

GROUND LEASE

between

COUNTY OF SAN MATEO,  
as Landlord

and

DTRS Half Moon Bay LLC  
as Tenant

For the lease of

A Portion of APN 066-082-040  
Half Moon Bay, California

June 1, 2009

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**LIST OF EXHIBITS:**

- EXHIBIT A -- Site Plan
- EXHIBIT B -- Notice of Commencement Date
- EXHIBIT C -- Tenant's Plans and Specifications

**GROUND LEASE**  
**LEASE NO. 5296**

THIS GROUND LEASE (this "Lease"), dated for reference purposes only as of June 1, 2009, is between the COUNTY OF SAN MATEO, a political subdivision of the State of California ("County" or "Landlord"), and DTRS Half Moon Bay LLC ("Tenant").

County and Tenant hereby covenant and 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.

Lease Reference Date:	June 1, 2009
Landlord:	COUNTY OF SAN MATEO, a political subdivision of the State of California
Tenant:	DTRS Half Moon Bay LLC (and permitted successors and assigns)
Property (Section 2.1):	San Mateo County Assessor's Parcel Number 066-082-040, City of Half Moon Bay, County of San Mateo, California, comprised of approximately 18,459 square feet of unimproved land.
Premises (Section 2.1):	A portion of the Property more fully described and shown on the site plan attached hereto as <u>Exhibit A</u> .
Rentable Area of Premises (Section 2.1):	Approximately 2,650 square feet.
Term (Section 3.1):	Estimated commencement date: July 14, 2009;  Expiration date: June 30, 2012
Base Rent, Fees (Section):	Processing Fee: \$1,500.00 Annual Base Rent: \$6,360.00

Use (Section 5.1):	Tenant shall use the Premises solely to develop and maintain access to Tenant's adjacent parking lot, together with related activities, and for no other purpose.
Tenant Alterations (Section 7):	Tenant shall, at its sole cost and expense, make such Alterations to the Premises as may be required for the Use as set forth herein. Such Alterations shall commence only upon the prior approval of the County. Tenant shall obtain all necessary permits and approvals prior to making any Alterations to the Premises.
Utilities and Services (Section 10.1):	All necessary utilities and services shall be provided to the Premises by Tenant at its sole cost and expense.
Security Deposit (Section 23):	None
Notice Address of County (Section 27.1):	County Manager 400 County Center Redwood City, California 94063 Attn: Real Property Services Fax No.: (650) 363-4832
Key Contact for County:	Real Property Services Manager
Telephone No.:	(650) 363-4047
Address for Tenant (Section 27.1):	DTRS Half Moon Bay LLC 1 Miramontes Point Rd Half Moon Bay, CA 94019 Fax No.: (650) 712-7068
Key Contact for Tenant:	Pepe Ramirez, Director of Engineering
Telephone No.:	(650) 712-7800
Alternate Contact for Tenant:	The Ritz-Carlton, Half Moon Bay 1 Miramontes Point Rd Half Moon Bay, California 94019 Fax No.: (650) 712-7077 Attention: General Manager
Telephone No.:	(650) 712-7000

Brokers (Section 27.8):	None
Other Noteworthy Provisions (Section 22):	Tenant shall, at its cost and expense, maintain the Property in a neat and clean condition throughout the Term including, but not limited to, keeping the Property free of litter and controlling weed growth.

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## **2. PREMISES; AS IS CONDITION**

### **2.1. Lease Premises**

Subject to the provisions of this Lease, County leases to Tenant and Tenant leases from County those premises identified in the Basic Lease Information and shown on the site plan attached hereto as Exhibit A (the "Premises"). The Premises are located on the Property specified in the Basic Lease Information. The rentable area of the Premises specified in the Basic Lease Information shall be conclusive for all purposes hereof. The land upon which the Premises is located and all other improvements on and appurtenances to such land are referred to collectively as the "Property."

### **2.2. As Is Condition**

TENANT ACKNOWLEDGES AND AGREES THAT THE PREMISES ARE BEING LEASED AND ACCEPTED IN THEIR "AS IS" CONDITION, WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND, AND SUBJECT TO ALL APPLICABLE LAWS, RULES AND ORDINANCES GOVERNING THEIR USE, OCCUPANCY AND POSSESSION. TENANT REPRESENTS AND WARRANTS TO COUNTY THAT TENANT HAS INVESTIGATED AND INSPECTED, EITHER INDEPENDENTLY OR THROUGH AGENTS OF TENANT'S OWN CHOOSING, THE CONDITION OF THE PREMISES AND THE SUITABILITY OF THE PREMISES FOR TENANT'S INTENDED USE. TENANT HAS DETERMINED, BASED SOLELY ON ITS OWN INVESTIGATION, THAT THE PREMISES ARE SUITABLE FOR TENANT'S BUSINESS AND INTENDED USE. TENANT ACKNOWLEDGES AND AGREES THAT NEITHER COUNTY NOR ANY OF ITS AGENTS HAVE MADE, AND COUNTY HEREBY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE RENTABLE AREA OF THE PREMISES, THE PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PREMISES OR THE PROPERTY, THE PRESENT OR FUTURE SUITABILITY OF THE PREMISES FOR TENANT'S BUSINESS, OR ANY OTHER MATTER WHATSOEVER RELATING TO THE PREMISES, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

## **3. TERM**

### **3.1. Lease Term**

The Premises are leased for a term (the "Term") commencing on the date specified in the Basic Lease Information as the estimated commencement date (the "Estimated Commencement Date"), or such earlier date upon which County delivers and Tenant accepts possession of the Premises, subject to the provisions of Section 3.3 (Delay in Delivery of Possession) and Section 3.4 (Delays Caused by Tenant), below. The Term of this Lease shall end on the expiration date specified in the Basic Lease Information, unless sooner terminated pursuant to the provisions of this Lease. County shall deliver the Premises to Tenant on the Commencement Date in their then existing



as is condition as further provided above, with no obligation of the County to make any improvements, repairs or alterations.

### **3.2. Confirmation of Commencement Date and Expiration Date**

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 following the Commencement Date Tenant shall deliver to County a notice substantially in the form attached hereto as Exhibit B, confirming the actual Commencement Date, but Tenant's failure to do so shall not affect the commencement of the Term.

### **3.3. Delay in Delivery of Possession**

If County is unable to deliver possession of the Premises to Tenant on or before the Estimated Commencement Date, then the validity of this Lease shall not be affected thereby and County shall not be liable to Tenant for any Claims (as defined in Section 18 below) resulting therefrom, and Tenant waives all provisions of any laws to the contrary. In such case, the Term and regular payments of Base Rent and Additional Charges shall not commence until County delivers possession of the Premises. 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 hereof.

### **3.4. Delays Caused by Tenant**

Notwithstanding anything to the contrary above, if County's inability to deliver possession of the Premises on the Estimated Commencement Date results from Tenant's or its Agents' acts or omissions, then Base Rent and Additional Charges payable by Tenant hereunder shall commence on the date when Landlord would have delivered possession of the Premises but for such acts or omissions.

## **4. RENT**

### **4.1. Base Rent**

Throughout the Term, Tenant shall pay to County the annual Base Rent specified in the Basic Lease Information (the "Base Rent"). The Base Rent shall be paid to County in advance, without prior demand and without any deduction, setoff or counterclaim whatsoever, in equal consecutive monthly payments on or before the first day of the Term and on or before the first day of each month thereafter. All sums payable by Tenant to County hereunder shall be paid in cash or by good check to the County of San Mateo in care of the Real Property Division at the primary address for County specified in the Basic Lease Information, or such other place as County may designate in writing. If Tenant pays by check and such check is not honored, then

County may require Tenant to make all future payments in cash or by cashier's check. 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 Base Rent for such fractional month shall be prorated based on a thirty (30) day month. Within five (5) days after the parties execute this Lease, Tenant shall pay to County the Base Rent for the first full month.

#### **4.2.Additional Charges**

In addition to the Base Rent set forth above, upon execution of the agreement, Tenant shall pay to Landlord as an additional charge, a one-time processing fee of ONE THOUSAND FIVE HUNDRED Dollars (\$1,500.00) to cover County's costs associated with Lease preparation and any technical analysis of this Lease to assure complete compatibility of County's operations at the Property.

Tenant shall pay to County any and all charges and other amounts required under this Lease as additional rent (collectively, "Additional Charges"). All such Additional Charges shall be payable to County at the same place and the same manner as the Base Rent is payable. County 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. As used in this Lease, the term "Rent" shall include the Base Rent, Additional Charges and any other amounts Tenant is obligated to pay hereunder, whether or not any such amounts are specifically characterized as rent.

