

LEASE AGREEMENT

THIS LEASE AGREEMENT ("LEASE" or "Lease") is made and entered into this 3rd day of November, 2020, by and between MILL AVENUE PROPERTIES, LLC, MILL AVENUE PROPERTIES, II, LLC, MILL AVENUE PROPERTIES III, LLC, AND MILL AVENUE PROPERTIES, IV, LLC, each a Delaware limited liability company (collectively, "LESSOR") ., 450 N Roxbury Drive, Ste 1050, Beverly Hills, California 90210-4235 ("LESSOR"), and the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W Pontiac Way, Clovis, CA 93612-5613 ("LESSEE").

1. LEASED PREMISES – LESSOR hereby leases to LESSEE office space consisting of approximately 3,438 square feet in Suite 105 (the "Premises") within that certain office building located at 1320 E Shaw, Fresno, CA 93710 (the "Building"), together with common area parking. LESSOR reserves the right to use (and the Premises does not include) the roof and exterior walls of the Premises, and the area beneath, adjacent to, and above the Premises, together with the right (but not necessarily the obligation) to install, use, maintain, repair, and replace equipment machinery, pipes, conduits and wiring through the Premises, which serve other parts of the Building, in a manner and in locations which do not unreasonably interfere with LESSEE's use of the Premises.

LESSEE shall have the right to free daily parking of passenger vehicles by its employees and visitors in the parking facility designated by LESSOR at no additional charge to LESSEE, subject to all rules and regulations which are prescribed from time to time for the orderly operation and use of the parking facility, including any sticker or other identification system established by LESSOR.

2. TERM

a. Term. The term of this LEASE shall be three (3) years (the "Initial Term"), commencing on December 1, 2020 ("Effective Date"), with an option for 2 additional 1-year extensions ("Extended Term"). Should LESSEE, without LESSOR's written consent, hold over after expiration (or earlier termination) of this LEASE, LESSEE shall,

1 at LESSOR's option, become either a tenant at sufferance or a month-to-month tenant
2 upon each and all of the terms herein provided, as may be applicable to such a tenancy,
3 and any such holding over shall not constitute an extension of this LEASE. During such
4 holding over, LESSEE shall pay in advance, monthly Basic Rental (as defined below) at
5 a rate equal to 150% of the rate in effect for the last month of the Term of this LEASE in
6 addition to, and not in lieu of, all other payments required to be made by LESSEE
7 hereunder. Except as otherwise expressly consented to by LESSOR in writing, nothing
8 contained herein shall be construed as consent by LESSOR to any holding-over of the
9 Premises by LESSEE, and LESSOR expressly reserves the right to require LESSEE to
10 surrender possession of the Premises to LESSOR as provided in this LEASE upon the
11 expiration or earlier termination of the Term.

12 b. Termination. Either party may terminate this Lease at any time and for
13 any reason, provided, however, that the terminating Party must give the other Party
14 ninety (90) days' notice of such termination. LESSEE may terminate under direction of
15 the County Administrative Officer, the Director of Internal Services, or by a designee of
16 their appointment.

17 c. Non-Funding Termination. This LEASE is contingent on the allocation of
18 funds by a governmental agency for this Lease. Notwithstanding any provision to the
19 contrary in this LEASE, should the funds for this Lease not be allocated by LESSEE's
20 Board of Supervisors, then this LEASE may be terminated by LESSEE giving at least
21 ninety (90) days' prior written notice thereof to LESSOR. LESSEE shall pay to LESSOR,
22 within forty-five (45) days after the LEASE termination date, any Unpaid Basic Rental
23 due LESSOR (the "Termination Payment"). Notwithstanding any provision to the
24 contrary in this LEASE, "Unpaid Basic Rental Due" shall be strictly limited to, and shall
25 not exceed the Basic Rental that would be due and payable under this Lease, during
26 LESSEE's then-current fiscal year, up to and including the LEASE termination date, as
27 provided in LESSEE's 90-days prior written notice herein. In the event the LEASE
28 termination date occurs other than on the first day or last day of a calendar month, the

“Unpaid Basic Rental Due” for such month shall be prorated for such month. “Unpaid Basic Rental Due” as defined herein shall constitute LESSEE’s final and entire Basic Rental payment obligation in the event of LESSEE’s termination of this Lease under this Paragraph. LESSEE’s exercise of its rights under this Paragraph shall not be an Event of Default. Payment of the Termination Payment is an express condition subsequent to LESSEE’s right to terminate this LEASE, as set forth in this Section.

3. RENT – LESSEE shall pay basic rent on or before the first of each month for the Premises (“Basic Rental”) beginning on the Effective Date, and according to the payment schedule shown below. “Year One” LEASE Period shall be defined as the 12-month period beginning on the Effective Date, and ending on the day before the 12-month anniversary of the Effective Date. Each succeeding LEASE Period (“Year Two”, etc.) shall follow the same aforementioned definition, as applied to that LEASE Period. A three-percent (3%) escalation in rent shall be applied to each successive year of the Lease, including any additional years for the Extended Term.

LEASE Periods		RENT/SF		Rent/Month
Year One	\$	1.67	\$	5,741.46
Year Two	\$	1.72	\$	5,913.36
Year Three	\$	1.78	\$	6,119.64
Year Four (+1)	\$	1.82	\$	6,257.16
Year Five (+1)_	\$	1.88	\$	6,463.44

LESSEE agrees to pay to LESSOR during the Term, at LESSOR’s office or to such other person or at such other place as directed from time to time by written notice to LESSEE from LESSOR, the monthly and annual sums as set forth in herein, payable in advance, on or before the first day of each calendar month, without any prior demand, abatement, setoff or deduction (except as otherwise expressly set forth in this Lease), and in the event this LEASE

commences, or the date of expiration of this LEASE occurs, other than on the first day or last day of a calendar month, the rent for such month shall be prorated.

4. BUILDING OPERATING COSTS/COMMON AREA/UTILITIES – LESSOR shall be responsible for all Building operating expenses, including real property taxes, Building fire and structural insurance, property management costs, common area maintenance and repairs, janitorial service as shown on Exhibit “A”, incorporated by this reference, and all utilities (gas, electricity, water, sewer, and trash removal). Notwithstanding anything herein to the contrary, LESSEE shall be responsible for its data, telephone and computer network systems. LESSEE shall pay, prior to delinquency, all taxes assessed against or levied upon trade fixtures, furnishings, equipment and all other personal property of LESSEE located in the Premises. In the event any or all of LESSEE’s trade fixtures, furnishings, equipment and other personal property shall be assessed and taxed with property of LESSOR, LESSEE shall pay to LESSOR, within ten (10) days after delivery to LESSEE by LESSOR of a written statement setting forth such amount, the amount of such taxes only applicable to LESSEE’s property.

5. USE – LESSEE shall use the Premises for general office use by the Department of Social Services (Veterans Services), or any other LESSEE department or authorized agent. LESSEE shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, governmental regulations or requirements now in force or which may hereafter be in force relating to the use or occupancy of the Premises. LESSEE shall not do or permit to be done anything which would invalidate or increase the cost of any fire and extended coverage insurance policy covering the Building and the property located therein.

LESSEE hereby agrees that the Premises shall be taken “as is”, “with all faults”, “without any representations or warranties”, and LESSEE hereby agrees and warrants that it has investigated and inspected the condition of the Premises and the suitability of same for LESSEE’s purposes, and LESSEE does hereby waive and disclaim any objection to, cause of action based upon, or claim that its obligations hereunder should be reduced or limited because of the condition of the Premises or the Building or the suitability of same for LESSEE’s purposes. LESSEE acknowledges that neither LESSOR nor any agent nor any employee of

LESSOR has made any representation or warranty with respect to the Premises or the Building or with respect to the suitability of either for the conduct of LESSEE's business, and LESSEE expressly warrants and represents that LESSEE has relied solely on its own investigation and inspection of the Premises and the Building in its decision to enter into this LEASE, and let the Premises in the above-described condition.

