action, liability and expense (including reasonable attorneys' fees) to the extent such arise out of the negligent acts, omissions or willful misconduct of Lessor or its employees, subcontractors or agents, occurring in connection with this Lease.

16. INSURANCE AND WAIVER OF SUBROGATION.

- A. Lessor shall maintain commercial general liability insurance and Workers' Compensation insurance in accordance with Exhibit D.
- B. Lessor shall procure and maintain in full force and effect during the term of this Lease, fire and normal extended coverage insurance for one hundred percent (100%) of the full replacement cost of the Premises and County improvements. If the coverage is available and commercially appropriate, such policy or policies shall insure additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Premises required to be demolished or removed by reason of the enforcement of any building, zoning, safety, or land use laws as the result of a covered cause of loss, but not including plate glass insurance. Said policy or policies shall contain agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor reflecting local cost changes for reconstruction of Premises. Both parties agree to waive any claim against the other for losses to the extent paid under said insurance and said insurance shall contain a waiver of subrogation. If Lessor's insurance covers more than one property, Lessor shall provide County with a letter from Lessor's insurance broker/carrier setting forth the coverage of the Building. Lessor shall provide County with a Certificate of Insurance covering said insurance, which shall provide County with thirty (30) days' advance written notice of cancellation, non-renewal or reduction in the amount of coverage, and mail said certificate to:

Real Property Manager  
Alameda County General Services Agency  
1401 Lakeside Drive. 10th Floor  
Oakland, CA 94612

17. SELF-INSURANCE BY COUNTY.

For the term of this Lease County shall self-insure or maintain, at its own expense, comprehensive general liability insurance in an amount not less than THREE MILLION DOLLARS (\$3,000,000) combined single and aggregate limits for both bodily injury and property damage, personal injury, completed operations and products liability. County insures County's personal property located on or in the Premises.

18. FIRE AND CASUALTY DAMAGE.

- A. If the entire Premises or Building are destroyed by fire or other casualty and repairs cannot reasonably be completed within 180 days, this Lease will immediately terminate. "Casualty" shall include but not be limited to, damage caused by fire, flood, inclement weather, acts of God, war, terrorism or bioterrorism or any other means outside the reasonable control of the parties.
- B. In case of partial destruction or damage to the Building, so as to render the Premises untenantable or affecting the occupancy, use and quiet enjoyment of the Premises as determined by the County and repairs cannot reasonably be completed within 180 days, the County may terminate the Lease by giving written notice to the Lessor within 180 calendar days of the fire or other casualty; if so terminated, no Rent will accrue to the Lessor after such partial destruction or damage; and if not so terminated, the Rent will be reduced proportionately by supplemental agreement hereto effective from the date of such partial destruction or damage. Nothing in this Lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the County of Alameda caused by the willful or negligent act or omission of Lessor. Notwithstanding any provision of the Lease to the contrary, if such damage or destruction occurs within the last year of the Lease, and if repairs cannot reasonably be completed within 60 days, or, no matter when such damage or destruction occurs, if such damage or destruction renders the County

Premises untenable, the Lease shall automatically terminate and neither party shall have liability to the other party. If the County Premises are not rendered untenable, then the Lease shall remain in full force and effect provided that Lessor can reasonably perform obligations pursuant thereto.

19. INTERRUPTION OF SERVICE:

A. The obligations of County to perform all of its covenants and agreements under this Lease shall be excused in the event that there shall be an interruption, curtailment, or suspension longer than two (2) day of the building's or Premise's HVAC, utility, sanitary, elevator, water, telecommunications, security (including equipment, devices, and personnel), or other building systems serving the building and Premises or any other services required of Lessor under this Lease (an "Interruption of Service"), by reason of:

- (1) Force Majeure
- (2) any Casualty as defined in Paragraph 18 above;
- (3) any accident;
- (4) an emergency;
- (5) shortages of labor or materials; or
- (6) any other causes of any kind whatsoever that are beyond the reasonable control of County, including, but not limited to:
  - (i) Lack of access to the Premises including but not limited to the lack of access to the Building or the Premises when it or they are structurally sound but inaccessible due to evacuation of the surrounding area or damage to nearby structures or public areas;
  - (ii) Any cause outside the Building;
  - (iii) Reduced air quality or other contaminants with the Premises that would adversely affect the Building or its occupants including but not limited to, the presence of biological or other airborne agents within the Premises and/or surrounding area;
  - (iv) Disruption of mail and deliveries to the Building or Premises resulting from a Casualty;

- (v) Disruption of telephone and telecommunications services to the building or Premises resulting from a Casualty; or
- (vi) Blockages of any windows, doors, or access to the building or Premises resulting from a Casualty.
- (vii) Or any other cause that prevents County from beneficial use of the Building, Project, or Premises.

B. County shall be entitled to abatement of rent for the duration of an occurrence of an interruption of Service. In the event the period of Interruption of Service exceeds 180 days, such interruption shall be grounds upon which County may exercise its right to terminate this Lease.

20. MUTUALITY OF OBLIGATION.

The obligations and covenants of the Lessor, and the County's obligation to pay rent and other County obligations and covenants, arising under or related to this Lease, are interdependent. The County may, upon its issuance of and delivery to Lessor of a final decision asserting a claim against Lessor, set off such claim, in whole or in part, as against any payment or payments then or thereafter due the Lessor under this Lease. No setoff pursuant to this clause shall constitute a breach by the County of this Lease.

21. LESSOR DEFAULT: COUNTY'S REMEDIES.

- A. Each of the following shall constitute a default by Lessor under this Lease:
- (1) Subject to Paragraph 11, and Paragraph 19, Lessor's failure to maintain, repair, operate or service the Premises as and when specified in this Lease, or failure to perform any other requirement of this Lease as and when required provided any such failure shall remain uncured for a period of thirty (30) days next following Lessor's receipt of notice thereof from the County-authorized representative.
  - (2) Repeated and unexcused failure by Lessor to comply with one or more requirements of this Lease shall constitute a default notwithstanding that one or all such failures shall have been timely cured pursuant to this clause.

- B. If a default, occurs, the County may, by notice to the Lessor, proceed with either of the following remedies:
- (1) Terminate this Lease, which termination shall be effective when received by Lessor, and pursue any other remedy County has in law and in equity.
  - (2) In addition to any other remedies at law or in equity, to (i) commence suit against Lessor to compel Lessor's performance and to recover damages suffered by County, and/or (ii) cure such default itself, and offset from Rent the costs thereof, together with interest thereon not to exceeds the prime rate plus two percent (2%) as of the date of default.

22. HEADINGS.

The headings used in this Lease are not a part of this Lease and shall have no effect upon the construction or interpretation of any part hereof.

23. SEVERABILITY.

If any term or provision of the Lease shall, to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Lease shall not be affected thereby, and each term and provision of the Lease shall be valid and be enforceable to the fullest extent permitted by law.

24. NON-DISCRIMINATION.

Lessor agrees that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried out in whole or in part within the facility. Lessor shall not, on the grounds of race, color, religion, national origin, sex, age, handicapping condition, or sexual preference:

- A. Deny any service or other benefit provided in the facility.
- B. Provide a lesser degree of service or other benefit from that provided to others in the facility.
- C. Restrict in any way the enjoyment of any advantage or privilege enjoyed by others receiving services or benefits within the facility.

25. NO WAIVER.

No failure by either party to insist upon the strict performance of any provision of this Lease or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent or other performance by either party during the continuance of any such breach shall constitute a waiver of any such breach of such provision.

26. CONDEMNATION.

Should the whole or any part of the Premises, Building, or Property be condemned and taken by any competent authority for any public or quasi-public use or purpose, County will be awarded a sum attributable to the present value at the date of the taking of any excess of the market rental value of the Premises for the remainder of the term, and any relocation costs. If the whole of the Premises shall be so condemned and taken, through no fault of the County, then this Lease shall terminate. If a part only of the Premises, Building or Property is condemned and taken and the remaining portion thereof is not suitable for the purposes of which County had leased said Premises, County shall have the right to terminate this Lease. If by such condemnation and taking a part only of the Premises, Building, or Property is taken, and the remaining part thereof is suitable for the purposes for which County has leased said Premises, this Lease shall continue, but the Rental shall be reduced in an amount proportionate to the value of the portion taken as it related to the total value of the Premises, Building or Property to County's operations.

27. RECORDATION AND FILING.

County shall, at its sole option and judgment, record and file, or cause to be recorded and filed, at County's sole cost and expense, a memorandum of this Lease or this entire Lease in the Official Records of Alameda County, California. Lessor shall promptly execute any memorandum for the purposes of recording if requested by County. County shall, upon termination of the Lease, and a request from Lessor, execute documents on the status of the Lease and its termination. for recordation.

28. COUNTY DEFAULT.

Subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), the occurrence of any of the following shall constitute a material breach of this Lease by County and an event of default:

- A. A failure by County to pay the rental where such failure continues for thirty (15) days after receipt of written notice thereof by Lessor to County;
- B. A failure by County to observe and perform any other provision of this Lease to be observed or performed by County, where such failure continues for thirty (30) days after written notice thereof by Lessor to County.

29. COUNTY'S RIGHT TO CURE DEFAULT.

If the nature of such default in Paragraph 28 is such that the same cannot reasonably be cured within such 30-day period, County shall not be deemed to be in default so long as County shall within such period commence such cure and thereafter prosecute the same with use of best efforts to completion.

30. LESSOR REMEDIES UPON COUNTY DEFAULT.

Lessor and County agree as follows upon Lessor's remedies for any material default by County:

In the event of any material default by County which remains uncured, then in addition to any other remedies available to Lessor at law or in equity, Lessor shall have the immediate option to terminate this Lease and all rights of County hereunder by giving written notice of such intention to terminate. In the event that Lessor shall elect to so terminate this Lease, then Lessor may recover from County: (i) the worth at the time of award of any unpaid rent which had been earned at the time of such termination; plus (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss County proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that County proves could have been reasonably avoided; plus (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by County's failure to perform its obligations under this Lease.