#### **4.3.Late Charges**

If Tenant fails to pay any Rent or any portion of Rent within five (5) days following the due date, such unpaid amount shall be subject to a late payment charge equal to six percent (6%) of the unpaid amount in each instance. The late payment charge has been agreed upon by County and Tenant, after negotiation, as a reasonable estimate of the additional administrative costs and detriment that County will incur as a result of any such failure by Tenant, the actual costs thereof being extremely difficult if not impossible to determine. The late payment charge constitutes liquidated damages to compensate County for its damages resulting from such failure to pay and shall be paid to County together with such unpaid amount.

#### **4.4.Default Interest**

Any Rent, if not paid within five (5) days following the due date, shall bear interest from the due date until paid at the rate of ten percent (10%) per year or, if a higher rate is legally permissible, at the highest rate an individual is permitted to charge under law (the "Interest Rate"). However, interest shall not be payable on late charges incurred by Tenant nor on any amounts on which late charges are paid by Tenant to the extent this interest would cause the total interest to be in excess of that which an individual is lawfully permitted to charge. Payment of interest shall not excuse or cure any default by Tenant.

## **5. USE**

### **5.1. Permitted Use**

Tenant shall use the Premises during the Term solely to develop and maintain access to Tenant's adjacent parking lot, and related activities, and for no other purpose. No parking shall be allowed on the Premises or the Property at any time. Tenant shall ensure that its vehicles and those of its employees, agents and customers are not parked on the Premises or the Property.

### **5.2. No Unlawful Uses, Nuisances or Waste**

Without limiting the foregoing, Tenant shall not use, occupy or permit the use or occupancy of any of the Premises in any unlawful manner or for any illegal purpose, or permit any offensive, noisy or hazardous use or any waste on or about the Premises. Tenant shall take all precautions to eliminate any nuisances or hazards relating to its activities on or about the Premises. Tenant shall not conduct any business, place any sales display, or advertise in any manner in areas outside the Premises or on or about the Property.

## **6. TENANT IMPROVEMENTS**

All work performed pursuant this section shall be subject to the provisions of Section 7 (Alterations), with approval of the County first had and obtained. Such work shall be completed within six (6) months of the Commencement Date of this agreement.

### **6.1. Fencing**

Tenant shall install and maintain, subject to County approval, fencing or barriers sufficient to prohibit access onto the Property outside of the Premises during the Term. Such fencing or barriers shall be of a style and quality approved by County in writing, prior to installation, which approval shall not be unreasonably withheld. Fencing or barriers installed without the prior written approval of the County shall be subject to removal at Tenant's sole cost.

### **6.2. Signage**

Tenant shall install and maintain, subject to County approval, signage prohibiting parking on the Premises and Property by its employees, agents and customers.

During the period after commencement of the Lease and prior to the installation of the Tenant Improvements, Tenant shall take reasonable steps to enforce the provisions of Section 5.1 (Permitted Use) to prohibit parking on the Property, including the installation of temporary fencing or barriers and signage. Failure to complete the improvements within the allotted time, and/or failure to enforce the above provisions at any time, shall result in the County making the improvements and/or enforcing the provisions at Tenant's sole cost and expense.

## **7. ALTERATIONS**

### **7.1.Tenant's Alterations**

Tenant shall not make or permit any alterations to the Property, and shall not make or permit any alterations, installations, additions or improvements, structural or otherwise (collectively, "Alterations"), on, to or about the Premises, without County's prior written consent in each instance. All Alterations shall be done at Tenant's expense in accordance with plans and specifications approved by County ("Plans"), only by duly licensed and bonded contractors or mechanics approved by County, and subject to any conditions that County may reasonably impose. If the cost of any Alterations is in excess of Twenty Five Thousand Dollars (\$25,000), then Tenant shall pay to County an administrative fee equal to ten percent (10%) of the total "hard" costs of the work to compensate County for the costs of review.

Tenant shall further be responsible, at no cost to the County, for obtaining all permits and licenses required in connection with the Tenant Improvements. No Tenant Alterations shall commence on the Premises unless and until this Lease is fully executed. Tenant shall not make any material change to the approved Plans or consent to any material change order during the course of construction without first obtaining County's written approval. Tenant shall ensure that all work is performed in a manner that does not obstruct any other portion of the Property, or with any other work being undertaken on or about the Property. Upon completion of the Tenant Alterations, Tenant shall furnish County with a copy of the final as-built plans and specifications. No approval by County or any of its Agents of the Plans, any changes thereto or of any Alterations for purposes of this Lease shall be deemed to constitute approval of any federal, state or local regulatory authority with jurisdiction over the Premises or Tenant's use hereunder, and nothing herein shall limit Tenant's obligation to obtain all such regulatory approvals at no cost to the County.

### **7.2.Title to Improvements**

Except for Tenant's Personal Property (as described in the next section), or as may be specifically provided to the contrary in the approved Plans, all appurtenances, fixtures, improvements, equipment, additions, and other property attached or affixed to or installed in the Premises at the Commencement Date or during the Term, including, without limitation, any Alterations, at County's option shall be and remain County's property. Tenant may not remove any such property at any time during or after the Term unless County so requests as further provided in Section 24 (Surrender), below.

### **7.3.Tenant's Personal Property**

All trade fixtures, equipment and articles of movable personal property installed in the Premises by or for the account of Tenant, without expense to County, and that can be removed without damage to the Property (collectively, "Tenant's Personal Property") shall be and remain Tenant's property. Tenant may remove its Personal Property at any time during the Term, subject to the provisions of Section 24 (Surrender of Premises), below. Tenant shall pay any taxes or other impositions levied or

assessed upon Tenant's Personal Property, at least ten (10) days prior to delinquency, and shall deliver satisfactory evidence of such payment to County upon request.

## **8. REPAIRS AND MAINTENANCE**

### **8.1.Tenant's Repairs**

Tenant, at no expense to County, shall maintain the Premises in good order and in a clean, secure, safe and sanitary condition. Tenant shall promptly make all necessary repairs and replacements: (a) at no cost to the County, (b) by licensed contractors or qualified mechanics approved by County, (c) so that the same shall be at least equal in quality, value and utility to the original work or installation, (d) in accordance with any applicable Rules and Regulations (as defined in Section 23.1 (Rules and Regulations)) and all applicable laws, rules and regulations. Tenant hereby waives all rights to make repairs at County's expense under Sections 1941 and 1942 of the California Civil Code or under any similar law, statute or ordinance now or hereafter in effect.

## **9. LIENS AND ENCUMBRANCES**

### **9.1.Liens**

Tenant shall keep the Premises and the rest of the Property free from any liens arising out of any work performed, material furnished or obligations incurred by or for Tenant. In the event Tenant does not, within five (5) days following the imposition of any such lien, cause the lien to be released of record by payment or posting of a proper bond, County shall have, in addition to all other remedies, the right, but not the obligation, to cause the lien to be released by such means as it shall deem proper, including, but not limited to, payment of the claim giving rise to such lien. All such sums paid by County and all expenses incurred by it in connection therewith (including, without limitation, reasonable attorneys' fees) shall be payable to County by Tenant upon demand. County shall have the right to post on the Premises any notices that County may deem proper for the protection of County, and the Premises, from mechanics' and materialmen's liens. Tenant shall give to County at least fifteen (15) days' prior written notice of commencement of any improvement, repair or construction on the Premises. Tenant agrees to indemnify, defend and hold County and its Agents harmless from and against any claims for mechanic's, materialmen's or other liens in connection with any Alterations, repairs or construction on the Premises, or materials furnished or obligations incurred by or for Tenant.

### **9.2.Encumbrances**

Tenant shall not create, permit or suffer any liens or encumbrances affecting any portion of the Premises, the Property or County's interest therein or under this Lease; provided that, (a) Tenant may without Landlord's consent execute a deed of trust or other document encumbering Tenant's rights under this Lease to any lender ("Permitted Mortgagee") holding a deed of trust or other encumbrance on all or any portion of Tenant's interest in the real property and improvements comprising the hotel commonly

known as “The Ritz-Carlton, Half Moon Bay” located in Half Moon Bay, California (“Hotel”), and (b) any transfer of Tenant’s rights under this Lease to the beneficiary under a deed of trust or assignment permitted under clause (a) of this sentence shall not constitute a default under this Lease or provide Landlord with any Recapture (defined below) rights.

**10. UTILITIES AND SERVICES**

**10.1. Utilities and Services**

Tenant shall be responsible for furnishing, at no cost to the County, any utilities or services that Tenant may need for its use of the Premises.

