

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into this 18th day of June, 2019 ("Effective Date"), by and between LUBISICH BROS. INVESTMENTS, LLC, a California limited liability company, 2824 E. Nees, Clovis, CA 93611, ("LESSOR"), and the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac Way, Clovis, CA 93611 ("LESSEE"). LESSOR and LESSEE may be referred to in this Lease individually as a "Party" or collectively at times as the "Parties".

1. PREMISES

a. Real Property; Premises – LESSOR represents, covenants, and warrants to LESSEE that LESSOR is the fee title owner of the real property at the location depicted on Exhibit "A", incorporated herein by this reference, which includes a building containing approximately 12,552 rentable square feet (the "Building"), together with related paved parking, and associated landscaping, as described in Section 1(b), herein (collectively, the "Real Property"). The legal description of the Real Property is set forth in Exhibit "B," which is incorporated herein by this reference. Upon the Delivery Date (as defined in Section 5, herein), approximately 10,047 rentable square feet of the Building, together with such related paved parking, and its associated landscaping (collectively, the "Premises") shall be immediately available for LESSEE's use and improvement under the terms and conditions of this Lease; the remaining approximate 2,505 rentable square feet of the Building, as well as 13 related parking spaces, and its associated landscaping (collectively, the "Physician's Office") are not at such time part of the Premises, and are leased under an existing lease by LESSOR to a physician for medical offices ("Physician's Lease"). The Premises are approximately depicted on Exhibit "C," which is incorporated herein by this reference.

b. Parking – LESSEE shall be entitled to exclusive use of 80% of the paved parking stalls commencing as of the Delivery Date and continuing through the remainder of the Term (as defined in Section 5, herein), and shall be entitled to exclusive use of 100% of the paved parking stalls as of the date the Physician's Office becomes part of the Premises, and continuing through the remainder of the Term. All of these parking stalls shall be

1 restricted to, and available at all times for, LESSEE's exclusive use under this Lease.

2 LESSEE shall install prominent signage near such parking stalls warning all persons of
3 such restrictions.

4 c. Non-Interference - LESSOR shall ensure that all uses of the Physician's Office
5 in relation to the Physician's Lease, whether or not permitted under the Physician's Lease,
6 shall not interfere with LESSEE's use of the Premises under this Lease. LESSEE shall be
7 permitted to install a permanent gate(s) or other fixture(s) to secure and limit access to the
8 breezeway, as depicted in Exhibit "C," only to those persons who are permitted access to
9 the Premises by LESSEE. In the event the physician desires to sublease or assign all or
10 any portion of the Physician's Office (which lease, sublease, or assignment shall not exceed
11 the remainder of the term of the Physician's Lease), any such new lease, sublease, or
12 assignment of the Physician's Office to any other party, including the physician's successor
13 or assign, shall be subject to this Subsection 1(c). Following the termination of the
14 Physician's Lease (or any such new lease, sublease, or assignment), LESSEE may at any
15 time move the installed permanent gate(s) or other fixture(s) to continue the security and
16 limited access to the breezeway only to those persons who are permitted access to the
17 Premises by LESSEE.

18 d. Physician's Lease Termination – LESSOR represents, covenants, and
19 warrants to LESSEE that the Physician's Lease shall terminate on or before January 31,
20 2024 (the "Physician's Lease Termination Date"), and its term shall not be extended or
21 renewed, or subject to any right of the physician or anyone else, except as depicted in the
22 Preliminary Report Permitted Exceptions, as described in Section 19(e), herein. Upon the
23 occurrence of the early termination of the Physician's Lease, or the termination of any new
24 lease, sublease, or assignment, as described in Subsection 1(c), herein, or the Physician's
25 Lease Termination Date, the Physician's Office shall be immediately available, in good
26 habitable condition, to LESSEE for LESSEE's use under the same terms and conditions of
27 this Lease, pursuant to Section 12, herein.

28 e. Clear Title – LESSOR represents, covenants, and warrants to LESSEE that

1 the Real Property, including the Premises and the Physician's Office, commencing upon the
2 Delivery Date (as defined in Section 5, herein) and continuing thereafter at all times herein
3 through and during the Term (as defined in Section 5, herein), is and shall remain for
4 purposes of LESSEE's right of Purchase Option set forth in Section 18, herein, free and
5 clear of any and all liens, claims, title defects, and/or encumbrances, except for any
6 mortgage or deed of trust or similar debt instrument that LESSOR may record against the
7 Real Property during the Term, which mortgage or deed of trust or similar debt instrument
8 LESSOR shall, at its sole cost and expense, remove from title to the Real Property pursuant
9 to Section 19(e), herein.

10 f. Land Use – LESSOR hereby represents, covenants, and warrants to LESSEE
11 that as of the Effective Date, all required and applicable land use approvals and permits
12 have been obtained and completed, in order to allow for LESSEE'S intended purposes for
13 the Premises, under this Lease.

14 g. Quiet Enjoyment - As long as there is no uncured default on the part of
15 LESSEE under this Lease, LESSOR hereby represents, covenants, and warrants to
16 LESSEE that LESSEE shall have the quiet use and enjoyment of the Premises during the
17 Term.

18 2. USE – LESSEE intends to use the Premises as offices for the dispatching of
19 emergency service providers, and as further stated in this Section 2. This emergency
20 dispatching will serve LESSEE, currently through the Fresno County Department of Public
21 Health, operating as the County of Fresno's local emergency services agency, currently
22 known as the Central California EMS Agency ("EMS Agency"), for the EMS Agency's
23 Emergency Dispatch and Training Center, and/or shall be used for any other of LESSEE's
24 departments, offices, and agencies.

25 a. Sublease – LESSEE shall have the sole right, in its absolute discretion, to
26 sublease the Premises or any portion thereof to LESSEE's current or future emergency
27 ambulance provider, or any other of LESSEE's current or future agencies or contractors,
28 including the EMS Agency, any other county (other than LESSEE) or local EMS agency, or

1 any other governmental agency, such as a city or fire district, or joint powers agency, for the
2 purposes of providing emergency dispatching services and as a training center, or for any
3 related uses.

4 b. LESSEE's Compliance with Laws – Except for any obligations that LESSOR
5 shall perform at its sole cost and expense under this Lease, or which are otherwise
6 imposed by applicable federal, state, or local laws, regulations, or ordinances, upon
7 LESSOR, or upon the Premises as of the Delivery Date, LESSEE agrees to comply with all
8 applicable laws, ordinances and regulations governing its use of the Premises.

9 c. Confidentiality – LESSOR shall keep confidential, and not disclose to any
10 third party, the location of the Premises, including LESSEE's and its sublessee(s)'s use of
11 the Premises, and the function of the Building as an Essential Services Building (as defined
12 in Section 3(a), herein), without the prior, express written permission of the County
13 Administrative Officer or Director of Internal Services/CIO of LESSEE, which permission
14 may be given or withheld in his or her sole and absolute discretion, except (1) as may be
15 necessary to comply with any requirements of a governmental enforcement or taxing or
16 assessing agency, or (2) any person or entity providing work or services at the Premises for
17 or on behalf of LESSOR, or any lender, beneficiary of a deed of trust, or mortgage company
18 referenced in Section 1(e), herein, provided however, LESSOR shall require each such
19 person, entity, lender, beneficiary, or mortgage company to agree in writing to the terms of
20 this Section 2(c).

21 3. ESSENTIAL SERVICES BUILDING – LESSOR hereby represents, covenants,
22 warrants, and certifies to LESSEE that, upon the Delivery Date, the Building shall be, and
23 commencing upon the Delivery Date (as defined in Section 5, herein) and continuing
24 thereafter at all times herein through and during the Term (as defined in Section 5, herein),
25 the Building's structure, including all exterior walls, foundation, and the roof, shall meet the
26 requirements for being (i) a structurally sound Essential Services Building, as defined
27 below, which is free of any known condition or defect (including any condition or defect that
28 should be known after conducting a reasonably diligent investigation) that poses a

1 significant threat to life, safety, or health, (ii) in satisfactory condition for human occupancy
2 and fit for LESSEE's intended use under this Lease, and (iii) in compliance with the
3 Essential Services Building Act and Regulations. Upon the Delivery Date, LESSOR shall
4 provide to LESSEE a certificate from LESSOR's structural engineer, signed and stamped
5 by such structural engineer ("Engineer's Certificate"), in form and substance reasonably
6 acceptable to LESSEE, which is attached as Exhibit I and incorporated by this reference,
7 and addressed to the County of Fresno, certifying as of the Delivery Date that the Building
8 qualifies as an Essential Services Building, under Ch. 2 of Div. 12.5 of the Health and
9 Safety Code, commencing at § 16000. This Lease shall expressly be made effective
10 contingent upon the delivery of the signed and stamped Engineer's Certificate to LESSEE.

11 a. Definition – 'Essential Services Building' or 'Essential Services Buildings'
12 means, and is defined in Health & Safety Code § 16007 as, '[a]ny building, including
13 buildings designed and constructed for public agencies, used, or designed to be used, or
14 any building a portion of which is used or designed to be used, as a fire station, police
15 station, emergency operations center, California Highway Patrol office, sheriff's office, or
16 *emergency communication dispatch center*,' [emphasis added], and includes a newly
17 erected New Essential Services Building, as defined in Section 4-207 of Chapter 4 of Part 1
18 of Title 24 of the CCR. Accordingly, Health & Safety Code § 16001 provides '[I]t is the intent
19 of the Legislature that essential services buildings, which shall be capable of providing
20 essential services to the public after a disaster, shall be designed and constructed to
21 minimize fire hazards and to resist, insofar as practical, the forces generated by
22 earthquakes, gravity, and winds. It is further the intent of the Legislature that the
23 nonstructural components vital to the operation of essential services buildings shall also be
24 able to resist, insofar as practical, the forces generated by earthquakes, gravity, fire, and
25 winds. The Legislature recognizes that certain nonstructural components housed in
26 essential services buildings, including, but not limited to, communications systems, main
27 transformers and switching equipment, and emergency backup systems, are essential to
28 facility operations and that these nonstructural components should be given adequate

1 consideration during the design and construction process to assure, insofar as practical,
2 continued operation of the building after a disaster]’.

3 b. Applicable Law – ‘Essential Services Building Act and Regulations’ means the
4 ‘Essential Services Buildings Seismic Safety Act of 1986’ (Ch. 2 of Div. 12.5 of the Health
5 and Safety Code, commencing at § 16000), including the applicable provisions set forth in
6 Title 24 of the CCR including, but not limited to, and incorporating the applicable provisions
7 of the California Administrative Code, including, but not limited to, Chapter 4 of Part 1 of
8 Title 24 of the CCR, and any other applicable regulations or building standards referenced
9 therein, including by way of example and not as a limitation, Part 2, Title 24, CCR, for
10 Essential Services Buildings, including further, but not limited to, any structures,
11 appurtenances, and related systems and operations, components, equipment, furnishings,
12 and structural and nonstructural elements thereof.

13 4. HAZARDOUS SUBSTANCES

14 a. Generally – LESSOR shall deliver the Premises to LESSEE so that there shall
15 not be, as of the Delivery Date, any Hazardous Material (as that term is defined below)
16 present, stored, or disposed of in, under, or about the Premises in violation of any
17 Environmental Laws (as that term is defined below). LESSOR represents, covenants, and
18 warrants to LESSEE that, to LESSOR’s knowledge, as of the Execution Date, there have
19 not been: (i) any inquiries, investigations, proceedings, or claims by any government
20 agencies or other persons regarding the presence of Hazardous Material on, under, or
21 about the Premises, or (ii) any release reports or commitment statements, as those terms
22 are defined in California Civil Code Section 850, issued with respect to the Premises.
23 Subject to the first sentence of this Section 4, neither Party shall cause or permit any
24 Hazardous Material to be generated, brought onto, used, stored, or disposed of in, under, or
25 about the Premises by such Party or its agents, employees, contractors, subtenants, or
26 invitees, except for such substances that are required and lawfully used, stored, and
27 disposed of in the ordinary course of LESSOR’s performance of its obligations under this
28 Lease, or of LESSEE’s operations conducted at the Premises, or are otherwise approved

1 by LESSOR, which approval shall not be unreasonably withheld or delayed. Each Party
2 shall:

3 i. Use, store, and dispose of all such permitted Hazardous Material in
4 strict compliance with all Applicable Laws and Regulations that relate to public health
5 and safety and protection of the environment ("Environmental Laws"), including,
6 without limitation, those Environmental Laws identified below; and

7 ii. Otherwise comply at all times during the Term with all Environmental
8 Laws.

