

SUBLEASE AGREEMENT**(Manchester Center)**

This Sublease Agreement ("Sublease") is made as of this 6th day of August, 2019 ("Effective Date"), by and between the Fresno Area Workforce Investment Corporation, a California public benefit corporation (Workforce/SUB-LESSOR), and the County of Fresno, (County/SUB-TENANT). SUB-LESSOR and SUB-TENANT are sometimes collectively referred to herein as the "Parties" or each individually as a "Party."

R E C I T A L S

WHEREAS, on August 19, 2011, Omninet Properties Manchester Center, LLC and Fresart, LLC (collectively "Lessor") and SUB-LESSOR entered into that certain Office Lease (the "Master Lease") in connection with the office project commonly known as Manchester Center and described as 3302 N. Blackstone Avenue, Suite 155, consisting of 32,768 net usable square feet, more or less, of office space (the "Premises"). A true and correct copy of the Master Lease is attached as EXHIBIT A and incorporated by this reference;

WHEREAS, SUB-LESSOR and SUB-TENANT desire to enter into this Sublease for a portion of the Premises (the "Subleased Premises"), as defined in Exhibit B (Manchester Workforce Connection Map), attached and incorporated by reference. SUB-LESSOR has agreed to sublease the Subleased Premises to SUB-TENANT on the terms, covenants, and conditions stated in this Sublease and the Master Lease;

WHEREAS, pursuant to Section 14 of the Master Lease, Lessor shall reasonably approve, as a condition of the effectiveness of this Sublease, all subleases presented by SUB-LESSOR. The Consent to Sublease Agreement between Omninet Properties Manchester Center and the Fresno

1 Area Workforce Investment Corporation is referenced in a separate Board Agenda Item calendared for
2 Board Calendar August 6, 2019, and incorporated by this reference;

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4 WHEREAS, SUB-LESSOR represents and covenants that it is affiliated with the Fresno
5 Regional Workforce Development Board, a Joint Powers Authority ("FRWDB"); SUB-LESSOR is a duly
6 organized non-profit corporation under California law; SUB-TENANT will provide its cooperative public
7 services in conjunction with SUB-LESSOR's programs and joint Premises in a manner consistent with
8 Revenue Section Code 501(c)(3) and Revenue and Taxation Code § 214(a);

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10 NOW, THEREFORE, in consideration of the Recitals, which are incorporated into this
11 Sublease by this reference, the mutual covenants contained in this Sublease, and for valuable
12 consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree
13 as follows:

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15 A. Consent to Sublease. This Sublease shall only be made effective contingent
16 upon execution of a Consent to Sublease by LESSOR and SUB-LESSOR to sublease space or spaces
17 including 3302 N. Blackstone Avenue, Suite 155, Fresno, CA. This Sublease shall be rendered null,
18 void, and without force in the event that a Consent to Sublease Agreement is not executed by both
19 LESSOR and SUB-LESSOR, and delivered to SUB-TENANT within sixty (60) calendar days of this
20 Sublease .

21 B. Sublease. SUB-LESSOR subleases to SUB-TENANT and SUB-TENANT
22 subleases from SUB-LESSOR the Subleased Premises, subject to the terms, covenants, and conditions
23 contained in this Sublease and in the Master Lease. SUB-LESSOR and SUB-TENANT agree that the
24 Subleased Premises contains approximately 1,449 square feet of exclusive space, and 750 square feet
25 of common space, totaling 2,199 square feet of the collective 32,768 square feet of total facility space,
26 as documented in the Master Lease Agreement, approximating roughly 6.71% of the overall square
27 footage.

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2 C. Covenant. Lessor shall notify SUB-TENANT if the TENANT/SUB-LESSOR
3 becomes in default of any condition of the Master Lease. Notification shall be directly from the Lessor,
4 and not through the SUB-LESSOR.

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6 D. Term. Subject to Lessor's consent of this Sublease Agreement, the terms and
7 provisions of this Sublease shall be retroactively effective as of January 1, 2018, and will terminate on
8 August 31, 2021.

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10 E. Base Rent. SUB-TENANT will pay base rent during the term of this Sublease in
11 the initial amount of \$2,397 per month ("Base Rent"), payable monthly in advance on the first day of
12 each month. The base rent will be increased, under the same terms and conditions by which the Base
13 Rent is increased under the Master Lease, as described in Sections 2-4 of the Master Lease, where
14 throughout the extended option period, the amount of any monthly rental payment increase, over the last
15 monthly rental payment made during the term of the Master Lease by Workforce, shall be no more than
16 three cents (\$0.03) per square foot more than the rental amount during the preceding year, beginning on
17 September 1. Furthermore, in the event that the term of this Sublease begins or ends on a date that is
18 not the first day of the month, base rent will be prorated as of that date.

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	Base Rent (per sq ft)	Monthly Rent
Jan1 2018 – Aug 31 2018	\$1.09	\$2,397
Sept 1 2018 – Aug 31 2019	\$1.12	\$2,462
Sept 1 2019 – Aug 31 2020	\$1.15	\$2,528
Sept 1 2020 – Aug 31 2021	\$1.18	\$2,594

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3 F. Operating Expenses. SUB-TENANT expressly acknowledges that, in addition to
4 the Base Rent, SUB-TENANT shall pay for certain direct and indirect/community operating expenses
5 related to the provision of services to the Subleased Premises (the "Operating Expenses") accrued by
6 SUB-LESSOR as a result of this Sublease. Such services shall include, but not be limited to, utilities,
7 janitorial, telephone service, and use of furniture and equipment. With respect to utilities, SUB-TENANT
8 shall be responsible, as invoiced by the SUB-LESSOR, to pay for its proportional share of electricity,
9 natural gas, water, sewer, garbage, and as defined in the Workforce Innovation and Opportunity Act,
10 Phase II Resource Sharing Agreement (Agt. 17-528), which shall be determined by a percentage of the
11 number of square feet of the Subleased Premises to the total square feet leased by the SUB-TENANT
12 under the Master Lease.

- 13 1. Cost Sharing of Operating Expenses. Operating Expenses shall be
14 commercially reasonable. SUB-TENANT shall pay SUB-LESSOR 6.71% of
15 gross non-amortized costs per month, for the Operating Expenses.
16
17 2. SUB-LESSOR shall provide SUB-TENANT with a monthly, itemized invoice
18 on or before the 10th day of each month for Base Rent, and Operating
19 Expenses directly attributable to SUB-TENANT'S use of the Subleased
20 Premises, as described in Section E. The SUB-TENANT shall pay the
21 described invoice within 45 days of postmark. Checks shall be remitted to
22 Fresno Area Workforce Investment Corporation, Attn: FISCAL Department,
23 2125 Kern Street, Suite 208, Fresno, CA 93721-2648.
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25 G. Use of Subleased Premises. The Subleased Premises shall be used for general
26 office purposes by SUB-TENANT and for no other uses without the prior express written consent of
27 SUB-LESSOR, from Monday through Friday, 7:30 a.m. to 6:30 p.m. The SUB-TENANT may enter and
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1 use the Subleased Premises at other dates and times by scheduling with the SUB-LESSOR's General
2 Services Manager. The SUB-TENANT agrees not to commit, suffer or permit any waste or nuisance on
3 the Subleased Premises, and not to use the Subleased Premises or permit the Subleased Premises to
4 be used for any illegal or immoral purposes.

5
6 SUB-TENANT further agrees to comply with all State laws, ordinances and other
7 governmental regulations, which may be required by any governmental authorities with respect to its use
8 of the Subleased Premises.

9
10 The SUB-LESSOR shall make the Subleased Premises available in "AS IS" condition. On
11 or before June 1, 2018, the SUB-TENANT shall inspect the Subleased Premises and independently
12 determine whether the Subleased Premises is suitable for its use.

13
14 H. Prohibited Uses. SUB-TENANT shall not commit or permit the commission of any
15 acts in or about the Subleased Premises, nor use or permit the use of the Subleased Premises, in any
16 way that:

- 17 1. causes cancellation of any fire, casualty, liability, or other insurance policy
18 insuring the Premises or its contents;
- 19 2. violates or conflicts with any law, statute, ordinance, or governmental rule or
20 regulation, whether now in force or hereinafter enacted, governing the
21 Subleased Premises or the Premises;
- 22 3. obstructs or interferes with the rights of other tenants or occupants of the
23 Premises or injures or annoys them; or,
- 24 4. constitutes the commission of waste on the Subleased Premises or the
25 commission or maintenance of a nuisance as defined by the laws of
26 California.

1 I. Maintenance and Repairs. During the Sublease term, SUB-LESSOR shall
2 maintain the Subleased Premises in good repair and tenantable condition, so as to minimize
3 breakdowns and loss of SUB-TENANT'S use of the Subleased Premises caused by deferred or
4 inadequate maintenance.

