OFFICE LEASE

between

ISLAM TEMPLE A.A.O.N.M.S., as Landlord

and

COUNTY OF SAN MATEO, as Tenant

For the lease of A Portion 150 W. 20th Avenue San Mateo, California

March 1, 2002

OFFICE LEASE

Table of Contents

1.	BASIC	LEASE INFORMATION	1
2.		SES	
	2.1.	Lease Premises.	
	2.2.	Common Areas and Parking	
3.	TERM		4
	3.1.	Term of Lease	4
	3.2.	Effective Date, Commencement Date and Expiration Date	4
	3.3. 3.4.	Delay in Delivery of Possession	
	3.4. 3.5.	Determination of Base Rent for the Extended Term	5 5
4.	RENT.		
	4.1. 4.2.	Base Rent	
	4.2. 4.3.	Additional Charges	
	4.3. 4.4.	Definitions	
	4.5.	Payment of Percentage Share of Utility Costs	
	4.6.	Proration	
	4.7.	Records	
5.	USE		R
J.	5.1.	Permitted Use	8
	5.2.	Observance of Rules and Regulations	
	5.3.	Interference with Access	
6.	IEAGE	HOLD IMPROVEMENTS	Ω
υ.	6.1.	Tenant's Obligation to Construct Improvements	8
	6.2.	Installation of Telecommunications and Other Equipment	9
7.	ALTERA	···	
	7.1.	Alterations by County	10 10
	7.2.	Title to Improvements.	10
	7.3.	County's Personal Property	
	7.4.	Alteration by Landlord	10
8.	DEDAIL	RS AND MAINTENANCE	11
U.	8.1.	Landlord's Repairs	
	8.2.	County's Repairs	11
	8 <i>.</i> 3.	Liens	11
0	UTBITI	ES AND SERVICES	
9.	9.1.	Landlord's Provision of Utilities	
	9.2.	Services.	
	9.3.	Conservation	
	9.4.	Disruption in Essential Utilities or Services	12
10.	COMPL	IANCE WITH LAWS; PREMISES CONDITION	12
	10.1.	Premises Condition and Landlord's Compliance with Laws	
	10.2.	County's Compliance with Laws	
	10.3.	County's Compliance with Insurance Requirements	13
11.	SIIBUE	DINATION	
12.	DAMAG	BE AND DESTRUCTION	14

13.	EMINENT DOMAIN1		
	13.1.	Definitions	15
	13.2.	General	15
	13.3.	Total Taking; Automatic Termination	
	13.4.	Partial Taking; Election to Terminate	
	13.5.	Rent; Award	15
	13.6.	Partial Taking; Continuation of Lease	
	13.7.	Temporary Taking	16
14.	ASSIGN	MENT AND SUBLETTING	16
15.	DEFAUL	T; REMEDIES	16
	15.1.	Events of Default by County	16
	15.2.	Landlord's Remedies	16
	15.3.	Landlord's Default	17
16.	INDEMN	IITIES	17
. •.	16.1.	County's Indemnity	
	16.2.	Landlord's Indemnity	17
17.	INICLIDA	NCE	
17.	17.1.	County's Self-Insurance	10 10
	17.2.	Landlord's Insurance	18
	17.2.	Waiver of Subrogation	
40			
18.		BY LANDLORD	
19.		PEL CERTIFICATES	
20.		NDER OF PREMISES	
21.	HAZARI	DOUS MATERIALS	
	21.1.	Definitions	
	21.2.	Landlord's Representations and Covenants	
	21.3.	Landlord's Environmental Indemnity	
	21.4.	County's Covenants	
	21.5. 21.6.	County's Environmental Indemnity	
		County's Medical Waste Indemnity	
22.		L PROVISIONS	
	22.1.	Option to Expand	
23.		AL PROVISIONS	
		Notices	
	23.2.	No Implied Waiver	
	23.3.	Amendments	
	23.4.	Authority	
	23.5. 23.6.	Parties and Their Agents; Approvals	
	23.7.	Successors and Assigns	
	23.8.	Brokers	
	23.9.	Severability	
	23.10.	Governing Law	
	23.11.	Entire Agreement	
	23.12.	Holding Over	23
	23.13.	Cumulative Remedies	23
	23.14.	Time of Essence	23
	23.15.	Survival of Indemnities	
	23.16.	Signs	23
	23.17.	Quiet Enjoyment and Title	
	23.18.	Bankruptcy	24

23 10	Transfer of Landlord's Interest	24
	Non-Liability of County Officials, Employees and Agents	
23.20.	Counterparts	24
	Certification by Landlord	
23.22.	Acceptance of Lease	25
ZJ.ZJ.	Acceptation of reaso	

LIST OF EXHIBITS:

EXHIBIT A Floor Plan of Premises EXHIBIT B Notice of Commencement Date EXHIBIT C Floor Plan - Expansion Space EXHIBIT D Rules and Regulations EXHIBIT E Space Plan EXHIBIT E Not Used	
EXHIBIT F Not Used EXHIBIT GNot Used	

OFFICE LEASE Lease No. 1256

THIS OFFICE LEASE (this "Lease"), dated for reference purposes only as of March 1, 2002 is by and between ISLAM TEMPLE A.A.O.N.M.S., a California non-profit corporation ("Landlord"), and the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Tenant").

Landlord and County hereby agree as follows:

1. BASIC LEASE INFORMATION

The following is a summary of basic lease information (the "Basic Lease Information"). Each item below shall be deemed to incorporate all of the terms in this Lease pertaining to such item. In the event of any conflict between the information in this Section and any more specific provision of this Lease, the more specific provision shall control.

1.1	Lease Reference Date:	March 1, 2002
1.2	Landlord:	ISLAM TEMPLE A.A.O.N.M.S.
1.3	Tenant:	COUNTY OF SAN MATEO
1.4	Property	San Mateo County Assessor's Parcel 039-030-220, together with the improvements thereon.
1.5	Building (Section 2.1):	That certain two-story office building commonly known as 150 W. 20 th Avenue, and also known as 1919 Elkhorn Court, San Mateo, California
1.6	Premises (Section 2.1):	A portion of the ground floor of the Building comprised of approximately 11,650 rentable square feet as indicated on the attached Exhibit A, together with non-exclusive use of the Common Areas and Parking.
1.7	Parking (Section 2.2)	County shall have the non-exclusive right to use 46 parking spaces in the Building parking facilities.
1.8	Rentable Area of Premises (Section 2.1):	Approximately 11,650 rentable square feet subject to final measurement in accordance with BOMA standards pursuant to Section 2.1.
1.9	Term (Section 3):	The Effective Date shall be as set forth in Section 3.2 hereof.
		Estimated Commencement Date: March 1, 2002
		Expiration date: June 30, 2007

1.10	Extension Option (Section 3.4):	One additional term of five years, exercisable by County by notice to Landlord given not less than 180 days in advance, with rent equal to the then prevailing rate, which rate shall be determined as set forth in Section 3.5. hereof
1.11	Base Rent (Section 4.1):	Annual Base Rent of \$279,600 (±\$24.00 per sq. ft. per year), payable in monthly payments of \$23,300 (±\$2.00 per sq. ft. per month)
1.12	Adjustment Dates (Section 4.2):	The Base Rent shall be adjusted annually on the anniversary of the Commencement Date by an amount equal to the increase in the Consumer Price Index, not to exceed 4% per year.
1.13	Additional Charges (Section 4.3):	County shall pay to Landlord its Percentage Share of the cost of utilities provided to the ground floor of the Building.
1.14	County's Percentage Share (Section 4.3):	53% (County's proportionate share of the rentable area of the ground floor of the Building)
1.15	Use (Section 5.1):	County shall use the Premises for general and medical office purposes including, but not limited to, staff training and outpatient counseling for public health services and mental health services.
1.16	Leasehold Improvements (Section 6)	Prior to making any leasehold improvements, County shall obtain the written approval of Landlord, which approval shall not be unreasonably withheld. Such improvements shall be made by County at its sole cost and expense, except that Landlord shall, upon receipt of evidence that County has expended such amount for leasehold improvements, reimburse County in an amount not to exceed \$23,300.
1.17	Utilities (Section 9.1):	County shall pay to Landlord the County's Percentage Share of the cost of utilities furnished to the ground floor of the Building.

(650) 345-4300

SHRINERS

1925 Elkhorn Court

Durward C. Ayre

San Mateo, CA 94403-1308 Fax No.: (650) 345-4995

County shall contract for and pay the cost of janitorial services furnished to the Premises.

2

1.18 Services (Section 9.2):

1.20 Key Contact for Landlord:

1.21 Landlord Contact Telephone No.:

1.19 Notice Address of Landlord (Section 23.1):

1.22 Notice Address for Tenant (Section 23.1):

Assistant County Manager

400 County Center

Redwood City, CA 94063 Fax No.: (650) 363-4832

1.23 With a copy to:

Office of County Counsel 400 County Center, 6th Floor Redwood City, CA 94063 Fax No.: (650) 363-4034

1.24 Key Contact for Tenant:

Steve Alms

Real Property Services Manager 455 County Center, Fifth Floor Redwood City, CA 94063 Fax No.: (650) 363-4832

1.25 Tenant Contact Telephone No.:

(650) 363-4047

1.26 Brokers (Section 23.8):

BT Commercial Real Estate and

John Reynolds, Realtor

1.27 Other Noteworthy Provisions (Section 22):

County shall have an option to lease certain additional space in the Building as it becomes available, which space is identified in the attached Exhibit C, and comprised of approximately 6,530

rentable square feet.

BALANCE OF THIS PAGE INTENTIONALLY BLANK

2. PREMISES

2.1.Lease Premises

Landlord leases to County and County leases from Landlord, subject to the provisions of this Lease, those premises in the building identified in Section 1.6 of the Basic Lease Information (the "Building") and shown on the floor plan(s) attached hereto as Exhibit A (the "Premises"). The Premises contain the rentable area and are located on the floor of the Building specified in Section 1.6 of the Basic Lease Information. As used in this Lease, the term "rentable area" shall mean that measurement of interior floor area computed in accordance with the "Standard Method for Measuring Floor Area in Office Buildings, the American National Standard" (ANSI Z65.1 1980, reaffirmed 1989), adopted by the Building Owners and Managers Association (BOMA). The Building, land upon which the Building is located and all other improvements on or appurtenances to such land are referred to collectively as the "Property."