9 b. Notice – If, during the Term, either LESSOR or LESSEE becomes aware of
10 (i) any actual or threatened release of any Hazardous Material on, under, or about the
11 Premises, or (ii) any inquiry, investigation, proceeding, or claim by any government agency
12 or other person regarding the presence of Hazardous Material on, under, or about the
13 Premises, that Party shall give the other Party written notice of the release or investigation
14 within five (5) calendar days after learning of it, and shall simultaneously furnish to the other
15 Party copies of any claims, notices of violation, reports, or other writings received by the
16 Party providing notice that concern the release or investigation.

17 c. Definition – As used in this Section 4, the term "Hazardous Material" shall
18 mean any hazardous or toxic substance, material, or waste at any concentration that is or
19 becomes regulated by the United States, the State of California, or any local government
20 authority having jurisdiction over the Building. Hazardous Material includes, without
21 limitation:

22 i. Any "hazardous substance," as that term is defined in the
23 Comprehensive Environmental Response, Compensation, and Liability Act of 1980
24 (CERCLA) (42 United States Code Sections 9601-9675);

25 ii. "Hazardous waste," as that term is defined in the Resource
26 Conservation and Recovery Act of 1976 (RCRA) (42 United States Code
27 Sections 6901-6992k);

28 iii. Any pollutant, contaminant, or hazardous, dangerous, or toxic

chemical, material, or substance, within the meaning of any other Applicable Laws and Regulations (including applicable consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect);

iv. Petroleum products;

v. Radioactive material, including from any source, special nuclear, or byproduct material as defined in 42 United States Code Sections 2011-2297b-7;

vi. Asbestos in any form or condition; and

vii. Polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs.

5. EFFECTIVE DATE; DELIVERY DATE; TERM – Subject to Section 3, herein, this Lease shall be in full force and effect commencing upon the Effective Date, which is also defined as the Delivery Date, and continuing thereafter at all times herein through and during the Term (as defined in this Section 5). The term of this Lease shall be twenty (20) years (the "Term"), commencing upon the date LESSEE first takes occupancy of the Premises under Section 6(b), herein ("Rent Commencement Date"), and terminating on the twentieth (20th) anniversary of the Rent Commencement Date, or upon the earlier date that fee title ownership to the Premises is conveyed by LESSOR to LESSEE pursuant to the Purchase Option, as defined in Section 18, herein. All references in this Lease to any year during this Lease for purposes of LESSEE's right of Purchase Option set forth in Section 18, herein, shall be with respect to the Term. In no event shall the Term extend beyond twenty (20) years after the Rent Commencement Date.

6. RENT.

a. LESSEE's Debt Limitation – Notwithstanding anything to the contrary herein, LESSEE's obligation to pay Rent (as defined in Section 6(c), herein) and any other amounts payable under this Lease shall commence upon the Rent Commencement Date, and shall be subject to LESSEE's constitutional debt limitation (Article XVI, Section 18 of the California Constitution).

1 b. Rent Commencement Date of the Premises - The Rent Commencement Date
2 shall be the date that LESSOR has delivered possession of the Premises to LESSEE for
3 LESSEE's use of the Premises under this Lease, which date shall be after LESSEE's
4 completion of LESSEE's Improvements to the Premises, as described in Section 11, herein,
5 as evidenced by LESSEE'S acceptance, which LESSEE acceptance shall not be
6 unreasonably withheld or delayed once the certificate of occupancy for the Premises, as
7 improved by LESSEE's Improvements, is delivered to LESSEE, provided that the Rent
8 Commencement Date shall in no event be later than December 31, 2019.

9 c. Description of Rent – From and after the Rent Commencement Date and
10 throughout the Term, in consideration for LESSEE's use of the Premises, LESSEE shall
11 pay to LESSOR without offset, demand or prior notice, with the exception of an offset for
12 abatement pursuant to Sections 24 and 25(c), herein, on or before the first of each month,
13 base rent according to base rent schedule set forth in Section 5(c), herein ("Base Rent")
14 plus such amounts incurred by LESSOR that may be charged monthly to LESSEE pursuant
15 to Section 6(e), herein, for Lessee's Share (as defined in this Section 6(c)), as necessary
16 for the payment of the following items: (i) the costs of any utilities serving the Premises that
17 cannot be separately metered pursuant to Section 7, herein; (ii) maintenance costs and
18 expenses under Sections 8(a) and 8(c), herein; (iii) property insurance costs and property
19 taxes to the extent that they are chargeable to LESSEE under Section 10, herein; and (iv)
20 insurance costs under Section 30, herein (collectively, "Additional Rent;" Base Rent
21 together with Additional Rent shall be defined as "Rent"). If the Rent Commencement Date
22 does not fall on the first day of a month, the first Rental payment under this Section 6(c)
23 shall be prorated in an amount equal to the number of days in that month from and after the
24 Rent Commencement Date relative to the total number of days in that month. Thereafter,
25 LESSEE shall pay each month's Rent on or before the first of each month, in accordance
26 with this Section 6(c). "Lessee's Share" shall be one of the following, as applicable: (i) 80%,
27 which shall be for costs or expenses incurred for items that occur only for the entire Real
28 Property, and shall be allocated to the Premises as a percentage of its rentable square feet

of the Real Property during the Term while the Physician's Office is not part of the Premises; (ii) 100%, which shall be for costs or expenses incurred for items that occur only for the Premises, during the Term while the Physician's Office is not part of the Premises; or (iii) 100%, which shall be for costs or expenses incurred for items that occur for the Premises at all times during the Term while the Physician's Office is part of the Premises. Thereafter,

d. Base Rent Schedule – The schedule for Base Rent shall be as follows:

10,047 Sq/Ft		Monthly
Pre Purchase Option	Year 1	\$ 15,572.85
	Year 2	\$ 15,962.17
	Year 3	\$ 16,361.23
	Year 4	\$ 16,770.26
	Year 5	\$ 17,189.51
	Year 6	\$ 17,619.25
	Year 7	\$ 18,059.73
	Year 8	\$ 18,511.22
	Year 9	\$ 18,974.01
	Year 10	\$ 19,448.36
Post Purchase Option	Year 11	\$ 19,934.56
	Year 12	\$ 20,432.93
	Year 13	\$ 20,943.75
	Year 14	\$ 21,467.35
	Year 15	\$ 22,004.03
	Year 16	\$ 22,554.13
	Year 17	\$ 23,117.98
	Year 18	\$ 23,695.93
	Year 19	\$ 24,288.33
	Year 20	\$ 24,895.54

*** 12,552 Sq/Ft		Monthly
Pre Purchase Option	Year 1	\$ 19,455.60
	Year 2	\$ 19,941.99
	Year 3	\$ 20,440.54
	Year 4	\$ 20,951.55
	Year 5	\$ 21,475.34
	Year 6	\$ 22,012.23
	Year 7	\$ 22,562.53
	Year 8	\$ 23,126.59
	Year 9	\$ 23,704.76
	Year 10	\$ 24,297.38
Post Purchase Option	Year 11	\$ 24,904.81
	Year 12	\$ 25,527.43
	Year 13	\$ 26,165.62
	Year 14	\$ 26,819.76
	Year 15	\$ 27,490.25
	Year 16	\$ 28,177.51
	Year 17	\$ 28,881.95
	Year 18	\$ 29,604.00
	Year 19	\$ 30,344.10
	Year 20	\$ 31,102.70

***Base Rent assumes LESSEE would be occupying the former Physician's Office.

Because the Rent Commencement Date depends on the conditions described in Section 1, herein, this Base Rent schedule illustrates Base Rents starting in Year 1, provided however,

Base Rent shall be payable only for the space that LESSEE actually occupies under this Lease.

e. Additional Rent Payments – LESSOR shall make timely, direct payment of all amounts owed to third parties in connection with amounts that LESSOR may charge to LESSEE as Additional Rent under this Lease, and LESSEE shall reimburse LESSOR for such Additional Rent under Section 6(d), herein, and this Section 6(e).

i. Estimated Cost Statement – On or before sixty (60) calendar days prior to each year during the Term, LESSOR shall deliver to LESSEE a written statement (the “Estimated Cost Statement”) itemizing each of the estimated amounts that constitute Additional Rent, based on the applicable Lessee’s Share of each of such amounts for such year, and LESSEE will either comment on or approve the Estimated Cost Statement within sixty (60) calendar days following its receipt thereof, and any failure by LESSEE to provide any comment or disapproval shall be deemed approval of the Estimated Cost Statement. The Estimated Cost Statement shall be delivered to LESSEE at both of the following addresses:

County of Fresno (L-335)	County of Fresno
Director of Internal Services/CIO	Dept. of Public Health/Emergency Services
333 W. Pontiac Way	Attn: Division Manager
Clovis, CA 93612	1221 Fulton Street, P.O. Box 11867
County of Fresno (L-335)	Fresno, CA 93775

If LESSEE disapproves any portion of the Estimated Cost Statement, the Parties shall promptly meet and confer in good faith, and discuss the reason for the disapproval. If the Parties reach agreement with respect to the Estimated Cost Statement, LESSOR, if necessary, shall revise the Estimated Cost Statement accordingly and re-submit it to LESSEE for its requested approval. LESSEE shall continue to make payments for Additional Rent under Section 6(d), herein, and this Section 6(e) based on the Estimated Cost Statement approved by LESSEE for the prior year, until LESSEE has approved the Estimated Cost Statement in writing. Upon approving the Estimated Cost Statement,

1 LESSEE shall, under Section 6(d), herein, and this Section 6(e), pay Additional Rent based
2 on the approved Estimated Cost Statement, plus all additional amounts, if any, owed by
3 LESSEE for the period during which the Parties were in the process of reaching agreement
4 as to the Estimated Cost Statement, and reached agreement on such amounts. The Parties
5 shall attempt in good faith to resolve any disagreement regarding the Estimated Cost
6 Statement within sixty (60) calendar days of the date that LESSOR delivers the Estimated
7 Cost Statement to LESSEE, provided however, if LESSEE continues to disagree with
8 LESSOR, LESSEE shall pay the disputed amounts promptly following the end of such sixty
9 (60) day period, but such payment shall be subject to LESSEE's right to pursue any remedy
10 allowed by law with respect to such disputed amount. LESSEE's obligation to pay
11 Additional Rent to LESSOR shall be allocated equally on a monthly basis within the relevant
12 year, and each payment thereof shall be made monthly pursuant to Section 6(c), herein, on
13 the date that Rent is due during the Term. Notwithstanding anything to the contrary in
14 Section 6(c), herein, or this Section 6(e), for any costs or expenses related to maintenance
15 of the paved parking under Section 8(v), herein, LESSOR shall be entitled to charge
16 LESSEE one cent (\$0.01) per rentable square foot of the Premises, each month, to be
17 accumulated for the benefit of LESSEE and applied as a credit to LESSEE for the
18 estimated costs of such anticipated maintenance, subject to any changes in the estimated
19 cost thereof as may be applied under this Section 6(e), provided that for any amounts that
20 LESSOR has collected and not spent for such maintenance as of the date that LESSEE
21 purchases the Real Property under Section 18, herein, such amounts shall be credited to
22 LESSEE as part of the closing of escrow for such sale. As a baseline for determining the
23 first Estimated Cost Statement that LESSOR shall deliver to LESSEE under this Section
24 6(e)(i), the Parties shall use the form of Estimated Cost Statement, attached hereto as
25 Exhibit H, which first Estimated Cost Statement sets forth estimated amounts that are
26 calculated by LESSOR as of the Delivery Date, and to which LESSEE is deemed to have
27 agreed to the amounts stated therein. In the event the Physician's Office becomes part of
28 the Premises at any time other than the commencement of a year, LESSOR shall

1 prospectively adjust the Estimated Cost Statement as of such date consistent with this
2 Section 6(e)(i), and shall promptly deliver the adjusted Estimated Cost Statement to
3 LESSEE, and the Parties shall use such adjusted Estimated Cost Statement, and LESSOR
4 shall deliver an adjusted Actual Costs Statement, consistent with Section 6(e)(ii), herein,
5 commencing as of such date.

