

LEASE

Health Services Department
Technology Division
2380 Bisso Lane, Suite B,
Concord, California

This lease is dated _____, 2017 and is between RIO Properties I, LLC, a California limited liability company (“**Lessor**”) and the County of Contra Costa, a political subdivision of the State of California (“**County**”).

Recitals

- A. Lessor is the owner of that certain premises located at 2380 Bisso Lane, Concord, California, as more particularly described in Exhibit A – Legal Description (the “**Property**”). The Property is improved with an office building (the “**Building**”).
- B. Lessor desires to lease to County and County desires to lease from Lessor a portion of the Building consisting of approximately 14,041 square feet of floor space known as Suite B (the “**Premises**”), along with the non-exclusive use of 56 parking stalls.
- C. Simultaneous with the execution of this lease, Lessor and County are entering into a work letter that sets forth how tenant improvements in the Premises are to be constructed, who will undertake the construction of the tenant improvements, who will pay for the construction of the tenant improvements, and the time schedule for completion of the construction of the tenant improvements (the “**Work Letter**”). The Work Letter is part of this lease.

The parties therefore agree as follows:

Agreement

- 1. Lease of Premises. In consideration of the rents and subject to the terms herein set forth, Lessor hereby leases to County and County hereby leases from Lessor, the Premises.
- 2. Term. The “**Term**” of this lease is comprised of an Initial Term and, at County’s election, Renewal Terms, each as defined below.
 - a. Initial Term. The “**Initial Term**” is fourteen years, commencing on the Commencement Date, as defined in the Work Letter.
 - b. Renewal Terms. County has one option to renew this lease for a term of ten years (“**Renewal Term**”) upon all the terms and conditions set forth herein.

- i. County will provide Lessor with written notice of its election to renew the Lease not more than twelve months and no less than nine months prior to the end of the Initial Term. However, if County fails to provide such notice, its right to renew the Lease will not expire until fifteen working days after County's receipt of Lessor's written demand that County exercise or forfeit the option to renew.
- ii. Upon the commencement of the Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this Section.
- iii. The County's right to renew this lease is personal to the County and may not be exercised by or assigned to any person or entity that is not governed by the Contra Costa County Board of Supervisors. The County may not exercise its right to renew this lease if, at the time the County exercises the renewal option, the County is in material default of this lease after the expiration of the applicable cure period.

3. Rent.

- a. Initial Term. County shall pay rent ("**Rent**") to Lessor monthly in advance beginning on the Commencement Date. Rent is payable on the first day of each month during the Initial Term and, if applicable, the Renewal Term, in the amounts set forth below:

<u>Months</u>	<u>Monthly Rent</u>
1 - 12	\$22,044
13 - 24	\$22,706
25 - 36	\$23,387
37 - 48	\$24,088
49 - 60	\$24,811
61 - 72	\$25,555
73 - 84	\$26,322
85 - 96	\$27,112
97 - 108	\$27,925
109 - 120	\$28,763
121 - 132	\$29,626
133 - 144	\$30,515
145 - 156	\$31,430
157 - 168	\$32,373

- b. Renewal Term. During the Renewal Term, County shall pay rent in an amount equal to the then-current fair market rental value of the property (the "**FMV**"). As soon as practicable following delivery of the County's renewal notice, County and Lessor shall meet and endeavor in good faith to agree on the FMV. If County and Lessor fail to agree within thirty (30) days of delivery of the renewal notice, then Lessor and County shall each appoint an appraiser with at least five (5) years' full-time commercial real estate appraisal experience in the area to opine as to the FMV of the Premises. Lessor and County shall each bear the cost

of their own appraiser. Lessor and County shall request that the appraisers provide written reports setting forth their opinions within fifteen (15) days after being given the assignment. As soon as practicable after receipt of the appraisals, Lessor and County shall meet and, again, endeavor in good faith to agree on the FMV.