6. MAINTENANCE AND BUILDING SERVICES.

a. LESSOR shall be responsible for the structural condition of the Premises, and for all exterior and interior maintenance, including but not limited to air conditioning and heating (it shall be the responsibility of LESSOR to change filters of units when required), roof, plumbing systems, electrical systems, landscaping, pest and bird control, fencing, lighting, common areas, parking lot lighting, and parking lot. LESSOR covenants that the Premises shall be maintained in substantially the same condition as that existing at the commencement of this LEASE, and agrees that the Building will always be maintained in a condition that is acceptable for LESSEE's intended use of the Premises.

b. Except as expressly provided as LESSOR's obligation in Section 6(a) above, LESSEE shall keep the Premises in good condition and repair. All damage or injury to the Premises or the Building resulting from the act or negligence of LESSEE, its employees, agents or visitors, guests, invitees or licensees, or by the use of the Premises (other than normal wear and tear from LESSEE's use of the Premises), shall be promptly repaired by LESSEE at its sole cost and expense, to the satisfaction of LESSOR. LESSOR may make any necessary repairs which are not promptly made by LESSEE as required by this Lease following: (1) LESSEE's receipt of written notice from LESSOR, and (2) the reasonable opportunity of LESSEE to make said repair within 30 days from receipt of said written notice. LESSOR may thereupon charge LESSEE for the cost of the reasonable repairs, which cost shall be paid by LESSEE within 30 days from invoice from LESSOR.

1 c. LESSOR agrees to furnish to the Premises from 8:00 a.m. to 6:00 p.m.
2 Mondays through Fridays, excepting local and national holidays including Christmas
3 Day, Thanksgiving Day, Labor Day, Memorial Day, New Year's Day and July 4th, air
4 conditioning and heat in such quantities as is reasonably necessary for the comfortable
5 occupancy of the Premises. In addition, LESSOR shall provide electricity for normal
6 lighting and normal office machines, elevator service and water on the same floor as the
7 Premises for lavatory and drinking purposes in such reasonable quantities as is
8 reasonably necessary for general office use, and in compliance with applicable codes.
9 LESSOR shall furnish janitorial and maintenance services to the Premises five (5) days
10 per week, excepting local and national holidays. LESSEE shall comply with all Rules and
11 Regulations which LESSOR may establish for the proper functioning and protection of
12 the common area air conditioning, heating, elevator, electrical, intrabuilding cabling and
13 wiring and plumbing systems. A copy of the Rules and Regulations is attached hereto as
14 Exhibit "B," and incorporated herein by this reference. LESSOR may comply with
15 mandatory or voluntary controls or guidelines promulgated by any government entity
16 relating to the use or conservation of energy, water, gas, light, or electricity or the
17 reduction of automobile or other emissions without creating any liability of LESSOR to
18 LESSEE under this LEASE, as long as compliance with voluntary controls or guidelines
19 does not interfere with LESSEE's permitted use of the Premises under this LEASE.
20 LESSEE agrees to pay for all utilities and other services utilized by LESSEE, and any
21 additional Building services furnished to LESSEE that exceed what is normally required
22 for office use as stated in this section, and which are not uniformly furnished to all
23 tenants of the Building, at the rate generally charged by LESSOR to tenants of the
24 Building for such utilities or services. LESSEE shall cooperate with LESSOR's voluntary
25 energy conservation measures, provided such energy conservation measures, including
26 LESSOR's actions to convert the Building to a "Green Building", do not interfere with
27 LESSEE's reasonable use of the Premises. Notwithstanding anything herein to the
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1 contrary, LESSEE shall fully cooperate with LESSOR with any government-mandated
2 energy regulations.

3 d. LESSEE will not, without the prior reasonable written consent of
4 LESSOR, use any apparatus or device in the Premises which will in any way
5 unreasonably increase the amount of electricity or water usually furnished or supplied for
6 use of the Premises as general office space; nor connect any apparatus, machine or
7 device with water pipes or electric current (except through existing electrical outlets and
8 pipe connections in the Premises), for the purpose of using electricity or water. LESSEE
9 agrees that LESSOR shall be the sole and exclusive representative with respect to, and
10 shall maintain exclusive control over, the reception, utilization and distribution of
11 electrical power, regardless of point or means of origin, use or generation. LESSEE shall
12 not have the right to contract directly with any provider of electrical power or services.

13 e. If LESSEE requires heating, ventilation and/or air conditioning during
14 times other than the times provided in subsection (c) above, LESSEE shall give
15 LESSOR such advance notice as LESSOR shall reasonably require, and LESSOR shall
16 bill LESSEE monthly at the then current-rate set by the local electric utility for such
17 afterhours use (subject to increase from time to time).

18 f. As an exception to events that may occur in Section 9 herein, in the event
19 Building systems such as air conditioning and heating units, restroom fixtures are not
20 draining properly, water intrusion or leaks or other events that cause immediate material
21 impact to the occupancy of the Premises by LESSEE, LESSOR shall respond within
22 twenty four (24) hours after written notice by LESSEE to LESSOR to make repairs and
23 replace equipment to restore the systems to full working order. LESSOR covenants that
24 the Premises shall be maintained in a condition commensurate to other similar office
25 buildings in the Fresno, CA area.

26 g. Notwithstanding anything herein to the contrary, but subject to LESSOR's
27 obligation to cure its breach of its covenant to maintain the Premises as stated in this
28 Section 6, LESSOR shall not be liable for, and there shall be no rent abatement as a

1 result of, any stoppage, reduction or interruption of any such services caused by
2 governmental rules, regulations or ordinances, riot, strike, labor disputes, breakdowns,
3 accidents, necessary repairs or other cause. Further notwithstanding anything herein to
4 the contrary, but subject to LESSOR's obligation to cure its breach of its covenant to
5 maintain the Premises as stated in this subsection "g.", (i) such failure, delay, or
6 diminution shall not be considered to constitute an eviction or a disturbance of
7 LESSEE's use and possession of the Premises and (ii) LESSOR shall not be liable
8 under any circumstances for a loss of or injury to property or for injury to or interference
9 with LESSEE's business, including loss of profits through, in connection with, or
10 incidental to a failure to furnish any of the utilities or services hereunder.

11 h. LESSOR's obligation to cure its breach of its covenant to maintain the
12 Premises. In the event LESSOR breaches its obligation to maintain the Premises as
13 herein provided, LESSEE shall give written notice to LESSOR after discovery of such
14 breach. LESSOR shall then have thirty (30) days from the date of notice to cure its
15 breach, provided, however, that if the item of maintenance is of such a nature that it
16 requires more than thirty (30) days to complete, then LESSOR shall have such
17 additional time as is necessary to complete such maintenance as long as LESSOR
18 commences work on such maintenance within said thirty (30) day period and diligently
19 prosecutes such maintenance to completion. Subject to the foregoing, if the period for
20 cure expires and if LESSOR has failed to cure, then LESSEE shall have the right, but
21 not the obligation, to immediately cure LESSOR'S breach without providing notice
22 thereof, and seek reimbursement from LESSOR for the reasonable and actual verifiable
23 costs incurred by LESSEE in curing such breach. LESSOR shall reimburse LESSEE for
24 such costs within thirty (30) days after LESSOR'S receipt of a written demand therefor,
25 which shall be accompanied by invoices evidencing such costs incurred. If LESSOR fails
26 to so reimburse LESSEE within such 30-day period, then LESSEE shall have the right to
27 offset the cost of such cure from LESSEE'S future Basic Rental obligations. LESSEE'S
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1 decision to cure LESSOR'S breach shall not constitute a waiver of any rights or
2 remedies that LESSEE may have arising from this LEASE or by operation of law.

3 7. IMPROVEMENTS TO THE PREMISES and ALTERATIONS

4 a. ALTERATIONS. LESSEE shall make no alterations, installations,
5 changes or additions in or to the Premises or the Building (collectively, "Alterations").
6 Alterations shall not include moveable office furniture, office furnishings, or office
7 equipment.