6 ii. Actual Cost Statement – Within sixty (60) calendar days after the end
7 of each year during the Term, LESSOR shall deliver to LESSEE at both of the addresses
8 specified in Section 6(e)(i), herein, a written statement (the “Actual Cost Statement”)
9 itemizing the total actual amount of the Additional Rent for such year, accompanied by
10 copies of all supporting documents for each of such items of the Additional Rent. If the total
11 amount of the Actual Costs Statement is less than the amount of the Estimated Cost
12 Statement for the relevant year, LESSOR shall refund the amount overpaid to LESSEE
13 within thirty (30) calendar days after the date that LESSOR delivered the Actual Cost
14 Statement to LESSEE. If the total amount of the Actual Costs Statement is more than the
15 amount of the Estimated Cost Statement for the relevant year (“Excess Costs”), LESSEE
16 shall pay such Excess Costs to LESSOR within thirty (30) calendar days after its receipt of
17 the Actual Cost Statement, except that (a) to the extent that the Excess Costs are more
18 than fifteen percent (15%) of the Estimated Cost Statement for the relevant year (“Excess
19 Costs Above 15%”), or (b) if LESSEE has requested, but not received, supporting
20 documents for any Excess Costs within fifteen (15) calendar days thereafter (“Excess Non-
21 Documented Costs”), LESSEE shall not be obligated to pay Excess Costs Above 15%, or
22 Excess Non-Documented Costs, unless and until LESSOR provides documentation to the
23 reasonable satisfaction of LESSEE that the Excess Costs Above 15% and/or the Excess
24 Non-Documented Costs are in amounts that are reasonable for the types of costs or
25 expenses incurred and chargeable to LESSEE as Additional Rent under this Lease. The
26 Parties shall attempt in good faith to resolve any disagreement regarding the Actual Cost
27 Statement within sixty (60) calendar days of the date that LESSOR delivers the Actual Cost
28 Statement to LESSEE (or the later date that LESSOR provides any additional

1 documentation), provided however, if LESSEE continues to disagree with LESSOR,
2 LESSEE shall pay the disputed amounts promptly following the end of such sixty (60) day
3 period (or the later date that LESSOR provides any additional documentation), but such
4 payment shall be subject to LESSEE's right to pursue any remedy allowed by law with
5 respect to such disputed amount.

6 iii. Notice Prior to Exceeding Estimated Cost Statement Amount – Prior to
7 incurring any amount that LESSOR reasonably believes will cause any cost or expense to
8 be an amount greater than twenty percent (20%) of its estimated cost or expense shown on
9 the Estimated Cost Statement, LESSOR shall give written notice to LESSEE describing the
10 amount and reason for the amount; provided however, no such notice is required to be
11 given to LESSEE under this Subsection 6(e)(iii) if the amount will be incurred in connection
12 with a sudden and/or unexpected event or circumstance, that is, or results in, or an
13 imminent threat of a condition that threatens the life, health, or safety of any person, or
14 condition of the Premises, provided further however, LESSOR shall provide LESSEE
15 copies of all supporting documents for each of such items of the Additional Rent under
16 Section 6(e)(ii), herein. The Parties shall attempt in good faith to resolve any disagreement
17 regarding any cost or expense referenced under this Section 6(e)(iii) in the same manner as
18 they are required under Section 6(e)(ii), herein, but any payment by LESSEE for any
19 disputed amount shall be subject to LESSEE's right to pursue any remedy allowed by law
20 with respect to such disputed amount.

21 iv. Approval – As to LESSEE, its County Administrative Officer or Director of
22 Internal Services/CIO, or a designee of one of them, is hereby authorized to give any
23 approval or disapproval, and to participate in any attempt to resolve any disputed amount
24 with LESSOR.

25 v. Management Fee – LESSEE shall pay to LESSOR, for management of the
26 Additional Rent amounts and associated responsibilities, a reasonable management fee
27 ("Management Fee"), equal to the lesser of 4% of the total annual Additional Rent amounts,
28 or \$3,000 annually. This Management Fee shall be divided into equal 1/12 (or pro-rated for

1 any partial month) payments and billed to LESSEE with the Additional Rent described in
2 Section 6(c), herein. The Management Fee shall be subject to the same true-up process as
3 to Additional Rent, described in 6(e), herein.

4 7. UTILITIES – LESSEE shall make timely, direct payment of all amounts owed to third
5 party service providers for metered utilities, including water, sewage, garbage, gas, and
6 electricity. Until LESSEE occupies the space currently known as the Physician's Office,
7 LESSOR shall pay for any utilities that cannot be separately metered, and LESSEE shall
8 reimburse LESSOR for its proportionate share of such utilities, based on LESSEE'S leased
9 10,047 square footage of the 12,552 rentable square feet of the Building (which is
10 approximately 80%). LESSEE shall pay for telecommunications services that LESSEE
11 requires in its use of the Premises.

12 8. MAINTENANCE

13 a. LESSOR's Maintenance Duties – LESSOR shall maintain and keep the
14 Premises (excluding all LESSEE Improvements, as defined in Section 11(d), herein), the
15 costs and expenses of which shall be reimbursed by LESSEE as Additional Rent in
16 accordance with Section 6(e), herein, in good order, condition, and repair, and in good
17 sanitary, habitable condition, including, but not limited to:

18 i. Building – The non-structural portions of the Building, including, but not
19 limited to, canopy, roof membranes, downspouts and gutters of the Building, electrical,
20 mechanical, and plumbing systems (including above ground and underground piping
21 for water and sewer, from the street to the point of entry or exit to the Building, and to
22 other areas serviced by the piping), fire/life-safety system components including, but
23 not limited to, fire suppression and protection systems and smoke/fire alarm systems,
24 and any other equipment of the Building that was or is installed by LESSOR (but
25 excluding any security alarm systems that LESSEE may install);

26 ii. Lighting – Exterior lighting fixtures of the Building and parking lot,
27 including glass replacement, and appropriate adjustments to exterior lighting for
28 daylight savings time;

- 1 iii. Painting – Exterior repainting of the Building;
- 2 iv. Grounds – Grounds and landscaping, including irrigation and sprinkler
- 3 systems;
- 4 v. Parking lots – Parking lots for the Real Property, including all surfaces,
- 5 approaches, parking and directional signs, and, if any, fences; and sweeping,
- 6 repaving, sealing, and striping parking lots; provided that the sealing and re-striping of
- 7 the parking lots of the Real Property shall occur every five years;
- 8 vi. Graffiti abatement – Immediately removing graffiti or other defacements
- 9 from the Premises;
- 10 vii. Pest control – regular Insect, pest, and vermin control;
- 11 viii. Protection from weathering – Taking appropriate measures to protect
- 12 exterior surfaces of the Building and improvements, including window frames, doors,
- 13 and roofing, from weathering and deterioration, excluding weathering or deterioration
- 14 due to LESSEE's over-use of any landscaping sprinkler system;
- 15 ix. Repair and Restoration – Repair of and any restoration to any other
- 16 improvements with respect to the Premises; and
- 17 x. Inspections – Inspections, from time to time, of the Premises to ensure
- 18 that the Premises are in good order, condition, and repair, and in good sanitary
- 19 condition, provided however, LESSOR shall not be responsible for providing security
- 20 alarm service or security guard or "night watchman" services to protect persons or
- 21 property in or about the Premises, including the Premises itself; LESSEE may provide
- 22 all such security alarm service, security guard, or "night watchmen" services at
- 23 LESSEE's sole cost and expense.
- 24 b. Maintenance of Structure – LESSOR shall, at LESSOR's sole cost and
- 25 expense, maintain and keep in good order, condition, and repair, and habitable condition
- 26 the Building's structure, including all exterior walls, foundation, and the roof.
- 27 c. LESSEE Notification – LESSOR represents, covenants, and warrants to
- 28 LESSEE that the Premises shall be maintained in substantially the same condition as

1 existed on the Date of Delivery, less ordinary wear and tear and LESSEE damage
2 thereafter. LESSEE shall inform LESSOR of any items that LESSEE discovers requiring
3 repair or restoration in or about the Premises, or any portion thereof, under this Section 8,
4 within a reasonable time after LESSEE's discovery thereof, not to exceed fifteen (15)
5 calendar days after such discovery for any such routine items, but within forty-eight (48)
6 hours after such discovery for any such items involving an imminent threat of the health or
7 safety of any person who may be in or about the Premises or which would, without LESSEE
8 reporting such item to LESSOR within such forty-eight (48) hour period, directly result in
9 material damage or materially increased repair or restoration costs if not thereafter promptly
10 repaired or restored by LESSOR (by way of example, and not as a limitation, a water pipe
11 in the building bursts that results in a flood that damages the Building), provided however,
12 such reporting obligation of LESSEE, or the failure of LESSEE to perform such reporting
13 obligation, does not relieve LESSOR from:

14 i. performing maintenance of the Premises (except LESSEE shall pay
15 any reasonable materially increased repair or restoration costs directly due to
16 LESSEE's delay, if any, beyond the time permitted in this Section 8 for reporting the
17 problem. However, LESSEE shall not be responsible for any such additional costs if
18 LESSEE takes reasonable steps to attempt to inform LESSOR of such problem, but is
19 unsuccessful in providing such information to LESSOR because of LESSOR's
20 unavailability at such time, or

21 ii. performing maintenance herein with respect to any condition of the
22 Premises of which LESSOR first was aware or should have discovered upon
23 reasonable inspection.

24 d. Damage Caused by LESSEE's Misuse – Notwithstanding any other provision
25 of this Section 8 or elsewhere in this Lease, LESSEE shall be solely responsible for
26 repairing all damage to the Premises caused by LESSEE's (including its suppliers,
27 contractors and their subcontractors at any tier, and invitees) misuse of the Premises, such
28 as plugged toilets and/or sink drains. If LESSEE fails to repair such damage, LESSOR may

1 after giving LESSEE at least thirty (30) calendar days' advance written notice—or such
2 shorter period as is reasonable in exigent circumstances—and LESSEE failing to repair
3 such damage within such notice period, make such repairs, and LESSEE shall reimburse
4 LESSOR for the reasonable cost thereof. However, if such repair is not reasonably capable
5 of completion within such thirty (30) calendar day period, LESSOR shall not be entitled to
6 undertake such repair and charge any cost thereof to LESSEE provided LESSEE gives
7 LESSOR a written notice within such thirty (30) calendar day period describing, with
8 reasonable particularity, the reason why LESSEE cannot reasonably complete such repair
9 within such thirty (30) calendar day period, the steps that LESSEE will take to complete
10 such repair, and promptly commences, and diligently and continuously prosecutes, the
11 completion of such repair within a reasonable period, not to exceed ninety (90) calendar
12 days.

13 9. JANITORIAL SERVICES – LESSEE, at its sole cost and expense, shall be
14 responsible for janitorial service, and routine items within the Premises caused by
15 LESSEE's normal use, such as light bulb replacement.

16 10. INSURANCE & TAXES – Commencing on the Rent Commencement Date and
17 throughout the Term, LESSEE shall reimburse LESSOR, based on the applicable Lessee's
18 Share, for (1) LESSOR's actual out of pocket costs for property taxes for the Premises,
19 provided however, (i) LESSEE shall not be responsible for reimbursing LESSOR for any
20 interest, penalties, or charges due to LESSOR's late payment of, or failure to pay, such
21 property taxes, or (ii) in the event of any change in ownership that results in an increased
22 assessment of property taxes upon the Premises, LESSOR, or its successor or assign,
23 shall be solely responsible for any increase in taxes as a result of such change in
24 ownership; and (2) LESSOR's insurance costs (as defined in Section 30, herein).

25 a. Notice – LESSOR shall promptly provide LESSEE with copies of any notices
26 provided by or on behalf of any governmental agencies (including any such notices
27 provided by or on behalf of a board, officer, or agency of LESSEE) to LESSOR concerning
28 any proposed property taxes or increases in then-existing property taxes (but excluding

1 therefrom any proposed increase in a property tax that is based solely on a preexisting
2 formula of a then-currently existing property tax) that may be assessed to the Premises or
3 any part thereof. If LESSOR, by virtue of its status as a landowner of the Premises or any
4 part thereof, has any protest or voting rights with respect to any such proposed property
5 taxes or increases in existing property taxes, LESSOR first shall consult with LESSEE
6 concerning same prior to the time that LESSOR may be entitled to such protest or vote on
7 (and regardless of whether LESSOR actually protests or votes on) any such proposed
8 property taxes or increases in property taxes. LESSOR shall also promptly provide LESSEE
9 with copies of any notices provided by the Fresno County Assessor and/or the Fresno
10 County Auditor-Controller/Treasurer-Tax Collector to LESSOR for the assessment, levy,
11 collection, refund, or cancellation of any property taxes with respect to the Premises.

12 b. LESSOR Responsibility to Pay – Except for LESSEE's obligations to (i) pay for
13 metered utilities under Section 7, herein, (ii) cause its assignee or sublessee to pay certain
14 personal property taxes (if any), and (iii) pay Additional Rent under Section 6(c), herein,
15 LESSOR shall be solely responsible for paying any and all other assessments, charges,
16 and fees for which the payment thereof may be a lien upon the Premises, including, but not
17 limited to, any interest, penalties, and other charges for the late payment of, or failure to
18 pay, any of the foregoing items (except to the extent such matters result from LESSEE's
19 breach of any of the foregoing duties). LESSOR represents and covenants to LESSEE that
20 all property taxes, and all other charges and fees chargeable to the Premises under this
21 paragraph have been fully paid as of the Effective Date to the extent then due and payable,
22 and shall continue to be fully paid current by LESSOR, as they become due and payable.

