

**REQUEST FOR PROPOSAL
LEASED FACILITY FOR
RIVERSIDE COUNTY HUMAN RESOURCES
DEPARTMENT
CITY OF RIVERSIDE AND SURROUNDING
AREAS**



**Agent Contact:
Justin Celis, Real Property Agent
Department of Facilities Management
Real Estate Division
3450 14th Street, Suite 200
Riverside, CA 92501**

Date: September 25, 2023

REQUEST FOR PROPOSAL

REAL ESTATE DIVISION – COUNTY OF RIVERSIDE

INTRODUCTION

The Department of Facilities Management Real Estate Division (FM-RE) is issuing a Request for Proposal (RFP) for leasing of existing office space in the City of Riverside and surrounding areas, including completion of tenant improvements, to be leased to the County of Riverside for use by the Human Resources Department.

The desired building occupancy would be on or before September 25, 2023, and subject to approval of a lease and negotiation and construction of tenant improvements.

SUBMITTALS

Submittals in letter format with attachments to the Division must address five categories:

1. The current Qualifications of the Developer/Owner/Manager
2. The Property Specifications
3. The Financial Proposal and Lease Quotation
4. Design and Construction/Project Management
5. Property Management

Qualifications of the Developer/Owner/Manager

Respondents shall provide their qualifications including, but not limited to, the following:

1. Qualifications of the Owner, including resume and experience, list of projects completed, and disclosure of ownership entity, brochures and flyers can be included.
2. Qualifications of those who will actively participate in the development and/or management of the facility, including the architect, contractor, and property manager.

The Property Specifications

Submittals must address all of the following specifications:

1. Property or Site Control - Respondents are required to provide evidence of site ownership or site control as evidenced by a grant deed, purchase and sale agreement, or letter of intent.
2. Facility Size and Use – The requested facility will be approximately 5,000 – 10,000 square feet for office space.
3. Property Location – Respondents shall provide a current site plan of the proposed facility including defined parking areas and a building site location aerial map. An existing floor plan of the proposed facility should also be included.
4. Parking Ratio – The Division is seeking ample parking for County employees and the general public; all parking shall include applicable Americans with Disabilities Act requirements.
5. Tenant Improvement specifications shall be as follows:
 - a. Interior Tenant Improvements will be defined and detailed through the preliminary design and negotiation process.

- b. County Standard Specifications are set forth in the attached Construction Specifications LEASE Exhibit “F”.
6. Compliance – All improvements shall be constructed in compliance with all applicable laws, including but not limited to, Federal, State, County, and Local building codes, Fire Codes, the Americans with Disabilities Act, and applicable payment of prevailing wages in accordance with the provisions of Sections 1770 and 1773 of the Labor Code.
7. Energy Management – The maximum efficiency, including green design measures where practical, is requested.

Financial Proposal and Lease Quotation

Respondents shall complete and submit the attached “Building Lease Quote” form attached as RFP Exhibit “A”, including rent break down, as shown.

Competitive lease rates are based on the following elements: A modified full-service lease rate and monthly rent amount. Tenant Improvements are **not** to be included in the proposed lease rate and monthly rent amount. Tenant improvement reimbursement is addressed in the LEASE Exhibit “A” - “Leasehold Improvement Agreement”. Tenant Improvement Allowances should be defined on the “Building Lease Quote Sheet”.

The lease rate and monthly rent amount will include complete interior and exterior maintenance and repairs, custodial services (custodial specifications, as set forth in LEASE, Exhibit “E” within the Exhibit “B” Lease Form Agreement designated to this Request for Proposal), and **excludes** utility services provided to the building that can be separately metered for interior utility services.

In addition, respondents shall specify the following: Rent increases, Abated rent, Options to Extend/Terminate.

Design & Construction/Project Management

Resume and project history of architect and contractor. Respondents shall submit a statement setting forth the method of project management. **The cost for any architectural services required in order to provide a tenant improvement estimate, prior to consideration of a lease by the Board of Supervisors of Riverside County, is a cost of the Developer/Owner borne by the Developer/Owner.**

Property Management

Respondents shall submit a statement and describe how they intend to conduct property management operations for the facility:

1. Company Name of Property Management Firm, or Developer/Owner managed. Resume and past/present projects managed.
2. Twenty-four-hour maintenance and emergency call response.
4. Procedures and response time for maintenance, repair, and custodial service requests.
5. Ability to undertake future building modifications requested by County through a lease amendment.

REVIEW OF SUBMITTALS BY COUNTY

FM-RE will review the submittals along with the Department and establish a short list of candidates based on the following:

1. Direct applicable experience in improving/renovating, leasing, and managing projects of the size and type proposed.
2. Qualifications of the principals/respondents and long-term ability to deliver and perform.
3. Economics of Building Lease Quote and property aspects favorable to the County.
4. Location and accessibility and other information based on the criteria requested in this RFP.

PROCEDURE AFTER NOTIFICATION

After notification, FM-RE will coordinate a panel interview with selected respondents to evaluate their qualifications and experience and ability to complete and maintain a Project. The interview will be between the selected respondents and a panel established by FM-RE. Selected respondents will be scored based upon a matrix scoring system and other related criteria. A selection of a Respondent/Proposal will be made and negotiations will commence to determine if mutually acceptable terms of lease can be reached. If mutually acceptable terms cannot be reached the negotiations can be terminated by the County and the County can consider and pursue an alternate proposal or plan.

Upon the successful completion and execution of mutually acceptable lease and related agreements by the Owner and County Staff, the agreements will then be forwarded to the Board of Supervisors for final consideration of the lease and its terms.

PROPOSAL SUBMISSION – CONTACT INFORMATION

Submittals which will include five (5) copies of the sealed proposal submittal and shall be delivered directly to Facilities Management, Real Estate Division on or before:

5:00 PM, Monday, September 25, 2023

Submittals shall be delivered to the following address:

Justin Celis, Real Property Agent
Department of Facilities Management
Real Estate Division
County of Riverside
3450 14th Street, Suite 200
Riverside, CA 92501
951-955-4214
Jucelis@rivco.org

EXHIBITS TO THIS REQUEST FOR QUOTE:

Exhibit A - Building Lease Quote Sheets.
Exhibit B – Lease Form Agreement, including Lease Exhibits

The County of Riverside reserves the right to cancel this Request for Proposal at any time and for any reason.

EXHIBIT "A" BUILDING LEASE QUOTE SHEET

Please use the attached form to submit quotes for leasing building space to the County of Riverside. Include site and building plan with quote.

The enclosed County General Construction Specifications for Leased Facilities is for general information only. Drawings are required when a lease is consummated.