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6 J. Janitorial Services for the Subleased Premises. SUB-LESSOR shall be
7 responsible for the cost of all janitorial services for the Subleased Premises, as well as for the common
8 areas of the Premises. All costs for janitorial services shall be commercially reasonable.

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10 K. Master Lease. As applied to this Sublease, the words "Lessor" and "Tenant" in
11 the Master Lease shall be deemed to refer to SUB-LESSOR and SUB-TENANT, respectively, under this
12 Sublease. All other capitalized terms not otherwise defined in the Sublease shall have the meaning
13 ascribed to such terms in the Master Lease. Except as otherwise expressly provided in this Sublease,
14 the covenants, agreements, provisions, and conditions of the Master Lease – to the extent that they
15 relate to the Subleased Premises and to the extent that they are not inconsistent with the terms of this
16 Sublease – are made a part of and incorporated into this Sublease as if recited in full in this Sublease.
17 The rights and obligations of the Lessor and the Tenant under the Master Lease will be deemed the
18 rights and obligations of SUB-LESSOR and SUB-TENANT, respectively, under this Sublease, and will
19 inure to the benefit of, and be binding upon, SUB-LESSOR and SUB-TENANT, respectively. As
20 between the Parties to this Sublease only, in the event of a conflict between the terms of the Master
21 Lease and the terms of this Sublease, covenants, protections, and terms between the SUB-LESSOR
22 and SUB-TENANT shall be preserved.

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24 L. Obtaining Lessor's Consent. Whenever Lessor's consent is required under the
25 Master Lease, and whenever Lessor is required to perform its obligations under the Master Lease, SUB-
26 LESSOR agrees to use reasonable, good faith efforts to obtain that consent or performance on behalf of
27 SUB-TENANT.

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2 M. No Existing Defaults. SUB-LESSOR covenants, represents and warrants to
3 SUB-TENANT that, as of the Effective Date, the Master Lease is in full force and effect, and SUB-
4 LESSOR has neither given nor received a notice of default under the Master Lease and that SUB-
5 TENANT will have quiet enjoyment of the Sublease so long as the County is not in default.

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7 N. Preservation of Master Lease. SUB-TENANT and SUB-LESSOR will each refrain
8 from any act or omission that would result in the failure or breach of any of the covenants, provisions, or
9 conditions of the Master Lease on the part of Tenant under the Master Lease.

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11 O. Variations from Master Lease. In addition to the foregoing terms and conditions,
12 as between SUB-LESSOR and SUB-TENANT, the terms and conditions of the Master Lease are
13 modified as follows in regards to the obligations between SUB-LESSOR and SUB-TENANT:

- 14 1. Non-appropriation of Funds. SUB-TENANT expressly understands that the
15 funds available to SUB-LESSOR for the payment of rent under the Master
16 Lease are received from public funding sources including Federal, State, and
17 local governments; therefore, in the event such funds are reduced or
18 terminated by the funding source(s), SUB-LESSOR shall have the right to
19 terminate this Sublease without penalty by submitting thirty (30) days'
20 advance written notice to SUB-TENANT. SUB-LESSOR expressly
21 understands that the funds available to SUB-TENANT for the payment of rent
22 under the Sublease are received from public funding sources including
23 Federal, State, and local governments; therefore, in the event such funds are
24 reduced or terminated by the funding source(s), SUB-TENANT shall have the
25 right to terminate this Sublease or program services at the Subleased
26 Premises, without penalty by submitting thirty (30) days' advance written
27 notice to SUB-LESSOR.

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2 P. Termination. Subject to Section (N)(1), either Party may terminate this Sublease
3 at any time and for any reason provided, however, that the terminating Party must give the other Party
4 sixty (60) days' notice of such termination. SUB-TENANT may terminate under direction by the County
5 Administrative Officer, the Director of Internal Services, or by a designee of their appointment.
6

7 Q. Brokers. The Parties to this Sublease warrant to each other that neither Party
8 dealt with any broker or finder in connection with the consummation of this Sublease and each Party
9 agrees to protect, defend, indemnify and hold the other Party harmless from and against any and all
10 claims or liabilities for brokerage commissions or finder's fees arising out of that Party's acts in
11 connection with this Sublease. The provisions of this Section P shall survive the expiration or earlier
12 termination of this Sublease.
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14 R. Independent Contractor. In performance of the work, duties and obligations
15 assumed by SUB-LESSOR under this Agreement, it is mutually understood and agreed that SUB-
16 LESSOR, including any and all of the SUB-LESSOR'S officers, agents, and employees will at all times be
17 acting and performing as an independent Contractor, and shall act in an independent capacity and not as
18 an officer, agent, servant, or employee of the COUNTY. Furthermore, COUNTY shall have no right to
19 control or supervise or direct the manner or method by which SUB-LESSOR shall perform its work and
20 function. However, COUNTY shall retain the right to administer this Agreement so as to verify that SUB-
21 LESSOR is performing its obligations in accordance with the terms and conditions thereof.
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23 SUB-LESSOR and COUNTY shall comply with all applicable provisions of law and the
24 rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject
25 thereof.

26 Because of its status as an independent Contractor, SUB-LESSOR shall have absolutely
27 no right to employment rights and benefits available to COUNTY employees. SUB-LESSOR shall be
28 solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee

benefits. In addition, SUB-LESSOR shall be solely responsible and save COUNTY harmless from all matters relating to payment of SUB-LESSOR'S employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, SUB-LESSOR may be providing services to others unrelated to the COUNTY or to this Agreement.

S. Insurance and Condemnation Proceeds. SUB-LESSOR shall comply with the insurance requirements as described in Section "S" below, incorporated by this reference. Additionally, despite anything contained in the Master Lease to the contrary, as between SUB-LESSOR and SUB-TENANT only, in the event of damage to or condemnation of the Subleased Premises, all insurance proceeds or condemnation awards received by SUB-LESSOR under the Master Lease shall be deemed to be the property of SUB-LESSOR, and SUB-TENANT will have no obligation to rebuild or restore the Subleased Premises.

T. SUB-LESSOR Insurance. Without limiting the COUNTY's right to obtain indemnification from SUB-LESSOR or any third parties, SUB-LESSOR, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance:

1. Commercial General Liability. Commercial General Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence and an annual aggregate of Three Million Dollars (\$3,000,000.00). This policy shall be issued on a per occurrence basis.
2. Property Insurance – A "Property Insurance Policy" which is defined herein to mean a policy of special form, so called "all-risk" of physical loss property insurance insuring against fire, theft, vandalism, malicious mischief, sprinkler leakage and such additional perils as are now or hereafter may be included in broad form coverage.

1 3. Worker's Compensation. A policy of Worker's Compensation insurance as
2 may be required by the California Labor Code.

3 4. Other Insurance Provisions. The insurance policies are to contain, or be
4 endorsed to contain, the following provisions:

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6 SUB-LESSOR hereby waives its right to recover from COUNTY, its officers,
7 agents, and employees any amounts paid by the policies of worker's
8 compensation and commercial general liability insurance required by this
9 Agreement. SUB-LESSOR is solely responsible to obtain any endorsement to
10 such policy that may be necessary to accomplish such waiver of subrogation,
11 but SUB-LESSOR's waiver of subrogation under this paragraph is effective
12 whether or not SUB-LESSOR obtains such an endorsement.

13 Within thirty (30) days from the date SUB-LESSOR signs and executes this Agreement,
14 SUB-LESSOR shall provide certificates of insurance and endorsement as stated above for all of the
15 foregoing policies, as required herein, to the County of Fresno, (Name and Address of the official who
16 will administer this contract), stating that such insurance coverage have been obtained and are in full
17 force; that the County of Fresno, its officers, agents and employees will not be responsible for any
18 premiums on the policies; that for such worker's compensation insurance SUB-LESSOR has waived its
19 right to recover from the COUNTY, its officers, agents, and employees any amounts paid under the
20 insurance policy and that waiver does not invalidate the insurance policy; and that this insurance shall
21 not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to
22 COUNTY.

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24 All policies shall be issued by admitted insurers licensed to do business in the State of
25 California, and such insurance shall be purchased from companies possessing a current A.M. Best, Inc.
26 rating of A FSC VII or better.

