

LEASE

District Attorney's Office
3890 Railroad Avenue
Pittsburg, California

This lease is dated as of December 17, 2024, and is between ALBERT D. SEENO CONSTRUCTION CO., a California limited partnership ("**Lessor**") and the COUNTY OF CONTRA COSTA, a political subdivision of the State of California ("**County**").

Recitals

- A. Lessor is the owner of the Real Property located at 3890 Railroad Avenue, Pittsburg, California that is more particularly described in Exhibit A (the "**Property**"). The Property has been improved with an approximately 4,699 square foot building (the "**Building**") and a parking lot.
- B. Lessor desires to lease to County and County desires to lease from Lessor, the Property.
- C. Simultaneous with the execution of this lease, Lessor and County are entering into a work letter that sets forth how tenant improvements and shell improvements at the Property are to be constructed, who will undertake the construction of the tenant improvements, who will pay for the construction of the tenant improvements, and the time schedule for completion of the construction of the tenant improvements (the "**Work Letter**"). The Work Letter is part of this lease.

The parties therefore agree as follows:

Agreement

- 1. Lease of Property. In consideration of the rents and subject to the terms of this lease, Lessor hereby leases to County and County hereby leases from Lessor, the Property.
- 2. Term. The "**Term**" of this lease is comprised of an Initial Term and, at County's election, Renewal Terms, each as defined below.
 - a. Initial Term. The "**Initial Term**" is 15 years commencing on the Commencement Date, as defined in the Work Letter.
 - b. Renewal Terms. County has four options to renew this lease for a term of five years for each option (each, a "**Renewal Term**") upon all the terms and conditions set forth in this lease.

- i. County will provide Lessor with written notice of its election to renew the lease at least six months prior to the end of the Term. However, if County fails to provide such notice, its right to renew the lease will not expire until fifteen working days after County's receipt of Lessor's written demand that County exercise or forfeit the option to renew.
 - ii. Upon the commencement of a Renewal Term, all references to the Term of this lease will be deemed to mean the Term as extended pursuant to this section.
- 3. Rent. Beginning on the Commencement Date, County shall pay the amounts set forth below ("**Rent**") to Lessor monthly in advance on the tenth day of each month during the Term. Rent for any partial month will be prorated at the rate of 1/30 of the applicable monthly Rent per day.

a. Initial Term

<u>Months</u>	<u>Monthly Rent</u>
1-4	\$0
5-12	\$7,518.40
13-24	\$7,743.95
25-36	\$7,976.27
37-48	\$8,215.56
49-60	\$8,462.03
61-72	\$8,715.89
73-84	\$8,977.36
85-96	\$9,246.68
97-108	\$9,524.08
109-120	\$9,809.81
121-132	\$10,104.10
133-144	\$10,407.22
145-156	\$10,719.44

157-168 \$11,041.02

169-180 \$11,372.25

- b. Renewal Term Rent Increases. In each year during the Term that follows the Initial Term, Rent will increase over the preceding year, based on the CPI Factor.

The “**CPI Factor**” means the percentage by which the “Index,” as defined below, for the most recent twelve-month period immediately preceding the date the revised rent is to commence, has increased over the Index in effect for the immediate period twelve-month period, calculated to the nearest one-tenth of one percent. The term “**Index**” means the Consumer Price Index, all urban Consumers, All Items, for San Francisco-Oakland-Hayward (1982-84=100), as published by the Bureau of Labor Statistics of the U.S. Department of Labor, or its successor or a substitute index published as a replacement for that index by said Department or by any other United States government agency.

The adjustment in Rent based on the CPI Factor may not be by less than 2% or by more than 5% of Rent then in effect.

Lessor will notify the County of the increases in the Rent and provide a copy of the calculation to the County, when Lessor completes the calculation of increased Rent. If such notice is given after the effective date of the increase, the County shall pay increased Rent retroactively to the effective date of the increase.

4. Additional Rent. In addition to the Rent set forth above, County shall pay Lessor the amounts set forth in subsections a and b, below (collectively, “**Additional Rent**”). County shall pay Additional Rent in accordance with Section 5 – Payment of Additional Rent. Lessor estimates Additional Rent for the first year of the Term will be \$1,174.75 per month. County has the right to inspect and audit Lessor’s books and records relating to the amounts charged to County as Additional Rent and to make specific objections to amounts charged to County. Lessor shall retain all relevant records for at least three years. County shall cause any such inspection to occur within eighteen months of receipt of the Reconciliation Statement, defined in Section 5, below. If, as a result of the above inspection of Lessor’s books and records, County determines that it has made an overpayment of Additional Rent, then County has the right to deduct the amount of the overpayment from Rent that is due for the month or months next following such determination.