2.2.Common Areas and Parking

County shall have the non-exclusive right to use, together with other tenants in the Building, the lobbies, corridors, stairways and other public areas of the Building and the Property (collectively, the "Common Areas"), and the non-exclusive right of access to and from the Premises by the main entrances to the Building and the Property.

County shall have the right to park in the Building's parking facilities, in common with other tenants of the Building, provided that County agrees not to use in excess of its proportionate share of parking facilities, which is 46 spaces, and agrees to cooperate with Landlord and the other tenants in the use of the parking facilities. County acknowledges that Landlord has posted certain spaces adjacent to the Building for the exclusive use of Landlord.

3. TERM

3.1.Term of Lease

The Premises are leased for an initial term (the "Initial Term") commencing on the date specified in Section 1.19 of the Basic Lease Information as the estimated commencement date (the "Estimated Commencement Date"), or such later date as Landlord shall have delivered the Premises to County, and the County Board of Supervisors shall have authorized the execution of this Lease, in its sole and absolute discretion. The Initial Term of this Lease shall end on the expiration date specified in Section 1.9 of the Basic Lease Information, or such earlier date on which this Lease terminates pursuant to the provisions of this Lease, provided that County shall have the right to extend the Initial Term pursuant to Section 3.4 (Extension Option), below. The word "Term" as used herein shall refer to the Initial Term and any Extended Term if County exercises the Extension Option as provided in Sections 1.10 and 3.4.

3.2. Effective Date, Commencement Date and Expiration Date

The date on which this Lease shall become effective (the "Effective Date") is the date upon which (i) the County Board of Supervisors, in its sole and absolute discretion, adopts a resolution approving this Lease in accordance with all applicable laws and (ii) this Lease is duly executed by the parties hereto.

The dates on which the Term commences and terminates pursuant hereto are referred to respectively as the "Commencement Date" and the "Expiration Date." If the Commencement Date occurs on a date other than the Estimated Commencement Date, then promptly thereafter Landlord shall deliver to County a notice substantially in the form of Exhibit B attached hereto, confirming the actual Commencement Date, but Landlord's failure to do so shall not affect the commencement of the Term.

3.3. Delay in Delivery of Possession

Landlord shall use its best efforts to deliver possession of the Premises on or before the Estimated Commencement Date. However, if Landlord is unable to deliver possession of the Premises

as provided above, then, subject to the provisions of this Section below, the validity of this Lease shall not be affected by such inability to deliver possession except that County's obligations to pay Base Rent or any other charges, or the period during which rent is abated, shall not commence until such time as Landlord has delivered the Premises as required under this Lease. If the Term commences later or earlier than the Estimated Commencement Date, this Lease shall nevertheless expire on the Expiration Date, unless sooner terminated pursuant to the provisions under this Lease. If Landlord is unable to deliver possession of the Premises to County as required hereunder within sixty (60) days after the Estimated Commencement Date, then County may, at its option, terminate this Lease, without any further liability under this Lease, upon written notice to Landlord.

3.4.Extension Option

County shall have the right to extend the Initial Term of this Lease (the "Extension Option") for the additional term specified in Section 1.10 of the Basic Lease Information (the "Extended Term"). Such Extension Option shall be on all of the terms and conditions contained in this Lease. County, at its sole discretion, may exercise the Extension Option by giving written notice to Landlord no later than one hundred eighty (180) days prior to expiration of the term to be extended provided, however, if County is in material default, as set forth in Section 15.1 of this Lease, on the date of giving such notice and fails to cure such default as provided therein, Landlord may reject such exercise by delivering written notice thereof to County promptly after such failure to cure.

3.5. Determination of Base Rent for the Extended Term

At the commencement of the Extended Term, the Base Rent shall be adjusted to equal the prevailing market rate for space of comparable size and location to the Premises then being offered for rent in other buildings similar in age, location and quality to the Premises situated within the County of San Mateo ("Reference Area"). As used herein, the term "prevailing market rate" shall mean the base rental for such comparable space, taking into account (i) any additional rental and all other payments and escalations payable hereunder, (ii) floor location and size of the premises covered by leases of such comparable space, (iii) the duration of the renewal term and the term of such comparable leases, (iv) free rent given under such comparable leases and any other tenant concessions, and (v) building standard tenant improvement allowances and other allowances given under such comparable leases.

If County disputes Landlord's determination of the prevailing market rate, County shall so notify Landlord within fourteen (14) days following Landlord's notice to County of the prevailing market rate and such dispute shall be resolved as follows:

- (a) Within thirty (30) days following Landlord's notice to County of the prevailing market rate, Landlord and County shall attempt in good faith to meet no less than two (2) times, at a mutually agreeable time and place, to attempt to resolve any such disagreement.
- (b) If within this thirty (30) day period Landlord and County cannot reach agreement as to the prevailing market rate, they shall each select one appraiser to determine the prevailing market rate. Each such appraiser shall arrive at a determination of the prevailing market rate and submit his or her conclusions to Landlord and County within thirty (30) days of the expiration of the thirty (30) day consultation period described in (a) above.
- (c) If only one appraisal is submitted within the requisite time period, it shall be deemed to be the prevailing market rate. If both appraisals are submitted within such time period, and if the two appraisals so submitted differ by less than ten percent (10%) of the higher of the two, then the average of the two shall be the prevailing market rate. If the two appraisals differ by more than ten percent (10%) of the higher of the two, then the two appraisers shall immediately select a third appraiser who will within thirty (30) days of his or her selection make a determination of the prevailing market rate and submit such determination to Landlord and County. This third appraisal will then be averaged with the closer of the two previous appraisals and the result shall be the prevailing market rate.

- (d) If County's Assistant County Manager does not approve of the prevailing market rate as determined by the appraisal procedure specified above, the Assistant County Manager may revoke the exercise of the Extension Option by County.
- (e) All appraisers specified herein shall be members of the American Institute of Real Estate Appraisers (MAI) with not less than five (5) years' experience appraising leases of commercial properties similar to the Premises in San Mateo County. Landlord and County shall pay the cost of the appraiser selected by such party and one-half of the cost of the third appraiser plus one-half of any other costs incurred in the arbitration.

4. RENT

4.1.Base Rent

Beginning on the Commencement Date, County shall pay to Landlord during the Term the annual Base Rent specified in Section 1.11 of the Basic Lease Information (the "Base Rent") provided that the Base Rent shall be abated in full for the first three full months of the Term. The Base Rent shall be payable in equal consecutive monthly payments on or before the first day of each month, in advance, at the address specified for Landlord in Section 1.19 of the Basic Lease Information, or such other place as Landlord may designate in writing upon not less than thirty (30) days' advance notice. County shall pay the Base Rent without any prior demand and without any deductions or setoff except as otherwise provided in this Lease. If the Commencement Date occurs on a day other than the first day of a calendar month or the Expiration Date occurs on a day other than the last day of a calendar month, then the monthly payment of the Base Rent for such fractional month shall be prorated based on a thirty (30) day month.

4.2.Adjustments in Base Rent

On each date specified in Section 1.12 of the Basic Lease Information for the adjustment of Base Rent (an "Adjustment Date"), the Base Rent payable under Section 4.1 shall be adjusted as follows:

The Consumer Price Index for All Urban Consumers (base years 1982-1984 = 100) for the San Mateo-Oakland-San Jose area, published by the United States Department of Labor, Bureau of Labor Statistics (the "Index"), which is published most immediately preceding the Adjustment Date (the "Adjustment Index"), shall be compared with the Index published most immediately preceding the Commencement Date in the case of the first Adjustment Date or, in the case of any subsequent Adjustment Date, the Index published most immediately preceding the prior Adjustment Date (the "Base Index").

If the Adjustment Index has increased over the Base Index, then the Base Rent payable on and after the Adjustment Date shall be set by multiplying the Base Rent by a fraction, the numerator of which is the Adjustment Index and the denominator of which is the Base Index. In no event shall the monthly Base Rent on or after the Adjustment Date be more than one hundred four percent (104.0%) of the monthly Base Rent in effect for the last full month immediately prior to the Adjustment Date.

If the Index is changed so that the base year differs from that used as of the date most immediately preceding the Commencement Date, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the Term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised.

4.3. Additional Charges

County shall pay to Landlord any utility charges or other amounts required under this Lease as additional rent ("Additional Charges"). Landlord shall have the same remedies for a default in the payment of any Additional Charges as for a default in the payment of Base Rent. The Base Rent and Additional Charges are sometimes collectively referred to below as "Rent."

4.4.Definitions

For purposes hereof, the following terms shall have the meanings hereinafter set forth:

- (a) "County's Percentage Share" means the percentage specified in Section 1.14 of the Basic Lease Information, or such other share which shall apply during the Term based on the ratio that the rentable area of the Premises represents when compared to the total rentable area of the ground floor of the Building.
- (b) "Expense Year" means each calendar year commencing January 1st of each year during the Term, including any partial year in which this Lease commences; provided that Landlord, upon advance written notice to County, may change the Expense Year to any other twelve (12) consecutive month period and, in the event of any such change, County's Percentage Share of Utility Costs shall be equitably adjusted for the Expense Years involved in any such change.
- (c) "Utility Costs" means the actual cost of all electricity, gas, water and sewer services provided to the ground floor of the Building by the applicable utility provider.

4.5. Payment of Percentage Share of Utility Costs

During the Term, County shall pay to Landlord each month, as Additional Charges, one twelfth (1/12) of County's Percentage Share of the Utility Costs for each Expense Year as determined by standard accounting practices. County shall make such payments, in advance, in an amount estimated by Landlord in reasonable detail delivered to County in writing. County's Percentage Share of Utility Costs is initially estimated at \$2,000.00 per month. Landlord may revise such estimates of Utility Costs from time to time and County shall thereafter make payments on the basis of such revised estimates, provided that such estimates shall be reasonably supported by Landlord in writing, no such revisions shall be retroactive, Landlord may not make any such revisions more than twice in any given Expense Year and no such revision may be made any earlier than four (4) months subsequent to the prior estimate for such Expense Year. With reasonable promptness not to exceed sixty (60) days after the expiration of each Expense Year, Landlord shall furnish County with a statement (herein called "Landlord's Utility Statement"), with supporting documentation and setting forth in reasonable detail the Utility Costs for such Expense Year and County's Percentage Share thereof. If County's Percentage Share of the actual Utility Costs for such Expense Year exceeds the estimated Utility Costs paid by County for such Expense Year, County shall pay to Landlord (whether or not this Lease has terminated) the difference between the amount of estimated Utility Costs paid by County and County's Percentage Share of the actual Utility Costs within thirty (30) days after the receipt of Landlord's Expense Statement. If the total amount paid by County for any such Percentage Share of Utility Costs exceeds County's Utility Costs Share of the actual Utility Costs for such Expense Year, such excess shall be credited against the next installments of Utility Costs due from County to Landlord hereunder, or refunded to County, at County's option. In no event shall Landlord recapture more than one hundred percent (100%) of the Utility Costs in any Expense Year.