TERMS USED ON THE BUILDING LEASE QUOTE ARE DEFINED BELOW:

GROSS SQUARE FOOT AREA:	Total interior area of space being offered for lease. (Gross area will include only those corridors, vestibules, etc., that <u>exclusively</u> support the net square feet space.)
NET SQUARE FOOT AREA:	Usable space offered (excludes corridors, stairways, vestibules, mechanical space, restrooms, etc.) which is used in common with other tenants and is used to support the premises.
DEDICATED VEHICULAR PARKING SPACES:	Number of off-street parking spaces that will be for the exclusive use of County.
SECURED VEHICULAR PARKING SPACES:	Number of secured parking spaces that will be for the exclusive use of County.
BASIC RENT:	Monthly cost including taxes, insurance, etc. (Alteration, custodial, maintenance, and utility costs are listed separately).
ALTERATIONS/ IMPROVEMENT COSTS:	If requested, monthly amortized cost for alterations/improvements requested by County or alteration allowance offered by Lessor.
MAINTENANCE:	Monthly charge for interior and exterior maintenance, including, but not limited to, routine and preventive maintenance and repairs of space conditioning equipment, plumbing, electrical wiring and fixtures, windows and structural parts to maintain the leased premises in good working order
UTILITIES COST:	If included in total rent, the approximate monthly charge for gas, water, sewage, and refuse disposal. NOTE: Do not include electrical if space is metered separately. Please note on Lease Quote Sheet.
CUSTODIAL COST:	Monthly charge for routine custodial and supplies as specified by County (Lease Exhibit "E" enclosed).
ANNUAL INCREASE:	Fixed percentage, or fixed annual amount. This will apply only to the rent portion and not to any amortized alteration/improvement cost.

THE COUNTY OF RIVERSIDE DESIRES A TURNKEY FACILITY WITH ALL RELATED OPERATING COSTS PAID BY THE LESSOR. THE COUNTY WILL INSTALL AND PAY FOR TELEPHONES USED IN CONNECTION WITH ITS OPERATION. COUNTY WILL PAY FOR INTERIOR UTILITIES USED IN CONNECTION WITH ITS OPERATION IF THE PREMISES ARE METERED SEPARATELY.

EXHIBIT "A" CONTINUED

RIVERSIDE COUNTY BUILDING LEASE QUOTE SHEET

County of Riverside
 Facilities Management
 Real Estate Division

(Return this page to County of Riverside)
 3450 14th Street, Suite 200
 Riverside, California 92501

Justin Celis
 Real Property Agent
 (951) 955-4214

Building Address/Location: _____

Square Feet Offered: _____

Number Vehicle Parking Spaces: _____

Rent Increases: Percentage _____ % Start year _____ Intervals _____

Note: Cost per month and Cost per square foot are based on Gross Square Feet.	60 MONTHS LEASE QUOTE	
	Per Month	Per Square Foot
Basic Rent		
Utilities – not paid directly by County (i.e. house meters)		
Custodial – per Lease Exhibit E		
Interior/Exterior Maintenance		
TOTALS:		
Tenant Improvement Allowance		

The Owner/Agent has received and reviewed County of Riverside Custodial and General Construction for Leased Facilities Specifications.

NOTE: Leases are not consummated or binding until they have been executed by the Chairman of the Board of Supervisors.

 (Signature Owner/Agent)

Date: _____

Telephone Number: _____

Email: _____

Facilities Management is the authorized representative for the County of Riverside

EXHIBIT “B”

LEASE

(Address)

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EXHIBITS

The following exhibits are attached hereto and made a part of this Lease:

Site Plan	Exhibit A
Leasehold Improvement Agreement	Exhibit B
Asbestos	Exhibit C
Confirmation of Lease Information	Exhibit D
Custodial Services Requirements for Leased Facilities	Exhibit E
General Construction Specifications for Leased Facilities	Exhibit F
Estoppel Certificate	Exhibit G
Subordination, Non-Disturbance & Attornment Agreement	Exhibit H

LEASE
COUNTY OF RIVERSIDE

1. Parties.

1.1 This Lease (“Lease”) is made by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California, hereinafter referred to as “County” and _____, hereinafter referred to as “Lessor.” County and Lessor are hereinafter collectively referred to as the “Parties” or individually as a “Party.”

2. Premises.

2.1 Letting. Lessor hereby leases to County, and County hereby leases from Lessor, the Premises, for the term, at the rental, and upon all terms, covenants and conditions set forth in this Lease.

2.2 Defined. The Premises shall consist of that certain real property, including all improvements therein or to be provided by Lessor under the terms of this Lease, and commonly known as _____, located in the City of _____, County of Riverside, State of California, also identified as Assessor Parcel Number _____ and generally described as a free standing building consisting of approximately _____ square feet with approximately _____ secured parking spaces and _____ common parking spaces, all as shown on the site plan attached as Exhibit “A.” It is understood that the Premises include all appurtenances and easements thereto and the non-exclusive right of ingress and egress at all times to and from the public streets and highways for County, its employees and invitees.

2.3 Preparation of Premises/Acceptance. The rights and obligations of the Parties regarding the construction of the Premises before the commencement of the Lease Term are stated in the attached Leasehold Improvement Agreement, Exhibit “B.” If this Lease conflicts with the Leasehold Improvement Agreement, the Leasehold Improvement Agreement shall prevail.

2.4 Condition of Premises. Lessor shall deliver the Premises to County in a fully clean and safe condition, free of hazards and debris, entirely permitted

and inspected by local authorities, on the Commencement Date, and Lessor warrants for the term of this Lease, that all systems and equipment, including, but not limited to, electrical, plumbing, fire sprinkler, fire suppression system, fire/life/safety system, elevators, security systems, lighting, heating, ventilating and air conditioning systems ("HVAC"), loading doors, if any, that serve the Premises and all other such elements in the Premises (herein defined as the "Base Building Systems"), other than those installed or constructed by County, shall be in safe, hazard free, good operating condition, and, the roof, bearing walls and foundation of the Premises shall be free of material defect.

3. Use.

3.1 County shall use and occupy the Premises for the purpose of providing office space for use by _____, but the Premises may be used for any official business of County government or any other legal use which is reasonably comparable thereto. Nothing contained in this Lease shall be construed to require County to occupy the Premises continuously.

4. Term.

4.1 Commencement. This Lease shall be effective upon the date of its full execution by the Parties hereto. The Term of this Lease shall be for a period of _____ years and _____ months ("Original Term") commencing on the earlier of (a) the date County staff occupies the Premises, or (b) the date on which County accepts the Premises for occupancy ("Commencement Date"), which shall occur only after Lessor delivers to County a copy of the Certificate of Occupancy executed by the appropriate governing authority, if applicable, and provided that County, in its sole discretion, is satisfied that all leasehold improvements have been completed in accordance with Exhibit "B" and Exhibit "F," excepting minor punch list items, ("Commencement Date"). The Original Term shall expire at midnight on the last day of the _____ ("Expiration Date").