- a. Maintenance and Repairs. The Operating Expenses, as defined below.

“**Operating Expenses**” means all actual costs of operating and maintaining the Property, including but not limited to (i) the operation and upkeep of all building systems serving the Building, including lighting, plumbing, HVAC, fire/life safety, electrical systems, ceiling, flooring, and other surfaces, (ii) pest and rodent control, (iii) maintaining and repairing parking lots, sidewalks, driveways, and landscaped areas,

and (iv) an administrative fee for services rendered by a third party manager that is equal to no more than 10% of the total of these expenses, excluding administrative expenses, taxes, and insurance premiums.

- b. Insurance Expenses. The Insurance Expense, as defined below.

“Insurance Expense” means the amount of Insurance, as defined below, actually paid or incurred by Lessor in any calendar year (or portion thereof) during the Term.

“Insurance” means the All-Risk Property Insurance maintained by Lessor covering the Property and all improvements to the Property for perils including fire and earthquake, if applicable; liability and other insurance that Lessor reasonably deems necessary on the Property or that may be required by Lessor’s mortgagee.

- c. Exclusions. Notwithstanding any provision of this lease to the contrary, Lessor and County acknowledge and agree that the following items are excluded from Additional Rent to be reimbursed or paid by County:

- i. Costs of capital repairs, replacement improvements to the Building (including capital projects that are done for code compliance or to reduce expenses) and significant repairs or improvements to a building system serving the building.
- ii. Payments on any loans affecting the Property.
- iii. Depreciation of the Building or any major systems of Building service equipment.
- iv. All costs and expenses associated with leasing to other tenants, including tenant improvements allowances, attorneys’ fees, brokerage commissions, and architectural fees, if any.
- v. Any cost incurred in complying with hazardous materials laws.
- vi. Capital taxes, income taxes, corporate taxes, corporation capital taxes, excise taxes, profits taxes or other taxes personal to the Lessor.

5. Payment of Additional Rent.

- a. Annual Estimates. At the beginning of each year, Lessor shall provide County with a reasonable estimate of the amount of Additional Rent due for the upcoming year (or portion thereof). That amount will be divided by the number of months in the year (or portion thereof) to determine the **“Estimated Monthly Additional Rent.”**
- b. Monthly Payments. County shall pay the Estimated Monthly Additional Rent monthly in advance on the tenth day of each month. Additional Rent for any fractional month

will be prorated and computed on a daily basis with each day's Additional Rent equal to one-thirtieth (1/30) of the then-current Additional Rent.

- c. Annual Reconciliation. Within 120 days after the end of the calendar year, or, if applicable, within 120 days after the end of the term, Lessor shall (i) calculate the actual Additional Rent due for the relevant period, and (ii) provide County with a statement that compares the actual expenses incurred by Lessor for the relevant period with the total payments of Estimated Monthly Additional Rent paid by the County during such period (a "**Reconciliation Statement**"). If County's total payments of Estimated Monthly Additional Rent for the period are less than the amount of actual expenses incurred by Lessor, County shall pay to Lessor the amount of such deficiency within 30 days after receipt of the Reconciliation Statement. If County's total payments of Estimated Monthly Additional Rent for such period exceed actual expenses incurred by Lessor for such period, Lessor shall refund the excess to County within 30 days after the County's demand therefor.
6. Real Property Tax Expense. In addition to Rent and Additional Rent, County shall pay the Real Property Taxes, as defined below, paid or incurred by Lessor in any calendar year (or portion thereof). At the County's election, the County may pay the Real Property Taxes (i) directly to the taxing authority, or (ii) to Lessor, as reimbursement for Real Property Taxes paid by Lessor. County has Lessor's consent to work with the County Assessor's Office to cause the Property to be exempt from property taxes during the period of time that it is occupied only by County. If County undertakes this effort, Lessor shall take all steps reasonably requested by County, at no additional cost to Lessor, to bring about such exemption.

"Real Property Taxes" means and includes all taxes, assessments (amortized over the longest period available to Lessor) levied or assessed upon the Property, any state or local business taxes or fees measured by or assessed upon gross rentals or receipts, and other governmental charges, general and special, including, without limitation, assessments for public improvements or benefits, that are, during the Term of this lease, assessed, levied, and imposed by any governmental authority upon the Property. Real Property Taxes do not include any late fees or penalties, any municipal, county, state or federal net income, estate, succession, inheritance, sales, use or franchise taxes of Lessor or documentary transfer taxes, or tax increases of any kind in connection with the transfer, sale, or change of ownership of all or part of the Property; provided, however, if County pays the Property Taxes, County will be responsible for any late fees or penalties as a result of late payment.
7. Utilities and Janitorial Services. County shall contract directly for all gas, electric, refuse, sewer, water and janitorial services provided to the interior of the Building.
8. Use. County may use the Building for office space.
9. Maintenance and Repairs.