4.6.Proration

If the Commencement Date or Expiration Date shall occur on a date other than the first or last day of an Expense Year, County's Percentage Share of Utility Costs for the Expense Year in which the Commencement Date or Expiration Date occurs shall be prorated based on a 365-day year.

4.7.Records

Landlord shall maintain at the Building in a safe, complete and organized manner all of its records pertaining to this Lease and the Utility Costs and any other charges paid by County pursuant hereto, for a period of not less than three (3) years following expiration of the Term. Landlord shall maintain such records on a current basis and in sufficient detail to facilitate adequate audit and review thereof. All such books and records shall be available for inspection, copying and audit by County and its representatives, at County's expense.

5. USE

5.1.Permitted Use

County may use the Premises for general office uses and such other uses as may be specified in Section 1.15 of the Basic Lease Information, and for no other use without the prior written consent of Landlord, which shall not be unreasonably withheld or delayed.

5.2. Observance of Rules and Regulations

County shall observe Landlord's reasonable rules and regulations for the Building subject to the provisions of this Lease. County acknowledges and agrees to the current Building rules and regulations attached hereto as Exhibit D (the "Rules and Regulations"). Landlord may make reasonable additions or modifications thereto, which shall be binding upon County within a reasonable implementation period upon Landlord's delivery to County of a copy thereof, provided that such additions or modifications shall not reduce Landlord's obligations hereunder nor interfere with County's business in the Premises, and such additions or modifications must be applicable to the other Building tenants are not in conflict with the provisions of this Lease, do not materially increase the burdens or obligations upon County, do not impose a change upon County for services which this Lease expressly states are to be provided to County at no charge, and do not materially adversely affect the conduct of any business in the Premises which County is permitted to conduct pursuant to Section 5.1 hereof. Landlord shall administer the Rules and Regulations in a fair and nondiscriminatory manner and use reasonable efforts to cause other Building tenants to comply with them. County shall be entitled upon request to any waiver or special dispensation granted by Landlord to any other tenant in the Building with respect to the Rules and Regulations, and Landlord shall notify County of any such waiver or special dispensation.

5.3.Interference with Access

Landlord shall provide to County at all times use of the Premises and uninterrupted access thereto to the maximum extent possible, including, without limitation, during any power outages affecting the Premises or any portion of the Building; provided, however, that Landlord may, after consultation with the Assistant County Manager, interrupt County's access to the Premises or the Building in the event of an immediate risk of danger to the Premises, the Common Areas or any other portion of the Building which presents a risk that the Premises are unsafe for human occupancy. If County's use of any of the Premises or access thereto is interrupted as a result of the Premises, the Common Areas or any other portion of the Building being rendered unsafe for human occupancy due to Landlord's failure to comply with its obligations under this Lease or for any other reason other than County's default hereunder, then Landlord shall immediately undertake all necessary steps to correct such condition. In the event such condition impairs County's ability to carry on its business in the Premises, the Rent payable hereunder shall be abated based on the extent to which such default interferes with County's ability to carry on its business at the Premises. If any such default by Landlord shall continue for thirty (30) days or more after County's use is interrupted and impairs County's ability to carry on its business in the Premises, then County shall have the right, without limiting any of its other rights under this Lease to terminate this Lease, unless Landlord supplies County with evidence reasonably satisfactory to County that County's normal and safe use will be restored within sixty (60) days of the date County's use was interrupted, and such use is actually restored within such 60-day period. Nothing in this Section shall limit County's rights with respect to any disruption due to casualty pursuant to Section 12 (Damage and Destruction) hereof.

6. LEASEHOLD IMPROVEMENTS

6.1. Tenant's Obligation to Construct Improvements

County, through its general contractor approved by Landlord or qualified County staff, may modify the Premises, perform the work and make the installations in the Premises at County's sole cost pursuant to the Construction Documents (as defined in this Section below) approved by Landlord, and in accordance with the provisions of this Section below. Such work and installations are referred to as the "Leasehold Improvement Work" and "Leasehold Improvements."

(a) Plans and Specifications

Before the reference date of this Lease, County has caused its architect or space planner to prepare and submit to Landlord for its approval an architectural plan based on County's program requirements for use of the Premises, and in form and detail sufficient for purposes of contractor pricing. Landlord hereby approves the plans dated February 14, 2002 (the "Space Plan"), prepared by KRJ Designs Group, which are attached hereto as Exhibit E.

Based on the approved Space Plan, County shall cause final plans, specifications and working drawings ("Final Plan") for the Leasehold Improvements to be prepared. County shall submit a copy of the Final Plan to Landlord prior to commencing work. Such Final Plan shall be subject to Landlord's approval, which approval shall not be unreasonably withheld or delayed. If Landlord disapproves such Final Plan, or any portion thereof, then Landlord shall promptly notify County thereof and of the revisions that Landlord reasonably requires in order to obtain Landlord's approval. County shall submit to Landlord a revised Final Plan incorporating the revisions reasonably required by Landlord. Such revisions shall be subject to Landlord's approval, which shall not be unreasonably withheld or delayed. The Final Plan with any agreed upon revisions for the Leasehold Improvements approved by Landlord shall be referred to as the "Construction Documents."

(b) Permits

Tenant shall secure and pay for any building and other applicable and necessary permits and approvals, government fees, licenses and inspections necessary for the proper performance and completion of the Leasehold Improvement Work shown on the approved Construction Documents. In the event that County, after using its reasonable efforts, is unable to obtain all necessary permits, approvals and licenses required to construct the Leasehold Improvements within ninety (90) days after the Effective Date, County shall have the right to terminate this Lease upon written notice to Landlord within ten (10) days of such date. Tenant shall be responsible for arranging for all inspections required by the applicable local building inspection division.

(c) Construction

County shall cause all work performed on the Leasehold Improvements to be completed in a good and professional manner in accordance with sound building practice. County shall comply with and give notices required by all laws, rules, regulations, ordinances, building restrictions and lawful orders of public authorities bearing on construction of the Leasehold Improvements.

(d) Reimbursement of the Cost of Leasehold Improvements

Upon receipt of evidence that County has incurred costs for the completion of the Leasehold Improvements, Landlord shall reimburse County the cost of such work, provided that Landlord shall not be required to reimburse more than \$23,300.

6.2.Installation of Telecommunications and Other Equipment

Landlord and County acknowledge that the Leasehold Improvement Work shall include the installation of telecommunications, data and computer cabling facilities and equipment. County shall be responsible for installing such facilities and equipment, provided that Landlord shall furnish access to County and its consultants and contractors to the main telephone service serving the floor on which the Premises are located and all other parts of the Building for which access is needed for proper installation of all such facilities and equipment including, but not limited to, wiring. County shall have the right to enter the Premises and such other portions of the Building at reasonable times in order to install such facilities and equipment. At all times during the Term of the Lease, Landlord shall, upon reasonable notice by County, afford County and its Agents with access to those portions of the Building which are necessary to maintain or repair the telecommunications and data and computer cabling facilities and equipment installed by County.

7. ALTERATIONS

7.1. Alterations by County

County shall not make or permit any alterations, installations, additions or improvements (collectively, "Alterations") to the Premises without first obtaining Landlord's written consent, which Landlord shall not unreasonably withhold or delay. However, the installation of furnishings, fixtures, equipment or decorative improvements, none of which affect the Building Systems or structural integrity of the Building, and the repainting and recarpeting of the Premises shall not constitute Alterations requiring Landlord's consent. Any Alterations permitted hereunder shall be made at County's cost in compliance with applicable Laws as defined in Section 10. Landlord shall, without cost to itself, cooperate with County in securing building and other permits and authorizations needed in connection with any permitted Alterations. Landlord shall not be entitled to any construction or other administrative fee in connection with any Alteration. County shall not be required to remove any Alterations upon the expiration or earlier termination of this Lease unless Landlord notifies County in writing at the time Landlord approves such Alterations that they must be removed at the Expiration Date.

7.2. Title to Improvements

Except for County's Personal Property (as defined in the next Section) and the Leasehold Improvements, all appurtenances, fixtures, improvements, equipment, additions and other property permanently installed in the Premises as of the Commencement Date or during the Term shall be and remain Landlord's property. County may not remove such property unless Landlord consents thereto.

7.3. County's Personal Property

All furniture, furnishings, equipment, trade fixtures and articles of movable personal property installed in the Premises by or for the account of County and that can be removed without structural damage to the Premises (collectively, "County's Personal Property") shall be and remain County's property. At any time during the Term or at the expiration thereof, County may remove any of County's Personal Property provided County shall repair any damage to the Premises resulting therefrom. Upon the expiration or earlier termination of this Lease, County shall remove County's Personal Property from the Premises in accordance with Section 20 (Surrender of Premises), below. Landlord acknowledges that some of County's Personal Property may be financed by an equipment lease financing otherwise subjected to a security interest, or owned by an equipment company and leased to County. Landlord, upon County's reasonable request, shall execute and deliver any document required by any supplier, lessor, or lender in connection with the installation in the Premises of any items of County's Personal Property, pursuant to which Landlord waives any rights it may have or acquire with respect to County's Personal Property, so long as the supplier, equipment lessor or lender agrees that it (i) will remove the Property from the Premises within thirty (30) days after the Expiration Date (but if it does not remove County's Personal Property within such time it shall have waived any rights it may have had to County's Personal Property), and (ii) will repair any damage caused by the removal of County's Personal Property. Landlord shall recognize the rights of an supplier, lessor or lender who has an interest in any items of County's Personal Property to enter the Premises and remove such property at any time during the Term or within thirty (30) days after the Expiration Date.

7.4. Alteration by Landlord

Landlord shall use its best efforts to minimize interference with or disruption to County's use and occupancy of the Premises during any alterations, installations, additions or improvements to the Building, including without limitation any leasehold improvement work for other tenants in the Building. Landlord shall promptly remedy any such interference or disruption upon receiving County's notice thereof.