8 b. LESSEE shall keep the Premises and the Building free from any
9 mechanics' liens, vendors liens or any other liens arising out of any work performed,
10 materials furnished or obligations incurred by LESSEE, and LESSEE agrees to defend,
11 indemnify and hold LESSOR harmless from and against any such lien or claim or action
12 thereon, together with costs of suit and reasonable attorneys' fees and costs incurred by
13 LESSOR in connection with any such claim or action. All expenses (including
14 reasonable attorneys' fees) incurred by LESSOR in connection with any such liens shall
15 be considered Additional Rent under this LEASE, and be immediately due and payable
16 by LESSEE.

17 8. COMPLIANCE WITH ALL LAWS – As to the Premises, LESSOR acknowledges
18 public funds are used for payments made by LESSEE under this LEASE, and LESSOR shall
19 comply with, and shall ensure compliance by all contractors and subcontractors with, all
20 applicable laws and regulations, including the payment of prevailing wages pursuant to Section
21 1770 et. seq. of the Labor Code.

22 9. INDEPENDENT CONTRACTOR – In performance of the work, duties and
23 obligations assumed by LESSOR under this LEASE, it is mutually understood and agreed that
24 LESSOR, including any and all of the LESSOR'S officers, agents, and employees will at all
25 times be acting and performing as an independent contractor, and shall act in an independent
26 capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of
27 the LESSEE. Furthermore, LESSEE shall have no right to control or supervise or direct the
28 manner or method by which LESSOR shall perform its work and function. However, LESSEE

1 shall retain the right to administer this LEASE so as to verify that LESSOR is performing its
2 obligations in accordance with the terms and conditions thereof.

3 LESSOR and LESSEE shall comply with all applicable provisions of law and the rules
4 and regulations, if any, of governmental authorities having jurisdiction over matters the subject
5 thereof.

6 Because of its status as an independent contractor, LESSOR shall have absolutely no
7 right to employment rights and benefits available to LESSEE employees. LESSOR shall be
8 solely liable and responsible for providing to, or on behalf of, its employees all legally-required
9 employee benefits. In addition, LESSOR shall be solely responsible and save LESSEE
10 harmless from all matters relating to payment of LESSOR'S employees, including compliance
11 with Social Security withholding and all other law and regulations governing such matters. It is
12 acknowledged that during the term of this LEASE, LESSOR may be providing services to others
13 unrelated to the LESSEE or to this LEASE.

14 10. DEFAULT

15 a. EVENT OF DEFAULT. Each of the following acts or omissions of
16 LESSEE or of any guarantor of LESSEE's performance hereunder, or occurrences, shall
17 constitute an "Event of Default:

18 i. With the exception of rental offsets as described in Section 6(h),
19 herein, failure or refusal to pay Basic Rental, Additional Rent or any other
20 amount to be paid by LESSEE to LESSOR hereunder within ten (10)
21 calendar days after notice that the same is due or payable hereunder;
22 said ten (10) day period shall be in lieu of, and not in addition to, the
23 notice requirements of Section 1161 of the California Code of Civil
24 Procedure or any similar or successor law;

25 ii. Except as set forth in items (i) above and (v) and (vi) below, failure
26 to perform or observe any other covenant or condition of this LEASE
27 (including items iii and iv below) to be performed or observed within thirty
28 (30) days following written notice to LESSEE of such failure. Such thirty

1 (30) day notice shall be in lieu of, and not in addition to, any required
2 under Section 1161 of the California Code of Civil Procedure or any
3 similar or successor law;

4 iii. Abandonment or vacating or failure to accept tender of possession
5 of the Premises or any significant portion thereof;

6 iv. The taking in execution or by similar process or law (other than by
7 eminent domain) of the estate hereby created;

8 v. The filing by LESSEE in any court pursuant to any statute of a
9 petition in bankruptcy or insolvency or for reorganization or arrangement
10 for the appointment of a receiver of all or a portion of LESSEE's property;
11 the filing against LESSEE of any such petition, or the commencement of
12 a proceeding for the appointment of a trustee, receiver or liquidator for
13 LESSEE or of any of the property of either, or a proceeding by any
14 governmental authority for the dissolution or liquidation of LESSEE if such
15 proceeding shall not be dismissed or trusteeship discontinued within thirty
16 (30) days after commencement of such proceeding or the appointment of
17 such trustee or receiver; or the making by LESSEE or any guarantor
18 hereunder of an assignment for the benefit of creditors. LESSEE hereby
19 stipulates to the lifting of the automatic stay in effect and relief from such
20 stay for LESSOR in the event LESSEE files a petition under the United
21 States Bankruptcy laws, for the purpose of LESSOR pursuing its rights
22 and remedies against LESSEE and/or a guarantor of this LEASE;

23 vi. LESSEE's failure to cause to be released any mechanics liens
24 filed against the Premises or the Building within twenty (20) days after the
25 date the same shall have been filed or recorded; or

26 vii. Each Event of Default shall be deemed by the parties hereto to be
27 material.
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1 b. REMEDIES.

2 i. Upon the occurrence of an Event of Default, LESSOR may
3 exercise all of its remedies as may be permitted by law, including but not
4 limited to the remedy provided by Section 1951.4 of the California Civil
5 Code (lessor may continue lease in effect after lessee's breach and
6 abandonment and recover rent as it becomes due, if lessee has right to
7 sublet or assign, subject only to reasonable limitations), and including
8 without limitation, terminating this LEASE, reentering the Premises and
9 removing all persons and property therefrom, which property may be
10 stored by LESSOR at a warehouse or elsewhere at the risk, expense and
11 for the account of LESSEE. Additionally, upon the occurrence of an Event
12 of Default, at LESSOR's election, such other amounts in addition to or in
13 lieu of the foregoing as may be permitted from time to time by applicable
14 law. The term "rent" as used in this Section 10 shall be deemed to mean
15 Basic Rental as defined herein.

16 ii. Nothing in this Section 10 shall be deemed to affect LESSOR's
17 right to indemnification for liability or liabilities arising prior to the
18 termination of this LEASE for personal injuries or property damage under
19 the indemnification clause or clauses contained in this LEASE.

20 iii. Notwithstanding anything to the contrary set forth herein,
21 LESSOR's re-entry to perform acts of maintenance or preservation of or
22 in connection with efforts to relet the Premises or any portion thereof, or
23 the appointment of a receiver upon LESSOR's initiative to protect
24 LESSOR's interest under this LEASE shall not terminate LESSEE's right
25 to possession of the Premises or any portion thereof and, until LESSOR
26 does elect to terminate this LEASE, this LEASE shall continue in full force
27 and effect, and LESSOR may enforce all of LESSOR's rights and
28 remedies hereunder including, without limitation, the remedy described in

1 California Civil Code Section 1951.4 (lessor may continue lease in effect
2 after lessee's breach and abandonment and recover rent as it becomes
3 due, if lessee has the right to sublet or assign, subject only to reasonable
4 limitations). Accordingly, if LESSOR does not elect to terminate this
5 LEASE on account of any default by LESSEE, LESSOR may, from time
6 to time, without terminating this LEASE, enforce all of its rights and
7 remedies under this LEASE, including the right to recover all rent as it
8 becomes due.

9 iv. All rights, powers and remedies of LESSOR hereunder and under
10 any other agreement now or hereafter in force between LESSOR and
11 LESSEE shall be cumulative and not alternative, and shall be in addition
12 to all rights, powers and remedies given to LESSOR by law, and the
13 exercise of one or more rights or remedies shall not impair LESSOR's
14 right to exercise any other right or remedy.

15 vi. Whether or not LESSOR elects to terminate this LEASE on
16 account of any default by LESSEE, as set forth in this Section 10,

17 c. LESSOR shall have the right to terminate any and all subleases, licenses,
18 concessions or other consensual arrangements for possession entered into by LESSEE
19 and affecting the Premises or may, in LESSOR's sole discretion, succeed to LESSEE's
20 interest in such subleases, licenses, concessions or arrangements. In the event of
21 LESSOR's election to succeed to LESSEE's interest in any such subleases, licenses,
22 concessions or arrangements, LESSEE shall, as of the date of notice by LESSOR of
23 such election, have no further right to or interest in the rent or other consideration
24 receivable thereunder.