- a. Roof and Exterior of Building. Lessor shall keep the roof and exterior of the Building in good order, condition, and repair, and shall maintain the structural integrity of the Building, at its sole cost. The cost of maintaining the exterior doors and their fixtures, closers and hinges, exterior windows, glass and glazing used in the Building, including routine cleaning of exterior doors and windows, will be included in Additional Rent.
- b. Interior of Building. County shall keep and maintain the interior of the Building in good order, condition and repair, including floor surfaces, interior walls, ceilings, lighting, interior plumbing and electrical, but Lessor shall repair damage to the interior caused by its failure to maintain the exterior in good repair, including damage to the interior caused by roof leaks, window leaks and exterior wall leaks. The County may install and maintain an alarm system and security camera system, if deemed necessary by County. County shall maintain all locks and key systems.
- c. Building Operating Systems. Lessor shall maintain and repair the electrical, water, and plumbing systems together, such systems and equipment are (the “**Operating Systems**”) in good order, condition and repair and the cost may be included in the calculation of Additional Rent. These costs will exclude major upgrades, significant repairs and capital expenditures. Lessor shall maintain all permits related to the Operating Systems. Subject to Section 23 – Perilous Conditions, if any Operating Systems fail, a representative of the County’s Public Work Department (a “**County Representative**”) will notify the Lessor of such failure and Lessor shall use best efforts to promptly correct the problem. The notice of an Operating Systems failure may be delivered to Lessor either by telephone or email as follows:

Contact: Kurt Hysen
Phone Number: 925-609-6200
Email Address: Kurt.hysen@spprop.com
cc: Douglas Messner
Email Address: dmessner@spprop.com

- d. HVAC. County is responsible for the cost of routine maintenance and routine repairs of the heating, ventilating, and air-conditioning (HVAC), including a quarterly maintenance service; provided, however, if determined by County’s HVAC contractor that it is necessary to replace one or more of the original units of the HVAC system, Lessor shall pay for such replacements at its sole cost and expense, which cost and expense is not to be included in the calculation of Additional Rent. If County’s HVAC contractor determines that it is necessary to replace one or more of the original units of the HVAC system, Lessor may, at Lessor’s sole cost, which may not be included in the calculation of Additional Rent, engage a different HVAC contractor to inspect and/or repair the defective unit(s); provided, however, Lessor may make this election only once per unit; Lessor must replace the unit(s) upon the occurrence of any subsequent failure in accordance with the first sentence of this subsection.

- e. Parking; Exterior Lighting; Landscaping. Lessor shall maintain the parking lot and exterior lighting system, and landscaping, in good order, condition and repair and the cost may be included in the calculation of Additional Rent.
 - f. Life Safety. Lessor shall maintain, in compliance with then-current government codes and standards, the fire life safety system. When needed, Lessor shall repair and/or replace such systems. The cost of maintenance, repair and/or replacement may be included in the calculation of Additional Rent.
 - g. Services by Lessor. If County determines that the interior of the Building is in need of maintenance, construction, remodeling or similar work that is beyond Lessor's responsibilities under this lease, at County's request, Lessor may elect to perform the work at County's expense. In performing the work, Lessor shall consult with County and use either licensed insured contractors or employees of Lessor. Lessor shall obtain County's prior written approval of the scope, terms, and cost of any contracts. County may, by giving Lessor 30 days prior written notice, change the scope of work, terminate any or all work, or subsequent to Lessor's approval, require that work be performed by a different contractor. County shall reimburse Lessor within 30 days of receiving an invoice.
 - h. County-Initiated Projects. The County is responsible for the cost of improvements to the Building and the Property that are initiated by the County ("**County Improvements**"). Examples of potential County Improvements include a County election to add solar panels, and a County election to add electric vehicle charging stations.
10. Quiet Enjoyment. Provided County is in compliance with the material terms of this Lease, Lessor shall warrant and defend County in the quiet enjoyment and possession of the Property during the Term.
11. Right of First Refusal. Provided the County is not then in default under this Lease, the County has a right of first refusal ("**Right of First Refusal**") in the event Lessor (i) decides to sell the Property or (ii) receives any unsolicited offer from a third party offering to purchase the Property (a "**Third-party Offer**") during the Term that the Lessor desires to accept. Upon determining to sell the Property or upon receiving a Third-party Offer, Lessor shall present either Lessor's proposed price or the Third-party Offer price, as applicable (the "**Purchase Offer**"), to the County in writing.