If Lessor and County are unable to agree on the FMV within thirty (30) days after receipt of the appraisals, (i) County may rescind the renewal notice, or (ii) with Lessor's concurrence, County may extend the Initial Term for three (3) months (such extension, the "**Extended Initial Term**"). County will pay Rent during the Extended Initial Term at the same rate that applied immediately prior to the Extended Initial Term. If at the end of the Extended Initial Term, Lessor and County have failed to agree on the FMV, County may rescind the renewal notice and the lease will expire at the end of the Extended Initial Term.

- c. Fractional Month. Rent for any fractional month will be prorated and computed on a daily basis with each day's rent equal to one-thirtieth (1/30) of the monthly Rent.
- d. Late Payment. The County acknowledges that the late payment of Rent by the County will cause Lessor to incur costs not contemplated by this lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting expenses and late charges that may be imposed on Lessor by a lender. Accordingly if Rent is not received by Lessor within ten (10) business days after written notice from Lessor to the County that the unpaid Rent is due, then, without any requirement for any further notice to the County, the County shall immediately pay to Lessor a one-time late charge equal to 5% of the unpaid Rent. The parties agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of the late charge by Lessor does not constitute a waiver of the County's default or breach with respect to overdue amount or prevent the exercise of any other rights and remedies granted hereunder. In addition, any monetary payment due Lessor hereunder, other than late charges, that is not paid within ten (10) business days following written notice from Lessor to the County that such payment is due, will bear interest from its due date, as to scheduled payments, or the 31st day after it was due, as to non-scheduled payments. Interest is to be computed at the lessor of 5% per annum and the maximum rate allowed by law.
- e. Rent Adjustment. If the actual cost of Tenant Improvements (as defined in the Work Letter) exceeds the Allowance (as defined in the Work Letter), Rent over the ten-year period that follows the final installation of the Tenant Improvements will be adjusted upward by an amount equal to the Rental Increase. The "**Rental Increase**" is an amount equal to the amount by which the cost of the Tenant Improvements exceeds the Allowance (the "**Excess Cost**") multiplied by .0116108. For example, if the Excess Cost is \$100,000, the amount by which Rent would increase over the relevant ten-year period is \$1,161.08 (\$100,000 x .0116108). The Rental Increase shall be terminated at the end of the ten-year period, and Rent will be payable in the amount set forth in paragraph 3.a.

The Lessor and County will acknowledge in writing upon the Commencement Date the amount of the Rental Increase as stated in this section.

4. CAM Charges. In addition to the rent set forth above, County shall pay Lessor the County's Proportionate Share of CAM Charges. The terms "**Proportionate Share**" and "**CAM Charges**" are defined below. Lessor shall invoice County for any CAM Charges within ninety days after the end of each calendar year during the Term. County shall pay the amount so invoiced within thirty days of receipt of the invoice. County has the right, exercisable upon reasonable prior written notice to Lessor, to inspect Lessor's books and records relating to the amounts charged to County as CAM Charges. County may not withhold payment of the invoice until after the completion of such inspection.
- a. "**Proportionate Share**" means the ratio, expressed as a percentage, of the square feet of the Premises to the total square footage of the Building. As of the date of this Lease, the parties estimate that County's Proportionate Share of the Building is 33.05%
 - b. "**CAM Charges**" means common area maintenance charges and includes (i) all actual costs and expenses incurred by Lessor to operate and maintain those areas within the Building, including the Building's entrances, walkways, sidewalks, lavatories, drives, parking facilities, fire or life safety systems for the premises, and other areas that are not leased or held for lease but are within or contiguous to or serving the Building and are necessary or desirable for County's full use and enjoyment of the Premises (the "**Common Area**"), to repair Common Area facilities when reasonably required, to clean and remove trash from the Common Area and to provide security services to the Common Area, (ii) all actual costs and expenses incurred by Lessor to maintain and repair all common areas, parking lots, sidewalks, driveways, all landscaped areas, and other areas that are used in common by the tenants or occupants of the Building, (iii) Insurance, as defined below, (iv) Real Property Taxes, as defined below, and (v) an administrative fee for services rendered by a third party manager that is equal to no more than two percent of the total Rent.
 - i. "**Insurance**" means the All Risk Property Insurance maintained by Lessor covering the Building and the Warehouse and all improvements thereto for perils including fire and earthquake, if applicable, for an amount equal to full replacement cost; liability and other insurance that Lessor reasonably deems necessary on the Premises or that may be required by Lessor's mortgagee, including, but not limited to, earthquake, and flood insurance.
 - ii. "**Real Property Taxes**" means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Building and the real property upon which it is situated, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this Lease, assessed, levied, and imposed by any governmental authority upon the Building. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor.