31. LESSOR'S RIGHT TO CURE COUNTY DEFAULT.

All covenants and agreements to be performed by the County under any of the terms of this Lease shall be at its sole cost and expense. If the County shall fail to pay any sum of money required to be paid by it hereunder, subject to Paragraph 11 (Failure in Performance), Paragraph 19 (Interruption of Service), and Paragraph 20 (Mutuality of Obligation), or shall fail to perform any other act on its part to be performed hereunder and such failure shall have become an event of default as provided herein, the Lessor may, but shall not be obligated to do so, and without waiving or releasing the County from any such obligation, make such payment or perform any such other act on the County's part to be made or performed as provided herein. All sums so paid by the Lessor and all necessary incidental costs shall be deemed Rent hereunder and shall be payable to the Lessor upon Lessor's written demand.

32. SALE OF BUILDING:

In the event of a sale of the Building or an assignment of this lease by Lessor, Lessor shall be released from any liability thereafter occurring under this lease provided the assignee and/or transferee assumed in writing all of Lessor's obligations under this Lease.

33. SURVIVAL.

County's and Lessor's obligations shall survive the expiration of the Term or any other termination of this Lease. This Paragraph is intended to supplement and not to limit other provisions of this Lease pertaining to indemnities and attorney's fees.

34. SUCCESSORS BOUND

All covenants, agreements, terms and conditions contained in this Lease shall bind, and inure to the benefit of, the parties and their respective heirs, executors, administrators, successors, and assigns.

36. MORTGAGE PROTECTION.

County agrees to give any mortgages and/or trust deed holders, by Certified-Return Receipt U.S. Mail, a copy of any Notice of Default served upon the Lessor by County, provided that prior to such notice County has been requested in writing by Lessor to provide such

notice. County further agrees that if Lessor shall have failed to cure such default within the time provided for in this Lease, then the Mortgagees and/or Trust Deed Holders shall have an additional thirty (30) days within which to cure such default but in no event shall the time period afforded such recipients to cure Lessor's default be greater than 30 days longer than the time period afforded Lessor.

37. ASSIGNMENT OF CLAIMS.

- A. The Lessor may assign its rights to be paid amounts due or to become due as a result of the performance of this Lease to a bank trust company, or other financing institution, including any Federal lending agency. The assignee under such an assignment may thereafter further assign or reassign its right under the original assignment to any type of financing institution described in the preceding sentence.
- B. Any assignment or reassignment authorized under this clause shall cover all unpaid amounts payable under this contract, and shall not be made to more than one party, except that an assignment or reassignment may be made to one party as agent or trustee for two or more parties participating in the financing of this contract.

38. STATE OF TITLE; SUBORDINATION AND ATTORNMENT

- A. Lessor's Warranty and Representation. Lessor warrants and represents to County that there is no recorded and/or non recorded matter of any kind whatsoever affecting the Real Property that restricts or impedes, and/or is in conflict with, the use or occupancy of the Premises, and/or the rights, liabilities, and obligations of the parties to this Lease.
- B. Future Subordination and Attornment. Subject to the provisions of this paragraph, this Lease and all of County's rights hereunder shall be subordinate to the lien of any future mortgage, deed of trust or any other security instrument, hereafter affecting or encumbering the Real Property (an "Encumbrance"; the holder of the beneficial interest thereunder being referred to as an "Encumbrancer"). Subordination of this Lease to an Encumbrance shall be effected only pursuant to a subordination, attornment and nondisturbance agreement between Lessor,

County and the Encumbrancer under an Encumbrance, in form and substance acceptable to County and substantially in the form of Exhibit "E" ("Subordination Agreement"). In no event shall the provisions of this paragraph, nor any Subordination Agreement, in any manner increase or enlarge the obligations of County under this Lease or diminish or adversely affect County's rights under this Lease. If Lessor, County and an Encumbrancer have entered into a Subordination Agreement hereunder, then, if such Encumbrancer's Encumbrance to which this Lease is subordinated is foreclosed, or a deed in lieu of foreclosure is given to the Encumbrancer, County shall attorn to the purchaser at the foreclosure sale or to the grantee under the deed in lieu of foreclosure, and such purchaser shall assume Lessor's obligations under this Lease in accordance with the terms of the Subordination Agreement. An Encumbrancer may subordinate its Encumbrance to this Lease and, if any Encumbrancer so elects by notice to County, this Lease shall be deemed prior to such Encumbrance, now or hereinafter placed on or against the Real Property or on or against Lessor's interests or estate therein without the necessity of having further instruments on the part of County to effect such subordination. Provided, however, that as to any future holder of a mortgage or deed of trust, such subordination shall be effective only if said holder agrees that this Lease shall survive termination of the mortgage or deed of trust by foreclosure, or otherwise, so long as County is not in default with respect to any material provision of this Lease. In the event of the foreclosure of any mortgage or deed of trust, County shall automatically be and become the tenant of and shall attorn to any mortgagee in possession or purchaser at foreclosure.

- C. Nondisturbance. If any Encumbrance to which this Lease is subordinate is foreclosed, or a deed in lieu of foreclosure is given to the Encumbrancer thereunder, this Lease shall not terminate and the rights and possession of County under this Lease shall not be disturbed if no default by County then exists under this Lease.

39. QUIET ENJOYMENT BY COUNTY.

Lessor covenants that, upon County's performing all of the terms, covenants, and conditions on County's part to be observed and performed hereunder, County shall peaceably and quietly enjoy the Premises hereby demised, free of claims of paramount title or of any Person claiming under or through Lessor and free and clear of all exceptions, reservations, or encumbrances to title, created or suffered by Lessor.

40. TIME OF THE ESSENCE.

Time is of the essence of this Lease and applies to all times, restrictions, conditions and limitations contained herein.

41. ENTIRE AGREEMENT.

This instrument along with any exhibits and attachments hereto constitutes the entire agreement between Lessor and County relative to the Premises and this agreement, and the exhibits and attachments may be altered, amended or revoked only by an instrument in writing signed by both Lessor and County (and approved by County's Board of Supervisors). Lessor and County agree hereby that all prior or contemporaneous oral agreements between and among themselves and their agents or representatives relative to the leasing of the Premises are merged in or revoked by this agreement. No other document submitted by Lessor for County's execution shall in any manner increase or enlarge the obligations of County under this Lease or diminish or adversely affect County's rights under this Lease. Lessor specifically acknowledges that any modification to the terms of this Lease shall only be by written agreement executed by Lessor and approved by County's Board of Supervisors.. This Lease shall be interpreted under the laws of the State of California.

42. SIGNS.

Lessor shall provide County with requested Premises signage, and any building exterior signs if available to other tenants of the building, all provided at Lessor's sole cost and expense, (except for Building exterior signage which shall be a County's sole cost and expense and subject to Lessor's reasonable approval) described in Paragraph 12 of the Fundamental Lease Provisions.

43. NOTICES.

A. Method of Delivery. Notice shall be sufficiently given for all purposes as follows:

- (1) When personally delivered to the recipient, notice is effective on delivery.
- (2) When mailed first-class to the last address of the recipient known to the party giving notice, notice is effective on delivery.
- (3) When mailed by certified mail with return receipt requested, notice is effective on receipt if delivery is confirmed by a return receipt.
- (4) When delivered by *overnight delivery Federal Express/Airborne/United Parcel/DHL World Wide Express* with charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is confirmed by the delivery service.

B. Refused, Unclaimed, or Undeliverable Notices. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified shall be considered to be effective as of the first date that the notice was refused, unclaimed, or considered undeliverable by the postal authorities, messenger, or overnight delivery service.

C. Notices given pursuant to this Paragraph shall be addressed to the respective parties, as shown in Paragraph 8 of the Fundamental Lease Provisions.

44. LESSOR COMPLIANCE WITH ENVIRONMENTAL LAWS

With regard to the Premises, Building, and Property Lessor represents and warrants to County that:

A. No Hazard.

As of the Commencement Date of Term of this Lease, no Hazardous Materials (as defined below) have been manufactured, refined, stored, disposed of, produced or processed on or in any part of the Premises or Building.

B. Compliance.

Lessor is in compliance with all federal, state, county or municipal environmental, pollution, health, safety, fire, or building code laws and has no knowledge and has received no notice of any federal, state, county or municipal environmental, pollution, health, safety, fire, or building code violations.

- C. No lawsuits.  
Neither the Lessor nor any other tenants at the Building have been named as a party in any proceeding or lawsuit for violation of federal, state, or local environmental laws.
- D. Not Under Investigation.  
The Building is not currently subject to investigation for alleged federal, state, county or municipal environmental pollution, health, safety, fire, or building code violations.
- E. Indemnity.  
Lessor will defend, indemnify, and hold harmless County, its directors, officers, employees, and agents, and any assignees, subtenants or successors to County's interest in the Premises from and against any and all losses, claims, damages, penalties, and liability, including all out-of-pocket litigation costs and the reasonable fees and expenses of counsel related directly or indirectly to Lessor's violation or breaches of these warranties and/or representations.
- F. Warranty survives expiration of lease.  
The provisions of this warranty relating to hazardous substances will survive the expiration or termination of this Lease.
- G. Abatement and termination.  
If any cleanup, repair, or similar action is required by any governmental or quasi-governmental agency as a result of the storage, release, or disposal of hazardous substances materials by Lessor, its tenants, agents or contractors at any time, or by any prior owner, and such action requires that the County be closed for business or that access be denied for greater than a 24-hour period, then the rent will be abated entirely during the period beyond 24 hours. If the closure or denial of access persists in excess of 30 days, then, at County's election by written notice to owner given within 10 days after the end of the 30-day period, this lease will end as of the commencement of such disclosure.
- H. Definition of Hazardous Material.  
As used herein, the term Hazardous Materials shall mean (i) any hazardous or toxic wastes, materials or substances, and other pollutants or contaminants, which are or

become regulated by all applicable local, state and federal laws, including but not limited to, 42 U.S.C. 6901 et seq. 42 U.S.C. 9601 et.seq. and California Health and Safety Code Sections 25100 et.seq., and 25300 et. seq.; (ii) petroleum and petroleum-based products, by products and fractions; (iii) asbestos; (iv) polychlorinated biphenyls; and (v) radioactive materials.