In the case of the Lessor desiring to sell the Property without having received an unsolicited Third-party Offer, the County will then have the right to either purchase the Property at Lessor's proposed price, or present Lessor with a counter-offer ("**County's Counter-offer**") within 60 days after the County's receipt of Lessor's Purchase Offer. Upon the presentation of the County's Counter-offer to Lessor, Lessor and the County agree to negotiate in good faith the County's purchase of the Property. If the parties are unable to agree to a price within 30 days from the date County presents Lessor with County's

Counter-offer, Lessor may sell the Property to any third party for any amount greater than County's Counter-offer.

In the event that Lessor receives an unsolicited Third-party Offer to purchase the Property that Lessor desires to accept, Lessor shall present a copy of the written Third-party Offer to the County for its review. The County will then have 30 days to match the price and material terms of the Third-party Offer. If County declines to match the Third-party Offer, Lessor may complete the sale to that third-party at a price at least equal to that Third-party Offer.

If Lessor does not complete the sale to that third-party, then the County retains its Right of First Refusal to any subsequent sale by Lessor.

Lessor's sale of the Property for a price lower than either the County's Counter-offer or the Third-party Offer price is a default of this Lease.

The County's Right of First Refusal does not apply to any inter-family, affiliated business or internal transfers, where the Property is a part of a larger portfolio of properties, tax related restructuring or to any action by any Lessor lender.

12. Subordination, Non-Disturbance and Attornment. If at any time Lessor has a loan that is secured by a lien of a mortgage or deed of trust encumbering the Property, Lessor shall request the lender(s) holding the lien to execute and deliver to County a Subordination, Non-Disturbance and Attornment Agreement that is in substantial conformity with Exhibit B hereto.
13. Alterations; Fixtures and Signs. County may (i) make any lawful and proper minor alterations to the Building, (ii) attach fixtures and signs ("**County Fixtures**") in or upon the Building that do not affect the Operating Systems, and (iii) install electric vehicle charging stations in the parking lot ("**Charging Stations**") and (iv) install bicycle racks. Any County Fixtures, exterior signs or fixtures, and the location of the Charging Stations, are subject to Lessor's prior approval, which approval may not be unreasonably withheld. Any County Fixtures will remain the property of County and may be removed from the Property by County at any time during the Term. County is responsible for the cost of all alterations, County Fixtures and for the cost of Charging Stations that are not required to be installed as part of the Tenant Improvements. All alterations and County Fixtures must comply with then-current code requirements and are to be removed by County at the expiration of the Term and any damage repaired.
14. Prior Possession. At least 15 days prior to the Commencement Date and with Lessor's written approval County has the right to install fixtures, telephones, alarm systems, and other items required to prepare the Property for County's occupancy and to store furniture, supplies and equipment, provided such work and storage can be effected without unduly interfering with Lessor's completion of any tenant improvements. Lessor will not be responsible for any loss, theft, or damage to any such items stored.

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

Lessor shall immediately address any condition which is Lessor's responsibility to maintain reasonably constituting an emergency, whether Lessor learns of the condition through County or otherwise.

If Lessor fails to address a Perilous Condition within 24 hours after County's notice or to immediately address an emergency, County may attempt to resolve the Perilous Condition or emergency. Lessor shall reimburse County for the reasonable cost incurred by County in addressing the Perilous Condition or emergency promptly upon receipt of County's invoice.

20. Destruction. If damage occurs that causes a partial destruction of the Building during the Term from any cause and repairs can be made within 60 days from the date of the damage under the applicable laws and regulations of government authorities, Lessor shall repair the damage promptly. Such partial destruction will not void this Lease, except that County will be entitled to a proportionate reduction in Rent while the repairs are being made. The proportionate reduction in Rent will be calculated by multiplying Rent by a fraction, the numerator of which is the number of square feet that are unusable by County and the denominator of which is the total number of square feet in the Building.

If repairs cannot be made in 60 days, County will have the option to terminate the Lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph; provided, however, if the expected timeframe to complete the repairs is greater than 60 days because of the length of time required to obtain a building permit from the City of Pittsburgh, the Fire District, or any other government agency with jurisdiction, then if repairs cannot be made in 120 days from the date of the damage, County will have the option to terminate the Lease or request that Lessor make the repairs within a reasonable time, in which case, Lessor will make the repairs and Rent will be proportionately reduced as provided in the previous paragraph; provided further, if the partial destruction affects 50% or more of the Building and the repairs cannot be made within 240 days from the date of the damage, both parties have the option to terminate the Lease.