8. REPAIRS AND MAINTENANCE

8.1.Landlord's Repairs

Landlord shall repair and maintain, at its cost and in first-class condition, the exterior and structural portions of the Building, including, without limitation, the roof, foundation, bearing and exterior walls and subflooring, and the heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical and communications systems of the Building (collectively, the "Building Systems") and the Common Areas, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault or omission of any duty by Tenant, its agents, servants, employees or invitees, in which case Tenant shall pay to Landlord the reasonable cost of such maintenance. Without limiting the foregoing, Landlord shall maintain the Building in a clean, safe and attractive manner and shall not permit any other tenants of the Building to disturb or interfere with County's use of the Premises or permit to be done in or about the Building or anything that is illegal, is dangerous to persons or property or constitutes a nuisance.

8.2. County's Repairs

By taking possession of the Premises, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair. Subject to Landlord's warranty under Section 10.1 (Premises Compliance), and Landlord's repair and maintenance obligations set forth in Section 8.1, Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair, damage thereto from causes beyond the reasonable control of Tenant and ordinary wear and tear excepted. Tenant shall, upon the expiration or termination of this Lease, surrender the Premises to Landlord in good condition, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted.

8.3.Liens

County shall keep the Premises free from liens arising out of any work performed, material furnished or obligations incurred by County during the Term. Landlord shall have the right to post on the Premises any notices permitted or required by law or that are needed for the protection of Landlord, the Premises, or the Building, from mechanics' and material suppliers' liens. Except in the case of urgently needed or emergency repairs, County shall give Landlord at least ten (10) days' prior written notice of commencement of any repair or construction by County on the Premises.

9. UTILITIES AND SERVICES

9.1.Landlord's Provision of Utilities

Landlord shall furnish the following utilities and services to the Premises: (a) heating, air conditioning and ventilation in amounts required for County's comfortable use and occupancy of the Premises, during the period from 7:00 a.m. to 7:00 p.m., Monday through Friday, except holidays generally recognized in San Mateo County; (b) electric current in amounts required for normal lighting and for the operation of personal computers and other normal office machines and equipment, on a twenty-four (24) hours-a-day, seven-days-a-week basis ("Daily Basis"); and (c) water for lavatory, kitchen and drinking purposes on a Daily Basis. Without limiting Landlord's obligations hereunder, Landlord shall furnish all utilities and services required under this Lease in a manner consistent with such utilities and services normally provided in other buildings similar to the Building in San Mateo County.

9.2.Services

County shall, at its sole cost and expense, provide janitorial service to the Premises. Landlord shall, at its sole cost and expense, provide janitorial service to the Common Areas of the Building. County's janitorial service shall meet professional standards of care in depositing all trash and recycling that it collects daily from the Premises in the appropriate containers provided by Landlord, and shall not deposit any material in those containers that is prohibited by the provider of the collection service.

9.3.Conservation

Landlord may establish reasonable measures to conserve energy and water, including automatic light shut off after hours and efficient lighting forms, so long as these measures do not unreasonably interfere with County's use of the Premises.

9.4. Disruption in Essential Utilities or Services

In the event of any failure, stoppage or interruption of any utilities or services to be furnished by Landlord hereunder, Landlord shall immediately notify County of such failure, stoppage or interruption. diligently attempt to restore service as promptly as possible and shall keep County apprised of its efforts. In the event Landlord is unable to supply any of the Building's sanitary, electrical, heating, air conditioning, water, elevator, fire protection and security, audio, video or electronic communications, hazard detection and alarm, or other essential services serving the Premises (collectively, "Essential Services") and such inability of Landlord impairs County's ability to carry on its business in the Premises for a period of one (1) business day, or more, if such failure is in the reasonable control of Landlord or a period of five (5) or more consecutive business days if such failure is not within the reasonable control of Landlord, then the Rent shall be abated based on the extent such inability of Landlord impairs County's ability to carry on its business in the Premises, or, alternatively at County's election, County shall have the option to provide such services and offset the reasonable cost thereof against the Rent next due under this Lease. Such abatement, or right to provide the services and offset against Rent, shall continue until the Essential Services have been restored so that the lack of any remaining services no longer materially impairs County's ability to carry on its business in the Premises. Landlord shall use its best efforts to restore disrupted Essential Services as soon as possible. However, if such failure to provide any Essential Services continues for any reason for thirty (30) days and such failure interferes with County's ability to carry on its business in the Premises, then County may, without limiting any of its other rights or remedies hereunder or at law or in equity, terminate this Lease upon written notice to Landlord, unless Landlord supplies County with evidence reasonably satisfactory to County that the Essential Services will be restored within sixty (60) days of the date County's use was interrupted, and the Essential Services is actually restored within such 60-day period. County shall not be entitled to any abatement of Rent or right to terminate if Landlord's inability to supply Essential Services to County is due solely to the acts, omissions or negligence of County and its Agents.

10. COMPLIANCE WITH LAWS; PREMISES CONDITION

10.1. Premises Condition and Landlord's Compliance with Laws

Landlord represents and warrants to County, and covenants with County, as follows: to the best of Landlord's knowledge (a) the physical structure, fixtures and permanent improvements of the Premises and all portions of the Property and the Building along the path of travel to the Premises (including, but not limited to, the Building entrances, Common Areas, restrooms, lobbies, telephone banks, drinking fountains and parking areas) are now, and as of the Commencement Date will be, in compliance with the requirements of the Americans With Disabilities Act of 1990 and Title 24 of the California Code of Regulations and all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements intended to provide equal accessibility for persons with disabilities (collectively, "Disabilities Laws"); (b) the Building is not an unreinforced masonry building, and is now, and as of the Commencement Date will be, in compliance with all applicable federal, state, local and administrative laws, rules, regulations, orders and requirements relating to seismic safety (collectively, "Seismic Safety Laws"); (c) the Building, the Common Areas and Building Systems serving the Premises are now, and as of the Commencement Date will be, in full compliance with all applicable federal, state, local and administrative laws, rules, regulations, orders and requirements relating to fire and life safety (collectively, "Life Safety Laws"); (d) the Building, the Common Areas and Building Systems serving the Premises are now, and as of the Commencement Date will be, in compliance with all other applicable federal, state, local and administrative laws, rules, regulations, orders and requirements; and (e) there are not now, and as of the Commencement Date will not be, any material physical or mechanical defects in the Premises, Building or the Building Systems that would materially adversely affect County's intended use of the Premises. Landlord shall at all times during the Term maintain, at its cost, the Property, Building, Common Areas and the Building Systems serving the Premises in compliance with applicable present or future federal, state, local and administrative laws, rules, regulations, orders and requirements (collectively, "Laws"), including, without limitation, Disabilities Laws, Seismic Safety Laws, and Life Safety Laws. Without limiting Section 16.2 (Landlord's Indemnity), Landlord shall Indemnify County against any and all Claims arising out of any failure of the Property, Building, Common Areas, Building Systems, or any portion thereof, to comply with applicable Laws as provided in this Section or any misrepresentation by Landlord under this Section.

10.2. County's Compliance with Laws

County shall use the Premises during the Term in compliance with applicable Laws, except that County shall not be required to make any structural alterations, additions or other modifications in order to comply therewith unless such modifications are necessary solely because of any Alterations to the Premises made by County pursuant to Section 7 hereof and such modifications are not otherwise Landlord's responsibility under this Lease. County shall be responsible for complying with any requirement of the Disabilities Laws relating to the placement of County's furniture or other County Personal Property and the operation of any programs in the Premises, other than any requirement relating to the physical structure, fixtures and permanent improvements of the Premises or portions of the Property or Building along the path of travel to the Premises, which are Landlord's obligation as provided in Section 10.1 above.

10.3. County's Compliance with Insurance Requirements

County shall not conduct any use in or about the Premises that would: (a) invalidate or be in conflict with any fire or other casualty insurance policies covering the Building or any property located therein, (b) result in a refusal by fire insurance companies of good standing to insure the Building or any such property in amounts reasonably satisfactory to Landlord or the holder of any mortgage or deed of trust encumbering the Building, (c) cause an increase in the fire insurance premium for the Building unless County agrees to pay such increase, or (d) subject Landlord to any liability or responsibility for injury to any person or property by reason solely of any business operation being conducted by County in the Premises; provided, however, Landlord shall provide County with reasonable prior written notice of any applicable insurance requirements and no such insurance requirements shall materially and adversely interfere with County's normal business in the Premises.

11. SUBORDINATION

This Lease is and shall be subject and subordinate to the following (each an "Encumbrance"): (a) any reciprocal easement agreements and ground leases or other underlying leases that may now exist or hereafter be executed affecting Landlord's interest in the Property, or any portion thereof, and (b) the lien of any mortgage or deed of trust that may now exist or hereafter be executed by Landlord in any amount for which any part of the Property, any ground leases or underlying leases, or Landlord's interest or estate therein, is specified as security; provided that as a condition to any such Encumbrance, the holder of the Encumbrance shall, at County's request, enter into a subordination and nondisturbance agreement with County in a form then commercially reasonable. Notwithstanding the foregoing, Landlord shall have the right to subordinate or cause to be subordinated to this Lease any Encumbrance. In the event that any ground lease or underlying lease terminates for any reason or any mortgage or deed of trust is foreclosed or a conveyance in lieu of foreclosure is made for any reason, County shall pay subsequent Rent and attorn to and become the tenant of such successor Landlord, at the option of such successor-in-interest, provided that County has received proper written notice of such succession and the name and address of the successor landlord, and further provided that, in the case of any Encumbrance hereafter executed, as a condition to such attornment the holder of such Encumbrance shall, at County's request, agree that so long as County is not in default hereunder, such holder shall recognize this Lease and shall not disturb County in its possession of the Premises for any reason other than one that would entitle Landlord to terminate this Lease or otherwise dispossess County of the Premises in accordance with the terms hereof. The provisions of this Section shall be self-operative and no further instrument shall be required other than as provided in this Section. County agrees, however, to execute upon request by Landlord and in a form reasonably acceptable to County, any additional documents evidencing the priority or subordination of this Lease with respect to any such Encumbrance as provided herein.

Landlord shall use its best efforts to provide to County, before the Effective Date, executed non-disturbance and attornment agreements from the holder of any existing Encumbrance. The form of such agreement shall be subject to County's reasonable approval.