45. COMPLIANCE WITH APPLICABLE LAW.

Lessor shall comply with all Federal, state and local laws applicable to the Lessor as owner or Lessor, or both, of the Building or Premises, including, without limitation, laws applicable to the construction, ownership, alteration or operation of both or either thereof, and will obtain all necessary permits, licenses and similar items at Lessor's expense. The County will comply with all Federal, state and local laws applicable to and enforceable against it as a tenant under this Lease.

46. PARKING.

Lessor shall provide County with requested Building parking as described in Paragraph 10 of the Fundamental Lease Provisions.

47. STATEMENT OF LEASE

- A. The County will, within thirty (30) days next following receipt of a joint written request from Lessor and a prospective lender or purchaser of the Building, execute and deliver to Lessor a letter stating that the same is issued subject to the conditions stated in this clause and, if such is the case, that (1) the Lease is in full force and effect; (2) the date to which the rent and other charges have been paid in advance, if any; and (3) whether any notice of default has been issued.
- B. Letters issued pursuant to this clause are subject to the following conditions:
  - (1) That they are based solely upon a reasonably diligent review of the County's Lease file as of the date of issuance;
  - (2) That the County shall not be held liable because of any defect in or condition of the Premises or Building;
  - (3) That the County does not warrant or represent that the Premises or Building comply with applicable Federal, State and local law; and

- (4) That the Lessor, and each prospective lender and purchaser are deemed to have constructive notice of such facts as would be ascertainable by reasonable pre-purchase and pre-commitment inspection of the Premises and Building and by inquiry to appropriate Federal, State and local officials.



IN WITNESS WHEREOF, the parties have executed this Lease on the dates appearing below their respective signatures.

LESSOR:  
CREEKSIDE PLAZA PARTNERS, LLC,  
a California limited liability company

COUNTY:  
COUNTY OF ALAMEDA,  
a body corporate, politic and a  
political subdivision of the  
State of California

By: \_\_\_\_\_  
T. Lawrence Jett  
Its: Manager

By: \_\_\_\_\_  
President, Board of Supervisors  
County of Alameda, State of California

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

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

By: \_\_\_\_\_  
David C. Irmer  
Its: Manager

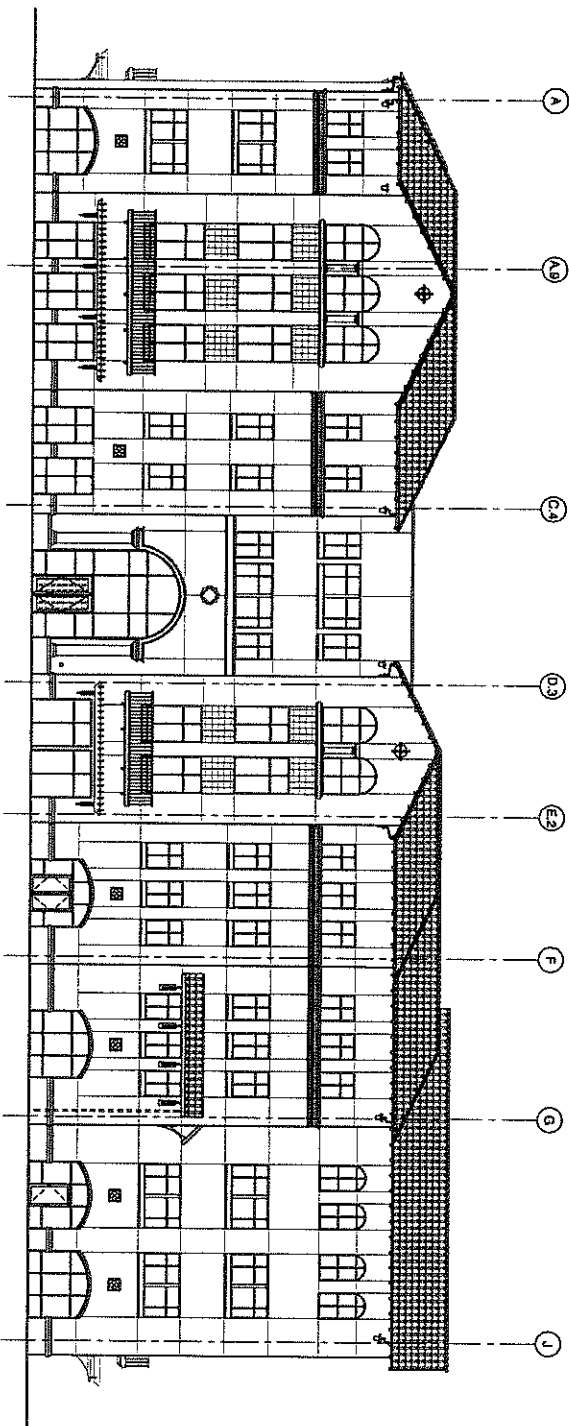
Date \_\_\_\_\_

Approved as to Form  
Office of the County Counsel  
  
By: \_\_\_\_\_

I hereby certify under penalty of perjury that the President of the Board of Supervisors was duly authorized to execute this document on behalf of the County of Alameda by a majority vote of the Board on (date) and that a copy has been delivered to the President as provided by Government Code Section 25103.

Date \_\_\_\_\_

By \_\_\_\_\_  
Crystal Hishida, Clerk of the Board  
County of Alameda, State of California



**CREEKSIDE PLAZA**  
**BUILDING A - TENANT IMPROVEMENT**  
**1100 SAN LEANDRO BLVD. - SUITE 100**  
**SAN LEANDRO, CALIFORNIA**



mfg architects  
 3000 San Diego Avenue, Suite 100  
 San Diego, CA 92108  
 Tel: 619.594.8888  
 Fax: 619.594.8889  
 www.mfgarchitects.com

**CREEKSIDE PLAZA**  
**BUILDING 'A'- TENANT IMPROVEMENT**

1100 SAN LEANDRO BOULEVARD, SUITE 100  
 SAN LEANDRO, CALIFORNIA

CREEKSIDE ASSOCIATES, LLC

2025 IMPROVEMENT, SUITE 100  
 SAN LEANDRO, CALIFORNIA  
 PREPARED FOR THE CLIENT

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMITTING	APRIL 13, 2015
2	ISSUED FOR PERMITTING	APRIL 13, 2015
3	ISSUED FOR PERMITTING	APRIL 13, 2015
4	ISSUED FOR PERMITTING	APRIL 13, 2015
5	ISSUED FOR PERMITTING	APRIL 13, 2015
6	ISSUED FOR PERMITTING	APRIL 13, 2015
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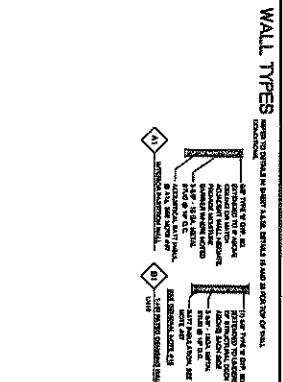
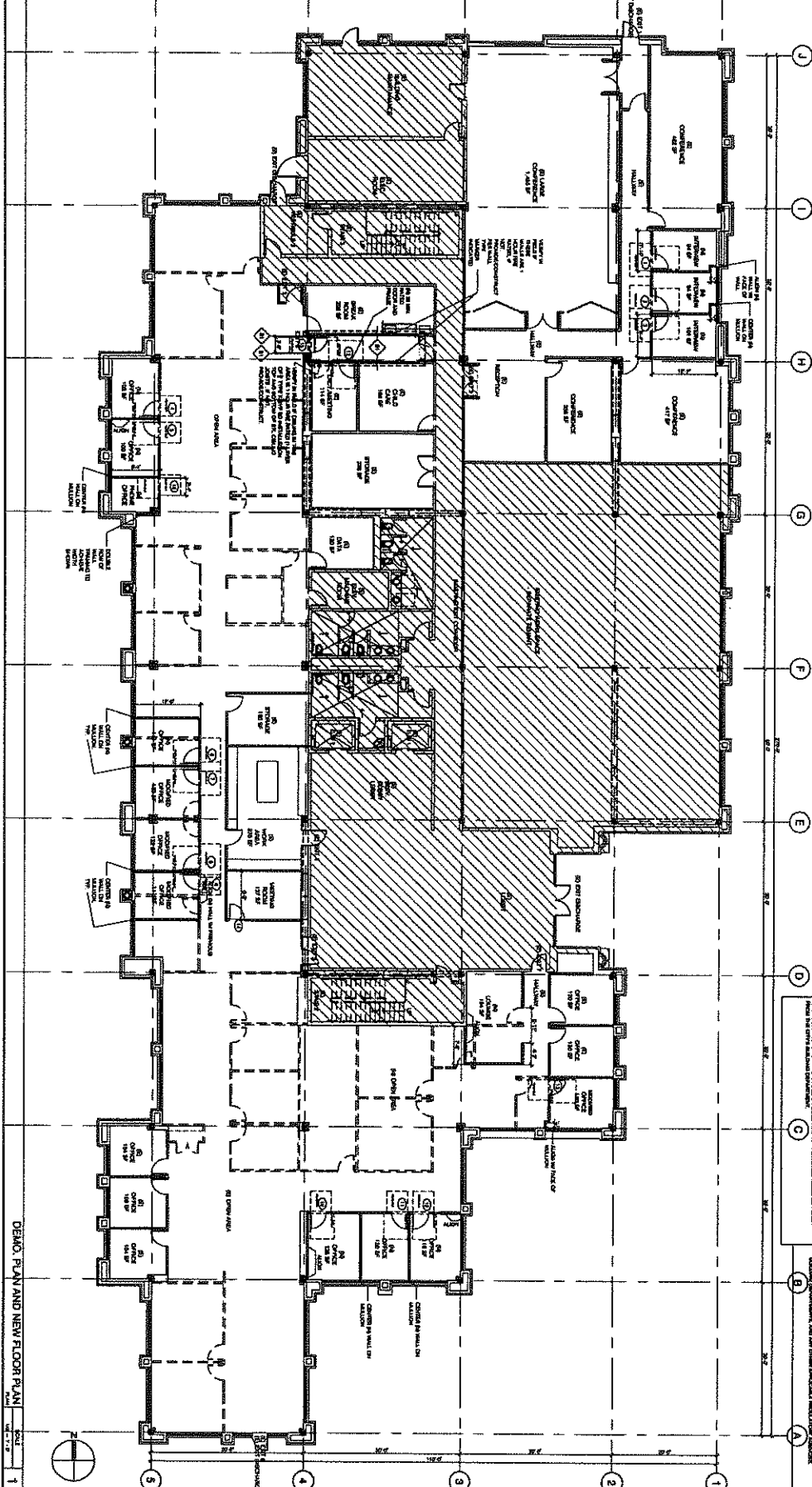
COVER SHEET