25 d. LESSOR DEFAULT.

26 i. LESSOR shall not be in default under this LEASE unless
27 LESSOR fails to perform obligations required of LESSOR within thirty
28 (30) days after written notice is delivered by LESSEE to LESSOR, and to

1 the holder of any mortgages or deeds of trust (collectively, "Lender")
2 covering the Premises whose name and address shall have theretofore
3 been furnished to LESSEE in writing, specifying the obligation which
4 LESSOR has failed to perform; provided, however, that if the nature of
5 LESSOR's obligation is such that more than thirty (30) days are required
6 for performance, then LESSOR shall not be in default if LESSOR or
7 Lender commences performance within such thirty (30) day period and
8 thereafter diligently prosecutes the same to completion.

9 ii. Subject to Section 6 herein, in the event of any default, breach or
10 violation of LESSEE's rights under this LEASE by LESSOR, LESSEE's
11 remedies shall be an action for specific performance or action for actual
12 damages.

13 11. DESTRUCTION OR DAMAGE FROM CASUALTY – If the Premises are
14 damaged or destroyed as a result of fire, earthquake, act of God, or any other identifiable event
15 of a sudden, unexpected, or unusual nature ("Casualty"), then LESSOR shall either promptly
16 and diligently repair the damage at its own cost, or terminate this LEASE as hereinafter
17 provided.

18 A. LESSOR'S Election to Repair: If LESSOR elects to repair the Casualty
19 damage to the Premises, then it shall within sixty (60) days after the date
20 of Casualty provide written notice ("Notice of Repair") to LESSEE
21 indicating the anticipated time required to repair. LESSOR shall bear the
22 cost of all repairs to the Premises, including the cost to repair any
23 alterations or fixtures installed or attached thereto by LESSEE. Such
24 repairs shall restore the Premises to substantially the same condition as
25 that existing at the time of Casualty; such repairs shall also be made in
26 compliance with all applicable state and local building codes. LESSOR
27 shall not be liable to LESSEE for compensation for any loss of business,
28 or any inconvenience or annoyance arising from repair of the Premises as

1 a result of the Casualty, except for rent reduction as hereinafter provided.
2 LESSEE shall be responsible at its sole cost and expense for the
3 replacement of its personal property.

4 B. LESSOR'S Election to Terminate Due to Casualty: LESSOR may only
5 elect to terminate the LEASE due to Casualty if: the Premises have been
6 destroyed or substantially destroyed (50% of the Premises destroyed) by
7 said Casualty; and the estimated time to repair the Premises exceeds
8 ninety (90) days from the date of the Casualty. LESSOR shall provide
9 LESSEE with written notice of its election to terminate within sixty (60)
10 days after the date of Casualty, specifying a termination date not less
11 than thirty (30) days from the date of said notice.

12 C. Rent Reduction Due to Casualty: In the event of Casualty, LESSEE'S
13 obligation to pay the Rent shall be reduced beginning on the date of the
14 Casualty. Such reduction shall be proportional to the damage caused to
15 the Premises by the Casualty, as mutually determined by LESSEE and
16 LESSOR. If LESSOR elects to repair the Premises pursuant to the terms
17 of this LEASE, then the Rent reduction shall continue until the date of
18 substantial completion of repair.

19 D. LESSEE'S Election to Terminate Due to Casualty: If LESSEE does not
20 receive a Notice of Repair from LESSOR within sixty (60) days after the
21 Casualty, or if the anticipated period of repair contained in the Notice of
22 Repair exceeds one hundred eighty (180) days, or if LESSOR notifies
23 LESSEE in the Notice of Repair that there will be insufficient insurance
24 proceeds received from Property Insurance Policy to complete the
25 required repairs, and LESSOR will not agree to pay for any uninsured
26 repairs, then LESSEE may elect to terminate this LEASE without penalty.
27 LESSEE shall provide LESSOR with written notice of its election to
28 terminate this LEASE, specifying a termination date not less than thirty

(30) days from the date of said notice. In such case, LESSEE shall have the right to demand that LESSOR refund any monies which were paid to LESSOR pursuant to the LEASE, but which were not earned by LESSOR by consequence of the Casualty. Upon receipt of such demand, LESSOR shall promptly refund all such monies.

12. NO ACCELERATION OF FUTURE RENT OR OTHER PAYMENTS/AMOUNTS

Notwithstanding anything to the contrary contained in this LEASE, or any right or remedy of which LESSOR may otherwise avail itself pursuant to applicable law, any right of LESSOR to recover any Rent as provided in this LEASE shall be without acceleration of any future rent before it is due and payable hereunder. LESSOR hereby expressly waives its right to accelerate rent in the event of a termination or default of this LEASE, pursuant to California Civil Code section 1951.2.

13. MUTUAL INDEMNITY AND HOLD HARMLESS.

A. LESSOR agrees to indemnify, save, hold harmless, and at LESSEE request, defend the LESSEE, its officers, agents, and employees from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to LESSEE in connection with the performance, or failure to perform, by LESSOR, its officers, agents, or employees under this Agreement, and from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to any person, firm, or corporation who may be injured or damaged by the performance, or failure to perform, of LESSOR, its officers, agents, or employees under this Agreement.

B. LESSEE agrees to indemnify, save, hold harmless, and at LESSOR request, defend the LESSOR, its officers, agents, and employees from any and all costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to LESSOR in connection with the performance, or failure to perform, by LESSEE, its

1 officers, agents, or employees under this Agreement, and from any and
2 all costs and expenses (including attorney's fees and costs), damages,
3 liabilities, claims, and losses occurring or resulting to any person, firm, or
4 corporation who may be injured or damaged by the performance, or
5 failure to perform, of LESSEE its officers, agents, or employees under this
6 Agreement.

7 C. Notwithstanding anything to the contrary set forth in this LEASE,
8 LESSOR and the LESSOR Parties shall not be liable for injury to
9 LESSEE's business, or loss of income, loss of opportunity or loss of
10 goodwill therefrom, or any consequential, punitive, special or exemplary
11 damages. LESSOR and the LESSOR Parties shall not be liable to
12 LESSEE for any damages arising from any willful or negligent action or
13 inaction of any other tenant of the Building.

14 D. The parties acknowledge that as between LESSOR and LESSEE, each is
15 responsible for any claims arising from the acts or omissions of its own
16 employees and invitees, and notwithstanding anything to the contrary in
17 this Section 13, each Party hereby waives any claim for or right to
18 consequential or punitive damages.

19 14. INSURANCE.

20 A. LESSOR shall, at its sole expense, maintain in full force and effect during the
21 term of this LEASE the following policies of insurance:

- 22 i. Commercial General Liability insurance - Limits of not less than
23 Two Million Dollars (\$2,000,000) per occurrence and an annual
24 aggregate limit of not less than Four Million Dollars (\$4,000,000).
25 This policy shall be issued on an occurrence basis annually
26 renewing, following form, and be primary to all other collectible
27 insurance; and
28

1 ii. Fire insurance and extended coverage - LESSOR shall add
2 LESSEE as an additional loss payee.

3 iii. Worker's Compensation - A policy of Worker's Compensation
4 insurance as may be required by the California Labor Code.

5 B. Additional Requirements Relating to Insurance: CONTRACTOR shall obtain
6 endorsements to the Commercial General Liability insurance naming the
7 County of Fresno, its officers, agents, and employees, individually and
8 collectively, as additional insured, but only insofar as the operations under
9 this Agreement are concerned. Such coverage for additional insured shall
10 apply as primary insurance and any other insurance, or self-insurance,
11 maintained by COUNTY, its officers, agents and employees shall be excess
12 only and not contributing with insurance provided under CONTRACTOR's
13 policies herein. This insurance shall not be cancelled or changed without a
14 minimum of thirty (30) days advance written notice given to COUNTY.