12. DAMAGE AND DESTRUCTION

If the Premises, the Building or any Building Systems are damaged by fire or other casualty, Landlord shall repair the same without delay (and if Landlord is then carrying insurance on the Leasehold Improvements or if County at its sole option makes funds available to Landlord, Landlord shall also repair the Leasehold Improvements), provided that such repairs can be made under applicable laws within sixty (60) days after Landlord obtains all necessary permits for such repairs but not later than two hundred ten (210) days after the date of such damage (the "Repair Period"). In such event, this Lease shall remain in full force and effect, except that County shall be entitled to an abatement of Rent while such repairs are being made. Such abatement in Rent shall be based upon the extent to which such damage and the making of such repairs interfere with County's business in the Premises. Landlord's repairs shall not include, and the Rent shall not be abated as a result of, any damage by fire or other cause to County's Personal Property or any damage caused by the negligence or willful misconduct of County or its employees.

Within twenty (20) days after the date of such damage, Landlord shall notify County whether or not, in Landlord's reasonable judgment made in good faith, such repairs can be made within the Repair Period. If such repairs cannot be made within the Repair Period, then either party hereto may, by written notice to the other given within thirty (30) days after the date of such damage, terminate this Lease as of the date specified in such notice, which date shall be not less than thirty (30) nor more than sixty (60) days after notice is given by Landlord. In case of termination, the Rent shall be reduced by a proportionate amount based upon the extent to which such damage interferes with the conduct of County's business in the Premises, and County shall pay such reduced Rent up to the date of termination. Landlord shall refund to County any Rent previously paid for any period of time subsequent to such date of termination.

Notwithstanding the foregoing, in the event the Premises are damaged or destroyed by reason of flood or earthquake, and such damage or destruction is not fully covered by insurance proceeds payable under the insurance policies Landlord is required to carry hereunder (excluding any deductible, for which Landlord shall be responsible), Landlord may terminate this Lease by written notice to County within thirty (30) days of the date Landlord receives written notice that such damage is not covered by insurance. Such notice from Landlord shall include adequate written evidence of the denial of insurance coverage. If Landlord does not elect to terminate this Lease as provided above, the Lease shall remain in full force and effect, and Landlord shall repair and restore the Premises as provided above.

If at any time during the last six (6) months of the Term of this Lease there is substantial damage that Landlord would be required to repair hereunder, Landlord or County may, at the respective option of each, terminate this Lease as of the date such damage occurred by giving written notice to the other party of its election to do so within thirty (30) days after the date of such damage; provided, however, Landlord may terminate this Lease only if it would take more than thirty (30) days to repair such damage.

The parties intend that the provisions of this Section govern fully their rights and obligations in the event of damage or destruction, and Landlord and County each hereby waives and releases any right to terminate this Lease in whole or in part under Section 1932, subdivision 2, Section 1933, subdivision 4, and Sections 1941 and 1942 of the Civil Code of California or under any similar law, statute or ordinance now or hereafter in effect, to the extent such rights are inconsistent with the provisions hereof.

13. EMINENT DOMAIN

13.1. Definitions

- (a) "Taking" means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under law. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.
- (b) "Date of Taking" means the earlier of (i) the date upon which title to the portion of the Property taken passes to and vests in the condemnor or (ii) the date on which Tenant is dispossessed.
- (c) "Award" means all compensation, sums or anything of value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

13.2. General

If during the Term or during the period between the execution of this Lease and the Commencement Date, there is any Taking of all or any part of the Premises or any interest in this Lease, the rights and obligations of the parties hereunder shall be determined pursuant to this Section. County and Landlord intend that the provisions hereof govern fully in the event of a Taking and accordingly, the parties each hereby waive any right to terminate this Lease in whole or in part under Sections 1265.10, 1265.40, 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar law now or hereafter in effect.

13.3. Total Taking; Automatic Termination

If there is a total Taking of the Premises, then this Lease shall terminate as of the Date of Taking.

13.4. Partial Taking; Election to Terminate

- (a) If there is a Taking of any portion (but less than all) of the Premises, then this Lease shall terminate in its entirety if all of the following exist: (A) the partial Taking, in County's reasonable judgment, renders the remaining portion of the Premises untenantable or unsuitable for continued use by County for its intended purposes or otherwise materially adversely affect County's normal operations in the Premises, (B) the condition rendering the Premises untenantable or unsuitable either is not curable or is curable but Landlord is unwilling or unable to cure such condition, and (C) County elects to terminate.
- (b) In the case of a partial taking of a substantial portion of the Building, and if subsection (a) above does not apply, County and Landlord shall each have the right to terminate this Lease by written notice to the other within thirty (30) days after the Date of Taking, provided that, as a condition to County's right to terminate, the portion of the Building taken shall, in County's reasonable judgment, render the Premises unsuitable for continued use by County for its intended purposes or otherwise materially adversely affect County's normal operations in the Premises.
- (c) Either party electing to terminate under the provisions of this Section 13.4 shall do so by giving written notice to the other party before or within thirty (30) days after the Date of Taking, and thereafter this Lease shall terminate upon the later of the thirtieth (30th) day after such written notice is given or the Date of Taking.

13.5. Rent; Award

Upon termination of this Lease pursuant to an election under Section 13.4 above, then: (i) County's obligation to pay Rent shall continue up until the date of termination, and thereafter shall cease, except that Rent shall be reduced as provided in Section 13.6 below for any period during which this Lease continues in effect after the Date of Taking, and (ii) Landlord shall be entitled to the entire Award in connection therewith, except that County shall receive any Award made specifically for County's relocation expenses, the interruption of or damage to County's business, County's improvements pertaining to realty or damage to County's Personal Property.

13.6. Partial Taking; Continuation of Lease

If there is a partial Taking of the Premises under circumstances where this Lease is not terminated in its entirety under Section 13.4 above, then this Lease shall terminate as to the portion of the Premises so taken, but shall remain in full force and effect as to the portion not taken, and the rights and obligations of the parties shall be as follows: (a) Rent shall be reduced by an amount that is in the same ratio to the Rent as the area of the Premises taken bears to the area of the Premises prior to the Date of Taking, and (b) Landlord shall be entitled to the entire Award in connection therewith, provided that County shall receive any Award made specifically for County's relocation expenses or the interruption of or damage to County's business or damage to County's Personal Property.

13.7. Temporary Taking

Notwithstanding anything to contrary in this Section, if a Taking occurs with respect to the Premises for a limited period of time not in excess of sixty (60) consecutive days, this Lease shall remain unaffected thereby, and County shall continue to pay Rent and to perform all of the terms, conditions and covenants of this Lease. In the event of such temporary Taking, County shall be entitled to receive that portion of any Award representing compensation for the use or occupancy of the Premises during the Term up to the total Rent owing by County for the period of the Taking.

14. ASSIGNMENT AND SUBLETTING

Except as provided in this Section below, County shall not directly or indirectly sell, assign, encumber, pledge or otherwise transfer or hypothecate all or any part of its interest in or rights with respect to the Premises or its leasehold estate hereunder or permit all or any portion of the Premises to be occupied by anyone other than itself or sublet all or any portion of the Premises, without Landlord's prior written consent in each instance, which shall not be unreasonably withheld or delayed. County shall have the right from time to time, upon notice to but without the consent of Landlord, to transfer this Lease or use and occupancy of all or any of the Premises to any department, commission or agency of the County of San Mateo for uses permitted under this Lease.

15. DEFAULT; REMEDIES

15.1. Events of Default by County

Any of the following shall constitute an event of default by County hereunder:

- (a) County's failure to make any timely payment of Rent and to cure such nonpayment within five (5) business days after receipt of written notice thereof from Landlord, provided that for the first two (2) monthly payments of Rent at the beginning of the Term and for the first monthly payment of Rent after the beginning of each new fiscal year for County or any Adjustment Date, County shall have twenty (20) days to cure any such nonpayment after written notice thereof from Landlord;
- (b) County's abandonment of the Premises (within the meaning of California Civil Code Section 1951.3); or
- (c) County's failure to perform any other covenant or obligation of County hereunder (not involving the payment of money) and to cure such non-performance within thirty (30) days of the date of receipt of notice thereof from Landlord, provided that if more than thirty (30) days are reasonably required for such cure, no event of default shall occur if County commences such cure within such period and diligently prosecutes such cure to completion.

15.2. Landlord's Remedies

Upon the occurrence of any event of default by County that is not cured within the applicable grace period as provided above, Landlord shall have all rights and remedies available pursuant to law or granted hereunder, including the following:

(a) The rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including, but not limited to, the right to terminate County's right to

possession of the Premises and to recover the worth at the time of award of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of rental loss for the same period that County proves could be reasonably avoided, as computed pursuant to subsection (b) of such Section 1951.2.

(b) The rights and remedies provided by California Civil Code Section 1951.4 (continuation of lease after breach and abandonment), which allows Landlord to continue this Lease in effect and to enforce all of its rights and remedies under this Lease, including the right to recover Rent as it becomes due, for so long as Landlord does not terminate County's right to possession, if County has the right to sublet or assign, subject only to reasonable limitations.

15.3. Landlord's Default

If Landlord fails to perform any of its obligations under this Lease, then (without limiting any of County's other cure rights under this Lease) County may, at its sole option, cure such default at Landlord's expense if such default continues after ten (10) days from the date County gives notice to Landlord of County's intention to perform such cure. However, in the case of a default which for causes beyond Landlord's control (excluding any financial inability to perform) cannot with due diligence be cured within such 10-day period, such 10-day period shall be extended if Landlord, promptly upon receipt of County's notice, advises County of Landlord's intention to take all steps required to cure such default, and Landlord promptly commences such cure and diligently prosecutes the same to completion. Subject to the other provisions of this Lease relating to abatement of Rent, if Landlord fails to cure any default within the cure period provided above, then, whether or not County elects to cure Landlord's default as provided herein, the Base Rent and any other charges hereunder shall be abated based on the extent to which such default interferes with County's ability to carry on its business at the Premises. Notwithstanding the foregoing, if any such default by Landlord continues for sixty (60) days and impairs County's ability to carry on its business in the Premises, then County shall have the right to terminate this Lease upon written notice to Landlord within thirty (30) days after the expiration of such 60-day period. County's rights hereunder shall not limit in any way any of its other rights and remedies hereunder or at law or in equity.