- 1 5. Partial Damage – Insured. If the Premises are damaged and such damages
2 was caused by a casualty covered under an insurance policy required to be
3 maintained herein, SUB-TENANT shall not repair or replace SUB-LESSOR's
4 fixtures, equipment, or SUB-LESSOR's improvements.
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- 6 6. Partial Damage – Uninsured. If, at any time during the term hereof, the
7 Premises are damaged, except by a negligent or willful act of SUB-LESSOR
8 (in which event SUB-LESSOR shall make the repairs, at its expense), and
9 such damage was caused by a casualty not covered under an insurance
10 policy required to be maintained by SUB-LESSOR herein, SUB-TENANT
11 may, at SUB-TENANT's option, either (i) repair such damage within 180 days
12 at SUB-TENANT's expense, in which event this Sublease shall continue in
13 full force and effect, or (ii) give written notice to SUB-LESSOR within 30 days
14 after the date of the occurrence of such damage of SUB-TENANT's intention
15 to cancel and terminate this Sublease as of the date of the occurrence of
16 such damage. In the event SUB-TENANT elects to give such notice of SUB-
17 TENANT's intention to cancel and terminate this Sublease, SUB-LESSOR
18 shall have the right within 10 days after the receipt of such notice to notify
19 SUB-TENANT of SUB-LESSOR's intention to repair such damage at SUB-
20 LESSOR's expense, without reimbursement from SUB-TENANT, in which
21 event this Sublease shall continue in full force and effect, and SUB-LESSOR
22 shall proceed to make such repairs as soon as reasonably possible. If SUB-
23 LESSOR does not give such notice within such 10-day period, this Sublease
24 shall be cancelled and terminated as of the date of the occurrence of such
25 drainage.
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1 U. SUB-TENANT Insurance. SUB-TENANT shall comply with the insurance
2 requirements as described defined below in Exhibit C, attached and incorporated by this reference.

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4 V. Audits and Inspections. The SUB-LESSOR shall at any time during business
5 hours, and as often as the COUNTY may deem necessary, make available to the COUNTY for
6 examination all of its records and data with respect to the matters covered by this Sublease. The SUB-
7 LESSOR shall, upon request by the COUNTY, permit the COUNTY to audit and inspect all of such
8 records and data necessary to ensure SUB-LESSOR 's compliance with the terms of this Sublease.

9 If this Sublease exceeds ten thousand dollars (\$10,000.00), SUB-LESSOR shall be
10 subject to the examination and audit of the California State Auditor for a period of three (3) years after
11 final payment under contract (Government Code Section 8546.7).

12
13 W. Conflicts of interest. As described in the Recitals hereinabove, SUB-LESSOR is
14 a non-profit affiliate of the FRWDB. Each member of SUB-LESSOR's Board of Directors is a member of
15 the FRWDB and sits on the SUB-LESSOR's Board of Directors by virtue of their membership in
16 FRWDB. Each member of SUB-LESSOR's Board of Directors must comply with all California conflict
17 of interest laws, including but not limited to the California Political Reform Act (Gov. Code section 87000)
18 and California Government Code section 1090 and Government Code section 1091.2.

19
20 Members of the SUB-LESSOR's Board of Directors shall disclose any self-dealing
21 transactions related to this sublease that they are a party to while SUB-LESSOR is providing goods or
22 performing services under this agreement. A self-dealing transaction shall mean a transaction to which
23 the SUB-LESSOR is a party and in which one or more of its directors has a material financial interest.
24 Members of the Board of Directors shall disclose any self-dealing transactions related to this sublease
25 that they are a party to by completing and signing a Self-Dealing Transaction Disclosure Form, attached
26 as Exhibit D and incorporated by reference, and submitting it to the COUNTY prior to commencing with
27 the self-dealing transaction or immediately thereafter.

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3 X. Notices. The persons and their addresses having authority to give and receive
4 notices under this Sublease including the following:

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6 To SUB-LESSOR:

7 Fresno Area Workforce Investment Corporation

8 2125 Kern Street, Suite 208

9 Fresno, California 93721

10 Attn: General Services Manager

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12 To SUB-TENANT:

13 County of Fresno, Department of Social

14 Services

15 C/O Department of Internal Services/Chief Information Officer

16 333 W Pontiac Way

17 Clovis, CA 93612-5613

18 Attn: ISD Lease Services

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20 All notices between the SUB-TENANT and the SUB-LESSOR provided for or permitted
21 under this Sublease must be in writing and delivered either by personal service, by first-class United
22 States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A
23 notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-
24 class United States mail is effective three COUNTY business days after deposit in the United States
25 mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier
26 service is effective one COUNTY business day after deposit with the overnight commercial courier
27 service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the
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1 recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is
2 completed (but, if such transmission is completed outside of COUNTY business hours, then such
3 delivery shall be deemed to be effective at the next beginning of a COUNTY business day), provided
4 that the sender maintains a machine record of the completed transmission. For all claims arising out of
5 or related to this Sublease, nothing in this section establishes, waives, or modifies any claims
6 presentation requirements or procedures provided by law, including but not limited to the Government
7 Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

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9 Y. Amounts Payable. All amounts payable under this Sublease by SUB-TENANT
10 are payable directly to SUB-LESSOR.

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12 Z. Condition of Subleased Premises Upon Delivery. SUB-LESSOR will deliver the
13 Subleased Premises to SUB-TENANT in its current "as-is" condition. SUB-LESSOR and SUB-TENANT
14 agree that the Subleased Premises contain furniture and a telephone for the SUB-TENANT to use and
15 SUB-TENANT will not remove any of the furniture and equipment on the expiration of the term of the
16 Sublease.

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18 AA. Indemnity. To the fullest extent allowed by law, SUB-TENANT agrees to
19 indemnify, save, hold harmless, and at SUB-LESSOR's request, defend SUB-LESSOR, its officers,
20 agents, and employees from and against any and all liabilities, claims, expenses (including reasonable
21 attorneys' fees and costs), losses and damages (including attorney fees and costs) (all "Claim"), that
22 may at any time be asserted against SUB-LESSOR by (a) the Lessor for failure of SUB-TENANT to
23 perform any of the covenants, agreements, terms, provisions, or conditions contained in the Master
24 Lease applicable to SUB-TENANT under the provisions of this Sublease; or (b) any Claims arising from
25 SUB-LESSOR's sole negligence or willful misconduct.

26 To the fullest extent allowed by law, SUB-LESSOR agrees to indemnify, save, hold
27 harmless, and at SUB-TENANT's request, defend SUB-TENANT, its officers, agents, and employees

1 from any and all Claims that may be asserted against SUB-TENANT in connection with (i) the
2 negligence and/or willful acts by SUB-LESSOR and its officers, agents, or employees, and (ii) from any
3 and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses
4 occurring or resulting to any person, firm, or corporation who may be injured or damaged by the
5 performance, or failure to perform of SUB-LESSOR, its officers, agents, or employees under this Sub-
6 Lease.

7 The provisions of this Section Z shall survive the expiration or earlier termination of the
8 Master Lease or this Sublease.

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10 BB. Certificates. Each Party to this Sublease will, from time to time as requested by
11 the other Party, on not less than thirty (30) days prior written notice, execute, acknowledge, and deliver
12 to the other Party a statement in writing certifying that this Sublease is unmodified and in full force and
13 effect (or if there have been modifications that this Sublease is in full force and effect as modified and
14 stating the modifications). That statement will certify the dates to which base rent, additional rent, and
15 any other charges have been paid. That statement will also state whether, to the knowledge of the
16 person signing the certificate, the other Party is in default beyond any applicable grace period provided
17 in this Sublease in the performance of any of its obligations under this Sublease. If the other Party is in
18 default beyond any applicable grace period, the statement will specify each default of which the signer
19 then has knowledge. It is intended that this statement may be relied on by others dealing with whom the
20 Parties requesting that certificate may be dealing.

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22 CC. Severability. If any provision of this Sublease or the application of any provision
23 of this Sublease to any person or circumstance is, to any extent, held to be invalid or unenforceable, the
24 remainder of this Sublease or the application of that provision to persons or circumstances other than
25 those as to which it is held invalid or unenforceable, will not be affected, and each provision of this
26 Sublease will be valid and be enforced to the fullest extent of the law.

1 DD. Entire Agreement; Waiver. This Sublease constitutes the final, complete and
2 exclusive statement between the Parties to this Sublease pertaining to the Subleased Premises,
3 supersedes all prior and contemporaneous understandings or agreements of the Parties, and is binding
4 on and inures to the benefit of their respective heirs, representatives, successors, and assigns. No Party
5 has been induced to enter into this Sublease by, nor is any Party relying on, any representation or
6 warranty outside those expressly set forth in this Sublease. Any agreement made after the date of this
7 Sublease is ineffective to modify, waive, release, terminate, or effect and abandonment of this Sublease,
8 in whole or in part, unless that agreement is in writing, is signed by the Parties to this Sublease, and
9 specifically states that that agreement modifies this Sublease.

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11 EE. Captions. Captions to the sections in this Sublease are included for convenience
12 only and do not modify any of the terms of this Sublease.

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14 FF. Further Assurances. Each Party to this Sublease will at its own cost and expense
15 execute and deliver such further documents and instrument and will take such other actions as may be
16 reasonably required or appropriate to evidence or carry out the intent and purposes of this Sublease.