23 11. IMPROVEMENTS TO THE PREMISES

24 a. LESSEE Improvements to the Premises – Commencing upon the Delivery
25 Date, LESSEE shall have a right of entry to the Premises, as well as the right to make its
26 own improvements, at its own cost and expense (provided that LESSOR shall reimburse
27 LESSEE for the cost of such improvements up to the amount provided in Section 11(b),
28 herein), to the Premises necessary or appropriate for LESSEE's intended use under this

Lease ("LESSEE Improvements"). LESSEE Improvements shall include, but shall not be limited to, all leasehold improvements, HVAC, cabling, network equipment, dispatch consoles, fixtures, equipment, and personal property necessary or appropriate for LESSEE to ready the Premises for its use under this Lease. LESSEE shall not, prior to the Rent Commencement Date, be charged any Rent, or be obligated to make any payment under Section 6(c), herein, for exercising such right of entry, as well as the right to make Lessee's Improvements to the Premises, pursuant to the terms of this Lease. Within thirty (30) calendar days of completion of the LESSEE Improvements, LESSEE shall deliver to LESSOR a copy of the plans and specifications of the LESSEE's Improvements.

b. LESSOR Tenant Improvement Allowance – LESSOR shall reimburse LESSEE for LESSEE's costs and expenses incurred for LESSEE Improvements to the Premises, at an allowance of \$50 per rentable square foot. LESSOR shall pay one-half of this amount to LESSEE three (3) months after the Delivery Date, and LESSOR shall pay one-half of this amount to LESSEE on the Rent Commencement Date.

12. PHYSICIAN'S OFFICE BECOMING PART OF THE PREMISES

a. Physician's Office to be Part of Premises – Upon the early termination of the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease), or the expiration of the Physician's Lease, under Section 1(d), herein, the Physician's Office, which shall then be referred to herein as the former Physician's Office, shall become part of the Premises, and subject to this Lease. Commencing as of the Physician's Office Delivery Date (as defined in Section 12(b), herein), and continuing through the remainder of the Term, the Premises shall thereafter mean the Premises, including the former Physician's Office.

b. Physician's Office Delivery Date – The "Physician's Office Delivery Date" for the former Physician's Office shall be the date that LESSOR has delivered possession of the former Physician's Office to LESSEE, and such delivery has been accepted in writing by LESSEE, which LESSEE acceptance shall not be unreasonably withheld or delayed once LESSOR has made such delivery of the former Physician's Office. If the Physician's Lease

(or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease) terminates early, then upon early termination of the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease), the Rent Commencement Date for the former Physician's Office shall be sixty (60) calendar days following the date LESSOR has delivered possession of the former Physician's Office to LESSEE. Upon expiration of the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease), the Rent Commencement Date for the former Physician's Office shall be thirty (30) calendar days following the date LESSOR has delivered possession of the former Physician's Office to LESSEE. As to LESSEE, its County Administrative Officer or Director of Internal Services/CIO, or a designee of one of them, is hereby authorized to execute such acceptance, in either such case, of the former Physician's Office. LESSEE shall pay Rent to LESSOR for the original Premises and former Physician's Office according to the schedule contained in Section 6(c), herein, provided that the first payment of Rent with respect to the former Physician's Office shall be prorated for such portion of the relevant month remaining, if such date is other than the first of the relevant month.

c. Improvements – Commencing upon the Physician's Office Delivery Date, LESSEE shall have a right of entry to the former Physician's Office, as well as the right to make its own improvements, at its own cost and expense (provided that LESSOR shall reimburse LESSEE for the cost of such improvements up to the amount provided in Section 12(d), herein), to the former Physician's Office necessary or appropriate for LESSEE's intended use under this Lease ("LESSEE Improvements to Former Physician's Office"). LESSEE Improvements to the Former Physician's Office shall include painting and new carpet necessary or appropriate for LESSEE to ready the former Physician's Office for its use under this Lease. LESSEE shall not, prior to the Rent Commencement Date for the former Physician's Office, be charged any Rent, or be obligated to make any payment under Section 6(c), herein, for exercising such right of entry, as well as the right to make Lessee's Improvements to former Physician's Office, pursuant to the terms of this Lease.

1 d. LESSOR Tenant Improvement Allowance for the Former Physician's Office –
2 LESSOR shall reimburse LESSEE for LESSEE's costs and expenses incurred for tenant
3 improvements to the former Physician's Office at an allowance of up to \$10 per rentable
4 square foot for paint and new carpet. LESSOR shall pay this allowance to LESSEE within
5 thirty (30) days of the former Physician's Office Delivery Date.

6 13. INDEPENDENT CONTRACTOR – In performance of the work, duties and obligations
7 assumed by LESSOR under this Lease, it is mutually understood and agreed that LESSOR,
8 including any and all of LESSOR'S officers, agents, and employees, shall at all times be acting
9 and performing as an independent contractor, and shall act in an independent capacity, and
10 not as an officer, agent, servant, employee, joint venture, partner, or associate of LESSEE.
11 Furthermore, LESSEE shall have no right to control or supervise or direct the manner or
12 method by which LESSOR shall perform its work and function, provided, LESSOR shall satisfy
13 and comply with its obligations as set forth herein.

14 Because of its status as an independent contractor, LESSOR shall have absolutely no
15 right to employment rights and benefits available to LESSEE'S employees. LESSOR shall
16 be solely liable and responsible for providing to, or on behalf of, its employees all
17 legally-required employee benefits. In addition, LESSOR shall be solely responsible and
18 save LESSEE harmless from all matters relating to payment of LESSOR'S employees,
19 including compliance with Social Security withholding and all other law and regulations
20 governing such matters. It is acknowledged that during the Term, LESSOR may be
21 providing services to others unrelated to LESSEE or to this Lease.

22 14. COMPLIANCE WITH ALL APPLICABLE LAWS AND REGULATIONS UPON
23 DELIVERY DATE – In addition to the requirements of Section 3 and 4, herein, LESSOR
24 represents, covenants, and warrants to LESSEE that the Premises shall be, upon the
25 Delivery Date, in compliance with all Applicable Laws and Regulations. By way of example
26 of the foregoing obligations of LESSOR, and not as a limitation on any of LESSOR's
27 obligations, herein, LESSOR shall, with respect to the Premises, be solely responsible for
28 all applicable seismic safety requirements as set forth in the most current edition of the

1 California Building Code (CBC) adopting the ICC International Code Conference, Title 24 of
2 the California Code of Regulations, all applicable then-current requirements for accessibility
3 by persons with disabilities, including, but not limited to, the Americans With Disabilities Act
4 (42 United States Codes, secs. 12101, et seq., and all related guidelines, standards, and
5 regulations), and all Applicable Laws and Regulations concerning the presence of mold and
6 mold contamination in buildings, and the presence of asbestos and asbestos containing
7 materials and in buildings.

8 **15. PREVAILING WAGE REQUIREMENT**

9 For any portion of any of LESSOR's work, service, and/or function (including, but not
10 limited to, any construction, alteration, installation, demolition, repair, or maintenance work),
11 to be performed, either directly or under any agreements with any contractors and/or
12 suppliers (including their respective sub-contractors at any tier) or otherwise, with respect to
13 the Real Property, including the Premises in relation to this Lease, and/or the Physician's
14 Office in relation to the Physician's Lease (or any sublease or assigned lease relating to the
15 Physician's Office, which sublease or assigned lease shall be subject to Section 1(c),
16 herein) (collectively, the "Work"), that is a "public work" for the purposes of Chapter 1
17 (commencing with § 1720) of Part 7 of Division 2 of the California Labor Code (collectively,
18 "Chapter 1 of the Labor Code"), (i) LESSOR shall comply with, and cause all such
19 contractors and/or suppliers (including their respective sub-contractors at any tier) to
20 comply with, all applicable provisions of Chapter 1 of the Labor Code with respect to the
21 Work, and (ii) prior to causing any Work to be performed under any agreements with any
22 contractors and/or suppliers, or otherwise, LESSOR shall incorporate all of the provisions of
23 this Section 15 into such agreements.

24 LESSOR shall promptly provide a copy to LESSEE of any correspondence, notices,
25 and/or orders, in any written form, and/or any documents initiating legal action (collectively,
26 "DIR Administrative or Legal Action") by or on behalf of the Director of the Department of
27 Industrial Relations of the State of California, including any representative thereof
28 (collectively, the "DIR") to or against LESSOR, and LESSOR's written responses, in any

1 written form, thereto, that relate to any Work, or any portion thereof, provided however,
2 LESSOR's provision of such copy of any DIR Administrative or Legal Action, and/or
3 LESSOR's responses thereto, or failure to provide same or to timely provide same, shall not
4 impose any obligation upon LESSEE with respect to LESSOR's obligations under this
5 Section 15. LESSOR acknowledges that the DIR provides the following internet resource:
6 <https://www.dir.ca.gov/OPRL/DPreWageDetermination.htm>

7 LESSEE does not make any representation, or provide any guidance, to LESSOR as
8 to (i) the nature, type, or scope of the Work, or any portion thereof, to be performed by
9 LESSOR, either directly or under any agreements with any contractors and/or suppliers
10 (including their respective sub-contractors at any tier), that constitutes a "public work," or (ii)
11 the sufficiency of the DIR's internet resource, above, for purposes of compliance with this
12 Section 15. The provisions of this Section 15 shall survive the termination of this Lease.

13 16. IMPROVEMENTS; FIXTURES – LESSEE shall have the right to make improvements,
14 including equipment, fixtures or apparatus, to the Premises during the Term. Within thirty
15 (30) calendar days of completion of any of such improvements, LESSEE shall deliver to
16 LESSOR a copy of the plans and specifications of such improvements for any
17 improvements that are made as a result of plans and specifications. LESSOR agrees that
18 any equipment, fixtures or apparatus installed in or on the Premises by LESSEE shall
19 continue to be the property of LESSEE, and may be removed by LESSEE at any time.
20 LESSEE shall repair or pay for the repair of any damage caused by the removal of fixtures.
21 Any fixtures not removed after LESSEE surrenders possession shall be deemed
22 abandoned by LESSEE, and shall become the property of LESSOR.

23 17. RIGHT OF ENTRY – LESSOR, or its representative(s), upon twenty-four (24) hour
24 notice, shall have the right to enter the Premises at any time during business hours, or at
25 such other time as LESSEE deems appropriate, to make any alterations, repairs or
26 improvements to the Premises, provided however, the normal business of LESSEE, its
27 sublessees, or its invitees shall not be unnecessarily inconvenienced.

28 18. PURCHASE OPTION – LESSEE shall have the option to purchase the Real Property

("Purchase Option") according to the following Purchase Price schedule:

Purchase Option	Purchase Price
Year 11	\$4,269,396.49
Year 12	\$4,376,131.40
Year 13	\$4,485,534.69
Year 14	\$4,597,673.05
Year 15	\$4,712,614.88
Year 16	\$4,830,430.25
Year 17	\$4,951,191.01
Year 18	\$5,074,970.78
Year 19	\$5,201,845.05
Year 20	\$5,331,891.18

The Purchase Option shall be exercised, if at all, by way of a written notice timely delivered by LESSEE to LESSOR at least six (6) months prior to the Purchase Date ("Purchase Option Notice"). The Purchase Date shall be any date upon or after the completion of the tenth (10th) year of the Term (the "Purchase Date"), which shall also be the date upon which escrow for the sale and purchase of the Real Property closes. The price of the Purchase Option shall be determined by the year in the table above in which the Purchase Date occurs. If LESSEE exercises the Purchase Option pursuant to the terms of this Lease, then LESSOR shall promptly give LESSEE written notice of receipt of the Purchase Option Notice, and the Parties shall, within two (2) months prior to the Purchase Date, enter into a Sale and Purchase Agreement in the form of Exhibit G, which is incorporated herein by this reference. All due diligence regarding the Real Property shall be performed three (3) months prior to the Purchase Date. As part of closing of escrow, and within the time specified under the Sale and Purchase Agreement, LESSOR shall deliver all plans, specifications, and engineering calculations for the Real Property, as well as a list of all maintenance contractors, including their contact information, used for the Real Property. LESSOR shall promptly prepare as part of closing of escrow, a proposed proration of Additional Rent, as of the date of closing, which proration shall be acceptable to LESSEE and LESSOR, and completed between the Parties according to the terms of Section 6.04(e) under the Sale and Purchase Agreement. In anticipation of LESSEE's right to exercise

LESSEE's Purchase Option, LESSOR shall preserve, and keep in good condition, all such plans, specifications, and engineering calculations for the Real Property, and if any such plans, specifications, or engineering calculations are delivered to LESSOR only in digital form, LESSOR shall thereupon also create a copy thereof in hardcopy form.