16. INDEMNITIES

16.1. County's Indemnity

County shall indemnify, defend and hold harmless ("Indemnify") Landlord and its Agents from and against any and all claims, costs and expenses (collectively, "Claims"), incurred as a result of (a) County's use of the Premises, (b) any default by County in the performance of any of its material obligations under this Lease, or (c) any negligent acts or omissions of County or its Agents or Invitees in, on or about the Premises or the Property; provided, however, County shall not be obligated to Indemnify Landlord or its Agents to the extent any Claim arises out of the negligence or willful misconduct of Landlord or its Agents. In any action or proceeding brought against Landlord or its Agents by reason of any Claim Indemnified by County hereunder, County may, at its sole option, elect to defend such Claim by attorneys in County's Office of County Counsel, by other attorneys selected by County, or both. County shall have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided that Landlord shall have the right, but not the obligation, to participate in the defense of any such Claim at its sole cost. County's obligations under this Section shall survive the termination of the Lease.

16.2. Landlord's Indemnity

Landlord shall Indemnify County and its Agents against any and all Claims incurred as a result of (a) any default by Landlord in the performance of any of its obligations under this Lease or any breach of any representations or warranties made by Landlord under this Lease, or (b) any negligent acts or omissions of Landlord or its Agents in, on or about the Premises or the Property; provided, however, Landlord shall not be obligated to Indemnify County or its Agents to the extent any Claim arises out of the negligence or willful misconduct of County or its Agents. In any action or proceeding brought against County or its Agents by reason of any Claim Indemnified by Landlord hereunder, Landlord may, at its sole option, elect to defend such Claim by attorneys selected by Landlord. Landlord shall have the right to control the defense and to determine the settlement or compromise of any action or proceeding, provided

that County shall have the right, but not the obligation, to participate in the defense of any such Claim at its sole cost. Landlord's obligations under this Section shall survive the termination of the Lease.

17. INSURANCE

17.1. County's Self-Insurance

Landlord acknowledges that County maintains a program of self-insurance and excess insurance. County assumes the risk of damage to any of County's Personal Property, except for damage caused by Landlord or its Agents.

As of the Effective Date, Tenant is self-insured in the amount of \$250,000 each occurrence giving rise to personal injury and property damage liabilities for which Tenant could be held responsible. In addition, Tenant presently has in force excess insurance in the amount of \$1,750,000 per occurrence with an annual aggregate. Said self-insurance and excess insurance provide coverage for personal injury and property damage liabilities arising out of the acts and/or omissions of Tenant, its officers, agents, contractors and employees, while on the Premises. Tenant, upon request of Landlord, shall furnish Landlord with a Certificate of Insurance which shall name Landlord and its Agents as additional insureds, and provide that Landlord would receive ten (10) days' prior notice of cancellation, change in scope or modification in coverage of such coverage. Nothing herein shall be interpreted to require Tenant or its insurer to provide a defense for, to provide insurance for, or to indemnify Landlord except as may be otherwise required by law.

17.2. Landlord's Insurance

At all times during the Term, Landlord shall keep the Building (excluding the land upon which it is located) insured against damage and destruction by fire, vandalism, malicious mischief, sprinkler damage and other perils customarily covered under a causes of loss-special form property insurance policy in an amount equal to the full insurance replacement value (replacement cost new, including, debris removal and demolition) thereof. Landlord shall, upon request by County, provide to County a certificate of insurance issued by the insurance carrier, evidencing the insurance required above. The certificate shall expressly provide that the policy is not cancelable or subject to reduction of coverage or otherwise be subject to modification except after thirty (30) days prior written notice to County.

17.3. Waiver of Subrogation

Notwithstanding anything to the contrary contained herein, Landlord and County hereby waive any right of recovery against the other for any loss or damage sustained with respect to the Building or the Premises or any portion thereof or the contents of the same or any operation therein, whether or not such loss is caused by the fault or negligence of the insured, to the extent (i) such loss or damage is actually recovered from valid and collectible insurance, and (ii) the insurance carriers agree to the insured's written waiver of right to recover such loss or damage.

18. ACCESS BY LANDLORD

Landlord reserves for itself and any designated Agent the right to enter the Premises at all reasonable times and, except in cases of emergency (in which event Landlord shall give any reasonable notice), after giving County at least twenty four (24) hours' advance written or oral notice, for the purpose of (i) inspecting the Premises, (ii) supplying any service to be provided by Landlord hereunder, (iii) showing the Premises to any prospective purchasers, mortgagees or, during the last six (6) months of the Term of this Lease, tenants, (iv) posting notices of non-responsibility, and (v) altering, improving or repairing the Premises and any portion of the Building, and Landlord may for that purpose erect, use and maintain necessary structures in and through the Premises where reasonably required by the character of the work to be performed, provided that the entrance to the Premises shall not be blocked thereby, and further provided that County's use shall not be interfered with.

19. ESTOPPEL CERTIFICATES

Either party, from time to time during the Term upon not less than ten (10) days' prior written notice from the other party, shall execute, acknowledge and deliver to the other party, or such persons or entities designated by such other party, a certificate stating: (a) the Commencement Date and Expiration Date of this Lease, (b) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that the Lease is in full force and effect as modified and stating the modifications), (c) that there are no defaults under this Lease (or if so, specifying the same), (d) the date to which Rent has been paid, and (e) any other information that may be reasonably required.

20. SURRENDER OF PREMISES

Upon the expiration or sooner termination of this Lease, County shall surrender the Premises to Landlord in good order and condition, reasonable use and wear and damage by fire or other casualty excepted. Within ten (10) days after the Expiration Date, County shall remove from the Premises all of County's Personal Property, and County's telecommunications, data and computer facilities and any Alterations County desires or is required to remove from the Premises pursuant to the provisions of Section 7.1 (Alterations by County), above. County shall repair or pay the cost of repairing any damage to the Premises or the Building resulting from such removal. Notwithstanding anything to the contrary in this Lease, County shall not be required to demolish or remove from the Premises any of the Leasehold Improvements. County's obligations under this Section shall survive the expiration or earlier termination of this Lease.

21. HAZARDOUS MATERIALS

21.1. Definitions

As used in this Lease, the following terms shall have the meanings hereinafter set forth:

(a) "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Material, whether now in effect or hereafter adopted.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. Hazardous Material includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA", also commonly known as the "Superfund" law), as amended, (42 U.S.C. Sections 9601 et seq.), or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials whether or not such materials are part of the structure of the Building or are naturally occurring substances on or about the Property; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

(c) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Building, or in, on, under or about the Property.

21.2. Landlord's Representations and Covenants

Landlord represents and warrants to County that, to the best of Landlord's knowledge, the following statements are true and correct and will be true and correct as of the Commencement Date: (a) the Property is not in violation of any Environmental Laws; (b) the Property is not now, nor has it been, used for the manufacture, use, storage, discharge, deposit, transportation or disposal of any Hazardous Material, except for the use of such substances in such limited quantities as are customarily used in offices, which limited use has been and is in compliance with Environmental Laws; (c) the Property does

not consist of any landfill or contain any underground storage tanks; (d) the Building does not consist of any asbestos-containing materials or building materials that contain any other Hazardous Material, nor do the Premises or the common areas of the Building contain any lead-based paints; (e) there has been and is no Release of any Hazardous Material in the Building or in, on, under or about the Property; and (f) the Property is not subject to any claim by any governmental regulatory agency or third party related to the Release of any Hazardous Material, and there is no inquiry by any governmental agency (including, without limitation, the California Department of Toxic Substances Control or the Regional Water Quality Control Board) with respect to the presence of Hazardous Material in the Building or in, on, under or about the Property, or the migration of Hazardous Material from or to other real property. Subject to County's obligations under this Section below, Landlord shall maintain the Property throughout the Term in compliance with all Environmental Laws that could affect the health, safety and welfare of County's employees or County's use, occupancy or enjoyment of the Premises for their intended purposes.

21.3. Landlord's Environmental Indemnity

Without limiting Landlord's Indemnity in Section 16.2 (Landlord's Indemnity), above, Landlord shall Indemnify County and its Agents against any and all Claims arising during or after the Term of this Lease (a) as a result of any breach of any of Landlord's representations, warranties or covenants in the preceding Section, or (b) in connection with any presence or Release of Hazardous Material in the Building or on, under or about the Property, unless County or its Agents caused such Release.

21.4. County's Covenants

Neither County nor its Agents shall cause any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or the Property, or transported to or from the Premises or the Property, in violation of any Environmental Laws, provided that County may use or store and dispose of such substances in such limited amounts as are customarily used in medical and general offices so long as such use is in compliance with all applicable Environmental Laws.

21.5. County's Environmental Indemnity

If County breaches its obligations contained in the preceding Section 21.4, or if County or its Agents cause the Release of Hazardous Material from, in, on or about the Premises or the Property, then County shall Indemnify Landlord against any and all Claims arising during or after the Term of this Lease as a result of such Release, except to the extent Landlord or its Agents is responsible for the Release. The foregoing Indemnity shall not include any Claims resulting from the non-negligent aggravation by County, its Agents or Invitees of physical conditions of the Premises, or other parts of the Property, existing prior to County's occupancy.

21.6. County's Medical Waste Indemnity

Landlord and County acknowledge that County's use of the Premises may cause medical waste to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or the Property, or transported to or from the Premises or the Property, and such activity shall not constitute a breach of County's obligations contained in Section 21. County shall Indemnify Landlord against any and all Claims arising during or after the Term of this Lease as the result of any Release of medical waste, except to the extent Landlord or its Agents is responsible for the Release.

22. SPECIAL PROVISIONS

22.1. Option to Expand

During the Term of this Lease, if Alston Power (the tenant in the premises contiguous to the Premises as of the Effective Date) terminates its lease of the premises in the Building as shown in the attached Exhibit C (the "Expansion Space"), and provided that Landlord does not elect to occupy such premises for its own use, Tenant shall have the option to lease the Expansion Space at the same rental rate per square foot and on the same terms as is then in effect under this Lease.

Landlord shall give Tenant ninety (90) days' notice of the availability of said space. If Tenant, within thirty (30) days after receipt of Landlord's notice, exercises the option in writing to lease the

Expansion Space, the Expansion Space shall be included in the Premises and leased to Tenant on the same terms and at the same rental rate per square foot as is in effect under this Lease, and the parties agree to promptly execute an amendment to this Lease so stating. If Tenant does not exercise the option within thirty (30) days, Landlord thereafter shall have the right to lease the Expansion Space, or part of it, to a third party. The provisions of this Section shall be operative each time Landlord determines to lease all or part of the Expansion Space to a third party.