THIS DOCUMENT IS THE PROPERTY OF MFG ARCHITECTS. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREIN. IT IS NOT TO BE REPRODUCED, COPIED, OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF MFG ARCHITECTS.



**NOTE: ALL WORK DONE IN THIS SCOPE OF WORK AND PROJECT IS FOR ONLY ONE TENANT AND THAT TENANTS SPACE ON THE GROUND LEVEL FLOOR**

- GENERAL NOTES**
1. ALL DIMENSIONS UNLESS OTHERWISE NOTED TO BE TO FACE OF FINISH SURFACE.
  2. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND ALL APPLICABLE REGULATIONS.
  3. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND ALL APPLICABLE REGULATIONS.
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  25. ALL WORK SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES AND ALL APPLICABLE REGULATIONS.



**LEGEND**

SYMBOL	DESCRIPTION
[Hatched Box]	CONCRETE
[Dotted Box]	INSULATION
[Diagonal Lines]	WOOD PANELING
[Stippled Box]	GLASS
[Cross-hatched Box]	ACoustic TREATMENT
[Solid Grey Box]	CEILING
[Dashed Line]	DOOR
[Circle with X]	WINDOW
[Circle with Dot]	PLUMBING
[Circle with Plus]	ELECTRICAL
[Circle with Triangle]	MECHANICAL
[Circle with Square]	FINISH

**CREEKSIDE PLAZA BUILDING 'A'- TENANT IMPROVEMENT**

1100 SAN LEANDRO BOULEVARD, SUITE 100  
SAN LEANDRO, CALIFORNIA



**DEMO PLAN AND NEW FLOOR PLAN**

**A1.01**

2000 INDEPENDENT SUITE 200  
SUNLAND, CALIFORNIA 91768  
Tel: 916.338.3117

**CREEKSIDE ASSOCIATES, LLC**

DATE: 08/15/2013  
DRAWN BY: [Name]  
CHECKED BY: [Name]  
SCALE: AS SHOWN

## **EXHIBIT B WORK LETTER**

This **WORK LETTER** (the “Agreement”) is hereby made a part of that certain Lease (the “Lease”) dated as \_\_\_\_\_, and made and entered into by and between Creekside Plaza Partners, LLC, a California Limited Liability Company, Tax I.D. number 90-0820856, (“Lessor”) and the County of Alameda, a body corporate and politic and a political subdivision of the State of California, acting by and through its Board of Supervisors (“County”). All terms used herein which are defined in the Agreement shall have the same meanings herein as are ascribed to such terms in the Lease. Lessor and County hereby agree as follows with respect to the construction of initial improvements in the Premises:

### **1.0 SPACE PLANS AND CONSTRUCTION DOCUMENTS**

**1.1 Space Plans.** Lessor shall provide a final space plan (attached to this Lease as Exhibit A) and construction documents to be approved by the County. All work required to be performed by Lessor or Lessor’s contractor pursuant to this Agreement is hereinafter referred to as the “Lessor’s Work.” Lessor shall cause to be constructed, at Lessor’s sole cost and expense up to \$15.00 per square foot as per the terms and conditions of the Lease Agreement (except as expressly set forth herein), improvements in the Premises (the “Improvements”) in accordance with that certain final space plan (the “Space Plan”) attached to the Lease as Exhibit A.

**1.2 Construction Plans and Documents.** Lessor will be responsible for providing and paying for any surveys and services such as architectural, structural, electrical and mechanical engineering necessary for the preparation of construction drawings and final specifications necessary for this project. Construction documents will include architectural floor plans scaled at 1/8”, reflected ceiling, finish schedules, door and hardware schedule, millwork details, electrical, plumbing, HVAC, fire protection plans, a specification book or project manual (if required by County) and Title 24 calculations. Lessor will provide completed construction drawings for County review within five (5) days as made available by the Project Architect and/or Contractor.

**1.2.1 Plans, Studies, Drawings.** Lessor shall cause to be prepared such plans, drawings and specifications (collectively, the “Plans”) as may be necessary to obtain a building permit for construction of the Improvements. Upon completion thereof, the Plans shall be submitted to County for approval.

**1.2.2 Documents.** Lessor agrees to provide cutsheets, manufacturers’ specs and other documentation upon County request for all items used in the construction and County Improvements.

**1.2.3 Approval of Construction Plans and Documents.** County shall notify Lessor, in writing, which in this case may be by email, within five (5) County business days following receipt by County of the Plans if County disapproves of any portion thereof. Such disapproval shall be communicated with sufficient specificity to enable Lessor to revise the Plans in a manner acceptable to County. County shall be permitted to make minor revisions to the Plans to the extent they may not exactly conform to the Space Plan or County's intended use, but shall reasonably not increase the cost of the Improvements nor reasonably not change the scope of Lessor's Work. County shall not be permitted to propose revisions to the Plans which would conflict with any applicable law. Failure of County to timely notify Lessor of any such disapproval shall constitute approval by County of the Plans. If County timely and properly objects to any portion of the plans, Lessor shall cause same to be revised accordingly, and shall resubmit the revised Plans to County for approval. County shall have three (3) County business days to disapprove the revised Plans. The foregoing process shall continue until the Plans are approved by County. The final Plans, prior to submission for permit, are to be presented to County for its review and approval. Lessor to provide cut sheets, manufacturers' specs for County approval, if requested. The Real Property Manager of the General Services Agency shall sign the final Plans which shall denote County's approval of the Plans.

**1.2.4 Space Planning/Construction Documents.** A reproduction set of final As-Built plans, three (3) sets of blueprints, air balance reports, and AutoCad disk (if used to prepare the documents) will be provided, at no cost, to the County when project has been completed.

**1.3 Permit Required Changes.** County hereby consents to any changes to the Plans which may be imposed as a condition of obtaining a permit for the construction of the Improvements by any municipal department having jurisdiction over same. Lessor shall immediately notify County of any such changes made.

**1.4 County Requested Changes.** County may request changes to the final plans following approval thereof. All such requests for changes shall be subject to the procedures set forth in Paragraph 3.4 hereof.

## **2.0 CODES AND PERMITS**

**2.1 Codes.** All work shall be in accordance with the most current editions of the following codes and standards:

Local Building Code, current edition  
Local Plumbing, Electrical, Mechanical and Fire codes, current edition  
State Building Code, Title XXIV  
California Administrative Code  
Comprehensive Environmental Response Compensation and Liability Act  
Americans With Disabilities Act, current updates  
All other codes enforced within local jurisdiction

**2.2 Permits.** All required permits for the construction, remodeling, testing, or debris removal are to be obtained by the Lessor from those jurisdictions having such authority to grant them.

**2.3 Copies Provided To County.** Copies of all permits shall be provided to County.

### **3.0 FEES, COSTS, AND CHANGE ORDER PROCEDURE**

**3.1 Construction Management Fees.** There will be no fees added on to actual costs by Lessor, its construction manager or the property manager for administration of Lessor's Work, Improvements and architectural/engineering services.

**3.2 Cost of the Improvements.** Except as otherwise set forth herein, Lessor shall bear all costs of constructing the Improvements up to \$15.00 per square foot. The cost of the Improvements shall include, without limitation, preparation of Plans and all working drawings, obtaining building permits, labor and materials used in such construction, and all other costs of such construction including a conditional use permit (if required) and occupancy permits.

**3.3 Changes Requested by the Lessor.** Except as required in Paragraph 1.3 above, Lessor shall not enter into any change without County's prior written approval. Any such disapproval of Lessor's written request on the part of County shall be accompanied by a statement of the reasons for such disapproval, set forth with sufficient specificity to permit Lessor to understand the nature of County's objections thereto.