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18 GG. Governing Law. This Sublease will be governed by and in all respects construed
19 in accordance with the laws of the State of California. Venue for any action arising out of or relating to
20 this Sublease shall only be in Fresno County, California.

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22 HH. Capitalized Terms. All terms spelled with initial capital letters in this Sublease
23 that are not expressly defined in this Sublease will have the respective meanings given such terms in
24 the Master Lease.

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26 II. Counterparts. This Sublease may be executed simultaneously in one or more
27 counterparts, each of which shall be deemed an original, but all of which taken together shall constitute
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1 one in the same instrument, and it shall not be necessary that any single counterpart bear the signatures
2 of all Parties.

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4 JJ. Holdover. Any holding over by SUB-TENANT of the Subleased Premises after
5 the expiration or termination of this Sublease shall operate and be construed as a tenancy from month to
6 month on all terms of this Sublease, terminable by either Party upon 30-days' prior written notice to the
7 other.

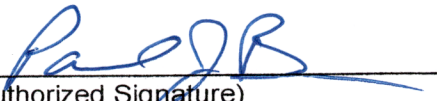
8
9 KK. Consent. The enforceability of this Sublease is expressly contingent upon and
10 subject to Lessor's consent of this Sublease, as required under Section 14 of the Master Lease.


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12 The Parties have executed this Sublease as of the date specified above.
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1 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day
2 and year first hereinabove written.

3 **SUB-LESSOR**

4 **COUNTY OF FRESNO,
SUB-TENANT**

5 
6 (Authorized Signature)
7 Fresno Area Workforce Investment
8 Corporation, Chair

5 
6 Nathan Magsig
7 Chairman of the Board of Supervisors of
8 the County of Fresno

9 Print Name & Title

10 2125 Kern Street, Suite 208

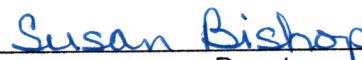
11 Fresno, CA 93721-2648

12 Mailing Address

13 **ATTEST:**

14 Bernice E. Seidel
15 Clerk of the Board of Supervisors
16 County of Fresno, State of California

17 By:

18 
19 Deputy

20 **FOR ACCOUNTING USE ONLY:**

21 Fund: 0001
22 Subclass: 10000
23 ORG No.: 5610
24 Account No.: 7340

EXHIBIT A
MASTER LEASE

OFFICE LEASE

THIS OFFICE LEASE (this "Lease") is made as of this 19th day of August, 2011, by and between OMNINET PROPERTIES MANCHESTER CENTER, LLC, a Delaware limited liability company and Fresart, LLC, a Delaware limited liability company, as Tenants in Common, collectively as Lessor ("Lessor"), and FRESNO AREA WORKFORCE INVESTMENT CORPORATION, a California Public Benefit Corporation, as tenant ("Tenant"). Lessor and Tenant are sometimes collectively referred to herein as the "Parties" or singularly by their individual names or as a "Party."

RECITALS:

- A. Lessor is the owner of that certain real property (the "Real Property") and the Building (as defined below) located at 3302 Blackstone Avenue, Fresno, California 93726 located in the facility commonly known as "Manchester Center".
- B. Lessor desires to Lease to Tenant, and Tenant desires to Lease from Lessor the premises for the term and subject to the terms, covenants, agreements, and conditions in this Lease.
- C. Tenant is a California Public Benefit Corporation, which serves as the contract administrator to the Fresno Regional Workforce Investment Board, a California Joint Powers Agency ("FRWIB").
- D. The Parties acknowledge that Tenant currently occupies the premises to be leased and that the Tenant Improvements within the Premises provided for herein shall occur during the time that Tenant is occupying the Premises.
- E. Tenant anticipates that it will sublease a portion of the premises to the State of California, acting by and through the Director of the Employment Development Department (the "State") and other subtenants as provided for herein.

NOW, THEREFORE, , for valuable consideration and in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

- 1. Description. Lessor hereby leases unto the Tenant and the Tenant hereby hires from the Lessor those certain premises with appurtenances situated in the City of Fresno, County of Fresno, State of California, and more particularly described as follows:

Approximately 32,768 net usable square feet of office space on the floor of the building as depicted in the attached floor plan, attached hereto as Exhibit "A" and incorporated herein, including the parking spaces provided for in Paragraph 9 below, and unlimited use of the building's common facilities. The Tenant shall have access to and use of the Leased premises twenty four (24) hours per day, seven (7) days per week with no exceptions (collectively, the Premises").

- 2. Term; Option Period. The term of this Lease shall commence on September 1, 2011, and shall end on August 31, 2016, with such rights of termination as may be hereinafter expressly set forth. Provided that Tenant is not in default, and is still in possession of the Premises, Tenant shall have one (1), five (5) year, option period to extend the terms and conditions of this Lease (the "Option"). Tenant must notify Lessor of its intent to exercise the Option, no later than one hundred eighty (180) days prior to the expiration of the Lease. The monthly Lease payment shall be negotiated by the Parties prior to Tenant's exercise of the Option. However, during the Option period, the amount of any monthly rental payment increase, over the last monthly rental payment made during the term of this Lease by Tenant, shall be no more than three cents (\$.03) per square foot more than the rental amount during the preceding year.

- 3. Space Reduction and/or Early Termination. In the event federal, state, or other funds related to Tenant's purposes as a job training agency, received by Tenant or FRWIB are reduced from the previous fiscal year, Tenant will have the right to reduce the amount of space rented pro rata to the reduced funding from the previous fiscal year without penalty and the

rent stipulated in Paragraph 4 below shall be reduced pro rata. For example, in the event that Tenant's funding is cut by a total of 10% from its previous fiscal year, Tenant has the option of reducing space by up to 10%. Further, in the event Tenant or FRWIB loses its funding during any fiscal year, Tenant shall have the right to terminate this Lease by submitting sixty (60) days advanced written notice to Lessor. In the event of early termination, Tenant shall reimburse Lessor the unamortized portion of the Tenant Improvements as of the date of termination. Upon the completion of the Tenant Improvements, as defined in Paragraph 6 below, Lessor shall provide Tenant a mutually agreed upon itemized expense statement describing the costs incurred by Lessor associated with the Tenant Improvements with such costs amortized over the firm term of this Lease at an eight percent rate of interest. For the purposes of early termination, Tenant Improvements shall not exceed a total of \$300,000. As of August 31, 2016, unless agreed to in writing otherwise by Tenant, Tenant shall not be responsible for the payment of any additional unamortized Tenant Improvements except for change orders and alterations as provided for in Paragraph 13 below. If Tenant provides notice as provided for herein and then fails to complete its move out within the notice period and remains in the Premises, additional rent shall be paid and prorated on a thirty (30) day month, based on the actual number of days the Tenant occupies the Premises following the effective date of termination.

4. Rent. Rental payments shall be paid by the Tenant, from legally available funds in arrears on the last day of each month during said term as follows:

5 Year Lease Option - Firm Period	Base Rent (per sq ft)	Monthly Rent
Year 1	\$ 0.91	\$ 29,819.00
Year 2	\$ 0.94	\$ 30,802.00
Year 3	\$ 0.97	\$ 31,785.00
Year 4	\$ 1.00	\$ 32,768.00
Year 5	\$ 1.03	\$ 33,751.00

Rental payable hereunder for any period of time less than one month shall be determined by prorating the monthly rental herein specified based on the actual number of days in the month. Rental shall be paid to Lessor at the address specified in Paragraph 5 or to such other address as the Lessor may designate by a notice in writing. Rent shall be inclusive of a Tenant Improvements.

5. Notices. All notices and correspondence herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and either: (1) deposited in the United Tenants Mail, certified and postage prepaid; or (2) sent via an alternate commercial overnight delivery service (i.e., FedEx or similar) with receiver's signature required; and addressed as follows:

To the Lessor: U.S. Properties Group, LLC, as representative of the Lessor
 Attn: General Manager
 1901 E. Shields Avenue, Suite 203
 Fresno, CA 93726
 Telephone No.: (559) 227-1901
 Facsimile No.: (559) 227-1602

and to the Tenant: Fresno Area Workforce Investment Corporation
 2125 Kern Street, Suite 208
 Fresno, California, 93721
 Attn: General Services Manager
 Telephone No.: (559) 490-7100
 Facsimile No.: (559) 490-7199

Nothing herein contained shall preclude the giving of any such written notice by personal service. The address to which notices and correspondence shall be mailed to either party may be changed by giving written notice to the other party.