Notwithstanding any provision of this Lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from CAM Charges:

- i. Payments on any loans or ground leases affecting the Building.

- ii. Depreciation of any Building or any major systems of Building service equipment.
- iii. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys' fees, brokerage commissions, and architectural fees, if any.
- iv. Any cost incurred in complying with hazardous materials laws.
- v. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.

5. Payment of CAM Charges.

- a. Annual Estimates. At the beginning of each year, Lessor shall provide County with a reasonable estimate of the amount of CAM Charges due for the upcoming year (or portion thereof). That amount will be divided by the number of months in the year (or portion thereof) to determine the “**Estimated Monthly CAM Charges.**”
- b. Monthly Payments. County shall pay the Estimated Monthly CAM Charges monthly in advance on the first day of each month. CAM charges for any fractional month will be prorated and computed on a daily basis with each day's CAM Charges equal to one-thirtieth (1/30) of the then-current CAM Charges.
- c. Annual Reconciliation. Within 180 days after the end of the calendar year, or, if applicable, within 180 days after the end of the term, Lessor shall (i) calculate the actual CAM Charges due for the relevant period, and (ii) provide County with a statement that compares the actual expenses incurred by Lessor for the relevant period with the total payments of Estimated Monthly CAM Charges paid by the County during such period (a “**Reconciliation Statement**”). If County's total payments of Estimated Monthly CAM Charges for the period are less than the amount of actual expenses incurred by Lessor, County shall pay to Lessor the amount of such deficiency within 30 days after receipt of the Reconciliation Statement. If County's total payments of Estimated Monthly CAM Charges for such period exceed actual expenses incurred by Lessor for such period, Lessor shall refund the excess to County within 30 days after the County's demand therefor.
- d. Inspection of Books. County has the right to inspect and audit Lessor's books and records relating to the amounts charged to County as CAM Charges and to set forth specific objections to amounts charged to County. If the County's inspection and audit reveals the County was overcharged for CAM Charges, Lessor shall remit the amount overcharged to County with interest at a rate of one percent (1.0 %) per month from the date of overpayment until the date paid to County in full within 30 days of demand therefor. Lessor shall retain all relevant records for at least two years. County shall cause any such inspection to occur within eighteen months of receipt of the Reconciliation Statement. County may not cause such inspection to occur more than once in any twelve month period. In no event may this section be deemed to allow any review of Lessor's records by any subtenant of County. County may not withhold payment of the invoice until after the completion of such inspection.