4.2 Confirmation of Lease Information. At such time as the Commencement Date of this Lease has been determined, either Party may deliver to the other Party a notice in the form set forth in the attached Exhibit "D," which the receiving Party shall execute, after making any corrections necessary to conform the

information to the provisions of this Lease, and return to the forwarding Party within thirty (30) days after receipt. Either Party will use reasonable efforts to deliver the notice to the other Party within thirty (30) days after the Lease Commencement Date. Anything to the contrary notwithstanding, failure to forward or execute said notice shall not invalidate or nullify the provisions of this Lease.

4.3 Delay in Delivery of Premises. If the Original Term of this Lease has not commenced by _____ days from County's execution of this Lease, County may, at its sole option, either: (a) deduct from any rents that may become due hereunder the sum of \$_____ for each day the Premises are not substantially complete and available for occupancy as per paragraph 2.4, after said date, as liquidated damages for failure to provide occupancy in a timely manner as prescribed hereunder. Lessor and County agree that such damages are to be one of the mutually exclusive remedies, as prescribed in this Section 4, for such failure, in that at the time of entering into this Lease it would be impractical and extremely difficult to fix the actual damages that would flow from Lessor's failure to provide occupancy in a timely manner, including, but not limited to, the difference in money between the total sum to be paid by County to another party for rent to Lease such party's real property, if the rental hereunder is less than the rental to be paid such other party; or if the Original Term of this Lease has not commenced by ____ days from County's execution of this Lease, or (b) cancel this Lease, and Lessor hereby waives any and all rights that it may have against County for any costs, expenses and/or charges that Lessor may have incurred as a result of preparing the Premises for occupancy.

4.4 Holding Over. Any holding over by County after the expiration of said term or any extension thereof shall be deemed a month to month tenancy upon the same terms and conditions of this Lease.

5. Rent. The anniversary dates shall be deemed to fall on the first day of the first full month of each lease year following commencement of the Lease term.

5.1 Rent. County shall pay the sum of \$_____ per month to Lessor as rent for the Leased Premises, payable, in advance, on the first day of the month or as soon thereafter as a warrant can be issued in the normal course of County's business; provided, however, in the event rent for any period during the term

hereof which is for less than one (1) full calendar month said rent shall be pro-rated based upon the actual number of days of said month.

5.2 Percentage Increase. Notwithstanding the provisions of Section 5.1 herein, the monthly rent shall be increased on _____ by an amount equal to _____ percent (___%) of such monthly rental.

5.3 Tenant Improvement Reimbursement. Notwithstanding the provisions of Section 5.1 and 5.2 above, County shall reimburse Lessor upon completion and acceptance of the improvements by County as provided in Exhibit "B," Section 8 of this Lease.

6. Options.

6.1 Option to Extend Term. Lessor grants to County ____ option(s) to extend the Lease term ("Extension Option(s)"). Each Extension Option shall be for a period of _____ years ("Extended Term"), subject to the conditions described in this Section 6.1.

6.1.1 Exercise of Option. The Extension Option(s) shall be exercised by County delivering to Lessor written notice thereof no later than sixty (60) days prior to the expiration of the Original Term or any extension thereof.

6.1.2 Option Rent. The rent payable by County during any Extended Term shall be increased annually by (%) percent of the previous month's rent.

6.1.3 All terms and conditions of this Lease with exception of Rent and Lease Term shall remain in full force and effect during the Extended Term.

6.2 Right of First Refusal to Lease Additional Space. Lessor hereby grants to County a right of first refusal to lease the other premises in the building containing the leased Premises ("Adjacent Premises"), in the event Lessor received a bona fide offer from a third party to lease any portion of the Adjacent Premises, which offer is acceptable to Lessor. Lessor shall promptly notify County in writing of the offer, including the square footage of the portion of the Adjacent Premises proposed to be let and other terms and conditions of the offer. County shall have thirty (30) days within which to notify Lessor in writing whether County agrees to lease the portion of the Adjacent Premises under such offer upon the terms and conditions set forth in such

offer. In the event County fails to give written notice of its election to lease the proposed additional space, Lessor shall be free to accept the bona fide offer and lease the Adjacent Premises to the third party. If the third party fails to lease such portion of the Adjacent Premises and the Adjacent Premises (or remaining portion of the Adjacent Premises) remains available; County shall have the same right of first refusal granted herein with regard to any future offer to lease such portion of the Adjacent Premises.

6.3 County's Right to Early Termination. The Parties hereto recognize and understand that the rental consideration hereunder originates from County, State and/or Federal sources, and therefore County shall have the right to terminate this Lease (a) if such funding is reduced or otherwise becomes unavailable, based on County's annual fiscal budget, or (b) if any law, rule or regulation precludes, prohibits or materially adversely impairs County's ability to use the Premises for the use permitted herein, or (c), if County in its sole discretion determines that the Premises are no longer suitable for its use for any reason or cause.

6.3.1 Notice. County shall provide Lessor with written notification of its election to terminate this Lease at least sixty (60) days prior to the date of termination. County's notice shall state the reason for its termination of this Lease. County's obligation to pay Rent shall continue through the termination date.

6.3.2 Satisfaction. In the event County terminates this Lease for the reasons provided in Section 6.4(a) or 6.4(b) herein, and said termination occurs during the Original Term, County agrees to pay Lessor as full satisfaction the balance of all payments which would otherwise be due monthly for improvements under the Leasehold Improvement Agreement.

7. Compliance.

7.1 Compliance. Lessor warrants that the Premises and improvements on the Premises shall comply with all applicable State and Federal laws, covenants or restrictions of record, building codes, regulations and ordinances ("Applicable Requirements") in effect on the Commencement Date of this Lease, regardless of the use to which County will put the Premises. If the Premises do not comply with said warranty, Lessor shall, promptly after receipt of written notice from County or any governmental agency having jurisdiction over such matters setting forth

the nature and extent of such non-compliance, rectify the same at Lessor's expense. If the Applicable Requirements are hereinafter changed so as to require during the term of this Lease, unless same is the result of the use to which County puts the Premises, the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance as hereinafter defined, or the reinforcement or other physical modification of the Premises Lessor shall, promptly after receipt of written notice from County or any governmental agency having jurisdiction over such matters setting forth the nature and extent of such non-compliance, rectify the same at Lessor's expense.

7.2 Americans with Disabilities. Lessor warrants and represents the Premises shall be readily accessible to and usable by individuals with disabilities in compliance with Title III of the Americans with Disabilities Act of 1990 and California Title 24, as amended from time to time and regulations issued pursuant thereto and in effect from time to time. Any cost incurred to cause the Premises to comply with said Act shall be borne by Lessor.

7.3 Asbestos and Lead Based Paint. Lessor warrants and represents the Premises shall be constructed, operated and maintained free of hazard from asbestos and lead based paint, as more fully set forth in the attached Exhibit "C."