**11. COMPLIANCE WITH LAWS AND RISK MANAGEMENT REQUIREMENTS**

**11.1. Compliance with Laws**

Tenant shall promptly comply, at no cost to the County, with all present or future laws, ordinance, resolution, regulation, requirement, proclamation, order or decree of any municipal, county, state or federal government or other governmental or regulatory authority relating to the Premises or the use or occupancy thereof (the “Legal Requirements”) and with any and all recorded covenants, conditions and restrictions affecting the Property or any portion thereof, whether in effect at the time of the execution of this Lease or adopted or recorded at any time thereafter and whether or not within the present contemplation of the parties. Tenant further understands and agrees that it is Tenant’s obligation, at no cost to the County, to cause the Premises and Tenant’s uses thereof to be conducted in compliance with the Americans With Disabilities Act, 42 U.S.C.A. §§ 12101 et seq. Any Alteration made by or on behalf of Tenant pursuant to the provisions of this Section shall comply with the provisions of Section 8.1 (Tenant’s Repairs), above. The parties acknowledge and agree that Tenant’s obligation to comply with all Legal Requirements as provided herein is a material part of the bargained for consideration under this Lease. Tenant’s obligation under this Section shall include, without limitation, the responsibility of Tenant to make substantial or structural repairs and Alterations to the Premises (including any of the Tenant Improvements or any of Tenant’s Alterations), regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or County, the degree to which the curative action may interfere with Tenant’s use or enjoyment of the Premises, the likelihood that the parties contemplated the particular Legal Requirement involved, and whether the Legal Requirement involved is related to Tenant’s particular use of the Premises.

**11.2. Regulatory Approvals**

- (a) Responsible Party

Tenant understands and agrees that Tenant’s use of the Premises and construction of the Tenant Alterations permitted hereunder may require authorizations,

approvals or permits from governmental regulatory agencies with jurisdiction over the Premises, including, without limitation, County agencies and the City of Half Moon Bay. Tenant shall be solely responsible for obtaining any and all such regulatory approvals. Tenant shall bear all costs associated with applying for and obtaining with any necessary or appropriate regulatory approval and shall be solely responsible for satisfying any and all conditions imposed by regulatory agencies as part of a regulatory approval; provided, however, any such condition that could affect use or occupancy of the Property or County's intent therein must first be approved by County in its sole discretion. Any fines or penalties levied as a result of Tenant's failure to comply with the terms and conditions of any regulatory approval shall be immediately paid and discharged by Tenant, and County shall have no liability, monetary or otherwise, for any such fines or penalties. Tenant shall Indemnify County and the other Indemnified Parties (as defined below) hereunder against all Claims (as defined below) arising in connection with Tenant's failure to obtain or failure by Tenant, its Agents or Invitees to comply with the terms and conditions of any regulatory approval.

(b) County Acting as Owner of Real Property

Tenant further understands and agrees that County is entering into this Lease in its capacity as a property owner with a proprietary interest in the Premises and not as a regulatory agency with police powers. Nothing in this Lease shall limit in any way Tenant's obligation to obtain any required approvals from County or City of Half Moon Bay officials, departments, boards or commissions having jurisdiction over the Premises. By entering into this Lease, County is in no way modifying or limiting Tenant's obligation to cause the Premises to be used and occupied in accordance with all applicable laws, as provided further above.

**11.3. Compliance with County's Risk Management Requirements**

Tenant shall not do anything, or permit anything to be done, in or about the Premises which would be prohibited by or increase rates under a standard form fire insurance policy or subject County to potential premises liability. Tenant shall faithfully observe, at no cost to the County, any and all requirements of County's Risk Manager with respect to Tenant's use and occupancy of the Premises, so long as such requirements do not unreasonably interfere with Tenant's use of the Premises or are otherwise connected with standard prudent commercial practices of other landlords.

**12. SUBORDINATION**

This Lease is and shall be subordinate to any easement agreement, ground lease, facilities lease or other underlying lease and the lien of any mortgage or deed of trust and all renewals, modifications, consolidations, replacements and extensions of any of the foregoing, that may now exist or hereafter be executed by County affecting the Property, or any part thereof, or County's interest therein, without the necessity of executing any instrument to effectuate such subordination; provided, however, that (a) upon Landlord's request, Tenant, or Tenant's successor-in-interest, shall execute and deliver any and all instruments desired by Landlord evidencing such subordination in

the manner requested by Landlord, and (b) the subordination of this Lease to any agreement not of record as of the date hereof shall be conditioned upon the delivery of a non-disturbance agreement in favor of Tenant in a form reasonably acceptable to Tenant. Notwithstanding the foregoing, County or the holder shall, in its respective discretion, have the right to subordinate any such interests to this Lease. If 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, Tenant shall attorn to the successor-in-interest to County, at the option of such successor-in-interest. The provisions of this Section shall be self-operative and except as provided in this Section 12 no further instrument shall be required. Tenant agrees, however, to execute and deliver, upon demand by County and in the form requested by County, any additional documents evidencing the priority or subordination of this Lease.

### **13. INABILITY TO PERFORM**

No actual or constructive eviction, in whole or in part, shall entitle Tenant to any abatement or diminution of Rent or relieve Tenant from any of its obligations under this Lease. If County is unable to perform or is delayed in performing any of County's obligations under this Lease, by reason of acts of God, accidents, breakage, repairs, strikes, lockouts, other labor disputes, protests, riots, demonstrations, inability to obtain utilities or materials or by any other reason beyond County's reasonable control, no such inability or delay shall constitute an eviction under this Lease, or impose any liability upon County or its Agents by reason of inconvenience, annoyance, interruption, injury or loss to or interference with Tenant's business or use and occupancy or quiet enjoyment of the Premises or any loss or damage occasioned thereby. Tenant hereby waives and releases any right to terminate this Lease under Section 1932, subdivision 1 of the California Civil Code or any similar law, statute or ordinance now or hereafter in effect.

### **14. DAMAGE AND DESTRUCTION**

Not Used

### **15. EMINENT DOMAIN**

#### **15.1. 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.

## **15.2. 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 Tenant 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.

## **15.3. Total Taking; Automatic Termination**

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

## **15.4. 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 under either of the following circumstances: (i) if all of the following exist: (A) the partial Taking renders the remaining portion of the Premises untenable or unsuitable for continued use by Tenant, (B) the condition rendering the Premises untenable or unsuitable either is not curable or is curable but County is unwilling or unable to cure such condition, and (C) Tenant elects to terminate; or (ii) if County elects to terminate; provided, however, that this Lease shall not terminate if Tenant agrees to, and does, pay full Rent and Additional Charges, without abatement, and otherwise agrees to, and does, fully perform all of its obligations hereunder.

(b) Either party electing to terminate under the provisions of this Section 15 shall do so by giving the other party 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.

## **15.5. Rent; Award**

Upon termination of this Lease pursuant to an election under Section 15.4 above, then: (i) Tenant'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 15.6 below for any period during which this Lease continues in effect after the Date of Taking, and (ii) County shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the leasehold estate created by this Lease), and Tenant shall have no claim against County

for the value of any unexpired term of this Lease, provided that Tenant may make a separate claim for compensation, and Tenant shall receive any Award made specifically to Tenant, for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's Personal Property.

#### **15.6. 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 15.4 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) Base Rent shall be reduced by an amount that is in the same ratio to the Base Rent as the area of the Premises taken bears to the area of the Premises prior to the Date of Taking; provided, however, in no event shall the monthly Base Rent be reduced to less than seventy-five percent (75%) of the monthly Base Rent immediately prior to the Date of Taking, and (b) County shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the leasehold estate created by this Lease), and Tenant shall have no claim against County for the value of any unexpired term of this Lease, provided that Tenant may make a separate claim for compensation, and Tenant shall receive any Award made specifically to Tenant, for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's Personal Property.

#### **15.7. Temporary Takings**

Notwithstanding anything to contrary in this Section, if a Taking occurs with respect to all or any part of the Premises for a limited period of time not in excess of one hundred eighty (180) consecutive days, this Lease shall remain unaffected thereby, and Tenant 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, Tenant 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 Tenant for the period of the Taking, and County shall be entitled to receive the balance of any Award.

### **16. ASSIGNMENT AND SUBLETTING**

#### **16.1. Restriction on Assignment and Subletting**

Tenant shall not directly or indirectly (including, without limitation, by merger, acquisition or other transfer of any controlling interest in Tenant), voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer any part of its interest in or rights with respect to the Premises or its leasehold estate hereunder (collectively, to "Assign" or enter into an "Assignment"), or permit or license any portion of the Premises to be used or occupied by anyone other than itself, or sublet any portion of the Premises (collectively, "Sublease"), without County's prior written consent in each instance, as provided hereinbelow. Notwithstanding the foregoing, Tenant may Assign this Lease or Sublet any or all portions of the Premises without obtaining the consent of Landlord to any of the following (collectively, "Permitted Transferees"): (a) any Permitted

Mortgagee, (b) any person or entity who acquires all of Tenant's interest in the Hotel (or any Affiliate of such acquiring entity), or (c) to any Tenant's Affiliate (as defined below). Tenant shall give Landlord written notice of its intent to enter into an Assignment or Sublease at least fifteen (15) business days before the proposed effective date of such transfer, provided that, any Assignment or other transfer to a Permitted Transferee shall not require Landlord's consent or create any Recapture rights in favor of Landlord under this Section 16. As used in this Section, the term "Affiliate" shall mean with respect to the applicable person or entity, any of the following: (1) any person or entity owning, directly or indirectly, fifty percent (50%) or more of the ownership interests of such entity (an "Owning Person"), (2) any entity, fifty percent (50%) or more of the ownership interests of which are owned, directly or indirectly, by any Owning Person, (3) any entity, fifty percent (50%) or more of the ownership interests of which are owned, directly or indirectly, by the applicable entity.