15 CONTRACTOR hereby waives its right to recover from COUNTY, its
16 officers, agents, and employees any amounts paid by the policy of worker's
17 compensation insurance required by this Agreement. CONTRACTOR is
18 solely responsible to obtain any endorsement to such policy that may be
19 necessary to accomplish such waiver of subrogation, but CONTRACTOR's
20 waiver of subrogation under this paragraph is effective whether or not
21 CONTRACTOR obtains such an endorsement.

22 Within Thirty (30) days from the date CONTRACTOR signs and executes
23 this Agreement, CONTRACTOR shall provide certificates of insurance and
24 endorsement as stated above for all of the foregoing policies, as required
25 herein, to the County of Fresno, (Name and Address of the official who will
26 administer this contract), stating that such insurance coverage have been
27 obtained and are in full force; that the County of Fresno, its officers, agents
28 and employees will not be responsible for any premiums on the policies; that

1 such Commercial General Liability insurance names the County of Fresno, its
2 officers, agents and employees, individually and collectively, as additional
3 insured, but only insofar as the operations under this Agreement are
4 concerned; that such coverage for additional insured shall apply as primary
5 insurance and any other insurance, or self-insurance, maintained by
6 COUNTY, its officers, agents and employees, shall be excess only and not
7 contributing with insurance provided under CONTRACTOR's policies herein;
8 and that this insurance shall not be cancelled or changed without a minimum
9 of thirty (30) days advance, written notice given to COUNTY.

10 In the event CONTRACTOR fails to keep in effect at all times insurance
11 coverage as herein provided, the COUNTY may, in addition to other
12 remedies it may have, suspend or terminate this Agreement upon the
13 occurrence of such event.

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

17 C. LESSEE shall maintain during the term of this LEASE the following policies of
18 insurance, which coverages may be provided in whole or in part through one
19 or more programs of self-insurance:

- 20 i. Commercial General liability insurance with limits of not less than
21 Two Million Dollars (\$2,000,000) per occurrence and an annual
22 aggregate of not less than Four Million Dollars (\$4,000,000). This
23 policy shall be issued on an occurrence basis.
 - 24 ii. All-Risk property insurance covering the personal property of
25 LESSEE in the amount of the full replacement cost thereof.
 - 26 iii. Workers' Compensation in amounts required by the California
27 labor code.
- 28

iv. Vehicle Liability for owned and non-owned or hired and unlicensed vehicles – minimum of \$1,000,000 per occurrence combined single limit (\$5,000,000 for trucks larger than one ton) for vehicles owned, operated, rented to, borrowed or leased by LESSEE and driven on the Premises. This policy may be obtained as part of the General Liability policy.

Upon execution of this LEASE, LESSEE shall provide LESSOR with certificates of insurance with proper endorsements naming LESSOR as the additional insured with respect to each policy, other than the workers' compensation insurance policy, and provide a waiver of subrogation against the LESSOR in connection with any claim or damage covered by such policies. Each policy is to be written by an admitted insurer licensed to do business in California and with an A.M. Best rating of A FSC VII or better. Excess or Umbrella coverage may be insured by non-admitted insurers but still be A.M. Best FSC VII or better.

15. AUDITS AND INSPECTIONS – The LESSOR shall at any time during business hours, and as often as the COUNTY may deem necessary, make available to the COUNTY for examination all of its records and data with respect to the matters covered by this Agreement. The LESSOR shall, upon request by the COUNTY, permit the COUNTY to audit and inspect all of such records and data necessary to ensure LESSOR'S compliance with the terms of this Agreement.

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

16. SURRENDER OF POSSESSION – Upon the expiration or termination of this LEASE, LESSEE will surrender Premises to LESSOR in good order and condition, less reasonable wear and tear, less the effects of any Casualty as herein defined. LESSEE shall also remove or cause to be removed from the Premises all debris and rubbish, all furniture,

1 equipment, business and trade fixtures, free-standing cabinet work, moveable partitioning,
2 telephone and data cabling and other articles of personal property in the Premises (except to
3 the extent LESSOR elects by notice to LESSEE to exercise its option to have any subleases or
4 subtenancies assigned to it), and LESSEE shall repair all damage to the Premises or the
5 Building resulting from the removal of such items from the Premises.

6 17. FIXTURES – LESSOR agrees that any equipment, fixtures or apparatus installed
7 in or on the Premises by LESSEE, at LESSEE's sole cost and expense, shall continue to be the
8 property of LESSEE, and may be removed by LESSEE at any time. LESSEE shall pay for the
9 repair of any damage caused by the removal of fixtures. Any fixtures not removed after LESSEE
10 surrenders possession shall become the property of LESSOR.

11 18. RIGHT OF ENTRY – LESSOR, or its representative(s), upon twenty-four (24)
12 hour notice (or with no notice in the case of an emergency), shall have the right to enter the
13 Premises at reasonable times to: (a) clean the Premises; (b) examine or inspect the Premises;
14 (c) show the same to prospective tenants, lenders or purchasers of the Building; (d) serving or
15 posting and keeping posted thereon notices as provided by law; (e) to make any alterations,
16 repairs or improvements to the Premises; and (f) for any other reasonable purpose. LESSOR
17 shall use its commercially reasonable efforts not to interfere with or interrupt the normal
18 business of LESSEE. In the event of an emergency, LESSOR may enter the Premises at any
19 time without giving prior notice to LESSEE.

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

22 20. NON-ASSIGNMENT – Neither Party shall assign or transfer its rights or
23 obligations under this LEASE, or sub-lease said Premises or any portion thereof, without the
24 prior written reasonable consent of the other party. Any such assignment of this LEASE by a
25 party or subletting of the Premises (or any portion thereof) without LESSOR's express written
26 approval shall be null and void ab initio.

1 21. GOVERNING LAW – Venue for any action arising out of or relating to this
2 LEASE shall be in Fresno County, California. This LEASE shall be governed by the laws of the
3 State of California.

4 22. NOTICES – The persons and their addresses having authority to give and
5 receive notices under this LEASE include the following:

6 LESSEE:

7 County of Fresno

8 Director of Internal Services/CIO

9 333 W Pontiac Way

10 Clovis, CA 93612

11 (559) 600-6200

LESSOR:

STARPOINT

Attn: Michael Farahnik

450 N. Roxbury Drive, Suite 1050

Beverly Hills, California 90210

(310) 247-0550

With a copy to:

StarPoint Towers

Attn: Susie McInerney

1322 E. Shaw Ave

Fresno, CA 93710

18 All notices between the LESSEE and the LESSOR provided for or permitted under this LEASE
19 must be in writing and delivered either by personal service, by first-class United States mail, by
20 an overnight commercial courier service, or by telephonic facsimile transmission. A notice
21 delivered by personal service is effective upon service to the recipient. A notice delivered by
22 first-class United States mail is effective three LESSEE business days after deposit in the
23 United States mail, postage prepaid, addressed to the recipient. A notice delivered by an
24 overnight commercial courier service is effective one LESSEE business day after deposit with
25 the overnight commercial courier service, delivery fees prepaid, with delivery instructions given
26 for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is
27 effective when transmission to the recipient is completed (but, if such transmission is completed
28 outside of LESSEE business hours, then such delivery shall be deemed to be effective at the

next beginning of a LESSEE business day), provided that the sender maintains a machine record of the completed transmission. 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).

23. SECURITY – LESSOR has on-site security from 1:00 p.m. to 6:00 a.m. Mondays through Fridays and 4:00 p.m. to 6:00 a.m. on weekends. Notwithstanding anything in this LEASE to the contrary, LESSEE acknowledges that LESSOR's election whether or not to provide any type of mechanical surveillance or security personnel whatsoever in the Building is solely within LESSOR's discretion; LESSOR and the LESSOR Parties shall have no liability in connection with the provision, or lack, of such services, and LESSEE hereby agrees to hold LESSOR and the LESSOR Parties harmless with regard to any such potential claim.

24. SIGNAGE – LESSEE shall conform to sign criteria standards as established by LESSOR, as well as the City of Fresno's signing regulations. LESSEE shall be permitted signage on the building fascia above its entrance and on the entry door, along with a section of the small monument sign fronting on Shaw Avenue. LESSOR shall have the right to approve any signing requested by LESSEE. LESSEE shall be responsible cost for all signs including their installation, maintenance and removal. LESSEE shall also be responsible for the repair of any damage caused due to the removal of the signs.