Notwithstanding anything to the contrary in Section 37, herein, the following persons are each authorized to (i) execute, on behalf of LESSEE, the Purchase Option Notice, and, (ii) to deliver to LESSOR said Purchase Option Notice pursuant to the terms hereof:

County Administrative Officer (CAO)
County of Fresno
2281 Tulare Street, Suite 304
Hall of Records
Fresno, CA 93721

Director of Internal Services/CIO
County of Fresno
333 W. Pontiac Way
Clovis, CA 93612

19. Due Diligence

a. Performance of Due Diligence – LESSEE shall, subject to Section 18, herein, perform all due diligence on the Real Property (subject to the terms and conditions set forth herein), including reviewing matters of title (unless LESSOR shall cause any change to the title for the Real Property after such period), inspecting the physical conditions of the Real Property, obtaining an acceptable appraisal of the Real Property, obtaining or receiving an acceptable Phase 1 Environmental Assessment Report, obtaining a termite report, performing inspections, reviewing agreements relating to the Real Property, and conducting such other due diligence as LESSEE determines is necessary ("Due Diligence"), provided however, LESSEE's performance of such due diligence activities shall be solely for LESSEE's benefit, and such performance or lack thereof by LESSEE shall not relieve LESSOR of its obligations under this Lease.

b. Testing – Notwithstanding anything to the contrary in this Section 19(b), LESSEE shall not perform any soil borings or other invasive testing to the Real Property or any improvements located thereon without LESSOR'S prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed. LESSOR or its representative may be present to observe any testing or other inspection performed on the

1 Real Property. LESSEE'S right to enter upon the Real Property or allow any of LESSEE'S
2 agents to enter upon the Real Property to perform the Due Diligence investigations
3 contemplated in this Section 19 shall be conditioned on LESSEE'S agreement to maintain
4 worker's compensation and commercial general liability insurance policies to cover
5 LESSEE's and LESSEE's agents' Due Diligence activities on the Real Property, and to
6 keep the Real Property free and clear of all mechanics' and materialmen's liens or other
7 liens arising out of any of its activities or those of its representatives, agents or contractors.

8 c. Insurance – If the same is not already in effect pursuant to this Lease, then at
9 least two (2) calendar days before commencing such Due Diligence investigations on the
10 Real Property, LESSEE shall deliver to LESSOR a certificate of insurance evidencing
11 insurance coverage in compliance with the terms of this subsection. LESSEE shall maintain
12 and keep in effect, at its sole cost and expense, at all times during the period of escrow, a
13 general commercial liability insurance policy, as set forth in Section 30(b), herein.

14 d. Due Diligence Materials – If LESSOR has not previously delivered the same to
15 LESSEE, then within fifteen (15) calendar days after the Effective Date, LESSOR shall
16 provide (electronically or otherwise) all materials relating to the Real Property that would
17 inform LESSEE, as a prospective purchaser, of the condition of the Real Property, which
18 materials are, after a reasonable and diligent investigation, in its possession or control
19 ("Due Diligence Materials"). Any of the Due Diligence Materials, which are not created by
20 LESSOR, shall be delivered to LESSEE without representation or warranty by LESSOR
21 with respect to the contents, accuracy or completeness thereof, and shall be subject to any
22 rights of third parties as to their use, reliance thereon or disclosure. LESSOR shall deliver
23 any additional Due Diligence Materials pertaining to the Real Property that may come into
24 LESSOR's possession or control within fifteen (15) calendar days after any of LESSEE'S
25 written request(s) therefor.

26 e. Title Matters – A Preliminary Report, as described herein, has been issued by
27 Fidelity National Title Company to LESSEE. Permitted exceptions shall only be as
28 described and listed on Exhibit D, Fidelity National Title Company Preliminary Report, cover

1 pages 1 through 3, and "Preliminary Report Permitted Exceptions," pages 4 through 8 (the
2 Parties agree that exceptions that have been redacted from Exhibit D are not permitted
3 exceptions), dated October 18, 2018, at 7:30 AM, which is incorporated herein by this
4 reference. Any mortgage or deed of trust or similar debt instrument relating to the Real
5 Property, even as allowed under Section 1.e., herein, and if agreed to by LESSEE under
6 Section 21, herein, shall be considered a title defect, and shall be cured by LESSOR's
7 removal of such title defect from the Real Property, at its sole cost and expense, prior to the
8 Close of Escrow in connection with the Purchase Option under Section 18, herein.

9 20. ESTOPPEL CERTIFICATE – LESSEE shall, at any time upon not less than forty-five
10 (45) calendar days prior request by LESSOR, execute, acknowledge and deliver to
11 LESSOR a written estoppel certificate, in form and substance reasonably acceptable to
12 LESSEE and LESSOR. Any such statement delivered pursuant to this Section 20 may be
13 relied upon by third persons, including a prospective purchaser or encumbrancer of the
14 Premises.

15 LESSEE's Director of Internal Services/CIO, or his/her designee, shall be authorized
16 to execute the estoppel certificate for LESSEE. However, LESSOR acknowledges that
17 LESSEE's Director of Internal Services/CIO may desire for LESSEE's Board of Supervisors
18 to act on behalf of LESSEE with respect to any approval of any estoppel certificate for
19 LESSEE, which shall be upon a regularly-scheduled meeting of LESSEE's Board of
20 Supervisors within the foregoing forty-five (45) calendar day time limit.

21 LESSEE'S failure to execute and deliver the estoppel certificate within forty-five (45)
22 calendar days after LESSEE'S receipt of LESSOR'S written request therefor, which shall be
23 delivered to LESSEE in the same manner as providing notices under Section 37, herein,
24 shall be conclusive upon LESSEE that this Lease is in full force and effect and without
25 modification, that there are no uncured defaults in LESSOR'S performance, and that not
26 more than one month's Rent has been paid in advance, except for the amount accumulated
27 for the benefit of LESSEE for the estimated costs of anticipated maintenance of the paved
28 parking under Section 8(v), herein, and such amount shall be assumed as accumulated

1 commencing and continuing from the Rent Commencement Date.

2 21. SUBORDINATION, NONDISTURBANCE, AND ATTORNMENT – If after the Effective
3 Date, LESSOR desires to obtain a loan from a bank (the "Bank") and thereby encumber the
4 Real Property with a deed of trust ("Deed of Trust"), the Parties agree, and LESSOR shall
5 cause the Bank, as beneficiary of the Deed of trust, to agree, to enter into a Subordination,
6 Non-Disturbance, and Attornment Agreement ("SNDA") in form and substance reasonably
7 acceptable to LESSEE, LESSOR, and the Bank. The agreed-upon SNDA shall include the
8 following terms, generally outlined below, which outline not an exhaustive list of terms, or
9 the specific terms, for the agreed-upon SNDA:

10 (i) This LESSEE shall subordinate the priority of this Lease to the Deed of Trust;

11 (ii) In the event of a foreclosure of the Deed of Trust, or a transfer of the Real Property in
12 lieu thereof or in any other manner whereby Bank or its successors-in-interest succeed to
13 the interest of LESSOR under this Lease, so long as there shall then exist no breach or
14 event of default by LESSEE under this Lease which has continued to exist for such period
15 of time (after notice, if any, required by this Lease) as would entitle LESSOR to terminate
16 this Lease: (a) this Lease, including the leasehold interest of LESSEE hereunder, and any
17 sublease permitted under Section 2(a), herein, including the sub-leasehold interest of such
18 any sublessee thereunder, shall not be disturbed or otherwise adversely affected by reason
19 of such foreclosure or transfer of the Real Property in lieu thereof or in any other manner;
20 (b) other than as set forth in the SNDA, none of LESSEE's rights and interest under this
21 Lease, or the rights and interest of any such sub-lessee under such sub-lease, shall be
22 affected in any way by reason of any default under the Deed of Trust, and this Lease shall
23 continue in full force and effect; (c) Bank and its successors-in-interest shall recognize and
24 accept LESSEE as the lessee under this Lease, subject to the terms and conditions of this
25 Lease as modified by the SNDA; (d) the Bank and its successors-in-interest as lessor under
26 this Lease, shall have all of the rights and obligations of LESSOR under this Lease
27 (provided that neither Bank nor such successors-in-interest shall be liable for any act or
28 omission of LESSOR as the prior lessor under this Lease, except that LESSEE shall be

1 entitled to exercise all of its rights and remedies under this Lease with respect to continuing
2 defaults hereunder resulting from the acts or omissions of LESSOR arising after Bank, or its
3 successor-in-interest, has received LESSEE's notice to Bank, or its successor-in-interest,
4 with respect to such defaults and has not, after a reasonable opportunity to cure, under the
5 SNDA cured the same under the SNDA; (e) Bank shall not join LESSEE as a party
6 defendant in any action or foreclosure proceeding unless such joinder is with respect to this
7 Lease, including the Real Property, and required by law to foreclose the Deed of Trust, then
8 only for such purpose and not for the purpose of terminating this Lease; and (f) the parties
9 under the SNDA shall agree that LESSEE's option to lease the space defined in this Lease
10 as the "Physician's Office" upon the termination of the Physician's Office lease, and
11 LESSEE's option to purchase the Real Property as provided in this Lease shall be binding
12 on the Bank, and its successors-in interest, including any transferee who succeeds to the
13 interest of LESSOR under this Lease; and (g) LESSEE shall to attorn to the Bank, and its
14 transferee, as if the Bank and such transferee were LESSOR under this Lease;

15 (iii) Upon LESSEE's receipt of written demand from Bank, which shall include notice of
16 same has been given in writing to LESSOR, that Bank has elected to terminate the license
17 granted to LESSOR to collect Rents from LESSEE under this Lease, as provided in the
18 Deed of Trust, and directing LESSEE to make payment thereof directly to Bank, (a)
19 LESSEE shall, for any Rents due and payable thirty (30) days thereafter, comply with such
20 written demand and direction to pay and shall not be required to determine whether
21 LESSOR is in default under any obligations to Bank, or to honor any conflicting demand
22 from LESSOR, and (b) LESSEE shall be entitled to full credit under this Lease for any
23 Rents paid to Bank in accordance with such written demand and direction to the same
24 extent as if such Rents were paid directly to LESSOR;

25 (iv) Any disputes between or among the Bank, including its successors-in-interest, and
26 LESSOR shall be dealt with and adjusted solely between or among the Bank, including its
27 including its successors-in-interest, and LESSOR; and

28 (v) The SNDA shall be governed by California law.

1 Notwithstanding anything to the contrary in this Section 21, if LESSEE exercises the
2 Purchase Option under Section 18, herein, LESSOR shall remove any such Deed of Trust
3 from the title of the Real Property, fully pay off such Deed of Trust, and cause the Bank to
4 release and reconvey such Deed of Trust, prior to or concurrent with the Close of Escrow in
5 connection with the Purchase Option under Section 18, herein.

6 LESSEE's Director of Internal Services/CIO, or his/her designee, shall be authorized
7 to approve and execute the SNDA for LESSEE, subject to approval as to legal form by
8 LESSEE's legal counsel. The LESSOR shall, and shall cause the Bank, and the LESSEE
9 shall, cause their respective signatures on the SNDA to be notarized to facilitate recordation
10 thereof. The SNDA shall be in recordable form, and upon its execution by all of the parties
11 thereunder, recorded by LESSOR against the Real Property in the Office of the Fresno
12 County Recorder along with the recordation of the Deed of Trust against the Real Property.