### **16.2. Notice of Proposed Transfer**

If Tenant desires to enter into an Assignment or a Sublease, it shall give written notice (a "Notice of Proposed Transfer") to County of its intention to do so. The Notice of Proposed Transfer shall identify the proposed transferee and state the terms and conditions of the proposed Assignment or Sublease. Tenant shall deliver to Landlord with its request for Landlord's consent the proposed Assignment or Sublease and current financial statements of the proposed Transferee, prepared by an independent certified public accountant, and promptly upon Landlord's request for same, any additional documents or information reasonably related to the proposed transaction or Transferee.

### **16.3. County's Response**

Within twenty (20) business days after County's receipt of the Notice of Proposed Transfer (the "Response Period"), County may elect, by written notice to Tenant, to: (a) sublease the portion of the Premises specified in the Notice of Proposed Transfer on the terms and conditions set forth in such notice, except as otherwise provided in Section 16.4 (Sublease or Recapture Space), or (b) terminate this Lease as to the portion (including all) of the Premises that is specified in the Notice of Proposed Transfer, with a proportionate reduction in Base Rent (a "Recapture"); provided that, notwithstanding any provision of this Lease to the contrary, County shall not have any right of Recapture in connection with any Assignment or other transfer of this Lease to a Permitted Mortgagee or any other party in connection with an assignment or transfer which does not require County's prior consent under this Lease.

If County declines to exercise either of its options provided above, then Tenant shall have ninety (90) days following the earlier of (i) County's notice that it will not elect either such option or (ii) the expiration of the Response Period, to enter into such Assignment or Sublease, subject to County's prior written approval of the proposed assignee or subtenant (collectively, Transferee") and the terms and conditions of the proposed Sublease or Assignment. However, one hundred percent (100%) of any rent or other consideration realized by Tenant under any such Assignment or Sublease in

excess of the Base Rent and Additional Charges payable hereunder (or the amount thereof proportionate to the portion of the Premises subject to such Sublease or Recapture) shall be paid to County, after Tenant has recovered any reasonable brokers' commissions and the reasonable cost of any leasehold improvements that Tenant has incurred in connection with such Sublease or Recapture. Tenant shall provide County with such information regarding the proposed Transferee and the Assignment or Sublease as County may reasonably request. County agrees that it will not unreasonably withhold its approval of any proposed Transferee.

If after County declines to exercise any of the foregoing options Tenant desires to enter into such Assignment or Sublease (i) on terms and conditions materially more favorable to Tenant than those contained in the Notice of Proposed Transfer or (ii) with a Transferee that is currently a tenant or other occupant of the Property, then Tenant shall give County a new Notice of Proposed Transfer, which notice shall state the terms and conditions of such Assignment or Sublease and identify the proposed Transferee, and County shall again be entitled to elect one of the options provided in clauses (a) and (b) at any time within twenty (20) business days after County's receipt of such new Notice of Proposed Transfer.

In the event County elects either of the options provided in clauses (a) or (b), County shall be entitled to enter into a lease, sublease or assignment agreement with respect to the Premises (or portion thereof specified in such new Notice of Proposed Transfer) with the proposed Transferee identified in Tenant's notice.

Notwithstanding the foregoing, if any event of default by Tenant is outstanding hereunder at the time of Tenant's Notice of Proposed Transfer (or if any event shall have occurred which with the giving of notice or the passage of time or both would constitute such a default), then County may elect by notice to Tenant to refuse to consent to Tenant's proposed Transfer and pursue any of its right or remedies hereunder or at law or in equity.

#### **16.4. Sublease or Recapture Space**

If County elects to Sublease or Recapture from Tenant as described in Section 16.3, County's Response, the following shall apply:

(a) In the case of a Sublease, (i) County shall have the right to use the portion of the Premises covered by the Notice of Proposed Transfer (the "Sublease Space") for any legal purpose, (ii) the rent payable by County to Tenant shall be the lesser of (A) the amount in the Notice of Proposed Transfer or (B) the Base Rent payable by Tenant under this Lease at the time of the Sublease (or the amount thereof proportionate to the Sublease Space if for less than the entire Premises), (iii) County may make alterations and improvements to the Sublease Space and may remove any such alterations or improvements, in whole or in part, prior to or upon the expiration of the Sublease, provided that County shall repair any damage or injury to the Sublease Space caused by such removal, (iv) County shall have the right to further sublease or assign the Sublease Space to any party, without the consent of Tenant, and (v) Tenant

shall pay to County on demand any costs incurred by County in physically separating the Sublease Space (if less than the entire Premises) from the balance of the Premises and in complying with any applicable laws or regulations relating to such separation.

(b) In the case of Recapture, (i) the portion of the Premises subject to the Recapture (the "Recapture Space") shall be deleted from the Premises for all purposes hereunder, and Tenant and County shall be relieved of all their rights and obligations hereunder with respect to the Recapture Space except to the extent the same would survive the Expiration Date or other termination of this Lease pursuant to the provisions hereof, and (ii) County shall pay any cost incurred in physically separating the Recapture Space (if less than the entire Premises) from the balance of the Premises and in complying with any applicable governmental laws or regulations relating to such separation.

#### **16.5. Effect of Sublease or Assignment**

No Sublease or Assignment by Tenant nor any consent by County thereto shall relieve Tenant, or any guarantor, of any obligation to be performed by Tenant under this Lease. Any Sublease or Assignment not in compliance with this Section shall be void and, at County's option, shall constitute a material default by Tenant under this Lease. The acceptance of any Base Rent or other payments by County from a proposed Transferee shall not constitute consent to such Sublease or Assignment by County or a recognition of any Transferee, or a waiver by County of any failure of Tenant or other transferor to comply with this Section. If there is an Assignment or Sublet, whether in violation of or in compliance with this Section, in the event of default by any Transferee, or any successor of Tenant, in the performance or observance of any of the terms of this Lease or any Sublease or Assignment agreement, Landlord may proceed directly against Tenant without the necessity of exhausting remedies against such Transferee or successor.

#### **16.6. Assumption by Transferee**

Each Transferee (other than County) shall assume all obligations of Tenant under this Lease and shall be liable jointly and severally with Tenant for the payment of the Base Rent and Additional Charges, and for the performance of all the terms, covenants and conditions to be performed on Tenant's part hereunder. No Assignment shall be binding on County unless Tenant or Transferee has delivered to County a counterpart of the Assignment and an instrument in recordable form that contains a covenant of assumption by such Transferee satisfactory in form and substance to County. However, the failure or refusal of such Transferee to execute such instrument of assumption shall not release such Transferee from its liability as set forth above. Tenant shall reimburse County on demand for any reasonable costs that may be incurred by County in connection with any proposed Sublease or Assignment, including, without limitation, the costs of making investigations as to the acceptability of the proposed Transferee and legal costs incurred in connection with the granting of any requested consent.

## **16.7. Indemnity for Relocation Benefits**

Without limiting Section 16.6 (Assumption by Transferee) above, Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall Indemnify County for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

## **17. DEFAULT; REMEDIES**

### **17.1. Events of Default**

Any of the following shall constitute an event of default (the "Event of Default") by Tenant hereunder:

(a) a failure to pay Base Rent or Additional Charges when due, and such failure continues for three (3) days after the date of written notice by County. However, County shall not be required to provide such notice more than twice during any twelve (12) month period, and any such failure by Tenant after Tenant has received two (2) such notices in such 12-month period shall constitute a default by Tenant hereunder without any further action by County or opportunity of Tenant to cure except as may be required by Section 1161 of the California Code of Civil Procedure;

(b) a failure to comply with any other covenant, condition or representation made under this Lease and such failure continues for fifteen (15) days after the date of written notice by County, provided that if such default is not capable of cure within such 15-day period, Tenant shall have a reasonable period to complete such cure if Tenant promptly undertakes action to cure such default within such 15-day period and thereafter diligently prosecutes the same to completion within sixty (60) days after the receipt of notice of default from County. County shall not be required to provide such notice more than twice in any twelve (12) month period with respect to any material non-monetary defaults and after the second notice in any calendar year, any subsequent failure by Tenant during such 12-month period shall constitute an Event of Default hereunder;

(c) a vacation or abandonment of the Premises for a continuous period in excess of five (5) business days; or

(d) an appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment by Tenant for the benefit of creditors, or any action taken or suffered by Tenant under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute, whether now existing or hereafter amended or enacted, if any such receiver, assignment or action is not released, discharged, dismissed or vacated within sixty (60) days.