6. Completion of Tenant Improvements. All tenant improvements (the "Tenant Improvements") to the Premises shall be performed and completed during Tenant's occupancy of the Premises. Such work shall be performed with full consultation and approval of Tenant and in such way that is the least disruptive to Tenant's activities, personnel, and invitees. Lessor agrees that, provided Tenant specifies the details desired for Tenant Improvements, then

prior to December 31, 2011, and at Lessor's sole cost and expense, all Tenant Improvements shall be completed. Lessor shall completely paint and recarpet throughout the Premises, with style and quality to Tenant's satisfaction. Lessor shall also comply with the ADA, as defined and provided for in Paragraph 33, and all remediation to comply with its requirements shall be completed by the date specified in this Paragraph 6.

7. Premises Accepted "As Is, Where Is". Tenant expressly agrees that with the exception of the defined Tenant Improvements, any defects to the Premises not otherwise

reasonably known to Tenant, and the Lessor's additional obligations under the terms of this Lease that the premise are being accepted "As Is, Where Is" with all faults.

8. Asbestos. Lessor hereby warrants and guarantees that the space Leased to the Tenant will be operated and maintained free of hazard from Asbestos Containing Materials (ACM) and agrees to the conditions for survey, testing, and abatement of ACM described in Exhibit "D" as applicable. Lessor specifically agrees that, in the event the Tenant elects to exercise its rights under the provisions of Paragraph 13 of this Lease, any costs related to abatement or hazard from asbestos shall be the Lessor's responsibility.

9. Parking. Lessor, at Lessor's sole cost and expense, shall provide sufficient parking to Tenant. Such parking shall include (i) twenty (20) reserved and marked parking stalls located in the Manchester Center underground parking garage; and (ii) sufficient additional ground level parking to address the needs of Tenant's employees and invitees. Said parking spaces will be arranged and maintained so as to provide unobstructed access to each parking space at any time. Tenant will provide to Lessor the names and vehicle license information for those staff members who are authorized to use the reserved parking stalls in the underground parking garage.

10. Services, Utilities, and Supplies. Lessor, at Lessor's sole cost and expense, during the term of this Lease shall furnish the following services and supplies to the area Leased by the Tenant, and also to the "common" building areas (if any) such as lobbies, elevators, stairways, corridors, etc., which Tenant shares with other tenants, if any:

- a. Sewer, trash disposal, and water service, including both hot and cold water to the lavatories except lavatories in Employment Development Department public toilet rooms in lobby areas which need only cold water.
- b. Elevator service.
- c. For all common areas and Tenant's space, electricity and/or gas as necessary to provide power for heating, ventilating, and air conditioning only.
- d. For all common areas, janitorial services sufficient to maintain such areas in a clean, well-maintained condition, including, not limited to, eliminating all visible dust, dirt, grime, stains, smears, finger marks, to the greatest degree possible.

In the event of a failure to provide any such service, Lessor shall within twenty four (24) hours of notice of such failure provide a written plan of correction to Tenant. Lessor shall take all reasonable steps to immediately resolve such failures within twenty four (24) hours of notice.

11. Janitorial and Electrical Services for Leased Premises. Tenant shall be responsible for the cost of (i) all janitorial services for the Premises, excluding the common areas as provided for in Paragraph 10 above; and (ii) all power (excluding power used to operate the HVAC system for Premises) telephone and other utilities supplied to the Premises, excluding the common areas as provided for in Paragraph 10 above. The Parties expressly acknowledge that such utilities shall be separately metered or invoiced, and that Tenant shall pay only those costs directly related to its use of the Premises.

12. Repair and Maintenance.

a. During the Lease term, the Lessor shall maintain the Premises in good repair and tenantable condition, so as to minimize breakdowns and loss of the Tenant's use of the Premises caused by deferred or inadequate maintenance, including, but not limited to:

- (1) Generally maintaining the Premises in good, operating condition and appearance.
- (2) Furnishing prompt, good quality repair of the building, equipment, and appurtenances.

(3) Furnishing preventative maintenance, including, but not limited to, manufacturer's recommended servicing of equipment such as elevator, heating, ventilating and air conditioning equipment, and fixtures.

(4) Furnishing ongoing maintenance and prompt repair of any and all special equipment and systems referenced in Exhibit "A" including but not limited to fire suppression systems, and special HVAC systems for computer rooms. This shall include the replacement of filters for the heating, ventilating and air conditioning equipment as required.

(5) Furnishing remedial painting as necessary to maintain the Premises in a neat, clean and orderly condition.

(6) Annual testing and maintenance of all fire extinguishers in or adjacent to the Premises.

(7) Repairing and replacing parking lot bumpers and paving as necessary. Repaint directional arrows, striping, etc., as necessary.

(8) On a weekly basis, sweeping parking areas and sidewalks, maintaining landscaped areas, including sprinklers, drainage, etc., in a growing, litter-free, weed-free, and neatly mowed and/or trimmed condition.

(9) Keeping all walkways, parking lots, entrances, and auxiliary areas free of snow, water, oil spills, debris, or other materials which may be hazardous to users of the building.

b. Lessor shall provide prompt repair or correction for any damage except damage arising from a willful or negligent act of the Tenant's agents, employees or invitees.

c. Except in emergency situations, the Lessor shall give not less than 48 hour prior notice to Tenant tenants, when any pest control, remodeling, renovation, or repair work affecting the Tenant occupied space may result in employee health concerns in the work environment.

d. In case Lessor, after notice in writing from the Tenant requiring the Lessor to comply with the requirements of this Paragraph 12 with regard to a specified condition, shall fail, refuse or neglect to comply with such notice, or in the event of an emergency constituting a hazard to the health or safety of the Tenant's employees, property, or invitees, the Tenant may at its option, perform such maintenance or make such repair at its own cost-and, in addition to any other remedy the Tenant may have, may deduct the amount thereof, including necessary costs incurred by the Tenant required for the administration of such maintenance and repairs, from the rent that may then be or thereafter become due hereunder.

13. Change Orders and Alterations. The Tenant shall have the right during the existence of this Lease to make change orders and alterations; attach fixtures; and erect additions, structures, or signs in or upon the Premises. Such fixtures, additions, structures, or signs so placed in or upon or attached to the Premises under this Lease or any extension hereof shall be and remain the property of the Tenant and may be removed therefrom by the Tenant prior to the termination or expiration of this Lease or any renewal or extension hereof, or within a reasonable time thereafter. Any alterations proposed by the Tenant that in any manner impact the HVAC system, fire suppression system, roof, structural members of the building, or general security of the building will require the prior written approval of the Lessor and the Lessor shall have the right to designate the sub-contractor to be used for such work. In addition, if Tenant elects to undertake such work on its own, Tenant shall provide Lessor a plan of work and schedule and shall make such changes to said plan of work and schedule as Lessor may reasonably require in order to minimize the impacts on other tenants.

In the event alterations, fixtures, additions, structures, or signs in or upon the

Premises are desired by Tenant and Tenant elects not to perform the work, any such work, when authorized in writing by the Tenant shall be performed by the Lessor in accordance with plans and specifications provided by Tenant. Lessor agrees to obtain competitive bids from at least three (3) licensed contractors and to provide a copy of such bids to Tenant. Tenant shall be solely responsible for the selection of the contractor to perform the work. Within forty-five (45) days after receiving Lessor's notice of completion of the requested work and an invoice requesting payment therefor, together with a complete detailed accounting of all costs for each trade, Tenant agrees to either reimburse Lessor by a single total payment for the cost of such work; or, with Lessor's prior written approval, Tenant will amortize the cost of the requested work over the remaining term of this Lease by increasing the monthly rent by an amount agreed upon in writing by the Parties.

In the event Tenant terminates this Lease on or after the end of the firm term, but before the expiration date of the Lease, Tenant agrees to pay to Lessor the portion of the principal balance which is unamortized as of the effective date of termination. Said payment shall be a single payment to be made within forty-five (45) days after the effective date of the termination.

14. Assignment and Subletting. Lessor acknowledges that Tenant is the nonprofit administrative service to the Fresno Regional Workforce Investment Board and may from time-to-time in its discretion sublet certain portions of the Premises to service providers related to the provision of job training services. Notwithstanding any provision to the contrary in this Paragraph 14, Tenant reserves the right to negotiate subleases with any governmental agency or California nonprofit public benefit corporation related to its programmatic responsibilities. Lessor shall reasonably approve all subleases presented by Tenant, including, but not limited to, subleases involving the California Employment Development Department, and shall comply with all provisions contained in the Standard Master Lease and Exhibit for the State of California prepared by the Department of General Services, as may be amended time to time, which is incorporated herein by this reference.

15. Indemnity. To the greatest extent allowed by law, the parties agree to indemnify, protect, defend, and hold each other harmless from and against any and all liabilities, claims, expenses, losses and damages (including reasonable attorney fees and costs) (collectively, the "Claims"), that may at any time be asserted against each other due to the other party's failure to perform any of the covenants, agreements, terms, provisions, or conditions contained in this Lease, except to the extent such Claims are caused by the sole negligence or willful misconduct of the other party. The provisions of this Paragraph 15 will survive the expiration or earlier termination of the Lease.