13 22. CONDEMNATION OR PROHIBITED USE – If the Premises, or any portion thereof, is
14 appropriated, condemned, or taken by any governmental authority or public agency other
15 than LESSEE by use or exercise of eminent domain proceedings or other proceedings, or
16 by inverse condemnation, or is sold under threat of use or exercise of eminent domain by
17 any governmental authority or public agency other than LESSEE, or if by reason of law,
18 ordinance, regulation, or court judgment, LESSEE's use or occupancy of the Premises, or
19 any portion thereof, shall be materially and adversely affected for the period set forth in
20 clause (i) below, but excluding therefrom any day that is not a LESSEE business day
21 (collectively "Condemnation or Prohibited Use"), then LESSEE shall have the right to do
22 either of the following:

23 a. Termination – If the Condemnation or Prohibited Use has a material adverse
24 effect on LESSEE's use and occupancy of the Premises, and is reasonably anticipated to
25 impact such use in excess of ninety (90) calendar days, then LESSEE may terminate this
26 Lease by giving written notice thereof to LESSOR. Such notice shall specify a date of
27 termination of this Lease not less than one hundred eighty (180) calendar days, and not
28 more than two-hundred ten (210) calendar days, from the date of such notice, or from the

1 date that LESSEE's use of the Premises will be materially adversely affected pursuant to
2 the notice LESSEE receives from LESSOR of such appropriation, condemnation, taking, or
3 sale that shall prohibit LESSEE's use or occupancy of the Premises, or the affected part
4 thereof, whichever is earlier. The County Administrative Officer or the Director of Internal
5 Services/Chief Information Officer, or a designee of one of them, shall have the authority to
6 provide such notice on behalf of LESSEE.

7 b. Renegotiation – LESSEE may renegotiate with LESSOR with respect to the
8 terms of any amounts to be owed by LESSEE hereunder, including any portion or
9 installment of the Rent, when such are due and payable, and/or any other amounts
10 otherwise due and payable hereunder, for the remainder of Premises not affected by such
11 Condemnation or Prohibited Use during the balance of the Term. Any such renegotiated
12 terms of the Rent, and/or any other amounts otherwise to be due and payable herein shall
13 be sought in good faith and without unreasonable delay by the Parties, and made only by
14 written amendment, pursuant to Section 33, herein.

15 23. DESTRUCTION OR DAMAGE FROM CASUALTY

16 a. Casualty – If the Premises are damaged or destroyed as a result of fire,
17 earthquake, act of God, or any other identifiable event of a sudden, unexpected, or unusual
18 nature ("Casualty"), then LESSOR shall either promptly and diligently repair the damage at
19 its own cost, or terminate this Lease as hereinafter provided.

20 b. LESSOR's Election to Repair – If LESSOR elects to repair the Casualty
21 damage to the Premises, then it shall within thirty (30) calendar days after the date of
22 Casualty provide written notice ("Notice of Repair") to LESSEE indicating the anticipated
23 time required to repair. LESSOR shall bear the cost of all repairs to the Premises, including
24 the cost to repair any of LESSEE's Improvements to the Premises and LESSEE
25 Improvements to Former Physician's Office, or fixtures installed or attached thereto by
26 LESSEE. Such repairs shall restore the Premises to substantially the same condition as
27 that existing at the Rent Commencement Date. Such repairs shall also be made in
28 compliance with all applicable state and local building codes. LESSOR shall not be liable to

1 LESSEE for compensation for any loss of business, or any inconvenience or annoyance
2 arising from repair of the Premises as a result of the Casualty, except for Rent abatement
3 as hereinafter provided. LESSEE shall be responsible, at LESSEE's sole cost and expense,
4 for the replacement of its personal property.

5 c. LESSOR'S Election to Terminate Due to Casualty – LESSOR may only elect
6 to terminate this Lease due to Casualty if: the Premises have been destroyed or
7 substantially destroyed by said Casualty, and the reasonably estimated time to repair the
8 Premises exceeds one hundred eighty (180) calendar days from the date of the Casualty.
9 LESSOR shall provide LESSEE with written notice of its election to terminate within thirty
10 (30) calendar days after the date of Casualty. In the event of such a termination by
11 LESSOR, LESSOR shall refund to LESSEE all Rent paid to LESSOR for LESSEE's
12 anticipated use of the Premises pursuant to this Lease, but which were not earned by
13 LESSOR, because LESSEE was unable to use the Premises due to the Casualty.

14 d. Rent Abatement Due to Casualty – In the event of Casualty, LESSEE's
15 obligation to pay Rent shall be abated pursuant to Section 24, herein.

16 e. LESSEE'S Election to Terminate Due to Casualty – If LESSEE does not
17 receive a Notice of Repair from LESSOR within thirty (30) calendar days after a Casualty,
18 or if the reasonably anticipated period of repair contained in the Notice of Repair reasonably
19 exceeds one hundred eighty (180) calendar days, then LESSEE may elect to terminate this
20 Lease as hereinafter provided. In such case, LESSEE shall have the right to demand that
21 LESSOR refund any monies which were paid to LESSOR for LESSEE's anticipated use of
22 the Premises pursuant to this Lease, but which were not earned by LESSOR, because
23 LESSEE was unable to use the Premises due to the Casualty. Upon receipt of such
24 demand, LESSOR shall promptly refund all such monies.

25 24. ABATEMENT OF RENT AND OTHER PAYMENTS DUE TO CASUALTY OR TITLE
26 DEFECT

27 a. Abatement – Notwithstanding anything to the contrary in this Lease, (i)
28 LESSEE's obligations to pay the Rent, and/or any other amounts otherwise due and

1 payable to LESSOR, shall be abated during any period, and to the extent, that the
2 Premises, or any portion thereof (in the case of an affected portion of the Premises, then,
3 such abatement shall also be in proportion thereof), cannot be used and occupied by
4 LESSEE pursuant to this Lease as a result of any Casualty with respect to the Premises, or
5 any portion thereof, any title defect (excluding any permitted exceptions under Section
6 19(e), herein, at Execution Date), or of any Condemnation or Prohibited Use of the
7 Premises, or any portion thereof, and (ii) any abatement of Rent shall not be deemed to be
8 a default under this Lease on the part of LESSEE.

9 b. Period of Abatement – Abatement of any Rent shall only suspend the period
10 during which LESSEE is otherwise required to pay Rent. This shall not relieve LESSEE
11 from its duty to pay Rent pursuant to this Lease once the condition giving rise to the
12 abatement has been cured, corrected, eliminated, or satisfactorily resolved. Such
13 abatement shall continue for the period commencing with the date of such title defect
14 referred to in this Section 24, or of any Casualty, Condemnation, or Prohibited Use of the
15 Premises, or any portion thereof, and ending with the cure, correction, elimination or
16 satisfactory resolution of the title defect, Casualty, Condemnation, or Prohibited Use of the
17 Premises, whereby LESSEE may use and occupy the Premises, or the adversely affected
18 portion thereof, pursuant to this Lease. Cure, correction, elimination or satisfactory
19 resolution may, upon prior mutual written approval of LESSOR and LESSEE (which the
20 parties will negotiate in good faith and without unreasonable delay), occur in commercially
21 reasonable stages, as determined by the nature of the problem being remedied and the
22 impact that such staged remedial action and the coordination and timing thereof would have
23 on LESSEE. LESSEE's Director of Internal Services/CIO, or his/her designee, shall be
24 authorized to execute such written approval for LESSEE.

25 c. Rent – During this period of abatement, LESSEE shall only pay Rent for the
26 portion of the Premises that LESSEE is able to use and occupy.

27 d. Rental Interruption or Loss Insurance – During the occurrence of any Casualty
28 that is covered by rental interruption insurance or rental loss insurance in Section 30(a)(iii),

herein, the proceeds of any rental interruption insurance or rental loss insurance that LESSOR may receive as a result of such Casualty shall be applied by LESSOR, to the credit of LESSEE, for the Rent; LESSOR shall so inform LESSEE of any such amounts so received.

25. DEFAULT AND TERMINATION

a. LESSEE'S Default – LESSEE shall be in default under this Lease if LESSEE fails to perform any of its obligations hereunder and:

i. if the failure is a failure to pay Rent, or any other failure that can be cured by the payment of money, and the failure continues uncured for a period of fifteen (15) calendar days after written notice from LESSOR, provided, however, LESSOR shall have no obligation to provide such written notice more than two (2) times in any twelve (12) consecutive month period, or

ii. if the failure is in any of the other provisions of this Lease, and such failure continues uncured for a period of thirty (30) calendar days after written notice from LESSOR, unless such cure is not capable of completion within thirty (30) calendar days, in which case LESSEE shall be afforded such additional time as may be reasonably necessary to complete the cure, provided LESSEE commences the cure within thirty (30) calendar days of LESSOR's notice and diligently pursues such cure to completion, or, in the event of a threatened injury to life or property due to such failure, continues for such lesser period as LESSOR may reasonably specify in such written notice.

iii. Notwithstanding anything herein to the contrary, LESSEE shall not be in default under this Lease solely because of LESSEE's failure to pay any amounts hereunder, including any portion of the Rent, that would be due and payable herein, if such amounts are subject to abatement as set forth in Sections 24 and/or 25(c), herein.

b. LESSOR'S Remedies – In the event of a default by LESSEE, besides any other rights and remedies of LESSOR at law or equity, LESSOR shall have the following

1 rights and remedies. All remedies herein conferred on LESSOR shall, to the fullest extent
2 permitted by law, be deemed cumulative, and no one exclusive of the other or of any other
3 remedy conferred by law or in equity, and nothing herein shall prevent LESSOR from
4 pursuing any and all other remedies it may have upon LESSEE'S default.

5 i. Election to Continue or Terminate Lease – LESSOR shall have the
6 right to elect either to continue or terminate this Lease, as follows:

7 1. Continuation of Lease – LESSOR may continue this Lease in
8 effect after LESSEE'S breach and abandonment and recover rent as it
9 becomes due, if LESSEE has the right to sublet or assign, subject only to
10 reasonable limitations. Accordingly, if LESSOR does not elect to terminate this
11 Lease due to a default by LESSEE, LESSOR may, from time to time, without
12 terminating this Lease, enforce all of its rights and remedies under this Lease,
13 including the right to recover all Rent as it becomes due.

14 2. Termination of Lease – LESSOR shall have the right to
15 terminate this Lease, by giving written notice of termination to LESSEE.
16 Absent such written notice, no acts of LESSOR under this subsection 25(b)(i)
17 (including entering, repairing, preparing to re-let, or re-letting the Premises)
18 shall be construed as an election to terminate this Lease.

19 3. No Acceleration of Future Rent or Other Payments/Amounts –
20 Notwithstanding anything to the contrary contained herein this Lease or any
21 right or remedy of which LESSOR may otherwise avail itself pursuant to
22 applicable law, any right of LESSOR to recover any Rent as provided in this
23 Lease shall be without acceleration of any future Rent before it is due and
24 payable hereunder. LESSOR hereby expressly waives its right to accelerate
25 Rent in the event of a termination of this Lease, pursuant to California Civil
26 Code section 1951.2.

27 c. LESSOR'S BREACH OF OBLIGATION TO MAINTAIN – In the event LESSOR
28 breaches its obligation to maintain the Premises as herein provided, LESSEE shall have the

1 right to give written notice to LESSOR within fifteen (15) calendar days of the discovery of
2 such breach. LESSOR shall then have thirty (30) calendar days from the date of notice to
3 cure its breach. If the period for cure expires and if, in LESSEE's determination, which
4 LESSEE may exercise in its sole and absolute discretion, LESSOR has failed to cure, then
5 LESSEE may cure LESSOR'S breach and deduct the cost of such cure, together with
6 reasonable administrative costs, from LESSEE's future Rent obligation. LESSEE's decision
7 to cure LESSOR's breach shall not constitute a waiver of any rights or remedies that
8 LESSEE may have arising from this Lease or by operation of law.

9 26. SURRENDER OF POSSESSION / HOLDOVER – Upon the expiration or termination
10 of this Lease, LESSEE shall surrender the Premises to LESSOR broom clean, and
11 otherwise in such condition as existing on the Rent Commencement Date, less reasonable
12 wear and tear. If LESSEE holds over after the expiration of the Term or earlier termination
13 thereof, with or without the express or implied consent of LESSOR, such tenancy shall be
14 tenancy at sufferance only, and shall not constitute a renewal hereof or an extension for any
15 further term. LESSOR hereby expressly reserves the right to require LESSEE to surrender
16 possession of the Premises to LESSOR, as provided in this Lease upon the expiration or
17 other termination of this Lease. The provisions of this Section 26 shall not be deemed to
18 limit or constitute a waiver of any other rights or remedies of LESSOR provided herein or at
19 law. Notwithstanding anything to the contrary in this Section 26, the provisions of this
20 Section 26 shall have no force or effect if LESSEE purchases the Real Property, pursuant
21 to Section 18, herein, of this Lease.

22 27. WAIVER – No covenant or condition of this Lease shall be deemed waived, except by
23 the written consent of LESSOR or LESSEE, as applicable, and any forbearance or
24 indulgence by the Party entitled to performance shall not constitute a waiver of the covenant
25 or condition to be performed. Until complete performance of such covenant or condition, the
26 Party entitled to performance shall have the right to invoke any remedy available to it under
27 this Lease or by law, despite such forbearance or indulgence. The subsequent acceptance
28 of Rent hereunder by LESSOR shall not be deemed to be a waiver of any preceding default

1 by LESSEE of any term, covenant or condition of this Lease, other than the failure of
2 LESSEE to pay the particular Rent so accepted, regardless of LESSOR'S knowledge of
3 such preceding default at the time of acceptance of such Rent.