## 17.2. Remedies

Upon the occurrence of an Event of Default Landlord shall have the following remedies, which shall not be exclusive but shall be cumulative and shall be in addition to any other remedies now or hereafter allowed by law or in equity:

(a) Landlord may terminate Tenant's right to possession of the Premises at any time by written notice to Tenant. Tenant expressly acknowledges that in the absence of such written notice from Landlord, no other act of Landlord, including, but not limited to, its re-entry into the Premises, its efforts to relet the Premises, its reletting of the Premises for Tenant's account, its storage of Tenant's Personal Property and trade fixtures, its acceptance of keys to the Premises from Tenant, its appointment of a receiver, or its exercise of any other rights and remedies under this Section 17.2 or otherwise at law, shall constitute an acceptance of Tenant's surrender of the Premises or constitute a termination of this Lease or of Tenant's right to possession of the Premises.

Upon such termination in writing of Tenant's right to possession of the Premises, this Lease shall terminate and Landlord shall be entitled to recover damages from Tenant as provided in California Civil Code Section 1951.2 or any other applicable existing or future Legal Requirement providing for recovery of damages for such breach, including but not limited to the following:

- (i) The reasonable cost of recovering the Premises; plus
- (ii) The reasonable cost of removing Tenant's Alterations, trade fixtures and improvements; plus
- (iii) All unpaid rent due or earned hereunder prior to the date of termination, less the proceeds of any reletting or any rental received from subtenants prior to the date of termination applied as provided in Section 17.2(b) below, together with interest at the Interest Rate, on such sums from the date such rent is due and payable until the date of the award of damages; plus
- (iv) The amount by which the rent which would be payable by Tenant hereunder, including Additional Charges under Section 4.3 above, as reasonably estimated by Landlord, from the date of termination until the date of the award of damages, exceeds the amount of such rental loss as Tenant proves could have been reasonably avoided, together with interest at the Interest Rate on such sums from the date such rent is due and payable until the date of the award of damages; plus
- (v) The amount by which the rent which would be payable by Tenant hereunder, including Additional Charges under Section 4.3 above, as reasonably estimated by Landlord, for the remainder of the then term, after the date of the award of damages exceeds the amount such rental loss as Tenant proves could have been reasonably avoided, discounted at the discount rate published by the Federal Reserve bank of San Mateo for member banks at the time of the award plus one percent (1%); plus

(vi) Such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law, including without limitation any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease which in the ordinary course of things would be likely to result therefrom.

(b) Landlord has the remedy described in California Civil Code Section 1951.4 (a landlord may continue the lease in effect after the tenant's breach and abandonment and recover rent as it becomes due, if the tenant has the right to sublet and assign subject only to reasonable limitations), and may continue this Lease in full force and effect and may enforce all of its rights and remedies under this Lease, including, but not limited to, the right to recover rent as it becomes due. After the occurrence of an Event of Default, Landlord may enter the Premises without terminating this Lease and sublet all or any part of the Premises for Tenant's account to any person, for such term (which may be a period beyond the remaining term of this Lease), at such rents and on such other terms and conditions as Landlord deems advisable. In the event of any such subletting, rents received by Landlord from such subletting shall be applied (i) first, to the payment of the costs of maintaining, preserving, altering and preparing the Premises for subletting, the other costs of subletting, including but not limited to brokers' commissions, attorneys' fees and expenses of removal of Tenant's Personal Property, trade fixtures and Alterations; (ii) second, to the payment of rent then due and payable hereunder; (iii) third, to the payment of future rent as the same may become due and payable hereunder; (iv) fourth, the balance, if any, shall be paid to Tenant upon (but not before) expiration of the term of this Lease. If the rents received by Landlord from such subletting, after application as provided above, are insufficient in any month to pay the rent due and payable hereunder for such month, Tenant shall pay such deficiency to Landlord monthly upon demand. Notwithstanding any such subletting for Tenant's account without termination, Landlord may at any time thereafter, by written notice to Tenant, elect to terminate this Lease by virtue of a previous Event of Default.

During the continuance of an Event of Default, for so long as Landlord does not terminate Tenant's right to possession of the Premises and subject to Section 16 (Assignment and Subletting) and the options granted to Landlord thereunder, Landlord shall not unreasonably withhold its consent to an assignment or sublease of Tenant's interest in the Premises or in this Lease.

(c) During the continuance of an Event of Default, Landlord may enter the Premises without terminating this Lease and remove all Tenant's Personal Property, Alterations and trade fixtures from the Premises and store them at Tenant's risk and expense. If Landlord removes such property from the Premises and stores it at Tenant's risk and expense, and if Tenant fails to pay the cost of such removal and storage after written demand therefor and/or to pay any rent then due, then after the property has been stored for a period of thirty (30) days or more Landlord may sell such property at public or private sale, in the manner and at such times and places as Landlord deems commercially reasonable following reasonable notice to Tenant of the time and place of such sale. The proceeds of any such sale shall be applied first to the



payment of the expenses for removal and storage of the property, the preparation for and the conducting of such sale, and for attorneys' fees and other legal expenses incurred by Landlord in connection therewith, and the balance shall be applied as provided in Section 17.2(b) above.

Tenant hereby waives all claims for damages that may be caused by Landlord's re-entering and taking possession of the Premises or removing and storing Tenant's Personal Property pursuant to this Section 17.2, and Tenant shall indemnify, defend and hold Landlord harmless from and against any and all Claims resulting from any such act. No re-entry by Landlord shall constitute or be construed as a forcible entry by Landlord.

(d) Landlord may require Tenant to remove any and all Alterations from the Premises or, if Tenant fails to do so within ten (10) days after Landlord's request, Landlord may do so at Tenant's expense.

(e) Landlord may cure the Event of Default at Tenant's expense, it being understood that such performance shall not waive or cure the subject Event of Default. If Landlord pays any sum or incurs any expense in curing the Event of Default, Tenant shall reimburse Landlord upon demand for the amount of such payment or expense with interest at the Interest Rate from the date the sum is paid or the expense is incurred until Landlord is reimbursed by Tenant. Any amount due Landlord under this subsection shall constitute additional rent hereunder.

### **17.3. Waiver of Redemption**

Tenant hereby waives, for itself and all persons claiming by and under Tenant, all rights and privileges which it might have under any present or future Legal Requirement to redeem the premises or to continue this Lease after being dispossessed or ejected from the Premises.

### **17.4. County's Right to Cure Tenant's Defaults**

Upon the occurrence and during the continuation of an Event of Default by Tenant, County may, at its sole option, remedy such default for Tenant's account and at Tenant's expense by providing Tenant with three (3) days' prior written or oral notice of County's intention to cure such default (except that no such prior notice shall be required in the event of an emergency as determined by County). Such action by County shall not be construed as a waiver of such Event of Default or any rights or remedies of County, and nothing herein shall imply any duty of County to do any act that Tenant is obligated to perform. Tenant shall pay to County upon demand, as additional rent, all costs, damages, expenses or liabilities incurred by County, including, without limitation, reasonable attorneys' fees, in remedying or attempting to remedy such default. Tenant's obligations under this Section shall survive the termination of this Lease.

## **18. WAIVER OF CLAIMS; INDEMNIFICATION**

### **18.1. Limitation on County's Liability; Waiver of Claims**

County shall not be responsible for or liable to Tenant, and Tenant hereby assumes the risk of, and waives and releases County and its Agents from all Claims (as defined below) for, any injury, loss or damage to any person or property in or about the Premises by or from any cause whatsoever including, without limitation, (i) any act or omission of persons occupying adjoining premises or any part of the Property adjacent to or connected with the Premises, (ii) theft, (iii) explosion, fire, steam, oil, electricity, water, gas or rain, pollution or contamination, (iv) any other acts, omissions or causes. Nothing in this Section shall relieve County from liability caused solely and directly by the gross negligence or willful misconduct of County or its Agents, but County shall not be liable under any circumstances for any consequential, incidental or punitive damages.

### **18.2. Tenant's Indemnity**

Tenant, on behalf of itself and its successors and assigns, shall indemnify, defend and hold harmless ("Indemnify") County including, but not limited to, all of its boards, commissions, departments, agencies and other subdivisions, including, without limitation, all of its and their Agents, and their respective heirs, legal representatives, successors and assigns (individually and collectively, the "Indemnified Parties"), and each of them, from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses, including, without limitation, direct and vicarious liability of every kind (collectively, "Claims"), as the result of an occurrence during the Term, and incurred in connection with or arising in whole or in part from: (a) any accident, injury to or death of a person, including, without limitation, employees of Tenant, or loss of or damage to property, howsoever or by whomsoever caused, occurring in or about the Premises; (b) any default by Tenant in the observation or performance of any of the terms, covenants or conditions of this Lease to be observed or performed on Tenant's part; (c) the use or occupancy or manner of use or occupancy of the Premises by Tenant, its Agents or Invitees or any person or entity claiming through or under any of them; (d) the condition of the Premises; (e) any construction or other work undertaken by Tenant on the Premises whether before or during the Term of this Lease; or (f) any acts, omissions or negligence of Tenant, its Agents or Invitees, in, on or about the Premises or the Property; all regardless of the active or passive negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on, the Indemnified Parties, except to the extent that such Indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Lease and further except only such Claims as are caused exclusively by the willful misconduct or gross negligence of the Indemnified Parties. Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend the County from any claim which actually or potentially falls within this 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 Tenant by County and continues at all times thereafter. Tenant's obligations under this Section shall survive the termination of the Lease.