16. Quiet Possession. The Lessor agrees that the Tenant, while keeping and performing the covenants herein contained, shall at all times during the existence of this Lease, peaceably and quietly have, hold, and enjoy the Premises without suit, trouble, or hindrance from the Lessor or any person claiming under Lessor.

17. Inspection. The Lessor reserves the right to enter and inspect the Premises at reasonable times and to render services and make any necessary repairs to the Premises.

18. Destruction. If the Premises are totally destroyed by fire or other casualty, this Lease shall terminate. If such casualty shall render ten percent (10%) or less of the floor space of the Premises unusable for the purpose intended, Lessor shall effect restoration of the Premises as quickly as is reasonably possible, but in any event within thirty (30) days.

In the event such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, Lessor shall forthwith give notice to Tenant of the specific number of days required to repair the same. If Lessor under such circumstances shall not give such notice within fifteen (15) calendar days after such destruction, or if such notice shall specify that such repairs will require more than ninety (90) days to complete from date such notice is given, Tenant, in either such event, at its option may terminate this Lease or, upon notice to Lessor, may maintain occupancy and elect to undertake the repairs itself, deducting the cost thereof from the rental due or to become due under this Lease and any other Lease between Lessor and Tenant.

In the event of any such destruction other than total, where the Tenant has not terminated the Lease as herein provided, or pursuant to the terms hereof has not elected to make the repairs itself, Lessor shall diligently prosecute the repair of said Premises and, in any event, if said repairs are not completed within the period of thirty (30) days for destruction aggregating ten percent (10%) or less of the floor space, or within the period specified in Lessor's notice in connection with partial destruction aggregating more than ten percent (10%), the Tenant shall have the option to terminate this Lease or complete the repairs itself, deducting the cost thereof from the rental due or to become due under this Lease and any other Lease between Lessor and Tenant.

In the event the Tenant remains in possession of the Premises though partially damaged, the rental as herein provided shall be reduced by the same ratio as the net square feet the Tenant is thus precluded from occupying bears to the total net square feet in the Premises. "Net square feet" shall mean actual inside dimensions and shall not include public corridors, stairwells, elevators, and restrooms.

It is understood and agreed that the Tenant or its agent has the right to enter its destroyed or partially destroyed Leased facilities no matter what the condition. At the Tenant's request, the Lessor shall immediately identify an appropriate route through the building to access the Premises. If the Lessor cannot identify an appropriate access route, it is agreed that the Tenant may use any and all means of access at its discretion in order to enter the Premises.

19. Subrogation Waived. To the extent authorized by any fire and extended coverage insurance policy issued to Lessor on the herein Premises, Lessor hereby waives the subrogation rights of the insurer, and releases the Tenant from liability for any loss or damage covered by said insurance.

20. Prevailing Wage Provision. Lessor acknowledges that Tenant is a provider of federally funded job training services and partially administered by the Governor of the State of California. To the extent applicable, Lessor shall comply with the following:

a. California Law: For those projects defined as "public works" pursuant to Labor Code §1720.2, the following shall apply:

(1) Lessor/contractor shall comply with prevailing wage requirements and be subject to restrictions and penalties in accordance with § 1770 et seq. of the Labor Code which requires prevailing wages be paid to appropriate work classifications in all bid specifications and subcontracts.

(2) The Lessor/contractor shall furnish all subcontractors/employees a copy of the Department of Industrial Relations prevailing wage rates which Lessor will post at the job site. All prevailing wage rates shall be obtained by the Lessor/contractor from:

Department of Industrial Relations
Division of Labor Statistics and Research
455 Golden Gate Avenue, 8th Floor
San Francisco, California 94102
Telephone: (415) 703-4774
Facsimile: (415) 703-4771

For further information on prevailing wage: http://www.dir.ca.gov/dlsr/statistics_research.html.

(3) Lessor/contractor shall comply with the payroll record keeping and availability requirement of § 1776 of the Labor Code.

(4) Lessor/contractor shall make travel and subsistence payments to workers needed for performance of work in accordance with the Labor Code.

(5) Prior to commencement of work, Lessor/contractor shall contact the Division of Apprenticeship Standards and comply with §1777.5,

§1777.6, and §1777.7 of the Labor Code and Applicable Regulations.

b. Federal Law. Any and all rulings and interpretations of the Davis-Bacon and Related Acts as provided for in 29 CFR Parts 1, 3, and 5 are hereby incorporated by reference in this Lease.

21. Fair Employment Practices. During the performance of this Lease, the Lessor shall not deny benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age, or

sex. Lessor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

Lessor shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.), the regulations promulgated thereunder (California Administrative Code, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code, Sections 11135-11139.5), and the regulations or standards adopted by the awarding Tenant agency to implement such article.

22. Service Companies. Within fifteen (15) days after occupancy of the Premises by the Tenant, Lessor shall provide the Tenant with the name, address, and telephone number of an agency or person convenient to the Tenant as a local source of service regarding the Lessor's responsibilities under this Lease as to repairs, maintenance, and servicing of the Premises and any or all related equipment, fixtures, and appurtenances.

23. Service Credit. Lessor agrees that the rental provided under the terms of Paragraph 4 hereof is based in part upon the costs of the services, utilities, and supplies to be furnished by Lessor in accordance with Paragraph 10 and Paragraph 12 hereof. In the event the Tenant vacates the Premises prior to the end of the term of this Lease, or, if after notice in writing from the Tenant, all or any part of such services, utilities, or supplies for any reason are not used by the Tenant, then, in such event, the monthly rental as to each month or portion thereof as to which such services, utilities, or supplies are not used by the Tenant shall be reduced by an amount equal to the average monthly costs of such unused services, utilities, or supplies during the six-month period immediately preceding the first month in which such services, utilities, or supplies are not used.

24. Holding Over. In the event the Tenant remains in possession of the Premises after the expiration of the Lease term, or any extension or renewal thereof, this Lease shall be automatically extended on a month to month basis at one hundred ten percent (110%) of the then current rental rate, subject to thirty (30) days termination by either party, and otherwise on the terms and conditions herein specified, so far as applicable. If the Tenant fails to vacate the Premises within the notice period and remains for an extended period, additional rent shall be paid and prorated on a thirty (30) day month, based on the actual number of days the Tenant occupies the Premises following the effective date of termination.

25. Surrender of Possession. Upon termination or expiration of this Lease, the Tenant will peacefully surrender to the Lessor the Premises in as good order and condition as when received, except for reasonable use and wear thereof and damage by earthquake, fire, public calamity, the elements, acts of God, or circumstances over which Tenant has no control or for which Lessor is responsible pursuant to this Lease. The Tenant shall have no duty to remove any improvements or fixtures placed by it on the Premises or to restore any portion of the Premises altered by it, save and except in the event Tenant elects to remove any such improvements or fixtures and such removal causes damages or injury to the Premises, and then only to the extent of any such damage or injury.

26. Time of Essence, Binding Upon Successors. Time is of the essence of this Lease, and the terms and provisions of this Lease shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors, and assigns to the respective parties hereto. All of the parties hereto shall be jointly and severally liable hereunder.

27. No Oral Agreements. It is mutually understood and agreed that no alterations or variations of the terms of this Lease shall be valid unless made in writing and signed by the parties hereto, and that no oral understanding or agreement not incorporated herein, shall be binding on any of the parties hereto.

28. Seismic Requirements. Lessor represents that the Premises complies with all seismic requirements and regulations adopted by State of California and the federal government, as adopted.

29. Default.

a. The following events shall constitute events of default under this Lease (each an "Event of Default"):

(1) a default by Tenant in the payment when due of any rent or other sum payable under this Lease and the continuation of this default for ten (10) or more days after notice of the default from Lessor, provided that if Tenant has failed two (2) or more times in any twelve (12) months to pay any rent or other sum when due and notice of this default has been given by Lessor in each instance, no notice shall be required after this until the expiration of twelve (12) months in which all rent and other sums payable under this Lease have been paid on or before the date due;

(2) a default by Tenant in the performance of any of the terms, covenants, agreements, or conditions in this Lease, other than a default by Tenant in the payment when due of any rent or other sum payable under this Lease, and the continuation of the default beyond thirty (30) days after notice by Lessor or, if the default is curable and would require more than thirty (30) days to remedy, beyond the time reasonably necessary for cure; provided, however, that if Tenant has defaulted in the performance of the same obligation two (2) or more times in twelve (12) months and notice of the default has been given by Lessor in each instance, no notice shall be required after this until the expiration of twelve (12) months without any default by Tenant;

(3) the bankruptcy or insolvency of Tenant, a transfer by Tenant in fraud of creditors, an assignment by Tenant for the benefit of creditors, or the commencement of proceedings of any kind by or against Tenant under the Federal Bankruptcy Act or under any other insolvency, bankruptcy, or reorganization act, unless Tenant is discharged from voluntary proceedings within ninety (90) days;

(4) the appointment of a receiver for a substantial part of Tenant's assets;

(5) the abandonment of the Premises; and

(6) the levy upon this Lease or any estate of Tenant under this Lease by attachment or execution and the failure to have the attachment or execution vacated within thirty (30) days.

b. Termination upon Default. On occurrence of any Event of Default by Tenant, Lessor may, in addition to any other rights and remedies given here or by law, terminate this Lease and exercise remedies relating to it without further notice or demand in accordance with the following provisions:

(1) So long as the Event of Default remains uncured, Lessor shall have the right to give notice of termination to Tenant, and on the date specified in this notice, this Lease shall terminate.