- e. Initial Estimate. For the period beginning on the Commencement Date and continuing through December 31, 2017, Lessor has determined the Estimated Monthly CAM Charges to be \$3,512.16. Subject to the terms of this lease, County shall pay such amount to Lessor beginning on the Commencement Date and continuing through December 31, 2017.
- 6. Use. County may use the Premises for the purpose of conducting various functions of County and any other purpose permitted by law.
- 7. Obligation to Pay Utilities and Janitorial Service. If the Premises are separately metered, County shall contract with utility providers and pay for all gas and electric service provided to the Premises; otherwise, County shall pay for all gas and electricity as reasonably determined by Lessor using a methodology approved by County. County shall pay for such utilities within ten (10) business days of receipt of an invoice from Lessor. County shall contract separately for janitorial and trash collection services provided to the Premises. Lessor shall pay for all water and sewer services provided to the Premises.
- 8. Maintenance and Repairs. Lessor shall include the cost of all maintenance and repairs provided by Lessor in the Estimated Monthly CAM Charges. County shall reimburse Lessor for such costs in accordance with Section 5 – Payment of CAM Charges.
 - a. Roof and Exterior of Premises. Lessor shall keep the roof and exterior of the Premises in good order, condition, and repair, and shall maintain the structural integrity of the Building, including the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing. The County shall maintain all locks and key systems used in the Premises.
 - b. Interior of Premises. County shall keep and maintain the interior of the Premises in good order, condition and repair, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks and/or interior and exterior wall leaks. The County may install and maintain an alarm system, if deemed necessary by County. In the event that the necessity of repair is due to County's, or its invitees, negligence or willful misconduct, then County shall reimburse Lessor 100% of the costs incurred in the repair of such damage. Lessor, at its own cost and expense, without right of reimbursement, shall repair any damage to the interior of the Premises arising from Lessor's negligence or willful misconduct.

Subject to Lessor delivering the Premises to County in accordance with the Work Letter, on and after the Commencement Date, County is responsible for the cost of maintaining the Premises in compliance with all code requirements, including but not limited to the Americans with Disabilities Act.

- c. Utilities. Lessor shall repair and maintain the electrical, lighting, water and plumbing systems in good order, condition and repair.
- d. HVAC. Lessor shall maintain and repair the heating, ventilating, and air-conditioning (HVAC) systems.

- e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot and exterior lighting system, and landscaping, in good order, condition and repair.
 - f. Generator and Battery Room. Lessor warrants that the existing generator in the building will be operable and functioning on the Commencement Date and during the Term of this lease. Lessor warrants that the existing battery room, which houses the batteries that provide backup power to the data room in the building, will be operable and functioning on the Commencement Date and during the Term of the lease. Lessor shall maintain and repair the generator and battery room as needed.
 - g. Services by Lessor. If County determines that the Premises are in need of maintenance, construction, remodeling or similar service that is beyond Lessor's responsibilities under this lease, at County's request, Lessor shall perform such service at County's expense. In performing the service, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor thirty (30) days prior written notice, change the level of service, terminate any or all service, or require that a service be performed by a different contractor.
9. Quiet Enjoyment. Provided County is in compliance with the material terms of this lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Premises during the Term.
10. Subordination, Non-Disturbance and Attornment. If at any time Lessor has a loan that is secured by a lien of a mortgage or deed of trust encumbering the Building, Lessor shall cause the lender(s) holding such lien to execute and deliver to County a Subordination, Non-Disturbance and Attornment Agreement that is in substantial conformity with Exhibit B hereto.
11. Assignment and Sublease. County has the right to assign this lease or sublease the Premises or any part thereof at any time during the Term with the written approval of Lessor, which approval will not be unreasonably withheld or delayed.
12. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Premises and (ii) attach fixtures and signs ("**County Fixtures**") in or upon the Premises. Any County Fixtures will remain the property of County and may be removed from the Premises by County at any time during the Term. County is responsible for the cost of all alterations and County Fixtures. All alterations and County Fixtures are subject to Lessor's approval and must comply with existing code requirements.
13. Prior Possession. Prior to the Commencement Date, County has the right to install fixtures, telephones, alarm systems, and other items required to prepare the Premises for County's occupancy and to store furniture, supplies and equipment, provided such work and storage and can be effected without unduly interfering with Lessor's completion of any tenant improvements.
14. Insurance.