25. DISCLOSURE OF SELF-DEALING TRANSACTIONS – This provision is only applicable if the LESSOR is operating as a corporation (a for-profit or non-profit corporation) or if during the term of this LEASE, the 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 the LESSOR is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a *Self-Dealing Transaction Disclosure Form* Exhibit "C", attached hereto and by this

reference incorporated herein, and submitting it to the County of Fresno prior to commencing with the self-dealing transaction or immediately thereafter.

26. AUTHORITY - Each individual executing this LEASE on behalf of LESSOR represents and warrants that that individual is duly authorized to execute and deliver this LEASE on behalf of MILL AVENUE PROPERTIES, LLC, and that this LEASE is binding upon MILL AVENUE PROPERTIES, LLC in accordance with its terms. The terms of this LEASE are intended by the parties as a final expression of their agreement with respect to such terms as are included in this LEASE, and may not be contradicted by evidence of any prior or contemporaneous agreement, arrangement, understanding or negotiation (whether oral or written).

27. CALIFORNIA DISCLOSURES.

a. Certified Access Specialist (CASp) Inspection. LESSOR states that the Premises have not undergone an inspection by a Certified Access Specialist (CASp). See also Senate Bill No. 1186, California Civil Code §1938 and §55.53, as amended or supplemented from time to time.

b. California Health and Safety Code. By entering into this LEASE, LESSEE acknowledges that this paragraph constitutes notice from LESSOR pursuant to California Health and Safety Code §25249.6 et seq., as amended or supplemented from time to time, that portions of the Building contain chemicals known to the State of California to cause cancer and birth defects or other reproductive harm.

28. HAZARDOUS MATERIALS.

a. LESSEE shall not cause or permit any Hazardous Material (as defined herein below) to be brought, kept or used in or about the Building by LESSEE, its agents, employees, contractors, or invitees, other than Universal Waste (as defined below) on the Premises with respect to which LESSEE is a Generator (as defined below) or Producer (as defined in) below). LESSEE shall be responsible, at its sole expense, for disposing of or causing to be disposed of all Universal Waste in accordance with Chapter 23 of Title 22 of the California Code of Regulations. LESSEE indemnifies

1 LESSOR and the LESSOR Parties from and against any breach by LESSEE of the
2 obligations stated in the preceding two sentences, and agrees to defend and hold
3 LESSOR and the LESSOR Parties harmless from and against any and all claims,
4 judgments, damages, penalties, fines, costs, liabilities, or losses (including, without
5 limitation, diminution in value of the Building, damages for the loss or restriction or use of
6 rentable or usable space or of any amenity of the Building, damages arising from any
7 adverse impact or marketing of space in the Building, and sums paid in settlement of
8 claims, attorneys' fees and costs, consultant fees, and expert fees) which arise during or
9 after the Term of this LEASE as a result of such breach. LESSOR shall also have the
10 right, by written notice to LESSEE, to directly undertake any such mitigation efforts with
11 regard to Hazardous Materials in or about the Building due to LESSEE's breach of its
12 obligations pursuant to this Section 28(a), and to charge LESSEE, as Additional Rent,
13 for the costs thereof.

14 b. As used herein, the term "Hazardous Material" means any hazardous or
15 toxic substance, material, or waste which is or becomes regulated by any local
16 governmental authority, the State of California or the United States Government. The
17 term "Hazardous Material" includes, without limitation, any material or substance which
18 is (i) defined as "Hazardous Waste," "Extremely Hazardous Waste," or "Restricted
19 Hazardous Waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to
20 Section 25140, of the California Health and Safety Code, Division 20, Chapter 6.5
21 (Hazardous Waste Control Law), (ii) defined as a "Hazardous Substance" under Section
22 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 (Carpenter-
23 Presley-Tanner Hazardous Substance Account Act), (iii) defined as a "Hazardous
24 Material," "Hazardous Substance," or "Hazardous Waste" under Section 25501 of the
25 California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Materials
26 Release Response Plans and Inventory), (iv) defined as a "Hazardous Substance" under
27 Section 25281 of the California Health and Safety Code, Division 20, Chapter 6.7
28 (Underground Storage of Hazardous Substances), (v) petroleum products, (vi) ACMs,

(vii) regulated by Section 26100 et seq. of the California Health and Safety Code, Division 20, Chapter 18 (Toxic Mold Protection Act of 2001), (viii) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (ix) designated as a "Hazardous Substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. § 1317), (x) defined as a "Hazardous Waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq. (42 U.S.C. § 6903), or (xi) defined as a "Hazardous Substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. (42 U.S.C. § 9601), (xii) any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable federal, state, or local law, regulation, ordinance, or requirement (including 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); or (xiii) polychlorinated biphenyls and substances or compounds containing polychlorinated biphenyls.

c. As used herein, the term "Laws" means any applicable federal, state or local law, ordinance, or regulation relating to any Hazardous Material affecting the Building, including, without limitation, the laws, ordinances, and regulations referred to above.

d. As used herein, the term "Universal Waste" means any substance defined as Universal Waste pursuant to Section 66273.9 of Title 22 of the California Code of Regulations.

e. As used herein, the term "Generator" or "Producer" of Universal Waste is defined pursuant to Section 66273.9 of Title 22 of the California Code of Regulations.

29. NO WAIVER – No waiver by LESSOR of any provision of this LEASE shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by LESSEE of the same or any other provision. No provision of this LEASE may be waived by LESSOR,

1 except by an instrument in writing executed by LESSOR. LESSOR's consent to or approval of
2 any act by LESSEE requiring LESSOR's consent or approval shall not be deemed to render
3 unnecessary the obtaining of LESSOR's consent to or approval of any subsequent act of
4 LESSEE, whether or not similar to the act so consented to or approved. No act or thing done by
5 LESSOR or LESSOR's agents during the Term of this LEASE shall be deemed an acceptance
6 of a surrender of the Premises, and no agreement to accept such surrender shall be valid
7 unless in writing and signed by LESSOR. Except when LESSOR and LESSEE agree otherwise
8 by written agreement, the subsequent acceptance of rent hereunder by LESSOR shall not be
9 deemed to be a waiver of any preceding breach by LESSEE of any term, covenant or condition
10 of this LEASE, other than the failure of LESSEE to pay the particular rent so accepted,
11 regardless of LESSOR's knowledge of such preceding breach at the time of acceptance of such
12 rent. Any payment by LESSEE or receipt by LESSOR of an amount less than the total amount
13 then due hereunder shall be deemed to be in partial payment only thereof and not a waiver of
14 the balance due or an accord and satisfaction, notwithstanding any statement or endorsement
15 to the contrary on any check or any other instrument delivered concurrently therewith or in
16 reference thereto. Accordingly, LESSOR may accept any such amount and negotiate any such
17 check without prejudice to LESSOR's right to recover all balances due and owing and to pursue
18 its other rights against LESSEE under this LEASE, regardless of whether LESSOR makes any
19 notation on such instrument of payment or otherwise notifies LESSEE that such acceptance or
20 negotiation is without prejudice to LESSOR's rights.

21 30. TRANSFER OF LESSOR'S INTEREST – In the event of any transfer or
22 termination of LESSOR's interest in the Premises or the Building by sale, assignment, transfer,
23 foreclosure, deed-in-lieu of foreclosure or otherwise whether voluntary or involuntary, LESSOR
24 shall be automatically relieved of any and all obligations and liabilities on the part of LESSOR
25 from and after the date of such transfer or termination, including furthermore without limitation,
26 the obligation of LESSOR under Article 4 and California Civil Code 1950.7. . LESSEE agrees to
27 attorn to the transferee upon any such transfer, and to recognize such transferee as the lessor
28 under this LEASE, and LESSEE shall, within thirty (30) days after request, execute such further

instruments or assurances as such transferee may reasonably deem necessary to evidence or confirm such attornment.