23. GENERAL PROVISIONS

23.1. Notices

Except as otherwise specifically provided in this Lease, any notice given under this Lease shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested, or Express Mail, return receipt requested, with postage prepaid, to: (a) County at Tenant's address set forth in Sections 1.22 and 1.23 of the Basic Lease Information; or (b) Landlord at Landlord's address set forth in Section 1.22 of the Basic Lease Information; or (c) such other address as either Landlord or County may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received two (2) days after the date when it is mailed if sent by first-class, certified mail, one day after the date when it is mailed if sent by Express Mail, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given be telefacsimile to the telefacsimile number set forth in Sections 1.22 and 1.23 of the Basic Lease Information or such other number as may be provided from time to time; however, neither party may give official or binding notice by telefacsimile.

23.2. No Implied Waiver

No failure by either party to insist upon the strict performance of any obligation of the other party under this Lease or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such term, covenant or condition. No acceptance of full or partial Rent by Landlord while County is in default hereunder shall constitute a waiver of such default by Landlord. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver. One or more written waivers of a default or the performance of any provision hereof shall not be deemed to be a waiver of a subsequent default or performance. The consent of Landlord or County given in one instance under the terms of this Lease shall not relieve the other party of any obligation to secure the consent to any other or future instance under the terms of the Lease.

23.3. Amendments:

Neither this Lease nor any terms or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the party against which the enforcement of the change, waiver, discharge or termination is sought. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant and condition of this Lease shall continue in full force and effect with respect to any other then-existing or subsequent breach thereof. Whenever this Lease requires or permits the giving by County of its consent or approval, the Assistant County Manager, or his or her designee shall be authorized to provide such approval, except as otherwise provided by applicable law, including the County's Ordinance Code and Charter. Any amendments or modifications to this Lease, including, without limitation, amendments to or modifications to the exhibits to this Lease, shall be subject to the mutual written agreement of Landlord and County and may be made upon the sole approval of the Assistant County Manager, or his or her designee; provided, however, material amendments or modifications to this Lease (i) changing the legal description of the Premises, (ii) increasing the Term, (iii) increasing the Rent, (iv) changing the general use of the Premises from the use authorized under Section 5.1 of this Lease, and (vi) any other amendment or modification which materially increases the County's liabilities or financial obligations under this Lease shall additionally require the approval of the County's Board of Supervisors.

23.4. Authority

Landlord represents and warrants to County that the execution and delivery of this Lease by Landlord has been duly authorized and does not violate any provision of any agreement, law or regulation to which Landlord or the Property is subject.

23.5. Parties and Their Agents; Approvals

If applicable, the word "Landlord" as used in this Lease shall include the plural as well as the singular. As used in this Lease, the term "Agents" when used with respect to either party shall include the agents, employees, directors, officers and contractors of such party, and the term "Invitees" when used with respect to County shall include the clients, customers, invitees, guests, licensees, assignees or subtenants of County. All approvals, consents or other determinations permitted or required by County under this Lease shall be made by or through County's Assistant County Manager unless otherwise provided in this Lease, subject to any applicable limitations in the Ordinance Code or the Charter of the County of San Mateo.

23.6. Interpretation of Lease

The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Lease. This Lease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intent and purposes of the parties, without any presumption against the party responsible for drafting any part of this Lease. Except as otherwise specifically provided herein, wherever in this Lease Landlord or County is required or requested to give its consent or approval to any matter or action by the other, such consent or approval shall not be unreasonably withheld or delayed and the reasons for disapproval of consent shall be stated in reasonable detail in writing. Provisions in this Lease relating to number of days shall be calendar days, unless otherwise specified, provided that if the last day of any period to give notice, reply to a notice or to undertake any other action occurs on a Saturday, Sunday or a bank or County holiday, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding business day. Use of the word "including" or similar words shall not be construed to limit any general term, statement or other matter in this Lease, whether or not language of non-limitation, such as "without limitation" or similar words, are used.

23.7. Successors and Assigns

Subject to the provisions of Section 14 relating to assignment and subletting, the terms, covenants and conditions contained in this Lease shall bind and inure to the benefit of Landlord and County and, except as otherwise provided herein, their personal representatives and successors and assigns. There are no third-party beneficiaries to this Lease.

23.8. Brokers

Neither party has had any contact or dealings regarding the leasing of the Premises, or any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the lease contemplated herein, except for the broker, if any, identified in Section 1.26 of the Basic Lease Information, whose commission, if any is due, shall be the sole responsibility of Landlord pursuant to a separate written agreement between Landlord and such broker, and County shall have no liability therefor. In the event that any other broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his claim shall be responsible for such commission or fee and shall Indemnify the other party from any and all Claims incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination of this Lease.

23.9. Severability

If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such

provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the full extent permitted by law.

23.10. Governing Law

This Lease shall be construed and enforced in accordance with the laws of the State of California and the Ordinance Code and Charter of the County of San Mateo.

23.11. Entire Agreement

The parties intend that this Lease (including all of the attached exhibits, which are made a part of this Lease) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous written or oral agreements or understandings. The parties further intend that this Lease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Lease.

23.12. Holding Over

Should County hold over in possession of the Premises after the expiration of the Term with Landlord's consent, such holding over shall not be deemed to extend the Term or renew this Lease, but such tenancy thereafter shall continue as a month-to-month tenancy. Such tenancy shall be on all the terms and conditions set forth in this Lease and at the monthly Base Rent in effect during the last month of the Term of the Lease or such other rental as Landlord and County may mutually agree in writing as a condition to Landlord's consent to such holding over, and County shall continue as a month-to-month tenant until the tenancy shall be terminated by Landlord giving County or County giving Landlord at least thirty (30) days' prior written notice of termination. Should County hold over without Landlord's consent, the rent payable by County during the period of such holding over shall be one hundred ten percent (110%) of the monthly Base Rent in effect during the last month of the Term of this Lease, and such tenancy shall otherwise be on the terms and conditions contained herein.

23.13. Cumulative Remedies

All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

23.14. Time of Essence

Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

23.15. Survival of Indemnities

Termination of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, nor shall it effect any provision of this Lease that expressly states it shall survive termination hereof. Each party hereto specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Lease, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the indemnitor by the indemnitee and continues at all times thereafter.

23.16. Signs

County may erect or post signs on or about the Premises subject to Landlord's prior approval as provided below. Landlord reserves the right to review the placement, design, and plan for any such sign prior to its erection or posting and agrees that the approval thereof shall not be unreasonably withheld or delayed.

23.17. Quiet Enjoyment and Title

Landlord covenants and represents that it has full right, power and authority to grant the leasehold estate hereunder, and covenants that County, upon paying the Rent hereunder and performing the covenants hereof, shall peaceably and quietly have, hold and enjoy the Premises and all appurtenances during the full Term of this Lease as against all persons or entities claiming by and through Landlord or on account of any action, inaction or agreement of Landlord or its Agents. Without limiting the provisions of Section 16.2 (Indemnities), Landlord agrees to Indemnify County and its Agents against Claims arising out of any assertion that would interfere with County's right to quiet enjoyment as provided in this Section.

County acknowledges that Landlord occupies a portion of the Building, and that Landlord holds social events in its premises, typically in the evening and on weekends. County agrees that noise levels that, if experienced during normal business hours, might interfere with County's quiet enjoyment as provided in this Section, will not, from 6:00 p.m. to 6:00 a.m. on weekdays, or at any time on Saturday, Sunday, or County holidays, be considered a breach of County's right to quiet enjoyment as provided in this Section.

23.18. Bankruptcy

Landlord represents and warrants to County that Landlord has neither filed nor been the subject of any filing of a petition under the federal bankruptcy law or any federal or state insolvency laws or laws for composition of indebtedness or for the reorganization of debtors, and, to the best of Landlord's knowledge, no such filing is threatened. Landlord and County agree that County's leasehold estate created hereby includes, without limitation, all rights to receive and enjoy all services, facilities and amenities of the Premises and the Building as provided herein, and that if any of such services, facilities or amenities are terminated, or materially limited or restricted on account of any such case or proceeding, or for any other reason, County shall have the right to (i) contract directly with any third-party provider of such services, facilities or amenities to obtain the same, and (ii) offset against the Base Rent or other charges payable hereunder any and all reasonable costs and expenses incurred by County in obtaining such services, facilities or amenities.

23.19. Transfer of Landlord's Interest

Landlord shall have the right to transfer its interest in the Property, the Building or this Lease to any other financially responsible person or entity. In the event of any such transfer, Landlord shall be relieved, upon notice to County of the name and address of Landlord's successor, of any obligations accruing hereunder from and after the date of such transfer and upon delivering to County an express assumption by the transferee of all of Landlord's obligations hereunder.

23.20. Non-Liability of County Officials, Employees and Agents

Notwithstanding anything to the contrary in this Agreement, no elective or appointive board, commission, member, officer, employee or agent of County shall be personally liable to Landlord, its successors and assigns, in the event of any default or breach by County or for any amount which may become due to Landlord, its successors and assigns, or for any obligation of County under this Lease.

23.21. Counterparts

This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

23.22. Certification by Landlord

By executing this Lease, Landlord certifies that Landlord is not suspended, debarred or otherwise excluded from participation in federal assistance programs. Landlord acknowledges that this certification of eligibility to receive federal funds is a material term of this Lease.

23.23. Acceptance of Lease

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, LANDLORD ACKNOWLEDGES AND AGREES THAT NO OFFICER OR EMPLOYEE OF COUNTY HAS AUTHORITY TO COMMIT COUNTY HERETO UNLESS AND UNTIL THE COUNTY'S BOARD OF SUPERVISORS SHALL HAVE DULY ADOPTED A RESOLUTION APPROVING THIS LEASE AND AUTHORIZING CONSUMMATION OF THE TRANSACTION CONTEMPLATED THEREFORE, ANY OBLIGATIONS OR LIABILITIES OF COUNTY HEREUNDER ARE CONTINGENT UPON ADOPTION OF SUCH A RESOLUTION, AND THIS LEASE SHALL BE NULL AND VOID UNLESS COUNTY'S BOARD OF SUPERVISORS APPROVE THIS LEASE, IN THEIR RESPECTIVE SOLE AND ABSOLUTE DISCRETION, AND IN ACCORDANCE WITH ALL APPLICABLE LAWS. APPROVAL OF THIS LEASE BY ANY DEPARTMENT, COMMISSION OR AGENCY OF COUNTY SHALL NOT BE DEEMED TO IMPLY THAT SUCH RESOLUTION WILL BE ADOPTED NOR WILL ANY SUCH APPROVAL CREATE ANY BINDING OBLIGATIONS ON COUNTY.