**3.4 Changes Requested by the County.** County may require Lessor to perform any such additional, nonstandard or revised work (hereinafter collectively referred to as "Extra Work") desired by County. County acknowledges that any delays in the completion of the Improvements caused by the review of any request for, as well as any approval and/or performance of, Extra Work shall constitute a County Delay as described in Paragraph 8.2 below

**3.4.1 Request Procedure.** Any request by County for Extra Work which would require a change to the final Plans shall be accompanied by all necessary

additional and/or revised Plans, if necessary, for such Extra Work. Lessor shall respond in writing within five (5) days to any request by County for the performance of Extra Work, which response shall include the scope, extra cost or credit, and delay of the completion of the Improvements, if any. Any approval of such request may, in Lessor's sole discretion, be conditioned upon any or all of the following: (1) payment by County of all estimated costs of such Extra Work no later than thirty (30) days after Substantial Completion; as described in Paragraph 3.4.3 below; (2) the written acknowledgment by County that any additional time required to perform such Extra Work shall constitute a County Delay; and (3) any other reasonable conditions which Lessor may find to be reasonable under the circumstances.

**3.4.2 County Approval.** County shall approve or disapprove Lessor's written response on the scope, cost (if any), and delay (if any) of the Extra Work within three (3) business days following presentation by Lessor. No Extra Work shall be deemed approved by County unless written authorization is received from, or the Extra Work request is signed by, the Director of the General Services Agency or the General Services Agency Real Property Manager. Lessor acknowledges, and Lessor shall direct Lessor's contractor to acknowledge that no direction for Extra Work from County's employees, agents, or contractors that changes the scope of the Improvements, the cost of the Improvements, or changes the completion date of the Improvements is valid unless the procedure described in this Paragraph 3.4.2 is followed. If County shall fail to approve Lessor's response for Extra Work within three (3) business days following Lessor's presentation to County, the proposed Extra Work shall be deemed disapproved by County.

**3.4.3 Payment Procedure.** Upon Substantial Completion (defined in Paragraph 4.3 hereof), Lessor shall submit to County the approved Extra Work request and an original invoice including any detailed cost breakdowns from the contractor showing materials and labor. The invoice shall include Lessor's taxpayer identification number. County shall pay Lessor, based on the invoice, within thirty (30) days of receipt of Lessor's complete, correct invoice.

**3.5 Lessor's Error.** To the extent any Extra Work is required as a result of Lessor's error, negligence or willful misconduct, Lessor shall be responsible for the cost of performing such Extra Work.

## **4.0 SCHEDULES/COMPLETION OF IMPROVEMENTS**

**4.1 Schedules.** Lessor shall provide County with a detailed construction schedule. The schedule will include all trades, particularly noting when walls and ceilings will be open for County's cabling subcontractor to install communication and data processing



wires. Lessor's contractor shall coordinate with County's cabling contractor for the installation dates for County's cabling requirements. The schedule will also be updated at least thirty (30) days prior to anticipated Lease commencement date set forth in the Lease. The Lessor will provide access to County's employees and agents at least two (2) weeks prior to Substantial Completion to install furniture systems and phones.

**4.2 Construction in Progress/County's Entry.** County and its approved contractors shall have the right to enter the Premises during the construction of the Improvements, without payment of rent, for the following purposes only: (a) to perform such work or decoration as is to be performed by or under the direction or control of County; (b) to review the progress of the construction of the Improvements for the purpose of coordinating County's move into the Premises; (c) to install County's furniture, fixtures, and equipment, provided that such entry or performance of work shall not interfere in any manner with the conduct of Lessor's Work; and (d) to review construction in progress to insure that the Improvements are being constructed according to the Plans. Any entry into the Premises by County, its agents, contractors and employees, during the construction of the Improvements shall be at the sole risk of the County, and County hereby releases Lessor, its agents, contractors and employees, from any and all liability, cost, damage, expense and claim for injury (including bodily injury, death or property damage) (collectively, "Claims") incurred or suffered by County in or about the Premises during the construction of the Improvements, except for Lessor's or Lessor's contractor's error, negligence or willful misconduct.

**4.3 Substantial Completion.** Substantial Completion shall be defined as when the Lessor's Work in constructing the Improvements is completed in accordance with the final Plans and Exhibit B to this lease, and any Extra Work, and specifically upon Lessor's receipt of a certificate of occupancy (or equivalent final regulatory approval such as final permit signoff by the local building inspector that the Improvements have been completed to all applicable codes and the Premises are ready for occupancy by County) and sign-off by the local fire department.

**4.3.1 Remodeling Debris.** Remove all from Premises.

**4.3.2 Cleaning Prior to County Move-in.** Prior to move-in, the entire Premises shall be cleaned to level acceptable to County, VCT waxed, and all construction debris removed from premises. Stray paint on hardware, door and window frames, ceiling grid, glazing shall be removed. Windows/glazing will be cleaned both on interior and exterior of Premises. All labels, tape, plastic covering light fixtures, and construction markings shall be removed. All debris shall be removed from exterior areas, sidewalks swept, parking lots washed and swept, and trash shall be hauled within one (1) week of County moving in. Lessor, at no cost to County shall have all existing air intake and vents cleaned and filters changed.

**4.4 County Walk-through/Punchlist.** Lessor shall provide County fifteen (15) days prior written notice of the expected date of Substantial Completion. Within five (5) days following or upon Substantial Completion of the Improvements, County and Lessor shall conduct a walk-through inspection of the Premises to determine County's acceptance of Premises and to agree on the Punchlist of items of Lessor's Work still to be completed by Lessor ("Punchlist").

**4.5 Acceptance of Premises.** Lessor shall deliver the Premises to County, and County shall accept the Premises, upon Substantial Completion of the Improvements (subject to Punchlist items). If County accepts the Premises and the Punchlist items are agreed upon, the Commencement Date shall be deemed to have occurred on the first business day following County's acceptance of such Substantial Completion.

**4.6 Completion of Punchlist Items.** Lessor's contractor shall complete all Punchlist items within thirty (30) days after the walk-through inspection.

## **5.0 SPECIFICATIONS**

In the event of any conflicts between the requirements set forth hereinafter and the above-referenced codes and standards, the more stringent requirement shall apply. The specification for any new fixtures, doors, and frames, sidelights, hardware, ceiling tiles, etc. will match the existing fixtures and materials now in place.

**5.1 Contractors and Materials.** Except as otherwise herein provided or as may be otherwise approved by Lessor, all construction of the Improvements shall be performed by Lessor's contractors. Unless otherwise expressly described in the Plans or expressly described herein this Agreement, all wall coverings, woodwork, paint, floor coverings and other finishes shall be of building standard quality, as determined by Lessor ("Building Standard") from time to time for general County improvement work in the building. Lessor shall not under any circumstances be required to provide or pay for any furniture, trade fixtures, equipment or other personal property of County, or any other item which is not to be permanently affixed to the Premises and made a part thereof.

**5.2 Color Selections.** County shall approval all colors prior to the ordering of any materials requiring color choice. County may choose up to two colors per office/room for walls.

**5.3 Partitions.** 5/8" gypboard on both sides of 2-1/2" metal studs at 24" on center, from floor slab to 10" above the finished floor for non-rated; from floor slab to roof or concrete slab above for rated. All walls will be straight, level and plumb. There will be no visible joints, cracks, crazing, tool marks or discoloration.

**5.4 Doors, Frames, Hardware, and Locks.** All doors shall be full height 3'-0" x 1-3/4" thick solid core. Approved commercial grade ADA locksets will be provided for all offices and storage rooms. Approved ADA latchsets shall be provided to all other doors. All locksets and latchsets Schlage with Rhodes level or equivalent. Copy rooms, entry doors, break room doors shall have automatic LCN door closers. All doors to include Glynn Johnson door stops where applicable. Stanley, McKinney or Lawrence 1-1/2" x 4-1/2" butt hinges. Use Pemko thresholds where required. Clearance for all doors shall not exceed 1/4" from finish floor or threshold, 1/8" for jambs and heads and meeting edges. Keying -- furnish keys to all employees designated by County. Key and master key all locksets and cylinders. For existing spaces, rekey all entry doors, storage rooms, and private offices. If any new hardware is required, all new hardware to match existing.

**5.5 Sound Insulation.** All rooms specified in the approved Construction Plans and Documents (new Construction) will be built from floor to slab above and include 3-1/2" batt insulation. For all walls located adjacent to other private offices, 3-1/2" batt insulation will be included, with a blanket acoustical insulation in ceiling. Electrical outlets will be staggered between offices to minimize sound transmission. HVAC ductwork shall be diverted to minimize sound transmission. Lessor shall provide HVAC equipment and exhaust fans that transmit sound levels acceptable to County. If unacceptable, Lessor agrees to replace/repair at County's request at no charge.

**5.6 Painting.** Fuller-O'Brien, Sherwin-Williams, Benjamin Moore, or equal paint shall be used. Minimum shall include one coat primer with P.V.A. primer sealer, and two finish coats. Apply additional coats if necessary to provide uniform coverage and full hiding. All tool marks, nail holes, defects shall be sanded smooth prior to painting. Paint all exposed conduit in finished areas. Paint all interior surfaces of air ducts, baseboard heating units that are visible through grilles and louvers with one coat of flat black paint. Paint dampers exposed behind louvers, grilles to match face panels. Paint chips will be provided to County for approval.

**5.7 Electrical.** The location and placement of all electrical outlets shall be mutually agreed to between the County and Lessor, but in no event less than two (2) duplexes per each private office, and three (3) duplexes per each conference room. Each workstation shall be provided with an equivalent of two duplexes. Outlet plates -- white or color-approved by County. Dedicated circuits shall be provided for telephone and data processing equipment, copiers, shared printers, microwave oven, servers and other special equipment. GFI receptacles shall be provided adjacent to water sources. Code all special receptacles. Label all electrical panels. Each room switched, with multiple-way switches for rooms with multiple doors. Load shall be no less than five (5) watts per square foot. If building requires additional power, Lessor will supply such power.