This Lease will terminate in the event of the total destruction of the Building.

21. Hazardous Material. Lessor warrants to County that Lessor does not have any knowledge of the presence of Hazardous Material, as defined below, or contamination of the Building or Property in violation of environmental laws, other than asbestos containing materials, all of which have been identified and will be removed by Lessor prior to the Commencement Date. Lessor shall defend, save, protect, and hold County harmless from any loss arising out of the presence of any Hazardous Material on the Property that was not brought to the Property by or at the request of County, its agents, contractors, invitees, or employees. Lessor acknowledges and agrees that County has no obligation to clean up or remediate, or contribute to the cost of clean-up or remediation, of any Hazardous Material unless such Hazardous Material is released, discharged, or spilled on or about the Property by County or any of its agents, employees, contractors, invitees, or other representatives. The obligations of this section shall survive the expiration or earlier termination of this Lease.

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

22. Indemnification.

- a. County. County shall defend, indemnify and hold Lessor and Lessor’s officers, directors, shareholders, affiliates, employees and agents harmless from County’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors, or omissions of County, its officers, agents or employees in using the Property pursuant to this Lease, or the County’s performance under this Lease, except to the extent caused or contributed to by (i) the structural, mechanical, or other failure of buildings owned or maintained by Lessor and/or (ii) the negligent acts, errors, or omissions of Lessor, its officers, agents, or employees.
- b. Lessor. Lessor shall defend, indemnify and hold County and County’s officers, employees and agents harmless from Lessor’s share of any and all claims, costs and liability for any damage, injury or death of or to any person or the property of any person, including attorneys’ fees, caused by the willful misconduct or the negligent acts, errors or omissions of Lessor, its officers, agents, or employees with respect to the Property, or Lessor’s performance under this Lease, or the Lessor’s performance, delivery or supervision of services at the Property, or by the structural, mechanical or other failure of the Building, except to the extent caused or contributed to by the (i) negligent acts, errors, or omissions of County, its officers, agents, or employees, and/or (ii) the unauthorized or criminal entry of third parties into the Building or Real Property regardless of any breakdown, malfunction, or insufficiency of the security measures, practices, or equipment provided by Lessor, if any.

23. Default.

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

- a. County.
 - i. County’s failure to pay Rent and/or Additional Rent within ten business days after receipt of a written notice of failure (a “**Notice**”) from Lessor to County; provided, however, that County will have additional time if its failure to pay Rent is due to circumstances beyond its reasonable control, including, without limitation, failure of the County’s Board of Supervisors to adopt a budget. In no event may such additional time exceed 60 days from receipt of a Notice.
 - ii. County’s failure to comply with any other material term or provision of this Lease if the failure is not remedied within 30 days after receipt of a Notice from Lessor to County specifying the nature of the breach in reasonably

sufficient detail; provided, however, if the default cannot reasonably be remedied within the 30-day period, then a default will not be deemed to occur until the occurrence of County's failure to comply within the period of time that may be reasonably required to remedy the default, up to an aggregate of 90 days, provided County commences curing the default within 30 days and thereafter diligently proceeds to cure the default.

b. Lessor.

- i. Lessor's failure to complete the Tenant Improvements in accordance with Schedule 1.
- ii. Lessor's failure to perform any other obligation under this Lease if the failure is not remedied within 30 days after receipt of a Notice from County to Lessor specifying the nature of the breach in reasonably sufficient detail; provided, however, if the breach cannot reasonably be remedied within the 30-day period, then a default will not be deemed to occur until the occurrence of Lessor's failure to perform within the period of time that may be reasonably required to remedy the breach, up to an aggregate of 90 days, provided Lessor commences curing the breach within 30 days and thereafter diligently proceeds to cure the breach.

24. Remedies.

- a. Lessor. Upon the occurrence of an uncured default by County, Lessor may, after giving County written notice of the default, and in accordance with due process of law, reenter and repossess the Property and remove all persons and property from the Property in addition to any and all other remedies available to Lessor at law or in equity.
- b. County. If Lessor fails to complete the Tenant Improvements in accordance with Schedule 1, County may terminate this Lease by giving written notice to Lessor with no cost or obligation to County. Such termination is effective on the effective date of the written notice. Upon the occurrence of any other uncured default by Lessor, County may (i) terminate this Lease by giving written notice to Lessor and quit the Property without further cost or obligation to County or (ii) proceed to repair or correct the failure and, at County's option, either deduct the cost thereof from Rent due to Lessor, or invoice Lessor for the cost of repair, which invoice Lessor shall pay promptly upon receipt.