7.4 Hazardous Substance. It is the intent of the Parties to construe the term "Hazardous Substances" in its broadest sense. Hazardous Substance shall be defined as any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials, is either: (a) potentially injurious to the public health, safety or welfare, the environment or the Premises; (b) regulated or monitored by any governmental authority; or (c) a basis for potential liability of County to any governmental agency or third party under any applicable statute or common law theory.

Lessor acknowledges that County's use may from time to time require the presence of Hazardous Substances at the Premises. County agrees that all such Hazardous Substances located in, at, or on the Premises shall be used, stored, handled, treated, transported, and disposed of in compliance with all applicable laws.

Lessor warrants and represents to County that Lessor has not used, discharged, dumped, spilled or stored any Hazardous Substances on or about the Premises,

whether accidentally or intentionally, legally or illegally, and has received no notice of such occurrence and has no knowledge that any such condition exists at the Premises. If any claim is ever made against County relating to Hazardous Substances present at or around the Premises, whether or not such substances are present as of the date hereof, or any such Hazardous Substances are hereafter discovered at the Premises (unless introduced by County, its agents or employees), all costs of removal incurred by, all liability imposed upon, or damages suffered by County because of the same shall be borne by Lessor, and Lessor hereby indemnifies and agrees to be responsible for and defend and hold County harmless from and against all such costs, losses, liabilities and damages, including, without limitation, all third-party claims (including sums paid in settlement thereof, with or without legal proceedings) for personal injury or property damage and other claims, actions, administrative proceedings, judgments, compensatory and punitive damages, lost profits, penalties, fines, costs, losses, attorneys' fees and expenses (through all levels of proceedings), consultants or experts fees and costs incurred in enforcing this indemnity. The representation, warranty and indemnity of Lessor described in this Paragraph shall survive the termination or expiration of this Lease.

7.5 Sick Building Syndrome. Lessor warrants and represents the Premises shall be constructed, operated and maintained free of certain hazards, including, but not limited to: spores, fungus, molds, bacteria, chemicals or fumes or other causes of any hazardous micro-environments, sometimes known as "Sick Building Syndrome," emanating from or within the Premises that may potentially cause discomfort, bodily injury, sickness or death. Should it be determined that remediation is necessary based on a report by a trained investigator, Lessor will promptly contract with a qualified and experienced company to safely remove the micro-environments using remediation guidelines recommended or required by the appropriate governmental agency. Any cost incurred to cause the Premises to be free of such hazard shall be borne by Lessor.

7.6 Waste Water. Lessor shall be responsible for compliance with all Federal, state or local laws, regulations or permits pertaining to storm water pollution, prevention plans ("SWPP") and all National Pollution Discharge Elimination System

("NPDES") laws or regulations adopted or to be adopted by the United States Environmental Protection Agency. Parking lot sweeping shall be done as required by NPDES rules or as needed, at least two times per year, once prior to the rainy season.

8. Custodial Services.

8.1 Custodial Services. Lessor shall provide, or cause to be provided, and pay for all custodial services in connection with the Premises and such services shall be provided as set forth in the attached Exhibit "E." The provider of such custodial services will perform background checks through LiveScan or in the manner specified by County, of qualified permanent and temporary employees to determine their suitability for employment. The provider will be bonded in the sum of \$10,000.00, and proof of such insurance, as supplied by the Lessor, shall be furnished prior to occupancy of Premises by County. In addition to bonding as required herein, Lessor shall also receive proof of statutory workers' compensation insurance, commercial general liability and vehicle liability insurance from the provider of any custodial functions performed at the Premises location.

8.2 County's Right to Provide Custodial Service and Deduct Cost.

If County provides written notice to Lessor of an event or circumstance that requires the action of Lessor with respect to the custodial services as set forth in Section 8.1 and Exhibit "E," and Lessor fails to provide such action as required by the terms of this Lease within three (3) days of County's notice, County may take the required action to provide custodial services by its staff or those of a custodial contractor if: (1) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required action within forty-eight (48) hours after the written notice; and (2) Lessor fails to begin the required work within this forty-eight (48) hour period. Upon demand by County, Lessor shall promptly reimburse County the actual cost and expenses thereof, provided said costs and expenses are reasonable. Should Lessor fail to promptly pay the cost and expenses, County may deduct and offset that amount from Rent payable under this Lease. For purposes of this Section, notice given by fax or e-mail shall be deemed sufficient.

9. Utilities.

9.1 Lessor warrants and represents to County that during the term of this Lease and any extension thereof that sufficient utility services to provide water, telecommunications, electric power, natural gas and sewers necessary to meet County's requirements exists or are available for use by County within the Premises.

9.2 County shall pay separately for all telephone, electric, natural gas, water and sewer services utilized within the leased space which will be used in connection with the Premises. Lessor shall provide, or cause to be provided, and pay for all other utility services, including, but not limited to refuse collection, exterior electric and water services as may be required in the maintenance, operation and use of the Premises.

10. Repairs and Maintenance.

10.1 Lessor's Repair and Maintenance Obligations. Lessor shall, at Lessor's sole expense and in accordance with the terms of this Lease, repair, replace and maintain in attractive condition, good order and function throughout the term in accordance with Exhibit "F," General Construction Specifications for Leased Facilities, (a) the structural portions of the Premises (understood to include the roof, foundation and load bearing walls); (b) the nonstructural portions of the Premises (understood to include the roof covering and membrane) including but not limited to all improvements, alterations, fixtures, but excluding furnishings; (c) all systems and equipment, including but not limited to, Base Premises Systems as heretofore described that serve the Premises; and (d) the exterior portions of the Premises, and real property including, but not limited to, landscaping, driveways, sidewalks, lighting and parking facilities servicing the Premises. It is the intent of this paragraph that Lessor performs any and all building repairs, replacements and maintenance. Lessor agrees to make all repairs to or alterations of the Premises that may become necessary by reason of industry standard for age, wear and tear, deferred maintenance or defects in any construction thereof by Lessor.

10.2 Lessor's Default. Repairs shall be made promptly when appropriate to keep the applicable portion of the Premises and other items in the condition described in this Section. Lessor understands certain response time is required to ensure County operations continue with minimal interruption to ensure the

safety of employees and delivery of services. The commencement of repairs within eight (8) hours from written notice include electrical power, HVAC operations and certain essential daily custodial services. Lessor shall not be in default of its repair and maintenance obligations under this Section 10, if Lessor commences the repairs and maintenance within eight (8) hours of the aforementioned areas and thirty (30) days for all others after written notice by County to Lessor of the need for such repairs and maintenance. If, due to the nature of the particular repair or maintenance obligation, more than thirty (30) days are reasonably required to complete it, Lessor shall not be in default under this Section 10 if Lessor begins work within this thirty (30) day period and diligently pursues this work to completion.