- a. Liability Insurance. Throughout the Term, County shall maintain in full force and effect, at its sole expense, a general self-insurance program covering bodily injury (including death), personal injury, and property damage, including loss of use. County shall provide Lessor with a letter of self-insurance affirming the existence of the aforementioned self-insurance program.
 - b. Self-Insurance Exclusion. County's self-insurance does not provide coverage for (i) areas to be maintained by Lessor under this lease, or (ii) negligence, willful misconduct, or other intentional act, error or omission of Lessor, its officers, agents, or employees.
15. Surrender of Premises. On the last day of the Term, or sooner termination of this lease, County shall peaceably and quietly leave and surrender to Lessor the Premises, along with appurtenances and fixtures at the Premises (except County Fixtures), all in good condition, ordinary wear and tear, damage by casualty, condemnation, acts of God and Lessor's failure to make repairs required of Lessor excepted. County is not responsible for painting or for repairing or replacing any floor coverings in the Premises upon the expiration or earlier termination of this lease.
 16. Waste, Nuisance. County may not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing that may disturb the quiet enjoyment of any other occupant of the Building.
 17. Inspection. Lessor, or its proper representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to determine that (i) the Premises is being reasonably cared for, (ii) no waste is being made and that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and (iii) County is in compliance with the terms and conditions of this lease.
 18. Perilous Conditions. If the County's Director of Public Works becomes aware of a perilous condition on the Premises that, in his or her opinion, substantially and significantly threatens the health and safety of County employees and/or invitees (a "**Perilous Condition**"), the Director of Public Works, or his or her designee, will immediately notify Lessor of such Perilous Condition and Lessor shall use best efforts to immediately eliminate the Perilous Condition.

Lessor shall immediately address any condition reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within twenty-four (24) hours after County's notice or to immediately address an emergency situation, County may attempt to resolve the Perilous Condition or emergency situation. Lessor shall reimburse County for any costs incurred by County in addressing the Perilous Condition or emergency situation promptly upon receipt of County's invoice.

19. Destruction. If damage occurs that causes a partial destruction of the Premises during the Term from any cause and repairs can be made within ninety days from the date of the damage under the applicable laws and regulations of governmental authorities, Lessor shall repair the damage

promptly. Such partial destruction will not void this lease, except that County will be entitled to a proportionate reduction in Rent while such repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Premises.

If repairs cannot be made in ninety days, County will have the option to terminate the lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph.

This lease will terminate in the event of a total destruction of the Building or the Premises.

20. Hazardous Material. Except as otherwise disclosed to County in writing prior to the execution of this lease, Lessor warrants to County, that Lessor does not have any knowledge of the presence of Hazardous Material (as defined below) or contamination of the Building or Premises in violation of environmental laws. Lessor shall defend, save, protect and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Premises that was not brought to the Premises by or at the request of County, its agents, contractors, invitees or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged or spilled on or about the Premises by County or any of its agents, employees, contractors, invitees or other representatives. The obligations of this Section shall survive the expiration or earlier termination of this lease.

“Hazardous Material” means any substance, material or waste, including lead based paint, asbestos and petroleum (including crude oil or any fraction thereof), that is or becomes designated as a hazardous substance, hazardous waste, hazardous material, toxic substance, or toxic material under any federal, state or local law, regulation, or ordinance.

21. Indemnification.
- a. County. County shall defend, indemnify and hold Lessor harmless from County’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Premises pursuant to this lease, or the County’s performance under this lease, except to the extent caused or contributed to by (i) the structural, mechanical, or other failure of buildings owned or maintained by Lessor, and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.
 - b. Lessor. Lessor shall defend, indemnify and hold County harmless from Lessor’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, employees, with respect to the Premises, or Lessor’s performance under this lease, or the Lessor’s performance, delivery or supervision of services at the Premises, or by the structural, mechanical or other failure of

buildings owned or maintained by Lessor, except to the extent caused or contributed to by the negligent acts, errors, or omissions of County, its officers, agents, or employees.

22. Default.

The occurrence of any of the following events is a default under this lease:

a. County.

- i. County's failure to pay Rent within ten business days after receipt of a written notice of failure (a "Notice") from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County's Board of Supervisors to adopt a budget. In no event may such additional time exceed seventy-five days from receipt of a Notice.
- ii. County's failure to comply with any other material term or provision of this lease if such failure is not remedied within thirty days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably sufficient detail; provided, however, if such default cannot reasonably be remedied within such thirty day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of ninety days, provided County commences curing such default within thirty days and thereafter diligently proceeds to cure such default.

b. Lessor.