31. INABILITY TO PERFORM – This LEASE and the obligations of LESSEE hereunder shall not be affected or impaired because LESSOR is unable to fulfill any of its obligations hereunder or is delayed in doing so, if such inability or delay is caused by reason of any prevention, delay, stoppage due to strikes, lockouts, acts of God, inability to obtain services, labor or materials or reasonable substitutes for those items; government actions or inactions; civil commotions; acts of terrorism, riots; war; enemy or hostile government action; judicial orders; fire or other casualty; delay; failure or interruption of any utility services; or any other cause previously, or at such time, beyond the reasonable control or anticipation of LESSOR (collectively, a “Force Majeure”) and LESSOR’s obligations under this LEASE shall be forgiven and suspended by any such Force Majeure. LESSEE’s obligation to pay Rental, however, is not excused by this Section 31.

32. ENTIRE LEASE - This LEASE constitutes the entire LEASE between the LESSOR and LESSEE with respect to the subject matter hereof, and supersedes all prior leases, negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly referenced in this LEASE. This LEASE shall be binding on and inure to the benefit of LESSOR'S heirs, successors and assigns.

33. **BROKERS – LESSOR and LESSEE** warrant that they have had no dealings with any broker or agent in connection with this Lease, and LESSOR and LESSEE covenant to pay, hold harmless and indemnify each other from and against any and all cost, expense or liability for any compensation, commissions and charges claimed by any other broker or agent utilized by the indemnitor with respect to this Lease or the negotiation thereof.

[Signatures to follow]


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IN WITNESS WHEREOF, the parties hereto have executed this LEASE as of the

Effective Date.

LESSOR:


MILL AVENUE PROPERTIES, LLC,
a Delaware limited liability company

By: 
Name: MICHAEL PARAPANIK
Title: SVP


MILL AVENUE PROPERTIES, II, LLC,
a Delaware limited liability company

By: 
Name: MICHAEL PARAPANIK
Title: SVP

MILL AVENUE PROPERTIES III, LLC,
a Delaware limited liability company

By: 
Name: MICHAEL PARAPANIK
Title: SVP

MILL AVENUE PROPERTIES, IV, LLC,
a Delaware limited liability company

By: 
Name: MICHAEL PARAPANIK
Title: SVP

LESSEE:

COUNTY OF FRESNO

Ernest Buddy Mendes,
Chairman of the Board of Supervisors of the
County of Fresno



ATTEST:

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

By: 
Deputy

FOR ACCOUNTING USE ONLY:

ORG No.: 7110
Account No.: 7340
FUND: 0001
SUBCLASS: 10000

EXHIBIT "A"
JANITORIAL SCHEDULE

5 days per week – Mondays – Fridays

- Vacuum/sweep suite. Spot mop hard surface floors to remove soil and spillage.
- Dust and clean cleared surfaces of desks, telephones, vinyl, plastic or leather covered chairs, tables filing cabinets, counter tops and other office furniture.
- Remove smudges on glass partitions, door/door jambs, light switches, desks and counters
- Empty all trash cans.
- Breakroom: empty trash, clean sink, wipe tables and counter tops clean and dust mop and spot mop floors.
- Leave office and furniture in neat and orderly fashion not disturbing work in progress.
- Nightly services do not include recycle programs or office shredders.

Weekly services

- Spot clean small (silver-dollar size) water-soluble spots such as coffee and soft drinks from the carpets.
- Dust chair rungs, wheel-bases, low moldings, sills, picture frames and partition tops.

Quarter service

- Dust ceiling vents and mini blinds.

Any additional work requested to be done by janitorial company will be at the sole cost and expense of the Tenant.

Exhibit B

RULES AND REGULATIONS

1. No sign, advertisement or notice shall be displayed, printed or affixed on or to the Premises or to the outside or inside of the Project or so as to be visible from outside the Premises or Project without Landlord's prior written consent. Landlord shall have the right to remove any non-approved sign, advertisement or notice, without notice to and at the expense of Tenant, and Landlord shall not be liable in damages for such removal. All approved signs or lettering on doors and walls shall be printed, painted, affixed or inscribed at the expense of Tenant by Landlord or by a person selected by Landlord and in a manner and style acceptable to Landlord.

2. Tenant shall not obtain for use on the Premises ice, waxing, cleaning, interior glass polishing, rubbish removal, towel or other similar services, or accept barbering or bootblackening, or coffee cart services, milk, soft drinks or other like services on the Premises, except from persons authorized by Landlord and at the hours and under regulations fixed by Landlord. No vending machines or machines of any description shall be installed, maintained or operated upon the Premises without Landlord's prior written consent.

3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used for any purpose other than for ingress and egress from Tenant's Premises. Under no circumstances is trash to be stored in the corridors. Notice must be given to Landlord for any large deliveries. Furniture, freight and other large or heavy articles, and all other deliveries may be brought into the Project only at times and in the manner designated by Landlord, and always at Tenant's sole responsibility and risk. Landlord may impose reasonable charges for use of freight elevators after or before normal business hours. All damage done to the Project by moving or maintaining such furniture, freight or articles shall be repaired by Landlord at Tenant's expense. Tenant shall not take or permit to be taken in or out of entrances or passenger elevators of the Project, any item normally taken, or which Landlord otherwise reasonably requires to be taken, in or out through service doors or on freight elevators. Tenant shall move all supplies, furniture and equipment as soon as received directly to the Premises, and shall move all waste that is at any time being taken from the Premises directly to the areas designated for disposal.

4. Toilet rooms, toilets, urinals, wash bowls and other apparatus shall not be used for any purpose other than for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein.

5. Tenant shall not overload the floor of the Premises or mark, drive nails, screw or drill into the partitions, ceilings or floor or in any way deface the Premises. Tenant shall not place typed, handwritten or computer generated signs in the corridors or any other common areas. Should there be a need for signage additional to the Project standard tenant placard, a written request shall be made to Landlord to obtain approval prior to any installation. All costs for said signage shall be Tenant's responsibility.

6. In no event shall Tenant place a load upon any floor of the Premises or portion of any such flooring exceeding the floor load per square foot of area for which such floor is designed to carry and which is allowed by law, or any machinery or equipment which shall cause excessive vibration to the Premises or noticeable vibration to any other part of the Project. Prior to bringing any heavy safes, vaults, large computers or similarly heavy equipment into the Project, Tenant shall inform Landlord in writing of the dimensions and weights thereof and shall obtain Landlord's consent thereto. Such consent shall not constitute a representation or warranty by Landlord that the safe, vault

Exhibit B

or other equipment complies, with regard to distribution of weight and/or vibration, with the provisions of this Rule 6 nor relieve Tenant from responsibility for the consequences of such noncompliance, and any such safe, vault or other equipment which Landlord determines to constitute a danger of damage to the Project or a nuisance to other tenants, either alone or in combination with other heavy and/or vibrating objects and equipment, shall be promptly removed by Tenant, at Tenant's cost, upon Landlord's written notice of such determination and demand for removal thereof.

7. Tenant shall not use or keep in the Premises or Project any kerosene, gasoline or inflammable, explosive or combustible fluid or material, or use any method of heating or air-conditioning other than that supplied by Landlord.

8. Tenant shall not lay linoleum, tile, carpet or other similar floor covering so that the same shall be affixed to the floor of the Premises in any manner except as approved by Landlord.

9. Tenant shall not install or use any blinds, shades, awnings or screens in connection with any window or door of the Premises and shall not use any drape or window covering facing any exterior glass surface other than the standard drapes, blinds or other window covering established by Landlord.

10. Tenant shall cooperate with Landlord in obtaining maximum effectiveness of the cooling system by closing window coverings when the sun's rays fall directly on windows of the Premises. Tenant shall not obstruct, alter, or in any way impair the efficient operation of Landlord's heating, ventilating and air-conditioning system. Tenant shall not tamper with or change the setting of any thermostats or control valves.