## 19. INSURANCE

### 19.1. Tenant's Insurance

(a) Tenant, at no cost to the County, shall procure and keep in effect at all times during the Term insurance as follows:

(i) Commercial general liability insurance with limits not less than One Million Dollars (\$2,000,000) each occurrence combined single limit for bodily injury and property damage, including contractual liability, independent contractors, broad-form property damage, fire damage legal liability (of not less than Fifty Thousand Dollars (\$50,000)), personal injury, products and completed operations, and explosion, collapse and underground (XCU).

(ii) Worker's Compensation Insurance with Employer's Liability Limits not less than \$1,000,000 each accident.

(iii) Business automobile liability insurance with limits not less than \$2,000,000 each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles, as applicable, if Tenant uses automobiles in connection with its use of the Premises.

(iv) Such other insurance as is generally required by commercial owners on properties similar in size, character, use and location as the Property, as may change from time to time.

(b) Should any of the required insurance be provided under a claims-made form, Tenant shall maintain such coverage continuously throughout the Term and, without lapse, for a period of three (3) years beyond the expiration or termination of this Lease, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Lease, such claims shall be covered by such claims-made policies.

(c) Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit shall double the occurrence or claims limits specified above.

(d) All liability insurance policies shall be endorsed to provide the following:

(i) Name as additional insured the County of San Mateo, its officers, agents and employees.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of

this Lease, and that insurance applies separately to each insured against whom claim is made or suit is brought.

(e) Each insurance policy required pursuant to Section 19.1(a) above shall be issued by an insurance company licensed in the State of California and with a general policyholders' rating of "A-" or better and a financial size ranking of "Class VIII" or higher in the most recent edition of Best's Insurance Guide.

(f) All policies shall be endorsed to provide thirty (30) days' advance written notice to County of cancellation or intended non-renewal (or ten (10) days' advance written notice in case of nonpayment of premium), mailed to the address(es) for County set forth in the Basic Lease Information.

(g) Tenant shall deliver to County certificates of insurance in form and from insurers satisfactory to County, evidencing the coverage required hereunder, on or before the Commencement Date, together with complete copies of the policies promptly upon County's request, and Tenant shall provide County with certificates or policies thereafter at least thirty (30) days before the expiration dates of expiring policies. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificates, County may procure, at its option, without waiving any rights or remedies which Landlord may have for Tenant's default hereunder, the same for the account of Tenant, and the cost thereof shall be paid to County within five (5) days after delivery to Tenant of bills therefor.

(h) Upon County's request, Tenant and County shall periodically review the limits and types of insurance carried pursuant to this Section. If the general commercial practice in the County of San Mateo is to carry liability insurance in an amount or coverage materially greater than the amount or coverage then being carried by Tenant for risks comparable to those associated with the Premises, then Tenant shall, at County's request, increase the amounts or coverage carried by Tenant to conform to such general commercial practice.

(i) Tenant's compliance with the provisions of this Section shall in no way relieve or decrease Tenant's liability under Section 18.2 (Tenant's Indemnity), or any of Tenant's other obligations under this Lease.

(j) Notwithstanding anything to the contrary in this Lease, if any of the required insurance coverage lapses, County may elect, at its sole discretion, to terminate this Lease by delivering to Tenant three (3) days written notice of termination and, if so delivered, this Lease shall so terminate unless Tenant renews the insurance coverage within the three (3) day notice period.

## **19.2. Tenant's Personal Property**

Tenant shall be responsible, at no cost to the County, for separately insuring Tenant's Personal Property.

### **19.3. County's Self Insurance**

Tenant acknowledges that County self-insures against casualty, property damage and public liability risks and agrees that County may at its sole election, but shall not be required to, carry any third party insurance with respect to the Property, the Premises or otherwise.

### **19.4. Waiver of Subrogation**

Notwithstanding anything to the contrary contained herein, County, in the event the County does not self-insure, and Tenant (each a "Waiving Party") each hereby waives any right of recovery against the other party for any loss or damage sustained by such other party with respect to the Property 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 such other party, to the extent (i) such loss or damage is actually recovered from valid and collectible insurance covering the Waiving Party, and (ii) the Waiving Party's insurance carrier agrees to its written waiver of right to recover such loss or damage.

## **20. ACCESS BY COUNTY**

County reserves for itself and any of its designated Agents, the right to enter the Premises as follows: (i) on a regular basis without advance notice to supply any necessary or agreed-upon service to be provided by County hereunder; (ii) on an occasional basis, at all reasonable times after giving Tenant reasonable advance written or oral notice, to show the Premises to prospective tenants or other interested parties, to post notices of non-responsibility, to conduct any environmental audit of Tenant's use of the Premises, to repair, alter or improve any part of the Premises, and for any other lawful purpose; and (iii) on an emergency basis without notice whenever County believes that emergency access is required. County shall have the right to use any means that it deems proper to open gates or doors in an emergency in order to obtain access to any part of the Premises, and any such entry shall not be construed or deemed to be a forcible or unlawful entry into or a detainer of, the Premises, or an eviction, actual or constructive, of Tenant from the Premises or any portion thereof. Tenant shall not alter any lock or install any new or additional locking devices without the prior written consent of County.

## **21. CERTIFICATES**

### **(a) Tenant's Certificates**

Tenant, at any time and from time to time upon not less than ten (10) days' prior notice from County, shall execute and deliver to County or to any party designated by County a certificate stating: (a) that Tenant has accepted the Premises, (b) the Commencement Date and Expiration Date of this Lease, (c) 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), (d) whether or not there are then existing any defenses against the enforcement of any of Tenant's

obligations hereunder (and if so, specifying the same), (e) whether or not there are any defaults then existing under this Lease (and if so specifying the same), (f) the dates, if any, to which the Base Rent and Additional Charges have been paid, and (g) any other information that may reasonably be required.

(b) County's Certificates

County, at any time and from time to time upon not less than ten (10) days' prior notice from Tenant, shall execute and deliver to Tenant or to any party designated by Tenant 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) whether or not there are any defaults then existing under this Lease (and if so specifying the same), (d) the dates, if any, to which the Base Rent and Additional Charges have been paid, and (f) any other information that may reasonably be required.

**22. RULES AND REGULATIONS**

Not Used

**23. SECURITY DEPOSIT**

Not Used

**24. SURRENDER OF PREMISES**

Notwithstanding anything to the contrary in this Lease, County can elect at any time prior to the Expiration Date or within five (5) days after termination of this Lease, to require Tenant to remove, at Tenant's sole expense, all or part of the Tenant Alterations or other improvements or equipment constructed or installed by or at the expense of Tenant. Tenant shall promptly remove such items and shall repair or restore, at no cost to the County, any damage to the Premises or the Property resulting from such removal, or if Tenant fails to repair or restore, Landlord may do so, at Tenant's expense. Tenant's obligations under this Section shall survive the Expiration Date or other termination of this Lease. Any items of Tenant's Personal Property remaining in the Premises after the Expiration Date or sooner termination of this Lease may, at County's option, be deemed abandoned and disposed of in accordance with Section 1980 et seq. of the California Civil Code or in any other manner allowed by law.

Upon the Expiration Date or other termination of the Term of this Lease, Tenant shall peaceably quit and surrender to County the Premises, together with all Alterations, in good order and condition, except for normal wear and tear after Tenant having made the last necessary repair required on its part under this Lease, and further except for any portion of the Premises condemned and any damage and destruction for which Tenant is not responsible hereunder. The Premises shall be surrendered free and clear of all liens and encumbrances other than liens and encumbrances existing as of the date of this Lease and any other encumbrances created by County. Immediately before

the Expiration Date or other termination of this Lease, Tenant shall remove all of Tenant's Personal Property as provided in this Lease and any Alterations that County elects to have removed as set forth hereinabove, and shall repair and restore any damage resulting from the removal. If such removal, repair and restoration is not completed at the expiration or other termination of this Lease, Landlord may make the same at Tenant's expense.

Concurrently with the surrender of the Premises, Tenant shall, if requested by County, execute, acknowledge and deliver to County a quitclaim deed to the Premises and any other instrument reasonably requested by County to evidence or otherwise effect the termination of Tenant's leasehold estate hereunder and to effect such transfer or vesting of title to the Tenant Improvements or other improvements or equipment which remain part of the Premises.