4 28. RECORDATION OF MEMORANDUM OF LEASE – The Parties shall, at the same
5 time they execute this Lease, also execute a Memorandum of Lease in the form of the
6 document attached as Exhibit "E," which is incorporated herein by this reference, with the
7 legal description shown as Attachment "A." LESSEE's Director of Internal Services/CIO, or
8 his/her designee, shall be authorized to approve and execute the Memorandum of Lease
9 for LESSEE, subject to approval as to legal form by LESSEE's legal counsel. LESSEE shall
10 be authorized to immediately record the fully-executed Memorandum of Lease against the
11 Real Property in the Office of the Fresno County Recorder. The Parties shall cause their
12 respective signatures on the Memorandum of Lease to be notarized to facilitate recordation
13 thereof.

14 29. INDEMNIFICATION AND DEFENSE.

15 a. LESSOR and LESSEE (each, as applicable, the "Indemnifying Party") agrees,
16 respectively, to indemnify, save, hold harmless, and at each other Party's request, defend
17 the other Party, including its officers, agents, and employees (and for LESSOR, including
18 any mortgagee or beneficiary of a mortgage or deed of trust referenced in Section 21,
19 herein) (hereinafter collectively "Indemnified Parties," respectively) with counsel selected by
20 the Indemnifying Party and reasonably satisfactory to the other Party, from and against any
21 and all costs or expenses (including attorney's fees and costs, and consultants' fees and
22 costs), damages (and for LESSOR, including any lost Rents; and for LESSEE, including
23 any lost use of the Premises), liabilities, judgments, claims, losses, fines, liens,
24 assessments, or penalties, occurring or resulting to any of the Indemnified Parties arising
25 out of or in connection with the performance, or failure to perform (including any breach of,
26 or default in the performance by, the Indemnifying Party of any of its obligations under this
27 Lease), by the Indemnifying Party, its officers, agents, employees, contractors, or invitees
28 under or in connection with this Lease, and from any and all costs or expenses (including

1 attorney's fees and costs and consultants' fees and costs), damages (and for LESSOR,
2 including any lost Rents; and for LESSEE, including any lost use of the Premises),
3 liabilities, judgments, claims, losses, fines, liens, assessments, or penalties, occurring or
4 resulting to any person, firm, or corporation who may be injured or damaged arising out of
5 or in connection with the performance, or failure to perform (including any breach of, or
6 default in the performance by, the Indemnifying Party of any of its obligations under this
7 Lease), by the Indemnifying Party, its officers, agents, employees, contractors, or invitees
8 under or in connection with this Lease. The Indemnified Parties need not have first paid any
9 amounts in order to be defended or indemnified under this Section 29(a).

10 b. Exception for Physician's Office – In the event that any damage or injury
11 arises solely from any act or omission, which could not reasonably have been prevented by
12 LESSOR, of the physician, or its officers, agents, employees, contractors, or invitees
13 (provided that any such officers, agents, employees, contractors, or invitees are not also
14 LESSOR's officers, agents, employees, contractors, or invitees) under the Physician's
15 Office Lease, LESSEE's sole recourse in the event of such damages or injury shall be to file
16 a claim on the insurance policy(ies) that LESSOR is required to maintain pursuant to the
17 provisions of Section 30, provided however, (1) this Section 29(b) shall not apply if
18 LESSOR does not have in effect such insurance policy(ies), or such insurance policy(ies)
19 is(are) in effect but the damage or injury is excluded from its coverage, and (2) LESSOR
20 shall cooperate with LESSEE and LESSOR's insurer, including to the extent necessary
21 required by LESSEE and/or LESSOR's insurer with respect to such claim, including further
22 investigation and payment of the claim.

23 c. The obligations of an Indemnifying Party under this Section 29 shall not cover
24 the acts or omissions of the other Party, including its officers, agents, employees,
25 contractors, or invitees.

26 d. The Parties acknowledge that, as between LESSOR and LESSEE, each is
27 only responsible and liable for the negligent or wrongful acts or omissions of itself, including
28 its officers, agents, employees, contractors, and invitees. In the event of joint responsibility

1 between the Parties for any liability arising out of or in connection with this Lease, LESSOR
2 and LESSEE shall apportion such liability between the Parties under the California laws of
3 comparative negligence.

4 e. The provisions of this Section 29 shall survive the termination of this Lease.

5 30. INSURANCE

6 a. LESSOR – Without limiting LESSEE's right to obtain indemnification from
7 LESSOR or any third parties, LESSOR shall maintain in full force and effect, the following
8 insurance policies throughout the Term:

9 i. Commercial General Liability - Commercial General Liability Insurance
10 with limits of not less than Two Million Dollars (\$2,000,000) per occurrence and an
11 annual aggregate of Four Million (\$4,000,000). This policy shall be issued on a per
12 occurrence basis. LESSEE may require specific coverages including completed
13 operations, products liability, contractual liability, Explosion-Collapse-Underground,
14 fire legal liability or any other liability insurance deemed necessary because of the
15 nature of this contract.

16 ii. Property Insurance – Against all risk of loss to property, at full
17 replacement cost with no coinsurance penalty provision.

18 iii. Rental Loss Insurance – A policy of rental interruption or rental loss
19 insurance against loss, total, or partial, of the use and occupancy of the Premises, in
20 an amount sufficient to pay Rent hereunder for a twenty-four (24) month period, as a
21 result of any of the hazards covered by the insurance policy required under Section
22 30(a)(ii), herein.

23 iv. Worker's Compensation – A policy of Worker's Compensation
24 insurance as may be required by the California Labor Code.

25 v. Endorsements – LESSOR shall obtain endorsements to the
26 Commercial General Liability insurance naming the County of Fresno, its officers,
27 agents, and employees, individually and collectively, as additional insured, but only
28 insofar as the operations under this Lease are concerned. Such coverage for

1 additional insured shall apply as primary insurance and any other insurance, or self-
2 insurance, maintained by LESSEE, its officers, agents, and employees shall be
3 excess only and not contributing with insurance provided under LESSOR'S policies
4 herein. This insurance shall not be cancelled or changed without a minimum of thirty
5 (30) calendar days advance written notice given to LESSEE.

6 vi. Waiver of Subrogation – LESSOR hereby waives its right to recover
7 from LESSEE, its officers, agents, and employees any amounts paid by the policy of
8 worker's compensation insurance required by this Lease. LESSOR is solely
9 responsible to obtain any endorsement to such policy that may be necessary to
10 accomplish such waiver of subrogation, but LESSOR's waiver of subrogation under
11 this paragraph is effective whether or not LESSOR obtains such an endorsement.

12 vii. Evidence of Coverage – Within (30) calendar days from date LESSOR
13 executes this Lease, LESSOR shall provide certificates of insurance and endorsement
14 as stated above for all of the foregoing policies, as required herein, to the County of
15 Fresno, Attn: ISD Lease Services (L-335), 333 W. Pontiac Way, Clovis, CA 93612,
16 stating that such insurance coverages have been obtained and are in full force; that
17 the County, its officers, agents and employees will not be responsible for any
18 premiums on the policies; that for such worker's compensation insurance the
19 CONTRACTOR has waived its right to recover from the County, its officers, agents,
20 and employees any amounts paid under the insurance policy and that waiver does not
21 invalidate the insurance policy; that such Commercial General Liability insurance
22 names the County, its officers, agents, and employees, individually and collectively, as
23 additional insured, but only insofar as the operations under this Lease are concerned;
24 that such coverage for additional insured shall apply as primary insurance an any
25 other insurance, or self- insurance shall not be cancelled or changed without a
26 minimum of thirty (30) calendar days advance, written notice given to County.

27 viii. Remedies – In the event LESSOR fails to keep in effect at all times
28 insurance coverage as herein provided, LESSEE may, in addition to other remedies it

1 may have, suspend this Lease upon the occurrence of such event, or obtain such
 2 insurance coverage to cure LESSOR's deficiencies, and deduct the cost for such
 3 insurance coverage from the Rent otherwise due to LESSOR.

4 ix. Insurer Qualifications – All policies shall be with admitted insurers
 5 licensed to do business in the State of California. Insurance purchased shall be
 6 purchased from companies possessing a current A.M. Best Company rating of A FSC
 7 VII or better.

8 b. LESSEE – Shall maintain during the Term the following policies of insurance,
 9 which coverages may be provided in whole or in part through a program of self-insurance.

10 i. General Liability Insurance – Commercial General liability insurance with limits
 11 of not less than Two Million Dollars (\$2,000,000.00) per occurrence and an
 12 annual aggregate of not less than Four Million Dollars (\$4,000,000.00). This
 13 policy shall be issued on an occurrence basis.

14 ii. Personal Property Insurance – Property insurance covering the personal
 15 property of LESSEE.

16 iii. Worker's Compensation Insurance – A policy of Worker's Compensation
 17 insurance as may be required by the California Labor Code.

18 iv. Remedies – In the event LESSEE fails to keep in effect at any times insurance
 19 coverage as herein required, LESSOR may, in addition to other remedies it
 20 may have, following written and oral (e.g., telephone call to LESSEE's Director
 21 of Internal Services/CIO) notice thereof given to LESSEE, obtain such
 22 insurance coverage, for such reasonable coverage period, to cure LESSEE's
 23 deficiencies in such insurance coverage, and add the reasonable cost for such
 24 insurance coverage to the Rent otherwise due to LESSOR, provided however,
 25 LESSOR shall immediately give LESSEE a copy of evidence of any such
 26 insurance coverage so obtained.

27 31. AUDITS AND INSPECTIONS – At LESSEE's request, LESSOR shall at any time
 28 during business hours, and as often as LESSEE may deem necessary, make available to

1 LESSEE for examination records and data with respect to the matters covered by this
2 Lease. LESSOR shall, upon request by LESSEE, permit LESSEE to audit and inspect all of
3 such records and data necessary to ensure LESSOR'S compliance with the terms of this
4 Lease.

5 If this Lease exceeds ten thousand dollars (\$10,000), LESSOR shall be subject to the
6 examination and audit of the California State Auditor for a period of three (3) years after
7 final payment under contract (Government Code Section 8546.7).

8 32. AUTHORITY – LESSOR represents, warrants, and covenants to LESSEE that the
9 individual(s) executing this Lease on behalf of LESSOR is(are) duly authorized to execute
10 and deliver this Lease on behalf of Lubisich Bros. Investments, LLC., and that this Lease is
11 binding upon Lubisich Bros. Investments, LLC. in accordance with its terms and conditions.
12 LESSEE represents, warrants, and covenants to LESSOR that the individual(s) executing
13 this Lease on behalf of LESSEE is(are) duly authorized to execute and deliver this Lease
14 on behalf of the County of Fresno, and that this Lease is binding upon the County of Fresno
15 in accordance with its terms and conditions. The terms of this Lease are intended by the
16 Parties as a final expression of their agreement with respect to such terms as are included
17 in this Lease and may not be contradicted by evidence of any prior or contemporaneous
18 agreement, arrangement, understanding or negotiation (whether oral or written).

19 33. AMENDMENT – This Lease may be amended in writing by the mutual consent of the
20 parties without in any way affecting the remainder of this Lease.

21 34. NON-ASSIGNMENT – Subject to Section 2, herein, relating to LESSEE's right to
22 sublease of the Premises, neither Party shall assign, transfer or sublet this Lease, or the rights,
23 obligations, or duties under this Lease, without the written consent of the other Party, which
24 consent shall not be unreasonably withheld.

25 35. COUNTERPARTS – This Lease may be executed in one or more counterparts (which
26 may be facsimile or .pdf e-mail counterparts followed by originals), each of which will be
27 deemed an original and all, taken together, will constitute one and the same instrument.

28 36. GOVERNING LAW – Venue for any action arising out of or relating to this Lease shall

be in Fresno County, California. This Lease shall be governed by the laws of the State of California.

37. NOTICES – The persons and their addresses having authority to give and receive notices under this Lease including the following:

LESSEE:

County of Fresno (L-335)
 Director of Internal Services/CIO
 333 W. Pontiac Way
 Clovis, CA 93612

LESSOR:

Lubisich Bros. Investments, LLC.
 Manager
 2824 E. Nees
 Clovis CA 93611

All notices between LESSEE and LESSOR provided for or permitted under this Lease must be in writing and delivered either by personal service, by first-class United States mail or by an overnight commercial courier service. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three (3) LESSEE business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one (1) LESSEE business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. For all claims arising out of or related to this Lease, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

38. DISCLOSURE OF SELF DEALING TRANSACTIONS – This provision is only applicable if LESSOR is operating as a corporation (a for-profit or non-profit corporation) or if during the Term, LESSOR changes its status to operate as a corporation.