Landlord and County have executed this Lea	se as of the date first written above.
LANDLORD:	ISLAM TEMPLE A.A.O.N.M.S., a Certifornia non-profit corporation BY: By Charles BY: Acharles BY: Link C. Capa ITS: Recept Bus. Man.
COUNTY:	COUNTY OF SAN MATEO, a political subdivision of the State of California
	BY: President, Board of Supervisors
ATTESTED:	
Clerk of Said Board	
APPROVED AS TO FORM:	·
Thomas F. Casey III, County Counsel By Deputy County Counsel	

OFFICE LEASE

EXHIBIT A

FLOOR PLAN CONSISTING OF ONE PAGE

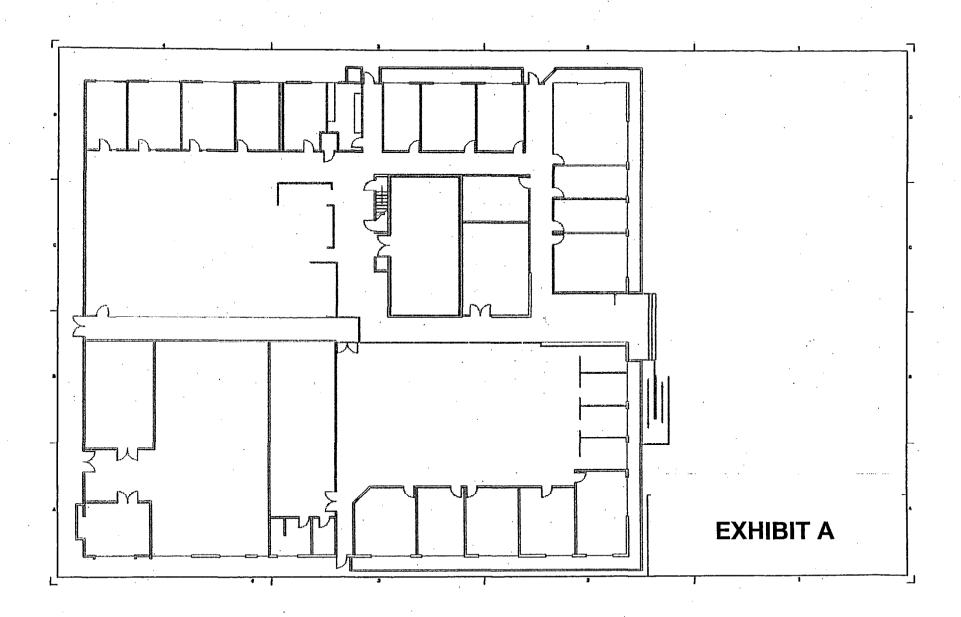


EXHIBIT B

[Date] Mr. Paul Scannell Assistant County Manager County of San Mateo 400 County Center Redwood City, CA 94063 RE: Acknowledgement of Commencement Date, Lease Between ISLAM TEMPLE AAONMS (Landlord), and the COUNTY OF SAN MATEO (Tenant), for premises known as 150 W. 20th Avenue, San Mateo, California Dear Mr. Scannell: This letter will confirm that for all purposes of the Lease, the Commencement Date (as defined in Section 3.2 of the Lease) is , 2002. Please acknowledge your acceptance of this letter by signing and returning a copy of this letter. Very truly yours, Title Accepted and Agreed:

Assistant County Manager

EXHIBIT C

PLAN - EXPANSION SPACE

1.

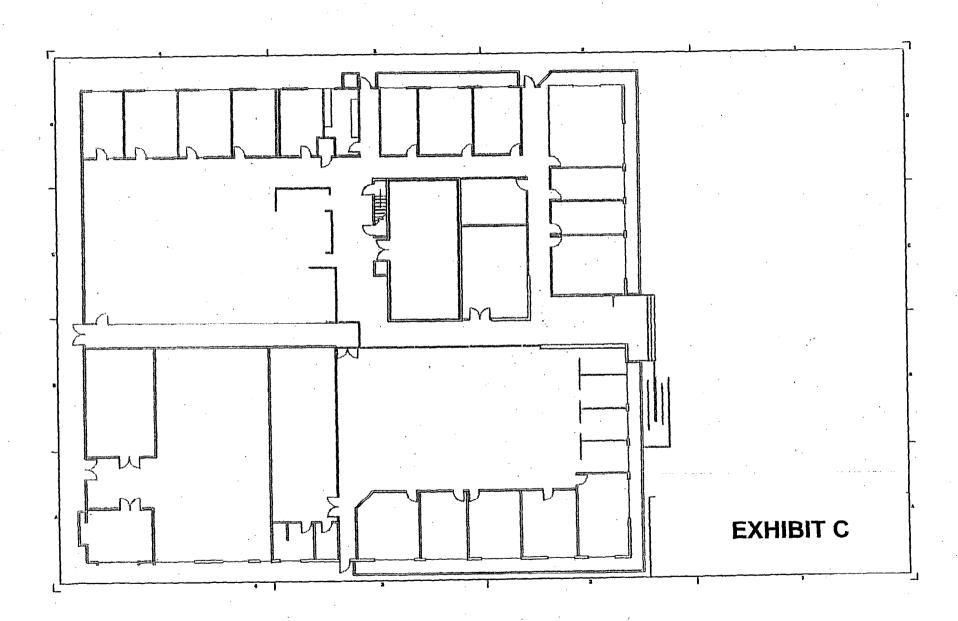


EXHIBIT D

BUILDING RULES AND REGULATIONS

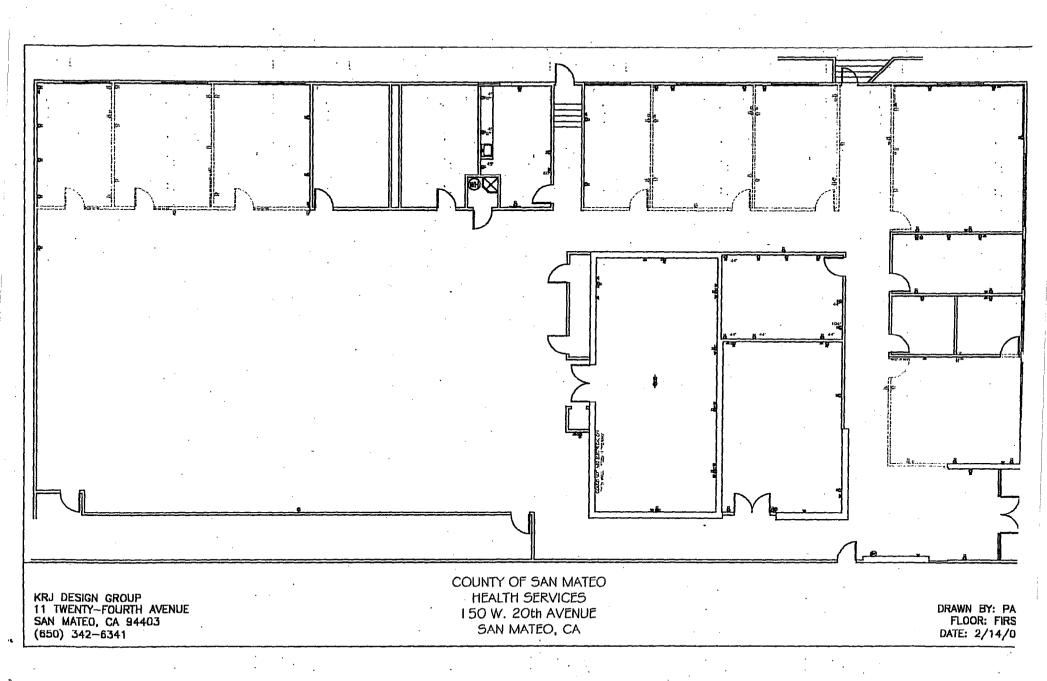
TO BE PROVIDED BY LANDLORD; SUBJECT TO COUNTY REVIEW AND APPROVAL

EXHIBIT E

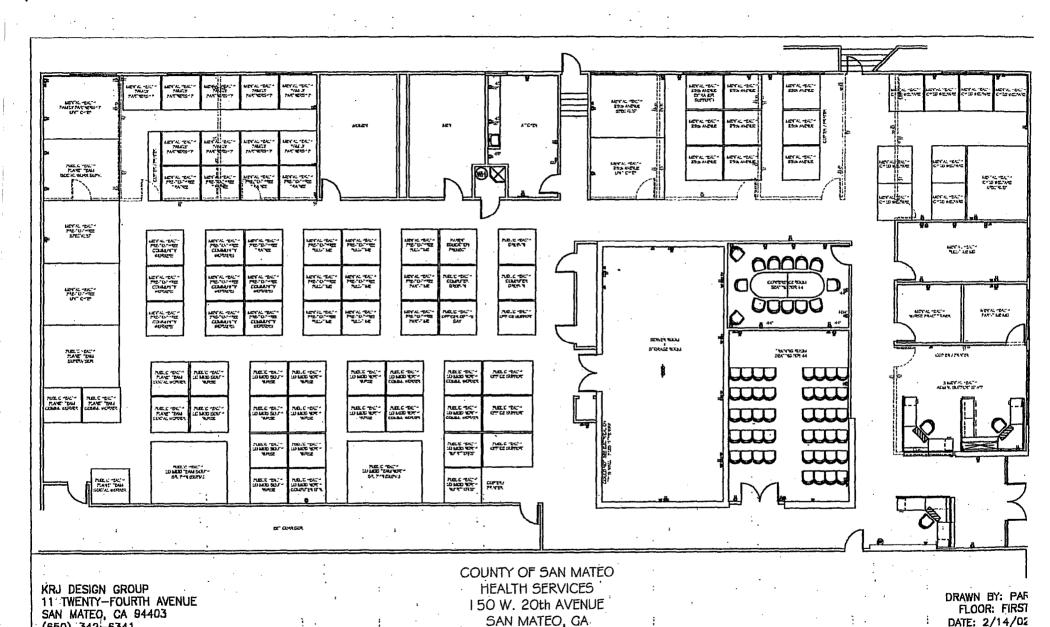
SPACE PLAN

Consisting of 2 Pages

EXHIBIT E



DATE: 2/14/02



(650) 342-6341