## **25. HAZARDOUS MATERIALS**

### **25.1. Definitions**

As used herein, the following terms shall have the meanings set forth below:

(a) "Environmental Laws" shall mean any present or future federal, state, local or administrative law, rule, regulation, order or requirement relating to Hazardous Material (including, without limitation, its use, handling, transportation, production, disposal, discharge or storage), or to health and safety, industrial hygiene or the environment, including, without limitation, soil, air and groundwater conditions.

(b) "Hazardous Material" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is at any time now or hereafter deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health, welfare 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; and petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids.

(c) "Investigate and Remediate" ("Investigation" and "Remediation") shall mean the undertaking of any activities to determine the nature and extent of Hazardous Material that may be located in, on, under or about the Property or that has been, are being or threaten to be Released into the environment, and to clean up, remove, contain, treat, stabilize, monitor or otherwise control such Hazardous Material.

(d) "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

Premises, or in, on, under or about any other part of the Property or into the environment.

**25.2. No Hazardous Materials**

Not Used

**25.3. Tenant's Environmental Indemnity**

If Tenant breaches any of its obligations contained in this Section, or, if any act or omission of Tenant, its Agents or Invitees, results in any Release of Hazardous Material in, on, under or about the Premises or any other part of the Property in violation of any applicable Environmental Laws, then, without limiting Tenant's Indemnity contained in Section 18.2, Tenant shall, on behalf of itself and its successors and assigns, Indemnify the Indemnified Parties, and each of them, from and against all Claims (including, without limitation, damages for decrease in value of the Premises or the Property, the loss or restriction of the use of rentable or usable space or of any amenity of the Premises or the Property and sums paid in settlement of claims, attorneys' fees, consultants' fees and experts' fees and costs) arising during or after the Term of this Lease and relating to such Release. The foregoing Indemnity includes, without limitation, costs incurred in connection with activities undertaken to Investigate and Remediate Hazardous Material and to restore the Property to its prior condition, fines and penalties assessed for the violation of any applicable Environmental Laws, and any natural resource damages. Without limiting the foregoing, if Tenant or any of its Agents or Invitees, causes or permits the Release of any Hazardous Materials in, on, under or about the Premises or any other part of the Property, Tenant shall immediately and at no expense to County take any and all appropriate actions to return the Premises or the Property affected thereby to the condition existing prior to such Release and otherwise Investigate and Remediate the Release in accordance with all Environmental Laws. Tenant specifically acknowledges and agrees that it has an immediate and independent obligation to defend the County from any claim which actually or potentially falls within this 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 Tenant by the County and continues at all times thereafter. Tenant shall afford County a full opportunity to participate in any discussions with governmental regulatory agencies regarding any settlement agreement, cleanup or abatement agreement, consent decree, or other compromise or proceeding involving Hazardous Material.

**25.4. Survival of Obligation**

Tenant's obligations under this Section 25 shall survive the Expiration Date or other termination of this Lease.

**26. SPECIAL PROVISION**

As further consideration for execution of this agreement by County, Tenant shall not allow any offensive or refuse matter, nor any substance constituting an unnecessary, unreasonable or unlawful fire hazard, nor any material detrimental to the



public health to accumulate or remain on any portion of the Property. Solely for this purpose, Tenant shall have the non-exclusive right of access to all parts of the Property. Except for the Premises, use of any portion of the Property for any purpose that is not consistent with this Section shall constitute a default. Without limiting the County's rights and remedies as set forth in Section 17 (Defaults; Remedies), in the event of a breach of this Section 26 or Section 5 (Use) by Tenant, upon written notice to Tenant and expiration of the applicable cure period under Section 17, County may immediately increase the rent set forth in Section 4 to \$3,691.80 per month.

## **27. GENERAL PROVISIONS**

### **27.1. Notices**

Any notice given under this Lease shall be effective only if in writing and given by delivering the notice in person or by sending it first-class mail or certified mail with a return receipt requested or by overnight courier, return receipt requested, with postage prepaid, to: (a) Tenant (i) at Tenant's address set forth in the Basic Lease Information, if sent prior to Tenant's taking possession of the Premises, or (ii) at the Premises if sent on or subsequent to Tenant's taking possession of the Premises, or (iii) at any place where Tenant or any Agent of Tenant may be found if sent subsequent to Tenant's vacating, abandoning or surrendering the Premises; or (b) County at County's address set forth in the Basic Lease Information; or (c) to such other address as either County or Tenant may designate as its new address for such purpose by notice given to the other in accordance with the provisions of this Section at least ten (10) days prior to the effective date of such change. Any notice hereunder shall be deemed to have been given two (2) days after the date when it is mailed if sent by first class or certified mail, one day after the date it is made if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by telefacsimile to the telephone number set forth in 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 facsimile. Tenant shall promptly provide County with copies of any and all notices received regarding any alleged violation of laws or insurance requirements or any alleged unsafe condition or practice.

### **27.2. No Implied Waiver**

No failure by County to insist upon the strict performance of any obligation of Tenant under this Lease or to exercise any right, power or remedy arising out of a breach thereof, irrespective of the length of time for which such failure continues, no acceptance of full or partial Base Rent or Additional Charges during the continuance of any such breach, and no acceptance of the keys to or possession of the Premises prior to the expiration of the Term by any Agent of County, shall constitute a waiver of such breach or of County's right to demand strict compliance with such term, covenant or condition or operate as a surrender of this Lease. 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. Any consent by County hereunder shall not relieve Tenant of any obligation to secure the consent of County in any other or future instance under the terms of this Lease.

### **27.3. Amendments**

Neither this Lease nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by both parties hereto. Whenever an amendment, waiver, notice, termination or other instrument or document is to be executed by or on behalf of County, the Assistant County Manager, or designee, shall be authorized to execute such instrument on behalf of County, except as otherwise provided by applicable law, including the County's Charter and Ordinance Code.

### **27.4. Authority**

If Tenant signs as a corporation or a partnership, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing entity, that Tenant has and is qualified to do business in California, that Tenant has full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Upon County's request, Tenant shall provide County with evidence reasonably satisfactory to County confirming the foregoing representations and warranties.

### **27.5. Parties and Their Agents; Approvals**

The words "County" and "Tenant" as used herein shall include the plural as well as the singular. If there is more than one Tenant, the obligations and liabilities under this Lease imposed on Tenant shall be joint and several. As used herein, the term "Agents" when used with respect to either party shall include the agents, employees, officers, contractors and representatives of such party, and the term "Invitees" when used with respect to Tenant shall include the clients, customers, invitees, guests, licensees, assignees or subtenants of Tenant. All approvals, consents or other determinations permitted or required by County hereunder shall be made by or through County's Assistant County Manager unless otherwise provided in this Lease, subject to applicable law.

### **27.6. 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 intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Lease. 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.

#### **27.7. Successors and Assigns**

Subject to the provisions of this Lease relating to Assignment and Subletting, the terms, covenants and conditions contained in this Lease shall bind and inure to the benefit of County and Tenant and, except as otherwise provided herein, their personal representatives and successors and assigns; provided, however, that upon any sale, assignment or transfer by County named herein (or by any subsequent landlord) of its interest in the Property as owner or lessee, including any transfer by operation of law, County (or any subsequent landlord) shall be relieved from all subsequent obligations and liabilities arising under this Lease subsequent to such sale, assignment or transfer.

#### **27.8. 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 as identified in the Basic Lease Information, whose commission, if any is due, shall be paid pursuant to a separate written agreement between such broker and the party through which such broker contracted. In the event that any 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 a 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.

#### **27.9. 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 fullest extent permitted by law.

#### **27.10. Governing Law**

This Lease shall be construed and enforced in accordance with the laws of the State of California.

### **27.11. Entire Agreement**

This instrument, including the exhibits hereto, which are made a part of this Lease, contains the entire agreement between the parties and all prior written or oral negotiations, understandings and agreements are merged herein. 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. Tenant hereby acknowledges that neither County nor County's Agents have made any representations or warranties with respect to the Premises, the Property or this Lease except as expressly set forth herein, and no rights, easements or licenses are or shall be acquired by Tenant by implication or otherwise unless expressly set forth herein.

### **27.12. Holding Over**

Any holding over after the expiration of the Term with the express consent of County shall be construed to automatically extend the Term of this Lease on a month-to-month basis at a Base Rent equal to one hundred fifty percent (150%) of the latest Base Rent payable by Tenant hereunder prior to such expiration, together with an amount estimated by County for the monthly Additional Charges payable under this Lease, and shall otherwise be on the terms and conditions herein specified so far as applicable (except for those pertaining to the Term and any Extension Options). Any holding over without County's consent shall constitute a default by Tenant and entitle County to exercise any or all of its remedies as provided herein, and shall be at a Base Rent equal to two hundred percent (200%) of the latest Base Rent payable by Tenant hereunder prior to such expiration, notwithstanding that County may elect to accept one or more payments of Rent, and whether or not such amounts are at the holdover rate specified above or the rate in effect at the end of the Term of the Lease.