Members of LESSOR'S Board of Directors shall disclose any self-dealing transactions that they are a party to while LESSOR is providing goods or performing services under this Lease. A self-dealing transaction shall mean a transaction to which LESSOR is a party and in which one or more of its directors has a material financial interest. Members of the Board

1 of Directors shall disclose any self-dealing transactions that they are a party to by
2 completing and signing a *Self-Dealing Transaction Disclosure Form* Exhibit "F", which is
3 attached hereto and incorporated herein by this reference, and submitting it to LESSEE
4 prior to commencing with the self-dealing transaction or immediately thereafter.

5 39. TIME OF THE ESSENCE – Time is of the essence with respect to the performance of
6 all obligations to be performed or observed by the Parties, respectively, under this Lease.

7 40. FURTHER DOCUMENTS – Subject to the terms and conditions of this Lease, the
8 Parties promptly shall execute and deliver any and all additional documents, and
9 instruments, notices and shall do any and all other acts and things, reasonably necessary in
10 connection with the performance of their respective obligations under this Lease and to
11 carry out the provisions of this Lease.

12 41. ENTIRE AGREEMENT – This Lease constitutes the entire agreement between
13 LESSOR and LESSEE with respect to the subject matter hereof and supersedes all prior
14 leases, negotiations, proposals, commitments, writings, advertisements, publications, and
15 understandings of any nature whatsoever unless expressly referenced in this Lease.

16 42. EQUAL CONSTRUCTION – The terms of this Lease shall not be construed in favor of
17 or against any Party. In connection with the negotiation and drafting of this Lease, the
18 Parties have been represented by counsel.

19 43. SUCCESSORS – This Lease shall inure to the benefit of and be binding upon the
20 heirs, executors, administrators, successors and assigns of the respective Parties hereto,
21 always providing that nothing in this Section 43 shall impair any of the provisions herein
22 above set forth prohibiting assignment or other transfer of this Lease by LESSOR or
23 LESSEE without the prior written consent of LESSOR or LESSEE, as applicable (except for
24 LESSEE's right to sublease the Premises under Section 2, herein).

25 44. NO LITIGATION – LESSOR represents, covenants, and warrants to LESSEE that (a)
26 LESSOR is not involved in or aware of pending or threatened claim, demand, or litigation
27 which could affect the Real Property and/or this Lease, and (ii) there are no proceedings
28 pending or threatened against LESSOR before any court or administrative agency relating

1 to the Real Property and/or this Lease, which may adversely affect the Real Property now
2 or in the future, or which may adversely affect LESSOR's ability to fulfill all obligation under
3 this Lease.

4 45. NO THIRD-PARTY BENEFICIARIES – Except for mortgagee or beneficiary of a
5 mortgage or deed of trust under Section 21, herein, none of the provisions in this Lease are
6 intended by the Parties, nor shall they be deemed, to confer any right or benefit on any
7 person or entity not a party to this Lease; to that end, there shall be no other third-party
8 beneficiaries of this Lease.

9 46. TITLES – The section titles and headings contained in this Lease are inserted as a
10 matter of convenience and for ease of reference only and shall be disregarded for all other
11 purposes, including the construction or enforcement of this Lease or any of its provisions.

12 47. EXHIBITS – The Parties agree that, except for Exhibits E (Memorandum of Lease), F
13 (Self-Dealing Transaction Disclosure Form), G (Form of Purchase and Sale Agreement,
14 except for Exhibits A and C, and Exhibit 1 to Exhibit B), and H (Estimated Cost Statement),
15 duplicate originals of all Exhibits to this Lease shall be kept on file by their respective offices
16 along with this Lease (and the Parties' agreement to such Exhibits shall be indicated by the
17 initials of each Party's representative who executes this Lease on behalf of such Party), but
18 such Exhibits, whether in the form of originals or copies, shall not be attached to this Lease.
19 LESSEE's Internal Services Department shall keep all such Exhibits on behalf of LESSEE.


20 [SIGNATURES ON FOLLOWING PAGE]
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1 IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day
2 and year first hereinabove written.

3
4 **LESSOR:**
LUBISICH BROS. INVESTMENTS, LLC

LESSEE:
COUNTY OF FRESNO

5
6 By: 
Melvin Lubisich, Manager


Nathan Magsig, Chairman of the Board of
Supervisors of the County of Fresno

7
8 2824 E. Nees
Clovis CA 93611

9
10 ATTEST:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

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13 By: 
Deputy

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24 FOR ACCOUNTING USE ONLY:

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26 ORG: 56201693
Account: 7340
27 Fund: 0001
Subclass: 10000
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Memorandum of Lease

2019-0071416

FRESNO County Recorder
Paul Dictos, CPA

Friday, Jun 28, 2019 02:15:13 PM

CONFORMED COPY

Copy of document recorded.
Has not been compared with original.

This document is recorded solely for the purposes and benefit of the County of Fresno, a political subdivision of the State of California, and is exempt from recording fees and documentary transfer tax pursuant to Sections 6103, 27383, a 27388.1(a)(2)(D) (AB 110, SB 2) of the California Governmental Code.

Recording Requested By and
When Recorded Mail to:

COUNTY OF FRESNO
Internal Services Department
333 W. Pontiac Way,
Clovis, CA 93611

SPACE ABOVE THIS LINE RESERVED
ONLY FOR RECORDER'S USE

MEMORANDUM OF LEASE

This Memorandum of Lease is made this 24 day of June 2019 by and between LUBISICH BROS. INVESTMENTS, LLC, a California Limited Liability Company, 2824 E. Nees, Clovis, CA 93611 ("LESSOR") and the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac Way, Clovis, CA 93611 ("LESSEE"), who acknowledge and state the following:

1. LESSOR represents, covenants, and warrants to LESSEE that LESSOR is the fee owner of that certain real property, building, and improvements hereinafter described.
2. LESSOR and LESSEE entered into that certain written lease, dated June 18, 2019 ("Lease"), under which LESSOR has agreed to lease to LESSEE the "Premises" as hereinafter described. Unless otherwise defined herein, capitalized terms herein shall have the same meaning in the Lease.
3. Under the Lease, LESSOR shall initially lease to LESSEE, and LESSEE shall initially lease from LESSOR, subject to the terms and conditions of the Lease, all of that real property, building, including office space therein which shall initially be approximately 10,047 rentable square feet, after tenant improvements to be constructed thereon have been completed by LESSEE, together with exclusive use of a minimum of 80% of the paved parking stalls, and all other improvements, at the location commonly

described in Exhibit "A," attached and incorporated herein by this reference (collectively "Premises").

4. The Term is twenty (20) years commencing on the Rent Commencement Date, which shall be no later than December 31, 2019. LESSEE shall have the option to purchase the Real Property including the Building and Premises. The Purchase Date shall be any date upon or after the completion of the tenth (10th) year of the Term.
5. LESSEE also shall lease the space currently known as the Physician's Office, upon the same terms and conditions contained in the Lease, as follows: (a) if the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease) terminates early, then upon early termination of the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease), the Rent Commencement Date for the former Physician's Office shall be sixty (60) calendar days following the date LESSOR has delivered possession of the former Physician's Office to LESSEE; or (b) upon expiration of the Physician's Lease (or any new lease, sublease, or assignment, as described in Subsection 1(c) of the Lease), the Rent Commencement Date for the former Physician's Office shall be thirty (30) calendar days following the date LESSOR has delivered possession of the former Physician's Office to LESSEE. In either such case, the Physician's Office, which shall then be referred to herein as the former Physician's Office, shall become part of the Premises, and subject to the Lease.
6. A copy of the Lease (except for certain Exhibits as stated in the Lease) may be obtained from the Clerk of the Fresno County Board of Supervisors, 2281 Tulare Street, Fresno, California 93721.
7. This Memorandum of Lease does not constitute the Lease, and is only an abbreviated form containing a summary of only a few of the terms and conditions of the Lease. In the event that there is any inconsistency between this Memorandum of Lease and the Lease, the terms and conditions of the Lease shall prevail over this Memorandum of Lease.

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IN WITNESS WHEREOF, the parties have executed this Memorandum of Lease on the day and date opposite their signatures.

Date 6-10-19

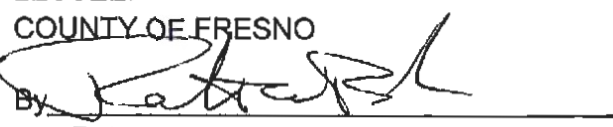
LESSOR:
LUBISICH BROS. INVESTMENTS, LLC.

By 
Melvin Lubisich, Manager

Attest:


By _____
_____, Corporate Secretary

^{R/B}
Date 6/24/19

LESSEE:
COUNTY OF FRESNO
By 
Robert Bash, Director of
Internal Services Department/CIO

[NOTARY ACKNOWLEDGEMENTS ARE
ATTACHED]

APPROVED AS TO LEGAL FORM:
Daniel Cederborg,
COUNTY COUNSEL

By 
Deputy

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of FRESNO)

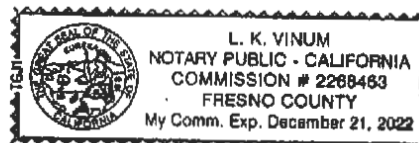
On JUNE 10, 2019 before me, L. K. VINUM, NOTARY PUBLIC
(Insert name and title of the officer)

personally appeared MELVIN LUBSICH
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature L. K. Vinum (Seal)



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Fresno)

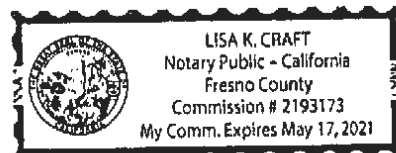
On June 24, 2019 before me, Lisa K. Craft, Notary Public
(insert name and title of the officer)

personally appeared Robert Bush,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature Lisa K. Craft (Seal)



1
2 **EXHIBIT F**

3 **SELF-DEALING TRANSACTION DISCLOSURE FORM**

4 In order to conduct business with the County of Fresno (hereinafter referred to as "County"),
5 members of a contractor's board of directors (hereinafter referred to as "County
6 Contractor"), must disclose any self-dealing transactions that they are a party to while
7 providing goods, performing services, or both for the County. A self-dealing transaction is
8 defined below:

9 *"A self-dealing transaction means a transaction to which the corporation is a party and in
10 which one or more of its directors has a material financial interest"*

11 The definition above will be utilized for purposes of completing this disclosure form.

12 **INSTRUCTIONS**

- 13 (1) Enter board member's name, job title (if applicable), and date this disclosure is being
14 made.
- 15 (2) Enter the board member's company/agency name and address.
- 16 (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to
17 the County. At a minimum, include a description of the following:
- 18 a. The name of the agency/company with which the corporation has the
19 transaction; and
- 20 b. The nature of the material financial interest in the Corporation's transaction
21 that the board member has.
- 22 (4) Describe in detail why the self-dealing transaction is appropriate based on
23 applicable provisions of the Corporations Code.
- 24 (5) Form must be signed by the board member that is involved in the self-dealing
25 transaction described in Sections (3) and (4), herein.

26 **Mail the completed form to:**

27 County of Fresno
28 Attn: Lease Services (L-335)
Internal Services Department
333 W. Pontiac Way
Clovis, CA 93611

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(1) Company Board Member Information:			
Name:		Date:	
Job Title:			
(2) Company/Agency Name and Address:			
(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):			
(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):			
(5) Authorized Signature			
Signature:		Date:	

EXHIBIT H

Estimated Cost Statement

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Estimated Annual Cost

Property Tax	\$ 45,980.00
Property Insurance	\$ 1,500.00
Maintenance/Repair	\$ 6,500.00
Maintenance of paved parking*	\$ 1,506.00
Utilities PG&E	\$ 3,300.00
Pest Control	\$ 600.00
Fire Monitoring	\$ 960.00
City Utilities, water, sewer & trash	\$ 1,500.00

Sub Total	\$ 61,846.00
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Management Fee – 4% (lesser of 4% of the total annual Additional Rent amounts, or \$3,000 annually)**	\$ 2,473.84
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Annual Total	\$ 64,319.84
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	Annual Cost	Monthly Cost
Tenant 1 Share at 20% occupancy	\$ 12,863.97	
Tenant 2 share at 80% Occupancy	\$ 51,455.87	Est'd \$ 4,300.00

*** Subject to Lease Section 6(e)(i).**

**** Subject to Lease Section 6(v).**