- i. Lessor's failure to complete the Tenant Improvements in accordance with the Work Letter.
- ii. Lessor's failure to perform any other obligation under this lease if such failure is not remedied within thirty days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if such breach cannot reasonably be remedied within such thirty-day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of ninety days, provided Lessor commences curing such breach within thirty days and thereafter diligently proceeds to cure such breach.

23. Remedies.

- a. Lessor. Upon the occurrence of a default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Premises and remove all persons and property from the Premises.

b. County. If Lessor fails to complete the Tenant Improvements in accordance with the Work Letter, County may terminate this lease by giving written notice to Lessor with no cost or obligation to County. Such termination is effective on the effective date of the written notice. Upon the occurrence of any other default by Lessor, County may (i) terminate this lease by giving written notice to Lessor and quit the Premises without further cost or obligation to County, or (ii) proceed to repair or correct the failure and, at County's option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay in full promptly upon receipt.

24. Notices. Any notice required or permitted under this lease shall be in writing and sent by overnight delivery service or registered or certified mail, postage prepaid and directed as follows:

To Lessor: RIO Properties I, LLC
14 Orinda Way
Orinda, CA 94563

To County: Contra Costa County
Public Works Department
Attn: Principal Real Property Agent
255 Glacier Drive
Martinez, CA 94553

Either party may designate a substitute address for that set forth above, in writing, at any time, and thereafter notices are to be directed to such substituted address. If sent in accordance with this Section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three days after being deposited in the United States Postal system.

25. Successors and Assigns. This lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
26. Holding Over. Any holding over after the Term of this lease is a tenancy from month to month and is subject to the terms of this lease, except the County will pay Rent equal to 125% of the Rent for the period immediately preceding the holdover.
27. Time is of the Essence. In fulfilling all terms and conditions of this lease, time is of the essence.
28. Governing Law. The laws of the State of California govern all matters arising out of this lease.
29. Severability. In the event that any provision herein contained is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this lease will not in any way be affected or impaired.
30. Real Estate Commission. In negotiating this lease, Lessor is represented by Jones Lang LaSalle Brokerage, Inc. ("JLL") and the County represents itself. Lessor shall pay a real estate

commission to JLL pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County's contact with Lessor in connection with this Lease has been directly with JLL.

Lessor shall pay to County a real estate commission in the amount of Forty-One Thousand One Hundred Five and $.75/100$ Dollars (\$41,105.75) (the "**County Commission**"). Lessor shall pay one-half of the County Commission upon the execution of this lease and the remainder on the Lease Commencement Date.

31. Recording. The parties shall execute and record a Memorandum of Lease in substantial conformity with Exhibit C, in lieu of recording the entire lease. Upon the expiration or earlier termination of this lease, County shall execute a Memorandum of Lease Termination or Quitclaim Deed discharging any recording made pursuant to this Section 31.
32. Offer. Preparation of the lease and submission of same to the County shall not be deemed an offer to lease to the County. This lease is not intended to be binding until executed and delivered by all parties hereto.

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33. Entire Agreement; Construction; Modification. Neither party has relied on any promise or representation not contained in this lease or the Work Letter. All previous conversations, negotiations, and understandings are of no further force or effect. This lease is not to be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. This lease may be modified only by a writing signed by both parties.

The parties are executing this lease on the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA, a
political subdivision of the State of
California

RIO Properties I, LLC, a
California limited liability company

By: _____
Julia R. Bueren
Director of Public Works

By: _____
Christopher L. Paulson
Authorized Member

RECOMMENDED FOR APPROVAL:

By: _____
Karen Laws
Principal Real Property Agent

By: _____
Julin Perez-Berntsen
Associate Real Property Agent

APPROVED AS TO FORM
SHARON L. ANDERSON, COUNTY COUNSEL

By: _____
Kathleen M. Andrus
Deputy County Counsel