**5.8 Communications and Data Processing.** One communication outlet shall be provided to each private office unless otherwise specified by the County. Larger conference/training rooms shall include a communications outlet per wall. Each workstation shall be provided with an equivalent of one communication outlet unless otherwise designated by the County. All communication outlets shall be connected to a pair of ring and pull string (one (1) for telephone and one (1) for computer cable). Outlet plates -- white or color-approved by County. All required 4' x 8' plywood back boards shall be provided mounted, and painted for data and communications equipment. Dedicated circuits shall be provided for telephone and data equipment, copiers, shared printers, servers and other special equipment. GFI receptacles shall be provided adjacent to water sources. Code all special receptacles. If building requires additional power, Lessor will supply such power.

**5.9 Telephone Service.** County will provide its own phone service. Lessor will provide all necessary electrical, conduit, plywood backboard, etc., to support County's phone system, including bringing the Pacific Bell service to The Building's telephone equipment room to enable distribution of cable and wire.

**5.10 Pathways/Conduit.** Provide all necessary conduit and pathways for County's data processing, communications and electrical. This shall include pathways to County's workstations and pathways from building's utility rooms to County's equipment to enable distribution of cable and wire. The exact size and location of conduits to be determined by County's communications and data processing departments.

**5.11 Heating, Ventilation and Air Conditioning.** The Premises shall be heated and cooled by a forced air system consisting of adequate zones, maintaining an inside temperature of 72 degrees F at heating cycle and 76 degrees F for cooling cycle, when outside temperatures range from 30 degrees to 90 degrees F dry bulb. One zone per 1,000 square feet, with Variable Volume controls. Maximum 500 CFM per supply outlet and 800 CFM per return outlet. The system shall bring in no less than 15 CFM per person fresh air at temperature extremes. Ventilation shall be provided continuously independent of the heating and cooling cycles. Design shall consider all heat-generating loads, a general headcount of 100 square feet per person, visitors, meeting rooms that may accommodate 12 square feet per person. Final air balancing of system and a balance report shall be provided to County. Any adjustments will be made at no charge. Conference and training rooms shall have their own separate thermostats, and a manual override for fans. Supply and return registers shall be provided for all rooms. Provide exhaust fans for toilets and kitchen/break rooms. A manual override system shall be provided for after-hours circulation and HVAC. For existing buildings, revamp HVAC system to that of a modern variable air-flow system that will meet the above specifications.

**5.12 Plumbing.** All break rooms, kitchens and toilets shall include hot and cold water supplied to faucet, sink, stops and traps. Valves shall be easily accessible. Lessor shall provide commercial grade high-flow flush system toilets, sinks and faucets. Lessor shall provide handicap toilets and fixtures as required by code

**5.13 Toilets and Accessories.** Restroom toilets must be good quality commercial grade high-flow flush system fixtures in good condition. Provide new toilet seats. Provide new soap, paper toilet seat cover, and paper towel dispensers, and separate sanitary napkin disposal containers in the Women's toilets. Alter plumbing as required. Comply with handicap code. Mirrors to be provided at sinks in the restrooms.

#### **5.14 Flooring.**

**5.14.1 Subfloor.** Repair as needed.

**5.14.2 Carpet.** As per finishes schedule/plan from Pivot which is attached at the end of this Exhibit B. C1: Tandus Haphazard (style #03366) Appaloosa (color #13502). C2: Tandus Haphazard (style #03366) Bay (color #13505). Must be static control carpet with maximum rating below 3.0 KV at 20 percent (20%) relative humidity. Seams shall be uniform, unnoticeable, and permanent: a seaming diagram will be provided in the construction documents. Lessor shall store, at no cost to County, a minimum of three percent (3%) stock for County for future repairs. Lessor shall provide same die lot for entire installation. Lessor shall provide a warranty for the Term of the Lease on product and installation.

**5.14.3 Resilient Flooring.** As per finishes schedule/plan from Pivot which is attached at the end of this Exhibit B. T1: Lounge Wood Laminate Armstrong Forest Brown Maple (#L8704) T2: Breakroom, Workroom, Childcare Room, Armstrong Marmorette Oak Brown 9#LP066) Storage Room 155 on Exhibit A Architectural Plan should remain the same. Broken floor tiles will be replaced.

**5.14.4 Base.** In conjunction with the installation of all carpeting, remove and replace all current molding with rubber cover base that is a minimum of 4" high. Standard "Roppe" or "Burke" rubber base, 48" cut lengths, 1/8" thick, with premolded inside and outside corners shall be provided along all partitions, cabinet bases. Straight base shall be provided with carpet flooring and cove base shall be used with VCT and hard flooring. Provide tile/carpet joiner reducer moldings. County to be provided with samples to select color within one (1) week of executing the Lease.

## **5.15 Lighting, Interior.**

**5.15.1 Fixtures.** 2' x 4' recessed U.L. approved energy-efficient fluorescent fixtures to match the building standard. Ballasts to have minimum "A" sound rating and U.L. approved. Energy-efficient ballasts and controls shall be provided. Provide emergency lighting for egress, including fixtures for toilet and common areas. .

**5.15.2 Lighting Levels.** Office areas: 60 minimum foot candles at 30" above finished floor. Toilet room and corridors: 30 foot candles. All other areas: 50 foot candles. at 30".

**5.16 Ceiling.** All new ceiling tiles to match existing. In areas where there is demo or new construction all new t-bars to match existing layout and pattern. Any damaged or stained ceiling tiles to be replaced.

**5.17 Glazing.** Any new side light should match existing. All offices side lights will be provided with frosted 3M or equivalent film.

**5.18 Window Coverings.** Install building standard vertical window coverings .

**5.19 Fire Protection.** An approved automatic sprinkler system, fire alarm system and fire extinguishers shall be provided to meet code. Provide U.L.-approved, polished chrome, semi-recessed, with polished chrome escutcheons. Fire extinguishers shall be recessed in partition in cabinet. Lessor shall provide County with Fire Department certificate upon occupancy by County.

**5.20 Burglar Alarm.** Intentionally Omitted.

**5.21 Signage and Graphics.** Provide suite signage, floor lobby directory, central lobby directory or monument, die cut fire extinguisher signs, and all regulatory signage. Wording for County's use in the lobby to be provided.

## **6.0 COUNTY-APPROVED EQUIVALENTS**

In the event of any question of County-approved equivalents in these specifications, Lessor is to contact the Real Property Manager of the General Services Agency for approval.

**7.0 OPERATING MANUALS.** Provide County with operating manuals for thermostats, dishwashers, alarm systems, and any other equipment provided by Lessor.

## **8.0 DELAY**

**8.1 Lessor Delay/Force Majeure.** The term “Force Majeure” shall mean any delay in the completion of the Improvements which is attributable to any (1) delay or failure to perform attributable to any strike, lockout or other labor or industrial disturbance, civil disturbance, judicial order, act of a public enemy, war, riot, sabotage, blockade, embargo, inability to secure customary materials, supplies or labor through ordinary sources by reason of regulation or order of any government agency; (2) delay attributable to inability to secure building permits and approvals; (3) delay in completing working drawings or other necessary components of final Plans, and/or delay in the construction of the Improvements despite Lessor’s diligent efforts to complete same, because of changes in any laws subsequent to the execution date hereof (including, without limitation, the Americans with Disabilities Act of 1990) or changes in the interpretation of any such law by the applicable building department; or (4) delay attributable to lightening, earthquake, fire, storm, hurricane, tornado, flood, washout, explosion, or any other natural cause beyond the reasonable control of Lessor.

**8.2. County Delay.** The term “County Delay” shall mean, with respect to the completion of the Improvements, delay which is attributable to any (1) delay in the giving of authorizations or approvals by County; (2) delay attributable to the negligent or willfully wrongful acts or failures to act, of County, its agents or contractors, where such acts or failures to act delay the completion of the Improvements; (3) delay attributable to the interference of County, its agents or contractors with the completion of Lessor’s Work, including delays resulting from entry into the Premises by such persons as contemplated in Paragraphs 4.2 and 5.8 above; (4) any extension of time required to complete the Improvements requested by County, including any delays cause by request for Extra Work pursuant to Paragraph 3.4 above; or (5) any delay in obtaining a certificate of occupancy for the Premises as a result of the failure of any contractor hired by County to complete any portion of the Improvements prior to the completion of Lessor’s work. In the event of any County Delay, the date of delivery of the Premises to County by Lessor shall be deemed, for the purpose of determining the Commencement Date, to be the day after the County accepts the Premises and the Punchlist items without the inclusion of one County Delay Scope of Work.

**LESSOR:**

Creekside Plaza Partners, LLC,  
a California Limited Liability Company

By Creekside Plaza Partners LLC  
a Delaware Limited Liability Company  
Its: Manager

By: Aston Avenue, LLC  
a California Limited Liability Company

\_\_\_\_\_  
T. Lawrence Jett  
Manager

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

By: Creekside Associates, LLC  
a California Limited Liability Company

\_\_\_\_\_  
David C. Irmer  
Manager

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



**EXHIBIT "C"**

**MEMORANDUM CONFIRMING  
COMMENCEMENT DATE OF LEASE TERM**

**Department: Health Care Services Agency**

**Location: 1100 San Leandro Boulevard, San Leandro, CA.**

On this \_\_\_\_ day of \_\_\_\_\_ **2013**, the County of Alameda (:County") and Creekside Plaza Partners LLC, a limited liability company (:Lessor) hereby confirm that the Commencement Date of the Term of the Lease dated \_\_\_\_\_, shall be \_\_\_\_\_, 2013, and the Expiration Date shall be \_\_\_\_\_, 2023.