10.3 County's Right to Make Repairs and Deduct Cost. If County provides notice to Lessor of an event or circumstance that requires the action of Lessor with respect to the replacement, repair or maintenance to the Premises or Base Building Systems serving the Premises as set forth in Section 10.1 and Lessor fails to provide such action as required by the terms of this Lease within the period specified in Section 10.2, County may (but shall not be obligated to do so) take the required action if: (1) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required repair or maintenance within twenty four (24) hours, after the written notice; and (2) Lessor fails to begin the required work within this twenty four (24) hour period.

10.3.1 Lessor grants to County a license, effective during the Lease Term, to enter upon those portions of the Premises access to which is reasonably necessary for County to take such action.

10.3.2 If such action was required under the terms of this Lease to be taken by Lessor, County shall be entitled to prompt reimbursement by Lessor of County's reasonable costs and expenses in taking such action, plus interest at the then prevailing legal rate of interest from the date these costs are incurred until the date of Lessor's repayment. Lessor's obligation to reimburse County shall survive expiration or earlier termination of this Lease.

10.3.3 If, within thirty (30) days after receipt of County's written demand for payment of County's costs incurred in taking such action on Lessor's behalf,

Lessor has not paid the invoice or delivered to County a detailed written objection to it, County may deduct from Rent payable by County under this Lease the amount set forth in the invoice, plus interest at the interest rate described above from the date these costs are incurred until the date of County's Rent set off.

10.4 Emergency Repairs.

10.4.1 An "Emergency Repair Situation" is defined as the existence of any condition that requires prompt repair, replacement or service to minimize the impact of an event or situation which affects County's ability to conduct business in a neat, clean, safe and functional environment.

10.4.2 If County notifies Lessor of an Emergency Repair Situation which occurs in or about the Premises which is the responsibility of the Lessor to repair or maintain, then Lessor shall commence appropriate repairs or maintenance immediately after notice of the condition is given by County, which notice may be via telephone, facsimile, personal contact or any other means, and Lessor shall thereafter diligently pursue to completion said repairs or maintenance.

10.4.3 If Lessor fails to commence repairs within twenty-four (24) hours of the aforementioned notice, or if the County is unable to contact Lessor or any designated agent within a reasonable time based upon the seriousness of the event or situation, County may, but shall not be so obligated to, cause said repairs or replacements to be made or such maintenance to be performed. Upon demand by County, Lessor shall promptly reimburse County the actual cost and expenses thereof, provided said costs and expenses are reasonable. Should Lessor fail to promptly pay the cost and expenses, County may deduct and offset that amount from Rent payable under this Lease.

10.5 Periodic Services. Lessor shall provide, or cause to be provided, and pay for all Periodic Services, including, interior painting of common areas every three years, if so requested by County; monthly pest control services, quarterly HVAC standard preventative maintenance and changing of air filters; annual fire extinguisher inspections; reset interior and exterior time clocks for time changes; annual roof inspections and maintenance to include roof repairs/replacement; cleaning of roof gutters, drains, and down spouts prior to rainy season.

11. Alterations and Additions.

11.1 Improvements by Lessor.

11.1.1 Lessor recognizes and understands that any County improvements requested by the County to be completed by Lessor during the term of this Lease shall be undertaken according to Exhibit "B," Leasehold Improvement Agreement, and Exhibit "F," General Construction Specifications for Leased Facilities.

11.1.2.1 Lessor shall require that Contractor shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with §1770 et seq. of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.

11.1.2.2 The Lessor shall require that Contractor shall furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates at which Lessor will post at the job site. All prevailing wages shall be obtained by the Lessor/Contractor from:

Department of Industrial Relations
Division of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102

11.1.2.3 Lessor shall require that Contractor shall comply with the payroll record keeping and availability requirement of §1776 of the Labor Code.

11.1.2.4 Lessor shall require that Contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with §1773.8 of the Labor Code.

11.1.2.5 Prior to commencement of work, Lessor shall require that Contractor shall contact the Division of Apprenticeship Standards and comply with §1777.5, §1777.6 and §1777.7 of the Labor Code and applicable regulations.

11.1.3 Lessor shall comply and stay current with all applicable local, state and federal building codes and laws as from time to time amended, including, but not limited to, the Americans with Disabilities Act requirements in providing the County with any requested County improvements.

11.1.4 If any agency, division or department of any governmental entity with appropriate jurisdiction condemns the Premises or any part of the Premises as unsafe or not in conformity with any of the laws or regulations controlling their construction, occupation or use, or orders or requires any alteration, repair or reconstruction of the Premises the responsible party shall be the Lessor who at its sole cost and expense (and without any right of reimbursement from County) immediately effect all necessary alterations and repairs required for the Premises full and exact compliance.

11.1.5 Lessor shall cause all County improvements to be lien free, completed at Lessor's cost in a workmanlike manner and in compliance with all applicable law.

11.1.6 County agrees when requested by Lessor to execute and deliver any applications, consents or other instruments required to permit Lessor to complete such County improvements or to obtain permits for the work.

11.1.7 Post occupancy tenant improvements requested by County and completed by Lessor shall be reimbursed by County at Lessor's cost plus 10%. Lessor's invoices for such improvements shall be itemized according to material, sales tax, labor and Lessor's 10% overhead handling charge.

11.1.8 Due to County fiscal year funding and accounting practices, any costs due to Lessor for reimbursement of tenant improvements during the term must be invoiced and received by the County prior to May 1st of each fiscal year in which services to County were provided to ensure payment.

11.2 Improvements by County.

11.2.1 Any alterations, improvements or installation of fixtures to be undertaken by County shall have the prior written consent of Lessor. Such consent shall not be unreasonably withheld, conditioned or delayed by Lessor.

11.2.2 All alterations and improvements made, and fixtures installed, by County shall remain County property and may be removed by County at or prior to the expiration of this Lease; provided, however, that such removal does not cause injury or damage to the Leased Premises beyond normal wear and tear.

11.3 Communications Equipment. County may, from time to time, install maintain, replace and/or remove any satellite dishes, links, duct bank or antennas on the grounds, roof and/or exterior walls or parapet of the Premises as County deems reasonably necessary or desirable, provided County shall first obtain Lessor's written approval, which approval shall not be unreasonably withheld, conditioned, or delayed. Upon the removal by County of any such satellite dishes, links or antennas, County shall repair any damage incurred in connection with such removal.

12. Hold Harmless. Except as otherwise provided herein, County represents that it has inspected the Premises, accepts the condition and fully assumes any and all risks incidental to the use thereof. County shall not be liable to Lessor, its agents, employees, subcontractors or independent contractors for any personal injury or property damage suffered by them which may result from hidden, latent or other dangerous conditions in, on, upon or within the property unknown to the County, its officers, agents or employees.