### **27.13. 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.

### **27.14. 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.

### **27.15. 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 affect any provision of this Lease that expressly states it shall survive termination hereof.

#### **27.16. Signs**

Tenant agrees that it will not erect or maintain, or permit to be erected or maintained, any signs, notices or graphics upon or about the Premises which are visible in or from other portions of the Property or from the perimeter of the Premises, without County's prior written consent, which consent shall not be unreasonably withheld.

#### **27.17. Relationship of the Parties**

County is not, and none of the provisions in this Lease shall be deemed to render County, a partner in Tenant's business, or joint venturer or member in any joint enterprise with Tenant. Neither party shall act as the agent of the other party in any respect hereunder. This Lease is not intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

#### **27.18. Light and Air**

Tenant covenants and agrees that no diminution of light, air or view by any structure that may hereafter be erected (whether or not by County) shall entitle Tenant to any reduction of the Base Rent or Additional Charges under this Lease, result in any liability of County to Tenant, or in any other way affect this Lease or Tenant's obligations hereunder.

#### **27.19. No Recording**

Tenant shall not record this Lease or any memorandum hereof in the public records.

#### **27.20. Options Personal**

Any right or option to extend the Term of this Lease or renew this Lease is personal to the original Tenant and may be exercised only by the original Tenant while occupying the Premises who does so without the intent of thereafter making any Assignment of this Lease or Subletting of the Premises, or any portion thereof, and may not be exercised by or assigned, voluntarily or involuntarily, by or to any person or entity other than Tenant provided, however, that an option may be exercised by or assigned to an Affiliate. The options, if any, herein granted to Tenant are not assignable separate and apart from this Lease, nor may any option be separated from this Lease in any manner, either by reservation or otherwise.

#### **27.21. Taxes, Assessments, Licenses, Permit Fees and Liens**

(a) Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest. (b) Tenant agrees to pay taxes of any kind, including possessory interest taxes, that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Tenant's usage of the Premises that may be imposed upon

Tenant by law, all of which shall be paid when the same become due and payable and before delinquency. (c) Tenant agrees not to allow or suffer a lien for any such taxes to be imposed upon the Premises or upon any equipment or property located thereon without promptly discharging the same, provided that Tenant, if so desiring, may have reasonable opportunity to contest the validity of the same.

**27.22. Non-Liability of County Officials, Employees and Agents**

No elective or appointive board, commission, member, officer, employee or other Agent of County shall be personally liable to Tenant, its successors and assigns, in the event of any default or breach by County or for any amount which may become due to Tenant, its successors and assigns, or for any obligation of County under this Agreement.

**27.23. No Relocation Assistance; Waiver of Claims**

Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims against, and covenants not to sue, County, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any laws, including, without limitation, any and all claims for relocation benefits or assistance from County under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260 et seq.), except as otherwise specifically provided in this Lease with respect to a Taking.

**27.24. 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.

**27.25. Effective Date**

This Lease shall become effective on the date upon which this Lease is duly executed and delivered by the parties hereto.

County and Tenant have executed this Lease as of the date first written above.

TENANT: DTRS Half Moon Bay LLC

By: \_\_\_\_\_

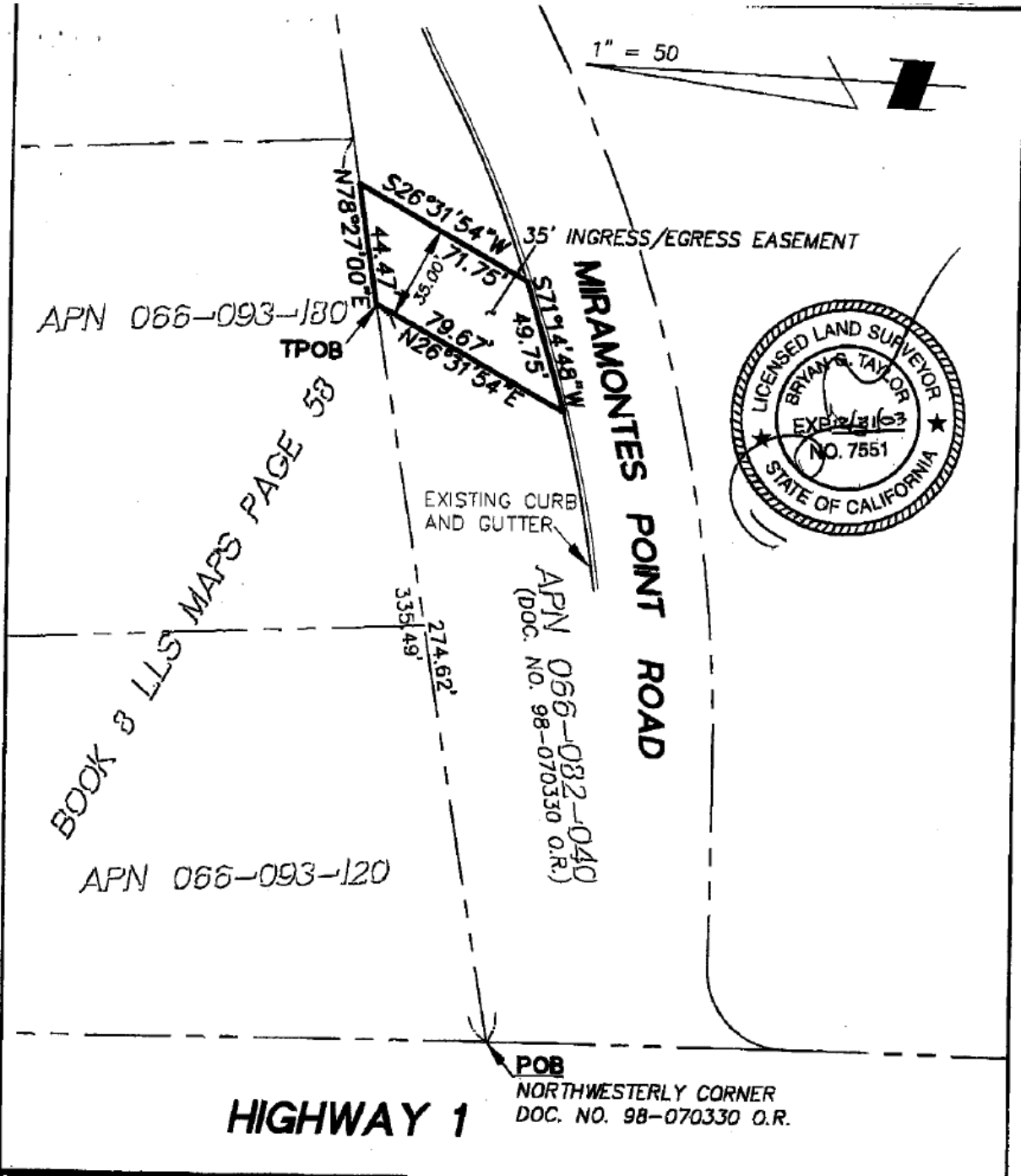
John Evans  
General Manager

COUNTY: COUNTY OF SAN MATEO,  
a political subdivision of the State of  
California

By: \_\_\_\_\_

Mark Church  
President, Board of Supervisors

EXHIBIT A  
SITE PLAN



PLAT ACCOMPANYING LEGAL DESCRIPTION



**BRYAN G. TAYLOR, INC.**  
PROFESSIONAL LAND SURVEYORS

107 SAN CLEMENTE ROAD - HALF MOON BAY, CA 94019  
TEL: 650.580.9721 FAX: 650.580.9729

UNINCL  
HALF 1

EXHIBIT A

SAN MATEO COUNTY  
CALIFORNIA

DATE JOB  
11/02 02-076



EXHIBIT B

[Date]

Ms. Margaret Jensen  
Deputy County Manager  
County of San Mateo  
400 County Center  
Redwood City, CA 94063

RE: Acknowledgement of Commencement Date, Lease Between  
<<<NAME>>> (Tenant), and the COUNTY OF SAN MATEO (Landlord), for  
premises known as \_\_\_\_\_ located at  
\_\_\_\_\_

Dear Ms. Jensen:

This letter will confirm that for all purposes of the Lease, the Commencement  
Date (as defined in Section 3.2 of the Lease) is \_\_\_\_\_, 200\_.

Please acknowledge your acceptance of this letter by signing and returning a  
copy of this letter.

Very truly yours,

\_\_\_\_\_  
By \_\_\_\_\_  
Title \_\_\_\_\_

Accepted and Agreed:

By: \_\_\_\_\_  
Deputy County Manager

EXHIBIT C

APPROVED ALTERATIONS

TENANT TO PROVIDE COPY OF PLANS