Lessor represents and warrants that it has received final building permit signoff, an occupancy permit (if required) fire department approval, and/or any other approval needed for County to occupy the Premises and Building.

Execution of this memorandum is not a waiver of any right of County or not a waiver of Lessor's obligation to complete outstanding punch list items.

County of Alameda \_\_\_\_\_ Date: \_\_\_\_\_

its: \_\_\_\_\_

By Creekside Plaza Partners, LLC  
a Limited Liability Company  
Its: Manager

Aston Avenue, LLC,  
A California Limited Liability Company  
\_\_\_\_\_ Date: \_\_\_\_\_

T. Lawrence Jett  
Manager

Creekside Associates, LLC,  
A California Limited Liability Company  
\_\_\_\_\_ Date: \_\_\_\_\_

David C. Irmer  
Manager

**EXHIBIT "D"**  
**COUNTY OF ALAMEDA**  
**CERTIFICATE OF INSURANCE REQUIREMENTS**

Without limiting any other obligation or liability under this Agreement, the **County facility user**, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
<b>A</b>	<b>Commercial General Liability</b> Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
<b>B</b>	<b>Workers' Compensation (WC) and Employers Liability (EL)</b> Required for all LICENSEE's with employees	WC: Statutory Limits EL: \$100,000 per accident for bodily injury or disease
<b>C</b>	<u><b>Endorsements and Conditions:</b></u> <ol style="list-style-type: none"> <li>1. <b>ADDITIONAL INSURED:</b> General Liability Insurance Policies shall be endorsed to name as additional insured: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers.</li> <li>2. <b>DURATION OF COVERAGE:</b> All required insurance shall be maintained during the entire term of the Agreement</li> <li>3. <b>REDUCTION OR LIMIT OF OBLIGATION:</b> All insurance policies shall be primary insurance to any insurance available to the Indemnified Parties and Additional Insured(s). Pursuant to the provisions of this Agreement, insurance effected or procured by the facility user shall not reduce or limit facility user's contractual obligation to indemnify and defend the Indemnified Parties.</li> <li>4. <b>INSURER FINANCIAL RATING:</b> Insurance shall be maintained through an insurer with an A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to the County. Acceptance of LICENSEE's insurance by County shall not relieve or decrease the liability of LICENSEE hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the LICENSEE.</li> <li>5. <b>SUB-CONTRACTORS:</b> Facility user shall include all subcontractors as an insured (covered party) under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.</li> <li>6. <b>JOINT VENTURES:</b> If facility user is an association, partnership or other joint business venture, required insurance shall be provided by any one of the following methods: <ul style="list-style-type: none"> <li>– Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured (covered party), or at minimum named as an "Additional Insured" on the other's policies.</li> <li>– Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured.</li> </ul> </li> <li>7. <b>CANCELLATION OF INSURANCE:</b> All required insurance shall be endorsed to provide thirty (30) days advance written notice to the County of cancellation.</li> <li>8. <b>CERTIFICATE OF INSURANCE:</b> Prior to receiving permission to use the facilities, facility user shall provide Certificate(s) of Insurance satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the facility user to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent to: <ul style="list-style-type: none"> <li>- Department/Agency issuing the contract</li> <li>- With a copy to Risk Management Unit (125 – 12<sup>th</sup> Street, 3<sup>rd</sup> Floor, Oakland, CA 94607)</li> </ul> </li> </ol>	

**EXHIBIT "E"**

**SUBORDINATION, NONDISTURBANCE AND  
ATTORNMEN T AGREEMENT**

**THIS SUBORDINATION, NONDISTURBANCE AND ATTORNMEN T  
AGREEMENT** (the "Agreement") has been executed and delivered on \_\_\_\_\_,  
effective on \_\_\_\_\_, \_\_\_\_\_ by and between the following:

\_\_\_\_\_ "Lender") whose address  
is: \_\_\_\_\_;

\_\_\_\_\_, ("Lessor")  
whose address is \_\_\_\_\_; and

**COUNTY OF ALAMEDA** ("County") whose address is 1401  
Lakeside Drive, 10<sup>th</sup> Floor, Oakland, CA 94612-4305.

**RECITATIONS**

A. Lender is now or anticipates that it will promptly become the owner and holder of a Deed of Trust, Mortgage, Security Agreement, Assignment of Leases and/or Financing Statement (hereinafter called the "Mortgage") encumbering the real property described in Exhibit A and the buildings and improvements thereon (collectively, the "Premises") securing the payment of a promissory note in the original principal amount of \$\_\_\_\_\_ payable to the order of Lender (the "Note");

B. Landlord has leased a portion of the Premises to Tenant, pursuant to that certain agreement captioned "Lease," dated \_\_\_\_\_, \_\_\_\_\_, executed by and between Landlord and Tenant, as amended from time to time (the "Lease"); and

C. Landlord, Tenant and Lender desire to confirm their understanding with respect to the Lease and the Mortgage.

**NOW, THEREFORE**, in consideration of the premises, the covenants, conditions, provisions and agreements set forth herein and other good and valuable consideration, the receipt of which is hereby acknowledged, Lender, Tenant and Landlord do hereby mutually represent, acknowledge, covenant and agree as follows:

1. **Subordination.** Tenant hereby subordinates in all respects and at all times its interests in the Premises under and pursuant to the Lease to the lien of the Mortgage and all renewals, modifications and extensions thereof, subject to the terms and conditions set forth in this Agreement. The terms and provisions of the Mortgage are deemed to be amended to fully incorporate all terms and provisions of this Agreement.

2. **Nondisturbance.** So long as Tenant is not in default (beyond any period(s) provided under the Lease to Tenant to cure such default) in: (i) the payment of any monetary obligation under the Lease, or (ii) the performance of any other material terms, covenants or conditions with which Tenant is obligated to comply pursuant to the Lease, then:

(a) Tenant's sole right of possession to the property that is the subject of the Lease and nonexclusive rights to Common Areas of the Premises shall not be terminated, affected or disturbed by Lender or any purchaser or subsequent owner of the Premises in the exercise of any of Lender's rights under the Mortgage or the Note; nor shall Tenant be named as a party defendant to any foreclosure of the lien of the Mortgage (except as required by applicable California law), nor in any other way be deprived of its rights under the Lease except in accordance with the terms of the Lease.

(b) In the event Lender succeeds to the interest of Landlord under the Lease, the Lease shall not be terminated or affected thereby, and any sale or other transfer of the Premises by Lender or pursuant to the judgment of any court in an action to enforce the remedies provided for in the Mortgage shall be made subject to the Lease and the rights of Tenant thereunder.

3. **Recognition and Attornment.** If Lender succeeds to the interest of Landlord under the Lease, the Lease and all terms therein and the rights of Tenant thereunder shall continue in full force and effect and shall not be altered, terminated, disaffirmed or disturbed. Tenant and Lender shall be bound to each other under all of the terms, covenants, and conditions of the Lease for the balance of the term of the Lease with the same force and effect as if Lender were the landlord under the Lease. In such event, Tenant shall attorn to Lender as its landlord immediately upon Lender succeeding to the interest of Landlord under the Lease, and providing Tenant with written notice thereof. Such attornment shall be effective and self-operative without the execution of any other instruments on the part of Lender or Tenant. However, Tenant shall be under no obligation to pay any monetary obligation or perform any other duty set forth in the Lease to Lender unless and until Tenant receives written notice from Lender that Lender has succeeded to the interest and assumed the future obligations of Landlord under the Lease. Upon receipt by Tenant of such notice from Lender, Tenant shall make all payments due by Tenant under the Lease to Lender or as Lender may in writing direct and Tenant shall thereafter be relieved from any further obligations to remit rental or any other monetary sum to Landlord. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the Term, shall be and are the same as are then set forth in the Lease between Tenant and Landlord.

4. **Rights Under the Lease.** If Lender shall: (i) succeed to the interests of Landlord in and to the Premises or under the Lease, or (ii) enter into possession of the Premises under circumstances described in **Section 38**, Lender shall be bound to Tenant under all of the terms, covenants and conditions of the Lease, and Tenant shall, from and after Lender's succession to the interests of Landlord in and to the Premises or under the Lease or entry into possession of the Premises, as the case may be, have the same remedies against Lender as Landlord for the breach of any provision contained in the Lease that Tenant might have had under the Lease against Landlord if Lender had not succeeded to the interests of Landlord in and to the Premises or under the Lease or entered into possession of the Premises, as the case may be; provided, however, that Lender shall not be:

(a) liable for any acts or omissions of any prior landlord (including, but not limited to, Landlord) except that Lender shall be required to cure any continuing defaults, such as failure to maintain parking areas or make necessary repairs;

(b) subject to any offsets, deductions or defenses which Tenant might have arising out of acts or omissions of any prior landlord (including, but not limited to, Landlord) except for the right to recapture from rent any reasonable amounts expended by Tenant to cure a default of Landlord for which Lender had received a copy of notice pursuant to the terms hereof and would have been required to cure upon succeeding to the interest of Landlord; or

(c) obligated to give Tenant a credit for and/or acknowledge any rent or other charges which Tenant has paid to Landlord or any prior landlord which is in excess of two months' rent and other charges preceding the effective date of the notice from Lender issued to Tenant regarding Lender's succeeding to the Landlord's interest under the Lease unless such payment is provided for in the Lease as presently existing or as amended in accordance with this Agreement.

Additionally, in the event of Lender's succession to Landlord's interests in and to the Premises or under the Lease, or entry into possession of the Premises as provided in **Section 5**, Tenant shall be bound to Lender, as Landlord, under all of the terms, covenants and conditions of the Lease, and Lender, as Landlord, shall, from and after Lender's succession to the interest of Landlord under the Lease or entry into possession of the Premises, as the case may be, have the same rights and remedies against Tenant for the breach of any provision contained in the Lease that Landlord might have had under the Lease against Tenant if Lender had not succeeded to the interests of Landlord in and to the Premises or under the Lease or entered into possession of the Premises, as the case may be.