Lessor shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, its officers, Board of Supervisors, agents, employees, elected or appointed officials, agents or representatives and independent contractors (individually and collectively hereinafter referred to as Indemnitees) free and harmless from any liability whatsoever, based or asserted upon any act or omission of Lessor, its officers, agents, employees, subcontractors and independent contractors for property damage, bodily injury, or death (County's employees included) or any other element of damage of any kind or nature, relating to or in any way connected with or arising from its use, occupancy or operation of the Premises, and Lessor, shall defend, at its expense, including attorney fees, Indemnitees in any legal action based upon such alleged acts or omissions. With respect to any action or claim subject to indemnification herein by Lessor, Lessor shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Lessor's indemnification to Indemnitees as set forth herein. Lessor's obligation hereunder shall be satisfied when Lessor has

provided to County the appropriate form of dismissal relieving County from any liability for the action or claim involved. The specified insurance limits required in this Lease shall in no way limit or circumscribe Lessor's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

13. Insurance.

13.1 Lessor's Insurance. Without limiting or diminishing the Lessor's obligation to indemnify or hold the COUNTY harmless, Lessor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverages during the term of this Lease. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

13.1.1 Workers' Compensation: If Lessor has employees as defined by the State of California, they shall procure and maintain Workers' Compensation Insurance, in full compliance with the Workers' Compensation and Occupational Disease Laws of all authorities having jurisdiction over the Property. Such policy shall include Employers' Liability (Coverage B) and Occupational Disease coverage, with limits not less than One Million Dollars (\$1,000,000) per person, per occurrence. Policy shall provide a Waiver of Subrogation in favor of the COUNTY.

13.1.2 Commercial General Liability: Procure and maintain comprehensive general liability insurance coverage that shall protect COUNTY from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from COUNTY's use of the Premises or the performance of its obligations hereunder, whether such use or performance be by COUNTY, by any subcontractor, or by anyone employed directly or indirectly by either of them. Policy shall also include fire and extended coverage on the improvements, alterations and fixtures to be constructed and installed upon the Premises in an amount not less than the full replacement value of such improvements, alterations and fixtures. Such insurance shall name COUNTY as an additional insured with respect to this Lease and the obligations of COUNTY

hereunder. Such insurance shall provide for limits of not less than One Million Dollars (\$1,000,000) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

13.1.3 Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Lessor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

13.1.4 General Insurance Provisions - All lines:

13.1.4.1 Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

13.1.4.2 The insurance requirements contained in this Lease may be met with a program(s) of self-insurance. Lessor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Lease. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, Lessor's carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Lease with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

13.1.4.3 Lessor shall cause Lessor's insurance carrier(s) to furnish the County of Riverside with a properly executed Certificate(s) of Insurance and copies of Endorsements effecting coverage as required herein. Further,

said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If Lessor insurance carrier(s) policies does not meet the minimum notice requirement found herein, Lessor shall cause Lessor's insurance carrier(s) to furnish a 30-day Notice of Cancellation Endorsement.

13.1.4.4 In the event of a material modification, cancellation, expiration, or reduction in coverage, this Lease shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed Certificate of Insurance and copies of endorsements evidencing coverage's set forth herein and the insurance required herein is in full force and effect. County shall not commence operations until the COUNTY has been furnished Certificate(s) of Insurance and copies of endorsements. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

13.1.4.5 It is understood and agreed to by the parties hereto that the Lessor's insurance shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

13.1.4.6 COUNTY reserves the right to require that Lessor adjust the monetary limits of insurance coverage as required in this Paragraph 13 herein every fifth (5th) year during the term of this Lease or any extension thereof, subject to ninety (90) days written notice to County of such adjustment, in the event that COUNTY reasonably determines that the then existing monetary limits of insurance coverage are no longer consistent with those monetary limits of insurance coverage generally prevailing in the Riverside County area for facilities comparable to the Premises; provided, however, that any adjustment shall not increase the monetary limits of insurance coverage for the preceding five (5) years in excess of fifty percent (50%) thereof.

13.1.4.7 Lessor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Lease.

13.1.4.8 Lessor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

13.2 County's Insurance. County is self-insured. Upon written notice request, County will provide Lessor an Evidence of Self Insurance Certificate.

14. Damage and Destruction.

14.1 Repair of Damage. County agrees to notify Lessor in writing promptly of any damage to the Premises resulting from fire, earthquake, or any other identifiable event of a sudden, unexpected, or unusual nature ("Casualty"). If the Premises, whether covered by insurance or not, are damaged by a Casualty, or the Casualty results in the Premises not being provided with Base Building Systems or parking facilities, and if neither Lessor nor County has elected to terminate this Lease under this Section 13, Lessor shall promptly and diligently restore Premises, the County Improvements originally constructed by Lessor, Base Building Systems, and County's parking facilities to substantially the same condition as existed before the Casualty, subject to modifications required by building codes and other laws. If County requests that Lessor make any modifications to the County Improvements in connection with the rebuilding, Lessor may condition its consent to those modifications on: (a) confirmation by Lessor's contractor that the modifications shall not increase the time needed to complete the County Improvements; or (b) an agreement by County that the additional construction period shall not extend the rent abatement period.

14.2 Repair Period Notice. Lessor shall, within thirty (30) days after the date of the Casualty, provide written notice to County indicating the anticipated period for repairing the Casualty ("Repair Period Notice"). The Repair Period Notice shall be accompanied by a certified statement executed by the Contractor retained by Lessor to complete the repairs or, if Lessor has not retained a Contractor, a licensed Contractor not affiliated with Lessor, certifying the Contractor's opinion about the anticipated period for repairing the Casualty. The Repair Period Notice shall also state, if applicable, Lessor's election either to repair or to terminate the Lease under Section 14.3.

14.3 Lessor's Option to Terminate or Repair. Lessor may elect either to terminate this Lease or to effectuate repairs if: (a) the Repair Period Notice estimates

that the period for repairing the Casualty exceeds ninety (90) days from the date of the Casualty; or (b) the estimated repair cost of the Premises, even though covered by insurance, exceeds fifty percent (50%) of the full replacement cost.

14.4 County's Option to Terminate. If (a) the Repair Period Notice provided by Lessor indicates that the anticipated period for repairing the Casualty exceeds ninety (90) days, or (b) notwithstanding the above, in the event of a substantial or total casualty to the Premises or improvements, County may by written notice to Lessor within thirty (30) days after such damage or destruction of its intention to terminate this Lease, elect to terminate this Lease by providing written notice (County's Termination Notice) to Lessor within thirty (30) days after receiving the Repair Period Notice. If County does not elect to terminate within said thirty (30) day period, County shall be considered to have waived its option to terminate.

14.5 Rent Abatement Due to Casualty. Lessor and County agree that County's Rent shall be fully abated during the period beginning on the later of: (a) the date of the Casualty; or (b) the date on which County ceases to occupy the Premises and ending on the date of Substantial Completion of Lessor's restoration obligations as provided in this Section 14 ("Abatement Period"). If, however, County is able to occupy and does occupy a portion of the Premises, Rent shall be abated during the Abatement Period only for the portion of the Premises not occupied by County.