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

To Lessor:	Albert D. Seenoo Construction Co. c/o Sierra Pacific Properties, Inc. Attn: President
------------	---

1800 Willow Pass Court
Concord, CA 94520

With a copy to: Albert D. Seeno Construction Co.
Attn: Legal Department
4021 Port Chicago Highway
Concord, CA 94520

To County: Contra Costa County
Public Works Department
Attn: Principal Real Property Agent
40 Muir Road, 2nd Floor,
Martinez, CA 94553

Either party may at any time designate in writing a substitute address for the address set forth above and thereafter notices are to be directed to such substituted address. If sent in accordance with this section, all notices will be deemed effective (i) the next business day, if sent by overnight courier, or (ii) three (3) days after being deposited in the United States Postal system.

26. Successors and Assigns. This Lease binds and inures to the benefit of the heirs, successors, and assigns of the parties hereto.
27. Holding Over. Any holding over after the Term of this Lease is a tenancy from month to month, terminable upon 30 days' notice given at any time and is subject to the terms of this Lease. During such holding over, County shall pay, in advance, Rent equal to 125% of the current Rent at the time of expiration of the Lease. Holding over does not constitute an extension of the Lease.
28. Time is of the Essence. In fulfilling all terms and conditions of this Lease, time is of the essence.
29. Governing Law. The laws of the State of California govern all matters arising out of this Lease.
30. Severability. In the event that any provision of this Lease is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Lease will not in any way be affected or impaired.
31. Real Estate Commission. In negotiating this Lease, Lessor is represented by Colliers International and the County represents itself. Lessor shall pay a real estate commission to Colliers International pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County's contact with Lessor in connection with this Lease has been directly with Colliers International.

Lessor shall pay to County a real estate commission in the amount of \$18,164.10 (the “**County Commission**”). Lessor shall pay one-half of the County Commission upon the execution of this Lease and the remainder on the Commencement Date.

Lessor and County warrant that no other broker or finder, other than Colliers International and the County, can properly claim a right to a leasing commission or a finder's fee based upon contacts with the County with respect to the Property. Lessor and County shall indemnify, defend, protect and hold each other harmless from and against any loss, cost or expense, including, but not limited to, attorneys' fees and costs, or the payment of a real estate commission to any party, other than Colliers International and County, resulting from any claim for a fee or commission by any broker or finder, in connection with the Property and this Lease.

32. Force Majeure. Whenever a day is appointed under this Lease and Schedule 1 on which a period of time is appointed within which either party to this Lease is required to do or complete any act, matter or thing, other than the payment of money on or after the Commencement Date, the time for doing or completing the act, matter or thing will be extended by a period of time equal to the number of days that the party required to act is prevented from doing or completing the act, matter or thing (or its ability to do or complete the act, matter or thing, is unreasonably interfered with) because of strikes, lock-outs, embargoes, unavailability of labor, materials or utilities, wars, insurrections, rebellions, civil disorder, declaration of national emergencies, governmental orders or mandates, terrorist attacks, acts of God, or other causes beyond such party's reasonable control (financial inability excepted); provided, however, nothing contained in this section excuses County from the prompt payment of any Rent or other charge required of County under this Lease; and furthermore provided nothing contained in this section affects County's right to address Perilous Conditions as described in Section 19 – Perilous Conditions.
33. Estoppel Certificate. Within 20 days after a written request from Lessor, County's Director of Public Works or his designee shall execute and deliver to Lessor a written statement certifying: (a) that this Lease is unmodified and in full force and effect, or is in full force and effect as modified and stating the modifications; (b) the amount of Rent and the date to which Rent and additional rent, if any, have been paid in advance; and (c) that Lessor is not in default under this Lease or, if Lessor is claimed to be in default, stating the nature of any claimed default. A purchaser, assignee or lender may rely upon such statement.
34. Liens. County shall keep the Building and the Property free from any liens arising out of the work performed, materials furnished, or obligations incurred by County or County's parties. County further covenants and agrees that should any mechanic's lien be filed against the Building or the Real Property for work claimed to have been done for, or materials claimed to have been furnished to the County, the lien will be discharged by the County, by bond or otherwise, within 30 days after the filing thereof, at the cost and expense of County.
35. Interest on Past Due Obligations. Except as otherwise expressly provided in this Lease, any amount due from County to Lessor under this Lease that is not paid when due will bear

interest at the rate of five percent (5%) per annum from the date due until the date paid. This section does not alter the terms and conditions set forth in Section 23 – Default.