5. **Collection of Rents and/or Possession of the Premises by Lender.** The Mortgage provides that, under certain conditions, Lender shall be entitled to collect, receive and demand payment of any and all rents due on and under the Lease. Upon receipt by Tenant of a notice from Lender that Lender, in accordance with the terms and conditions of the Mortgage, is entitled to collect, receive and demand payment of any and all rents due on and under the Lease, Tenant shall make all payments of monetary obligations due by Tenant under the Lease to Lender

or as Lender may in writing direct, and Tenant shall thereafter be relieved from any further obligations to remit rental or any other sums to Landlord. Additionally, in the event that Lender, acting either in its own behalf or by and through an agent, shall enter into possession of the Premises as a mortgagee-in-possession or otherwise in accordance with its rights under the Mortgage, but has not at such time as it enters into possession of the Premises acquired the interest of the Landlord in and to the Premises or under the Lease, the Lease and all terms therein, and the rights of Tenant thereunder, shall continue in full force and effect and shall not be altered, terminated or disturbed, except in accordance with the terms of the Lease, and Tenant shall be bound to Lender under all of the terms, covenants and conditions of the Lease for the balance of the Term with the same force and effect as if Lender were the landlord under the Lease. In such event, Tenant shall attorn to Lender as its landlord, such attornment to be effected and self-operative without the execution of any other instruments on the part of Lender or Tenant, immediately upon Lender entering into possession of the Premises and providing Tenant with written notice thereof. However, Tenant shall be under no obligation (to pay any monetary obligations or perform any other duty set forth in the Lease) to Lender unless and until Tenant receives written notice from Lender that Lender has entered into possession of the Premises, and Lender indemnifies Tenant from any and all sums and amounts paid by Tenant to Lender pursuant to the Lease and in accordance with written notice received from Lender with respect to claims and causes of action for such sums and amounts asserted by Landlord and its successors and assigns. Upon receipt by Tenant of such notice from Lender, Tenant shall make all payments and monetary obligations due by Tenant under the Lease to Lender or as Lender may in writing direct and Tenant shall thereafter be relieved from any further obligations to remit rental or any other sums to Landlord. The respective rights and obligations of Tenant and Lender upon such attornment, to the extent of the then remaining balance of the Term, shall be and are the same as are then in existence as set forth in the Lease. The provisions of this Section 5 with respect to entry of Lender into possession of the Premises shall apply only to Lender or any other holder of the Mortgage who has given prior written notice to Tenant of its ownership of the Mortgage and its mailing address.

6. **Notice and Opportunity to Cure Landlord Default.** Tenant shall give Lender a copy of any notice Tenant may give Landlord regarding Landlord's failure to observe or perform a provision of the Lease. After the period provided Landlord under the Lease to cure such failure, Tenant may notify Lender in writing of the occurrence of any default by Landlord and shall permit Lender a period of thirty (30) days from the date of such notice (the "Cure Period") in which to cure such default prior to proceeding to exercise any of the rights or remedies of Tenant under the Lease, including: (i) termination of the Lease, (ii) abatement of rental payments due thereunder, or (iii) performance of Landlord's covenants or obligations which Tenant asserts to be in default; provided however, that the Cure Period granted to Lender herein shall be extended by any period of time during which Lender is diligently pursuing the cure of a default which cannot reasonably be expected to be cured within the initial thirty (30) day Cure Period, and shall not be deemed to commence until after any period of time during which Lender is pursuing acquisition of title to the Premises through foreclosure or otherwise, such period to include, without limitation, any period of time (a) during which Lender's acquisition of title to the Premises is stayed by any proceeding in bankruptcy, any injunction or other judicial process, and

(b) after acquisition of title by Lender during which Landlord or any other party is contesting the validity of the acquisition or Lender's title to the Premises, provided that in no event shall Tenant be required to forbear from executing its remedies for a period in excess of sixty (60) days.

7. **Persons Other Than Lender.** The recognition, nondisturbance and other covenants herein made by Lender for the benefit of Tenant shall be binding upon all persons and entities other than Lender who may acquire the interest of Landlord in the Premises and/or the Lease as a result of foreclosure of the Mortgage, or any other proceedings to enforce the rights of Lender including any sale, assignment or transfer of the Premises and/or the Lease after Lender has succeeded to the interest of Landlord under the Lease, and Lender shall cause any such person, by acceptance of a deed to the Premises and/or an assignment of the Lease, to expressly assume such covenants. Any such person acquiring the Premises and/or the Lease, whether by foreclosure, other enforcement of the rights of Lender or by sale or assignment after Lender has succeeded to the interest of Landlord under the Lease, shall be entitled to and shall succeed to all right, powers, benefits and remedies of Lender under this Agreement, and Tenant shall be obligated to any such party to the same extent it would have been obligated to Lender hereunder if Lender had retained its interest in the Premises and/or the Lease. Tenant shall attorn to any such party acquiring the interest of Landlord in the Premises and/or the Lease from Lender as its landlord which attornment shall have the same force and effect as the attornment to be made by Tenant to Lender pursuant to the terms and conditions of **Section 3**. Lender shall not be liable as Landlord under the Lease unless and until Lender succeeds to the interest of Landlord in and to the Premises or under the Lease, and in such event Lender shall not be liable under the Lease, or for any acts or omissions of any subsequent landlord, after the conveyance of Lender's interest as Landlord to another person or entity expressly assuming Lender's obligations (as Landlord).

8. **Succession in Interest.** For purposes of this Agreement, Lender will be deemed to have succeeded to the interest of Landlord under the Lease upon: (i) the transfer of title to the Premises to Lender, whether by virtue of foreclosure, sale or transfer in lieu of foreclosure, or pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, or (ii) the occurrence of any other event as a result of which Lender may acquire the right, title and interest of Landlord in and to the Lease or the Premises.

9. **Incorporation of Lease.** For purposes of this Agreement, the term "Lease" shall mean and include the Lease, together with all valid present and future addenda, supplements, modifications and amendments to the Lease, and all rights, privileges and options granted therein or pursuant thereto; provided, no future addenda, supplements, modifications and amendments to the Lease shall be binding on Lender unless Lender approved of any such document in advance. The Lease is incorporated into this Agreement for all purposes.

10. **Notices.** All notices, requests and communications ("Notice") hereunder shall be given in writing, and shall be personally delivered or mailed by first class certified mail postage prepaid, return receipt requested to Lender, Landlord or Tenant, as the case may be, at the addresses listed on Page 1 of this Agreement. Any Notice provided for herein shall be deemed to be received on the day of its receipt or refusal of receipt. Any party may, by proper written notice

hereunder to the other parties, change the individual address to which such Notice shall thereafter be sent to such party.

11. **Binding Agreement.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns as well as all subsequent owners of the Premises. For purposes of this Agreement, all references herein to "Lender" shall be deemed to also include any subsequent holder of the Mortgage who has given written notice to Tenant of its ownership of the Mortgage and has furnished to Tenant its mailing address and/or any other person succeeding to title to the Premises and/or the Lease encumbered by the Mortgage or any part thereof and who claims by, through or under Lender, whether by virtue of foreclosure, or sale or transfer in lieu of foreclosure, or pursuant to the exercise of any rights and remedies under the Mortgage or otherwise.

12. **Attorneys' Fees.** In the event any legal action or proceeding is commenced to interpret or enforce the terms of or obligations arising out of this Agreement, or to recover damages for the breach thereof, the party prevailing in any such action or proceeding shall be entitled to recover from the nonprevailing party all reasonable attorneys fees, costs and expenses incurred by the prevailing party as shall be pled and proven by such party and awarded by a court of competent jurisdiction.

13. **Severability.** In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. **Headings.** The headings of the Agreement are for convenience of reference only.



**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed the day and year first above written.

**LANDLORD:**

Creekside Plaza Partners, LLC,  
a California Limited Liability Company  
Its: Manager

By: Aston Avenue LLC,  
a California Limited Liability Company

\_\_\_\_\_  
T. Larry Jett  
Manager

By: Creekside Associates, LLC,  
a California Limited Liability Company

\_\_\_\_\_  
David C. Irmer  
Manager

**LENDER:**

**TENANT:**

COUNTY OF ALAMEDA

By: \_\_\_\_\_

**I:\LEASES\EXHIBITS\EXHIBIT E.DOC**

**FINANCIAL RECOMMENDATION**

**AGENDA DATE:** 6/11/2013

Ten-Year Lease for HCSA at 1100 San Leandro Blvd, San Leandro, CA for HCSA Home Visit Staff

**Subject of Board Letter:**

**BY:** 2014

**FUND:** 31030

The use of Designations, as follows:

NAME OF DESIGNATION	ORG	AMOUNT

The increase (decrease) in anticipated revenue, as follows:

ORG	ACCT	PROG	<i>Informational</i> PROJ/GR	AMOUNT
410100	441010	00000		\$744,000
<b>ORG TOTAL</b>				\$744,000

ORG	ACCT	PROG	<i>Informational</i> PROJ/GR	AMOUNT
<b>ORG TOTAL</b>				\$0

**GRAND TOTAL ANTICIPATED REVENUE** \$744,000

The increase (decrease) in appropriations, as follows:

ORG	ACCT	PROG	<i>Informational</i> PROJ/GR	AMOUNT
410100	610000	00000		\$744,000
<b>ORG TOTAL</b>				\$744,000

ORG	ACCT	PROG	<i>Informational</i> PROJ/GR	AMOUNT
<b>ORG TOTAL</b>				\$0

**GRAND TOTAL APPROPRIATION** \$744,000