14.6 Damage Near End of Term. Despite any other provision of this Section 14, if the Premises are destroyed or damaged by a Casualty during the last eighteen (18) months of the Original Lease Term, Lessor and County shall each have the option to terminate this Lease by giving written notice to the other of the exercise of that option within thirty (30) days after that damage or destruction, provided, however, County may negate Lessor's election to terminate under this Section 14.6 by electing, within ten (10) days after receipt of Lessor's termination notice, to exercise any unexercised option to extend this Lease. If County negates Lessor's election, this Lease shall continue in effect unless Lessor has the right to, and elects to, terminate this Lease under Section 14.3.

14.7 Effective Date of Termination; Rent Apportionment. If Lessor or County elects to terminate this Lease under this Section 14 in connection with a

Casualty, this termination shall be effective thirty (30) days after delivery of notice of such election. County shall pay Rent, properly apportioned up to the date of the Casualty. After the effective date of the termination, Lessor and County shall be discharged of all future obligations under this Lease, except for those provisions that, by their terms, survive the expiration or earlier termination of the Lease.

14.8 Waiver of Statutory Provisions. The provisions of this Lease, including those in this Section 14 constitute an express agreement between Lessor and County that applies in the event of any Casualty to the Premises. Lessor and County, therefore, fully waive the provisions of any statute or regulation, for any rights or obligations concerning a Casualty including California Civil Code Sections 1932(2) and 1933(4).

14.9 Release on Termination. In the event of any termination of this Lease in accordance with Section 14, the Parties shall be released there from without further obligation to the other Party, except as may otherwise be specifically set forth in this Lease and items that have accrued and are unpaid.

15. Eminent Domain.

15.1 Total Condemnation. If all of the Premises are condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasi-public use or purpose, this Lease will terminate as of the date of title vesting in that proceeding and the Rent will be abated from the date of termination.

15.2 Partial Condemnation. If any portion of the Premises is condemned by eminent domain, inversely condemned, or sold in lieu of condemnation for any public or quasi-public use or purpose and the partial condemnation renders the Premises unusable for County's business, this Lease will terminate as of the date of title vesting or order of immediate possession in that proceeding and the Rent will be abated to the date of termination. If the partial condemnation does not render the Premises unusable for the business of County and less than a substantial portion of the Premises is condemned, Lessor must promptly restore the Premises to the extent of any condemnation proceeds recovered by Lessor, excluding the portion lost in the condemnation, and this Lease will continue in full force, except that after the date of the title vesting, the Rent will be adjusted, as reasonably determined by Lessor and County.

15.3 Award. If the Premises are wholly or partially condemned, Lessor will be entitled to the entire award paid for the condemnation, and County waives any claim to any part of the award from Lessor or the condemning authority. County, however, will have the right to recover from the condemning authority any compensation that may be separately awarded to County in connection with costs in removing County's merchandise, furniture, fixtures, leasehold improvements, and equipment to a new location.

15.4 Temporary Condemnation. In the event of a temporary condemnation, this Lease will remain in effect, County will continue to pay Rent, and County will receive any award made for the condemnation. If a temporary condemnation remains in effect at the expiration or earlier termination of this Lease, County will pay Lessor the reasonable cost of performing any obligations required of County with respect to the surrender of the Premises. If a temporary condemnation is for a period that extends beyond the Term, this Lease will terminate as of the date of occupancy by the condemning authority and any award will be distributed in accordance with Section 14.3.

16. Estoppel Certificates.

16.1 Within twenty (20) business days after receipt of a written request by either party, the other party shall execute and deliver to the requesting party an Estoppel Certificate, in the form of the attached Exhibit "G," indicating in the certificate any exceptions to the statements in the certificate that may exist at that time.

17. Subordination, Non-Disturbance, and Attornment.

17.1 Subordination, Non-Disturbance, and Attornment Agreement. To carry out the purposes of Section 17.2 and Section 17.3, the Parties agree to execute a Subordination, Non-Disturbance and Attornment Agreement in the form set forth in the attached Exhibit "H."

17.2 Subordination. County agrees that within forty-five (45) business days after Lessor's written request, it shall execute the agreement referred to in Section 17.1 that Lessor reasonably considers necessary to evidence or confirm the subordination or inferiority of this Lease to the lien of any mortgage, deed of trust or other encumbrance of the Premises or any renewal, extension, modification,

replacement thereof, provided however, that such Subordination Agreement shall be strictly limited to matters contained in the Agreement referred to in Section 17.1 and no such Subordination Agreement shall materially increase any of County's obligations or materially decrease any of County's rights under this Lease, nor shall the possession of County be disturbed, by reason of any foreclosure, sale or other action under any such trust deed, mortgage or other encumbrance.

17.3 Attornment. If Lessor's interest in the Premises passes to a successor, and provided County has received the Non-Disturbance agreement referred to in Section 17.1, County shall, within forty-five (45) business days after Lessor's transferee's request, execute the agreement referred to in Section 17.1, thereby agreeing to attorn and to recognize the transferee as the Lessor under this Lease; provided the transfer of Lessor's interest in the Premises was by sale, lease, foreclosure, deed in lieu of foreclosure, exercise of any remedy provided in any encumbrance or operation of law.

18. Breach by Lessor.

18.1 Lessor's Default. Except as provided to the contrary in this Lease, Lessor's failure to perform any of its obligations under this Lease shall constitute a default by Lessor under the Lease if the failure continues for thirty (30) days after written notice of the failure from County to Lessor. If the required performance cannot be completed within thirty (30) days, Lessor's failure to perform shall constitute a default under the Lease unless Lessor undertakes to cure the failure within thirty (30) days and diligently and continuously attempts to complete this cure as soon as reasonably possible.

18.2 County's Right to Cure Lessor's Default and Deduct Cost. Except as provided to the contrary in this Lease, if County provides notice to Lessor of Lessor's failure to perform any of its obligations under this Lease and Lessor fails to provide such action as required by the terms of this Lease within the period specified, County may take the required action if: (a) County delivers to Lessor an additional written notice advising Lessor that County intends to take the required action if Lessor does not begin the required action within ten (10) days after the written notice; and (b) Lessor fails to begin the required action within this ten (10) day period.

18.3 Rent Setoff. If, within thirty (30) days after receipt of County's written demand for payment of County's costs incurred in taking such action on Lessor's behalf, Lessor has not paid the invoice or delivered to County a detailed written objection to it, County may deduct from Rent payable by County under this Lease the amount set forth in the invoice, including transaction costs and attorneys' fees, plus interest at the then legal rate of interest from the date these costs are incurred until the date of County's Rent setoff.