36. Sale or Transfer by Lessor. In the event of any transfer or transfers of Lessor's interest in the Property, other than a transfer for security purposes only, the transferor shall automatically be relieved of any and all obligations and liabilities on the part of the transferor accruing from and after the date of such transfer; provided, however, that any funds in the hands of Lessor in which County has an interest, at the time of such transfer, shall be turned over to the transferee and upon such transfer, Lessor shall be discharged from any further liability with reference to such funds.
37. Recording. If requested by County, the parties shall execute and record a Memorandum of Lease in substantial conformity with Exhibit C, in lieu of recording the entire Lease. Upon the expiration or earlier termination of this Lease, County shall execute a Memorandum of Lease Termination or Quitclaim Deed discharging any recording made pursuant to this section.
38. Miscellaneous.
 - a. County hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service, safety patrol or other security measures, and that Lessor has no obligation whatsoever to provide the same. County assumes all responsibility for the protection of County, its agents, employees, and invitees from acts of third parties.
 - b. To Lessor's actual knowledge, the Building has not undergone inspection by a Certified Access Specialist (CASP). The foregoing disclosure does not affect Lessor's or County's respective responsibilities for compliance of construction-related accessibility standards as provided under this Lease. A CASp can inspect the Building and determine whether the Building comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Building, Lessor may not prohibit County from obtaining a CASp inspection of the Building for the occupancy or potential occupancy of County, if requested by County. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Building.

[Remainder of Page Intentionally Left Blank]

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

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

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

ALBERT D. SEENO CONSTRUCTION CO.,
a California limited partnership

By: Albert D. Seeno Construction Co., Inc.,
a California corporation, General Partner

By: _____
Warren Lai
Director of Public Works

By: _____
Douglas W. Messner
Authorized Agent

By: _____
Robert P. Garrison
Authorized Agent

RECOMMENDED FOR APPROVAL:

By: _____
Jessica L. Dillingham
Principal Real Property Agent

By: _____
Jessica Castro
Associate Real Property Agent

APPROVED AS TO FORM
THOMAS L. GEIGER, COUNTY COUNSEL

By: _____
Kathleen M. Andrus
Deputy County Counsel

JC:mj
WLP/WLG 435

g:\realprop\lease management\pittsburg\da -3890 railroad ave -txxx\3890 railroad ave lease - final.docx

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

The Southerly 44 feet, front and rear measurements, of Lot 12 and all of Lots 13, 14 and 15, Map of Lincheid Annex, filed March 1, 1951, Map Book 43, Page 14, Contra Costa County Records.

APN: 087-151-028-5

EXHIBIT B

Recorded at the request of:
Contra Costa County

Return to:
Contra Costa County
Public Works Department
255 Glacier Drive
Martinez, CA 94553

Assessor's Parcel No. _____

Subordination, Non-Disturbance and Attornment Agreement

This agreement is dated _____, 20__, and is between the County of Contra Costa, a political subdivision of the State of California (the “**Tenant**”), _____, a _____, its successors and assigns (the “**Lender**”), having its principal place of business at _____.

Recitals

- A. Pursuant to a lease dated _____, 20__ (the “**Lease**”) between the Tenant and Albert D. Seeno Construction Co., a California limited partnership (the “**Landlord**”), Landlord is leasing to the Tenant certain space in the building located at [*insert address of building*], more fully described in Exhibit A attached hereto and made a part hereof (the “**Property**”).
- B. Lender has previously made a loan (the “**Loan**”) to Landlord that is secured, in part, by the lien of a mortgage or deed of trust executed and delivered by Landlord to Lender encumbering the Property (the “**Mortgage**”) and an assignment of all leases of and rents from the Property
- C. This agreement is being executed by the parties in accordance with the requirements of Section __ of the Lease.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

- 1. Tenant hereby represents, acknowledges and agrees as follows:
 - (a) The Lease contains a right of first refusal to purchase an ownership interest in the building.
 - (c) The term of the Lease commences on _____ and

will terminate on _____.

- (b) The current monthly rent payment under the Lease is set forth in Section 3 of the Lease. No advance rents have been prepaid.
- (c) In addition to monthly rent payments, the Tenant is responsible for a portion of the cost of improvements to the premises, in accordance with the Work Letter that is part of the Lease.
- (d) The improvements described in the Lease have been completed and accepted by Tenant.
- (e) Tenant has not sublet any portion of the leased premises or assigned any of its rights under the Lease.
- (f) The Lease is in full force and effect.
- (g) All rent payments will be paid as provided under the Lease until Tenant has been otherwise notified by Lender or its successors and assigns.
- (h) If Lender provides Tenant with Lender's address for notification purposes, Tenant will deliver to Lender a copy of all notices Tenant delivers to or receives from Landlord.
- (i) Tenant will not look to Lender or its successors or assigns for the return of the security deposit, if any, under the Lease, except to the extent that such funds are delivered to Lender.