(2) If this Lease is terminated, Lessor may, by judicial process, reenter the Premises, remove all persons and property, and repossess and enjoy the Premises, all without prejudice to other remedies that Lessor may have because of Tenant's default or the termination.

c. Continuation After Default. Even though Tenant has breached this Lease and abandoned the Premises, this Lease shall continue in effect for so long as Lessor does not terminate Tenant's right to possession, and Lessor may enforce all rights and remedies under this Lease, including the right to recover the rent as it becomes due under this Lease. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver upon initiative of Lessor to protect Lessor's interest under this Lease shall not constitute a termination of Tenant's right to possession.

d. Other Relief. The remedies provided in this Lease are in addition

to any other remedies available to Lessor at law, in equity, by statute, or otherwise.

30. Right of Lessor to Cure Defaults. Agreements and provisions to be performed by Tenant under this Lease shall be at Tenant's sole cost and without abatement of rent, except as specifically provided in this Lease. If Tenant (a) fails to pay any sum of money, other than rent, required under this Lease, or (b) fails to perform any other act under this Lease, and this failure continues for thirty (30) days after notice of the failure by Lessor, or a longer period as may be allowed under this Lease, Lessor may, without waiving or releasing Tenant from any obligations of Tenant, make payment or perform other acts required by this Lease on Tenant's behalf. All sums paid by Lessor and all necessary incidental costs shall be payable to Lessor on demand and shall constitute additional rent under this Lease.

31. Cure Period. Tenant shall be provided no less than a thirty (30) day period to cure any breach in which written notice is provided by Lessor to Tenant.

32. Americans With Disabilities Act. Lessor agrees that the Premises, including the Common Area and parking stalls used by Tenant's employees and invitees, complies with the American Disabilities Act of 1990, 42 U.S.C. 12101 *et seq.* ("ADA"), as amended. Lessor's compliance with the ADA shall include, but not be limited to, obtaining a survey performed by an architect licensed by the State of California, to survey and certify the Premises, Common Areas, and parking stalls as compliant with the ADA. Moreover, Lessor shall bear all cost and responsibility to comply with any and all provisions of the ADA. Lessor shall indemnify, protect, and hold Tenant harmless from any and all Claims resulting from Lessor's failure to comply with the ADA. Lessor shall provide a Verified Report, Form G, upon completion of the Tenant Improvements and comply with any and all Local Requirements, as amended, attached hereto as Exhibit "B" and incorporated herein by this reference.

33. Insurance. Tenant agrees to obtain the insurance coverage described in Exhibit "C", attached hereto and incorporated herein by this reference.

34. Real Estate Taxes. Lessor shall be responsible for payment of all real estate taxes and general and special assessments on the property of which the Premises are a part.

IN WITNESS WHEREOF, this Lease has been executed by the parties hereto as of the date first above written.

TENANT

Fresno Area Workforce Investment Corporation

By J. H. Butcher
04/12

Date: 8/24/11

LESSOR

U.S. Properties Group, LLC, as representative for the Tenants in Common, Omninet Properties Manchester Center, LLC and Fresart, LLC.

By John S.

Date: 8/23/11

**Baker Manock
& Jensen** PC
ATTORNEYS AT LAW

February 24, 2016

Via OnTrac and E-Mail

Tracking#D10010900590822

Morel C. Bagunu, CSM
General Manager
Manchester Center
1901 East Shields Avenue, Suite 203
Fresno, California 93726
Email: MBagunu@manchester-center.com

Kenneth J. Price
Attorney at Law
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Fig Garden Financial Center
5260 North Palm Avenue
Fourth Floor
Fresno, California 93704
Tel: 559.432.5400
Fax: 559.432.5620
www.bakermanock.com

Re: Exercise of Option

Dear Mr. Bagunu:

As you know, this office represents the Fresno Area Workforce Investment Corporation ("FAWIC"), which is a party to that certain lease between FAWIC and Omninet Properties Manchester Center dated August 19, 2011 (the "Lease"). As you are aware, Section 2 of the Lease contains a provision stating that:

"Provided that Tenant is not in default, and is still in possession of the Premises, Tenant shall have one (1), five (5) year, option period to extend the terms and conditions of this Lease (the "Option"). Tenant must notify Lessor of its intent to exercise the Option, not later than one hundred eighty (180) days prior to the expiration of the Lease. The monthly Lease payment shall be negotiated by the Parties prior to Tenant's exercise of the Option. However, during the Option period, the amount of any monthly rental payment increase, over the last monthly rental payment made during the term of this Lease by Tenant, shall be no more than three cents (\$.03) per square foot more than the rental amount during the preceding year."

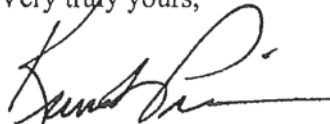
On January 25, 2016, I sent a letter to you notifying you of FAWIC's intent to negotiate the monthly Lease payment pursuant to Section 2. I understand that, as a result of these discussions, there will be a three-cent per square foot increase from the rental amount of the previous year.

By this letter and pursuant to Section 2 of the Lease, FAWIC is formally exercising the Lease Option. I understand Mr. Konczal and you have informally discussed other

Morel C. Bagunu, CSM
February 24, 2016
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potential spaces to locate the One-Stop office within Manchester Center. Until the parties identify a mutually acceptable location, FAWIC will, by virtue of the Option, continue to occupy its current location at Manchester Center.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kenneth J. Price", written over a horizontal line.

Kenneth J. Price
BAKER MANOCK & JENSEN, PC

KJP:sdg

**Baker Manock
& Jensen PC**
ATTORNEYS AT LAW

January 25, 2016

**Via Certified Mail,
Return Receipt Requested**

Morel C. Bagunu, CSM
General Manager
Manchester Center
1901 East Shields Avenue, Suite 203
Fresno, California 93726
Email: MBagunu@manchester-center.com

Re: Lease

Dear Mr. Bagunu:

This office represents the Fresno Area Workforce Investment Corporation ("FAWIC"), which is a party to that certain lease between FAWIC and Omninet Properties Manchester Center dated August 19, 2011 (the "Lease"). As you are aware, Section 2 of the Lease contains a provision stating that:

"Provided that Tenant is not in default, and is still in possession of the Premises, Tenant shall have one (1), five (5) year, option period to extend the terms and conditions of this Lease (the "Option"). Tenant must notify Lessor of its intent to exercise the Option, not later than one hundred eighty (180) days prior to the expiration of the Lease. The monthly Lease payment shall be negotiated by the Parties prior to Tenant's exercise of the Option. However, during the Option period, the amount of any monthly rental payment increase, over the last monthly rental payment made during the term of this Lease by Tenant, shall be no more than three cents (\$.03) per square foot more than the rental amount during the preceding year."

By this letter and pursuant to Section 2 of the Lease, FAWIC is providing notice to you of its intent to negotiate the monthly Lease payment. Additionally, FAWIC has authorized me to inform you that it intends to exercise the Lease Option, which it must do no later than February 27, 2016. FAWIC General Services Manager Augie Quiroz will be in contact with you by no later than February 1, 2016 to discuss this matter with you and to come to an agreement on the monthly Lease payment, which under no circumstances will exceed the current monthly rent by three cents per square-foot.

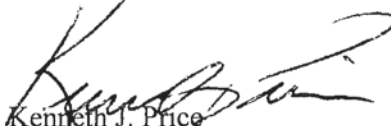
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Morel C. Bagunu, CSM
January 25, 2016
Page 2

We look forward to working with you on this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kenneth J. Price", written over a horizontal line.