19. Lessor's Representations and Warranties. Lessor represents and warrants to County that:

19.1 Title. County's Leasehold interest in the Premises is free and clear of restrictions which would restrict County's rights under this Lease.

19.2 Certificate of Authority. Lessor covenants that it is a duly constituted under the laws of the state of its organization, and that the person(s) who is acting as its signatory in this Lease is duly authorized and empowered to act for and on behalf of the Lessor. Lessor shall furnish County prior to the execution hereof with evidence of the authority of the signatory to bind the entity or trust as contemplated herein.

19.3 No Litigation. There are no judicial, quasi-judicial, administrative or other orders, injunctions, moratoria or pending proceedings against Lessor or the Premises which preclude or interfere with, or would preclude or interfere with, the construction contemplated herein or the occupancy and use of the Premises by County for the purposes herein contemplated.

19.4 Easements. Lessor shall not (a) subdivide, parcel or otherwise divide the Premises, (b) create, modify or terminate any ingress or egress to or from the premises, or (c) create any easements in the Premises, without County's prior written approval.

20. Miscellaneous.

20.1 Quiet Enjoyment. Lessor covenants that County shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the use of the Leased Premises so long as County shall fully and faithfully perform the terms and conditions that it is required to do under this Lease. If the Premises are part of a

building shared with other tenants of Lessor, during County's tenancy, Lessor may make or permit other tenants to make alterations, renovations and improvements to those portions of the building not occupied by County. Lessor covenants for itself and anyone deriving title from or holding title under Lessor that County's access, ingress, loading and unloading and sufficient parking for County's business shall not unreasonably be obstructed nor shall the daily business of County be disrupted as a result of such alterations, renovations and improvements.

20.2 Non-Waiver. No waiver of any provision of this Lease shall be implied by any failure of either party to enforce any remedy for the violation of that provision, even if that violation continues or is repeated. Any waiver by a party of any provision of this Lease must be in writing. Such written waiver shall affect only the provision specified and only for the time and in the manner stated in the writing.

20.3 Binding on Successors. The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives and assigns of all the Parties hereto.

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

20.5 Venue. Any action at law or in equity brought by either of the Parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the Parties hereto waive all provisions of law providing for a change of venue in such proceedings to any other county.

20.6 Attorneys' Fees. In the event of any litigation or arbitration between Lessor and County to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.

20.7 County's Representative. County hereby appoints the Director of Facilities Management as its authorized representative to administer this Lease.

20.8 Agent for Service of Process. It is expressly understood and agreed that in the event Lessor is not a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or it is a foreign corporation, then in any such event, Lessor shall file with County's Director of Facilities Management, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessor. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event, Lessor may be personally served with such process out of this county and that such service shall constitute valid service upon Lessor. It is further expressly understood and agreed that Lessor is amenable to the process so served, submits to the jurisdiction of the court so obtained and waives any and all objections and protests thereto.

20.9 Entire Lease. This Lease is intended by the Parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the Parties hereto.

20.10 Interpretation. The Parties hereto have negotiated this Lease at arm's length and have been advised by their respective attorneys, or if not represented by an attorney, represent that they had an opportunity to be so represented and no provision contained herein shall be construed against County solely because it prepared this Lease in its executed form.

20.11 Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

20.12 Recording. Either Lessor or County shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this

Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees applicable thereto.

20.13 Consent. Whenever Lessor's or County's consent is required under any provision of this Lease, it shall not be unreasonably withheld, conditioned or delayed.

20.14 Title. Lessor covenants that Lessor is well seized of and has good title to the Premises, and Lessor does warrant and will defend the title thereto, and will indemnify County against any damage and expense which County may suffer by reason of any lien, encumbrance, restriction or defect in title or description herein of the Premises. If, at any time, Lessor's title or right to receive Rent and any other sums due hereunder is disputed, County may withhold such sums thereafter accruing until County is furnished satisfactory evidence as to the Party entitled thereto.

20.15 Conveyance by Lessor. Should Lessor convey the Premises, all rights and obligations inuring to the Lessor by virtue of this Lease shall pass to the grantee named in such conveyance, and the grantor shall be relieved of all obligations or liabilities hereunder, except those theretofore accrued and not discharged.

20.16 Mechanic's Liens. If any mechanic's or materialmen's lien or liens shall be filed against the Premises for work done or materials furnished to a Party, that Party shall, at its own cost and expense, cause such lien or liens to be discharged within fifteen (15) days after notice thereof by filing or causing to be filed a bond or bonds for that purpose. In the event any notice preliminary to establishing such a lien (such as the California Preliminary 20-Day Notice) is served on Lessor for work done on the Premises, Lessor shall immediately forward a copy of such notice to Lessee.

20.17 Surrender. County shall, after the last day of the term or any extension thereof or upon any earlier termination of such term, surrender and yield up to Lessor the Premises in good order, condition and state of repair, reasonable wear and tear and damage by fire or other casualty excepted. County may, but shall not be required to: (a) patch or paint any walls/surfaces; (b) remove any leasehold improvements constructed or installed prior to or during the term of this Lease or any extension thereof; or (c) remove any fixtures or equipment installed prior to or during the term of this Lease or any extension thereof.

20.18 Notice. Except as expressly provided elsewhere in this Lease, all notices and other communication required under this Lease shall be in writing and delivered by: (a) Certified Mail, postage prepaid, return receipt requested, in the United States mail; or (b) via an overnight courier that provides written evidence of delivery and addressed to the Party hereto to whom the same is directed at the addresses set forth in Section 19.18 herein. Either Party hereto may from time to time change its mailing address by written notice to the other Party.

County's Notification Address:

County of Riverside
Facilities Management – Real Estate Division
3450 14th St., Suite 200
Riverside, California 92501
Attention: Deputy Director of Real Estate
Telephone (951) 955-4820
Other Inquiries – FM-Leasing@Rivco.org

Lessor's Notification Address:

20.19 Authority. If Lessor is a corporation, general or limited partnership or individual owner, each individual executing this Lease on behalf of said corporation, partnership, or individual represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said corporation, in accordance with bylaws of said corporation, or as a partner or individual is authorized to execute this Lease and that this Lease is binding upon said corporation and/or partnership or individual.

20.20 Approval of Supervisors. Anything to the contrary notwithstanding, this Lease shall not be binding or effective until its approval and execution by the Chairman of the Riverside County Board of Supervisors.

20.21 Separate Writing and Exhibits. Any exhibits or writings referenced herein this Lease shall constitute a part of this Lease and are incorporated into this Lease by this reference. If any inconsistency exists or arises between a provision of this Lease and a provision of any exhibit, the provisions of this Lease shall control.

LESSEE:
COUNTY OF RIVERSIDE

LESSOR:

By: _____
Chair
Board of Supervisors

By: _____

ATTEST:
Kimberly A. Rector
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
Minh C. Tran
County Counsel

By: _____
Deputy County Counsel