11. The Premises shall not be used for manufacturing or for the storage of merchandise except as such storage may be incidental to the permitted use of the Premises. Tenant shall not, without Landlord's prior written consent, occupy or permit any portion of the Premises to be occupied or used for the manufacture or sale of liquor or tobacco in any form, or a barber or manicure shop, or as an employment bureau. The Premises shall not be used for lodging or sleeping or for any improper, objectionable or immoral purpose. No auction shall be conducted on the Premises.

12. Tenant shall not make, or permit to be made, any unseemly or disturbing noises, or disturb or interfere with occupants of Project or neighboring buildings or premises or those having business with it by the use of any musical instrument, radio, phonographs or unusual noise, or in any other way.

13. No bicycles, vehicles or animals of any kind shall be brought into or kept in or about the Premises, and no cooking shall be done or permitted by any tenant in the Premises, except that the preparation of coffee, tea, hot chocolate and similar items for tenants, their employees and visitors shall be permitted. No tenant shall cause or permit any unusual or objectionable odors to be produced in or permeate from or throughout the Premises. The foregoing notwithstanding, Tenant shall have the right to use a microwave and to heat microwavable items typically heated in an office. No hot plates, toasters, toaster ovens or similar open element cooking apparatus shall be permitted in the Premises.

Exhibit B

14. The sashes, sash doors, skylights, windows and doors that reflect or admit light and air into the halls, passageways or other public places in the Project shall not be covered or obstructed by any tenant, nor shall any bottles, parcels or other articles be placed on the window sills.

15. No additional locks or bolts of any kind shall be placed upon any of the doors or windows by any tenant, nor shall any changes be made in existing locks or the mechanisms thereof unless Landlord is first notified thereof, gives written approval, and is furnished a key therefor. Each tenant must, upon the termination of his tenancy, give to Landlord all keys and key cards of stores, offices, or toilets or toilet rooms, either furnished to, or otherwise procured by, such tenant, and in the event of the loss of any keys so furnished, such tenant shall pay Landlord the cost of replacing the same or of changing the lock or locks opened by such lost key if Landlord shall deem it necessary to make such change. If more than two keys for one lock are desired, Landlord will provide them upon payment therefor by Tenant. Tenant shall not key or re-key any locks. All locks shall be keyed by Landlord's locksmith only.

16. Landlord shall have the right to prohibit any advertising by any tenant which, in Landlord's opinion, tends to impair the reputation of the Project or its desirability as an office building and upon written notice from Landlord any tenant shall refrain from and discontinue such advertising.

17. Landlord reserves the right to control access to the Project by all persons after reasonable hours of generally recognized business days and at all hours on Sundays and legal holidays and may at all times control access to the equipment areas of the Project outside the Premises. Each tenant shall be responsible for all persons for whom it requests after-hours access and shall be liable to Landlord for all acts of such persons. Landlord shall have the right from time to time to establish reasonable rules and charges pertaining to freight elevator usage, including the allocation and reservation of such usage for tenants' initial move-in to their premises, and final departure therefrom. Landlord may also establish from time to time reasonable rules and charges for accessing the equipment areas of the Project, including the risers, rooftops and telephone closets.

18. Any person employed by any tenant to do janitorial work shall, while in the Project and outside of the Premises, be subject to and under the control and direction of the Office of the Project or its designated representative such as security personnel (but not as an agent or servant of Landlord, and the Tenant shall be responsible for all acts of such persons).

19. All doors opening on to public corridors shall be kept closed, except when being used for ingress and egress. Tenant shall cooperate and comply with any reasonable safety or security programs, including fire drills and air raid drills, and the appointment of "fire wardens" developed by Landlord for the Project, or required by law. Before leaving the Premises unattended, Tenant shall close and securely lock all doors or other means of entry to the Premises and shut off all lights and water faucets in the Premises.

20. The requirements of tenants will be attended to only upon application to the Office of the Project.

21. Canvassing, soliciting and peddling in the Project are prohibited and each tenant shall cooperate to prevent the same.

Exhibit B

22. All office equipment of any electrical or mechanical nature shall be placed by tenants in the Premises in settings approved by Landlord, to absorb or prevent any vibration, noise or annoyance.

23. No air-conditioning unit or other similar apparatus shall be installed or used by any tenant without the prior written consent of Landlord. Tenant shall pay the cost of all electricity used for air-conditioning in the Premises if such electrical consumption exceeds nominal office requirements, regardless of whether additional apparatus is installed pursuant to the preceding sentence.

24. There shall not be used in any space, or in the public halls of the Project, either by any tenant or others, any hand trucks except those equipped with rubber tires and side guards.

25. All electrical ceiling fixtures hung in offices or spaces along the perimeter of the Project must be fluorescent and/or of a quality, type, design and bulb color approved by Landlord. Tenant shall not permit the consumption in the Premises of more than 2½ watts per net usable square foot in the Premises in respect of office lighting nor shall Tenant permit the consumption in the Premises of more than 1½ watts per net usable square foot of space in the Premises in respect of the power outlets therein, at any one time. In the event that such limits are exceeded, Landlord shall have the right to require Tenant to remove lighting fixtures and equipment and/or to charge Tenant for the cost of the additional electricity consumed.

26. Parking.

(a) Project parking facility hours shall be determined by Landlord from time to time by Landlord.

(b) Automobiles must be parked entirely within the stall lines on the floor.

(c) All directional signs and arrows must be observed.

(d) The speed limit shall be 5 miles per hour.

(e) Parking is prohibited in areas not striped for parking.

(f) Parking cards or any other device or form of identification supplied by Landlord (or its operator) shall remain the property of Landlord (or its operator). Such parking identification device must be displayed as requested and may not be mutilated in any manner. The serial number of the parking identification device may not be obliterated. Devices are not transferable or assignable and any device in the possession of an unauthorized holder will be void. There will be a replacement charge to the Tenant or person designated by Tenant of Twenty-Five and 00/100 Dollars (\$25.00) for loss of any parking card. There shall be a security deposit of Twenty-Five and 00/100 Dollars (\$25.00) due at issuance for each card key issued to Tenant.

(g) Tenant shall have the right to permit the daily parking of passenger vehicles by its employees and visitors in the Project parking facility at no additional charge or parking fee to Tenant during the Term of the Lease.

(h) Tenant may validate visitor parking by such method or methods as the Landlord may approve, at the validation rate from time to time generally applicable to visitor parking, if applicable.

(i) Landlord (and its operator) may refuse to permit any person who violates the within rules to park in the Project parking facility, and any violation of the rules shall subject the automobile to removal from the Project parking facility at the parker's expense. In either of said events, Landlord (or its operator) shall refund a prorata portion of the current monthly parking rate

Exhibit B

and the sticker or any other form of identification supplied by Landlord (or its operator) will be returned to Landlord (or its operator).

(j) Project parking facility managers or attendants are not authorized to make or allow any exceptions to these Rules and Regulations.

(k) All responsibility for any loss or damage to automobiles or any personal property therein is assumed by the parker.

(l) Loss or theft of parking identification devices from automobiles must be reported to the Project parking facility manager immediately, and a lost or stolen report must be filed by the parker at that time.

(m) The parking facilities are for the sole purpose of parking one automobile per space. Washing, waxing, cleaning or servicing of any vehicles by the parker or his agents is prohibited.

(n) Landlord (and its operator) reserves the right to refuse the issuance of monthly stickers or other parking identification devices to any Tenant and/or its employees who refuse to comply with the above Rules and Regulations and all City, State or Federal ordinances, laws or agreements.

(o) Tenant agrees to acquaint all employees with these Rules and Regulations.

(p) No vehicle shall be stored in the Project parking facility for a period of more than one (1) week.

27. The Project is a non-smoking Project. Smoking or carrying lighted cigars or cigarettes in the Premises or the Project, including the elevators in the Project, is prohibited.

28. Tenant shall not, without Landlord's prior written consent (which consent may be granted or withheld in Landlord's absolute discretion), allow any employee or agent to carry any type of gun or other firearm in or about any of the Premises, building or Project.

Exhibit C

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).

Exhibit C

(1) Company Board Member Information:

	Date:	

(2) Company/Agency Name and Address:

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(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):

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(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):

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(5) Authorized Signature

Signature		Date:	
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