2. The Lease is subject and subordinate to the Mortgage, and to all amendments, modifications, replacements and extensions thereof, to the full extent of the principal, interest, fees, expenses and all other amounts secured thereby.

3. If Lender elects to foreclose the Mortgage, Lender will not join Tenant in summary or foreclosure proceedings unless required by applicable law (and then only to the extent so required) as long as Tenant has not amended the Lease without Lender's prior written consent and is not in default under the Lease.

4. In the event that Lender succeeds to the interest of Landlord under the Lease and there exists no default by Tenant under the Lease and Tenant has not amended the Lease without Lender's prior written consent, Lender agrees not to disturb or otherwise interfere with Tenant's possession of the leased premises for the unexpired term of the Lease, provided that Lender is not:

- (a) Liable for any act or omission of Landlord or any prior landlord under the Lease;
- (b) Subject to any offsets or defenses that Tenant might have against Landlord or any

prior landlord;

- (c) Bound by any rent or additional rent that Tenant might have paid for more than the current month to Landlord;
- (d) Bound by any amendment or modification of the Lease made without Lender's prior written consent; or
- (e) Liable for any security deposit Tenant might have paid to Landlord, except to the extent Lender has actually received said security deposit.

5. Upon Lender's succeeding to Landlord's interest under the Lease, Tenant covenants and agrees to attorn to Lender or a purchaser at a foreclosure or trustee's sale, to recognize such successor landlord as Tenant's landlord under the Lease, and to be bound by and perform all of the obligations and conditions imposed on Tenant by the Lease. If requested by Lender or any subsequent owner, Tenant shall execute a new lease with Lender, for a term equal to the remaining term of the Lease and otherwise containing the same provisions and covenants of the Lease.

6. Prior to terminating the Lease due to a default by Landlord thereunder, Tenant agrees to notify Lender of such default and give Lender the opportunity to cure such default within 30 days of Lender's receipt of such notice (or, if such default cannot reasonably be cured within such 30-day period, Lender will have such longer time as may be necessary to cure the default provided that Lender commences the cure within such period and diligently pursues the cure thereafter).

7. This agreement binds and inures to the benefit of the respective heirs, personal representatives, successors and assigns of the parties hereto.

[Remainder of Page Intentionally Left Blank]

8. This agreement may be modified only in a writing duly executed by both parties.

The parties are signing this agreement as of the date set forth in the introductory clause.

COUNTY

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

By _____
Warren Lai
Director of Public Works

LENDER

Name of Lender., a

By _____
Name
Title

By _____
Name
Title

[Attach Notary Forms]

EXHIBIT A

Legal Description of Premises

The Southerly 44 feet, front and rear measurements, of Lot 12 and all of Lots 13, 14 and 15, Map of Lincheid Annex, filed March 1, 1951, Map Book 43, Page 14, Contra Costa County Records.
APN: 087-151-028-5

EXHIBIT C

FORM OF MEMORANDUM OF LEASE

Recorded at the request of:
Contra Costa County

Return to:
Contra Costa County
Public Works Department
255 Glacier Drive
Martinez, CA 94553
Attn: Real Property

Assessor's Parcel No. _____

MEMORANDUM OF LEASE

This Memorandum of Lease is dated _____, 20__, and is between Albert D. Seeno Construction Co, a California limited partnership (Landlord), and the County of Contra Costa, a political subdivision of the State of California (Tenant).

On _____, Landlord and Tenant entered into a written lease (Lease) by which Tenant agreed to lease the property located at 3890 Railroad Avenue, Pittsburg, California from Landlord. The real property is legally described as follows:

[See legal description attached as Exhibit A.]

The Lease will continue for a fifteen-year period that is expected to begin _____, 20__. Tenant has an option to extend the Lease for four additional five-year periods. Tenant has a right of first refusal to purchase the property.

This Memorandum of Lease does not constitute the Lease and is only an abbreviated form containing a summary of only a few of the terms. If there is any inconsistency between this Memorandum of Lease and the Lease, the terms of the Lease prevail.

COUNTY OF CONTRA COSTA

By _____
Warren Lai
Director of Public Works

ALBERT D. SEENO CONSTRUCTION CO.,
a California limited partnership, General Partner

By _____
Douglas W. Messner
Authorized Agent

By _____
Robert P. Garrison
Authorized Agent

[Attach Notary Forms]

EXHIBIT A

[Legal Description of Property]