Kenneth J. Price
BAKER MANOCK & JENSEN, PC

KJP:sdg

MANCHESTER WORKFORCE CONNECTION DSS MAP OF RESOURCE SHARING AREA

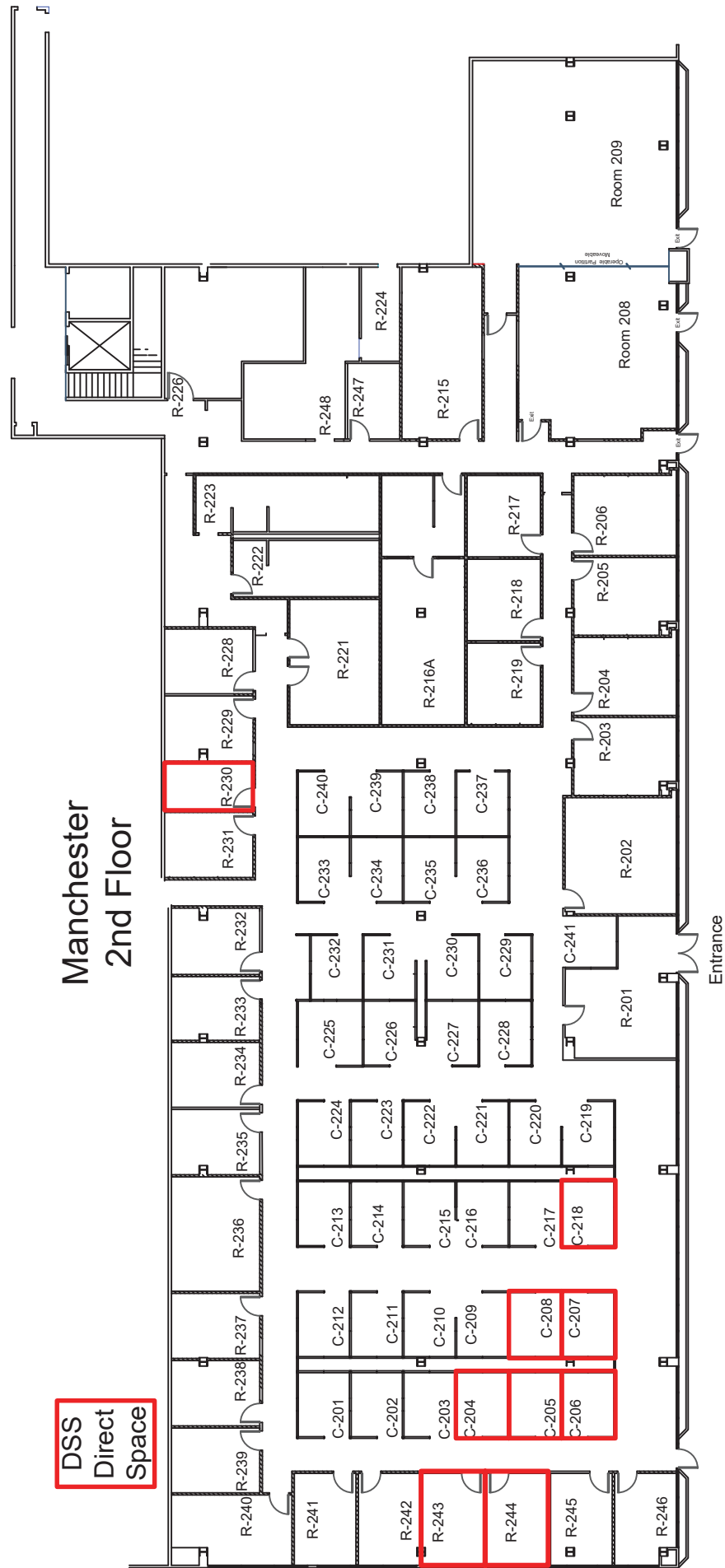


EXHIBIT C

SUB-TENANT INSURANCE REQUIREMENTS

- I. **LIABILITY AND PROPERTY INSURANCE.** SUB-TENANT shall, at SUB-TENANT's expense obtain and keep in force during the term of this Sublease, a policy of Combined Single Limit, Bodily Injury, and Property Damage Insurance insuring SUB-LESSOR (and SUB-LESSOR's mortgagee or lender, if any) and SUB-TENANT against any liability arising out of such ownership, use, occupancy, or maintenance of the Premises and all areas appurtenant thereto; Such insurance shall be a combined single limit policy not less than Two Million Dollars (\$2,000,000.00) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000.00). This policy shall be issued on a per occurrence basis. The limits of said insurance shall not, however, limit SUB-TENANT's liability hereunder.
- II. **Property Insurance.** SUB-LESSOR shall not be responsible for insuring SUB-TENANT's fixtures, equipment or SUB-TENANT improvements in the amount of the full replacement value thereof, providing protection against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk).
- III. **Insurance Policies.** SUB-TENANT shall deliver to SUB-LESSOR copies of Policies of liability insurance required under Paragraph 1 of this Exhibit C, or certificates evidencing the existence and amounts of such insurance. No such policy shall be cancelable or subject to reduction of coverage or other modification except after 10-days' prior written notice to SUB-LESSOR. SUB-TENANT shall, within 10 days prior to the expiration of such policies, furnish SUB-LESSOR with renewals or "binders" thereof, or SUB-LESSOR may order such insurance and charge the cost thereof to SUB-TENANT, which amount shall be payable to SUB-TENANT upon demand. SUB-TENANT shall not do or permit to be done anything which shall invalidate the insurance policies referred to herein.

1
2 IV. Mutual Waiver of Subrogation. Anything in this Sublease or the Master Lease to the
3 contrary notwithstanding, SUB-LESSOR and SUB-TENANT hereby waive and release each
4 other of and from any and all rights of recovery, claim, action or cause of action, against
5 each other, their partners, agents, officers and employees, for any loss or damage
6 regardless of cause or origin negligence of SUB-LESSOR or SUB-TENANT and their
7 partners, agents, officers and employees, but only to the extent of any recovery made by the
8 parties hereto for such loss of damage under any insurance policy now or hereafter issued
9 or required to be carried pursuant to this Sublease covering the Premises or Project. SUB-
10 LESSOR and SUB-TENANT agree to give immediately to their respective insurance
11 companies which have issued policies of insurance covering any risk of direct physical loss,
12 written notice of the terms of the mutual waivers contained in this Paragraph, and to have
13 the insurance policies properly endorsed, if necessary. SUB-LESSOR and SUB-TENANT
14 acknowledge that the waivers and releases set forth in this Paragraph are intended to result
15 in any loss or damage which is covered by insurance, borne by the insurance carrier of
16 SUB-LESSOR or SUB-TENANT, as the case may be, or by the party having the insurable
17 interest if such loss is not covered by insurance and this Sublease required such party to
18 maintain insurance to cover such loss. SUB-LESSOR and SUB-TENANT agree that such
19 waivers and releases were freely bargained for and willingly and voluntarily agreed to by
20 SUB-LESSOR and SUB-TENANT and do not constitute a violation of public policy.

21
22 V. Partial Damage – Insured. If the Premises are damaged and such damages was caused by
23 a casualty covered under an insurance policy required to be maintained herein, SUB-
24 LESSOR shall not repair or replace SUB-TENANT's fixtures, equipment, or SUB-TENANT
25 improvements.
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1 VI. Partial Damage – Uninsured. If, at any time during the term hereof, the Premises are
2 damaged, except by a negligent or willful act of SUB-TENANT (in which event SUB-
3 TENANT shall make the repairs, at its expense), and such damage was caused by a
4 casualty not covered under an insurance policy required to be maintained by SUB-LESSOR
5 herein, SUB-LESSOR may, at SUB-LESSOR's option, either (i) repair such damage within
6 180 days at SUB-LESSOR's expense, in which event this Sublease shall continue in full
7 force and effect, or (ii) give written notice to SUB-TENANT within 30 days after the date of
8 the occurrence of such damage of SUB-LESSOR's intention to cancel and terminate this
9 Sublease as of the date of the occurrence of such damage. In the event SUB-LESSOR
10 elects to give such notice of SUB-LESSOR's intention to cancel and terminate this
11 Sublease, SUB-TENANT shall have the right within 10 days after the receipt of such notice
12 to notify SUB-LESSOR of SUB-TENANT's intention to repair such damage at SUB-
13 TENANT's expense, without reimbursement from SUB-LESSOR, in which event this
14 Sublease shall continue in full force and effect, and SUB-TENANT shall proceed to make
15 such repairs as soon as reasonably possible. If SUB-TENANT does not give such notice
16 within such 10-day period, this Sublease shall be cancelled and terminated as of the date of
17 the occurrence of such drainage.

18
19 VII. Total Destruction. If, at any time during the term hereof, the Premises are totally destroyed
20 from any cause whether or not covered by the insurance required to be maintained by SUB-
21 LESSOR herein (including any total destruction required by any authorized public authority),
22 this Sublease shall automatically terminate as of the date of such total destruction.
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EXHIBIT D

SELF-DEALING TRANSACTION DISCLOSURE FORM

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

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

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

INSTRUCTIONS

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

(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:	