

Project: Behavioral Wellness Office Space
425 W. Central Avenue in Lompoc
APN: 093-450-049
File No.: 004009

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Agreement”) is made by and between

The COUNTY OF SANTA BARBARA, a political subdivision of the State of California, hereinafter referred to as "COUNTY,"

and

425 WEST CENTRAL PROPERTIES, LLC, hereinafter referred to as "LESSOR,"

with reference to the following:

WHEREAS, LESSOR is the owner of the parcel of improved land located at 425 West Central Avenue, Lompoc, California, an incorporated area of the City of Lompoc, identified as County of Santa Barbara Assessor’s Parcel Number 093-450-049; and identified as the diagonally slashed area of Exhibit "A", attached hereto and incorporated herein by reference ("Property"), which Property is improved with and includes a two-story, multi-tenant commercial office building consisting of approximately 18,736 leasable square feet (“Office Building”) and a parking lot; and

WHEREAS, COUNTY wishes to lease new office space in the Lompoc area that can accommodate multiple programs and services in one location; and

WHEREAS, LESSOR desires to lease to COUNTY, and COUNTY desires to lease from LESSOR, 9,323 square feet of office space in the Office Building on the Property inclusive of the entire second-floor of office space depicted on Exhibit “B”, attached hereto and incorporated herein by reference (“Premises”), for a period of five (5) years, subject to the terms and conditions contained herein; and

WHEREAS, this Agreement is intended to be a triple net (“NNN”) lease wherein COUNTY’s monthly Rent set forth below comprises two parts: Base Rent and NNN Operating Expenses, as described with more particularity below; and

WHEREAS, LESSOR and COUNTY (each a “Party” and, collectively, the “Parties”) desire to enter into this Agreement for the purpose of leasing the Premises to COUNTY, to be used by COUNTY’S Behavioral Wellness Department and other COUNTY Departments as office space only.

NOW THEREFORE, in consideration of the premises, and the mutual covenants and conditions contained herein, LESSOR and COUNTY agree as follows:

1. **ADMINISTRATION AND ENFORCEMENT:** The provisions of this Agreement shall be administered and enforced for COUNTY by the Director of the Department of Behavioral Wellness (“Director”), or the Director’s designee.

2. **LEASED PREMISES:** LESSOR hereby leases to COUNTY and COUNTY hereby takes from LESSOR, the Premises to be used by COUNTY’S Behavioral Wellness Department and other COUNTY Departments.

3. **PARKING:** COUNTY shall have exclusive right to the four (4) reserved parking spaces depicted on Exhibit E, attached hereto and incorporated herein by reference (“Reserved Parking Spaces”), and nonexclusive use of all unreserved parking spaces on the Property. COUNTY shall be responsible for providing 4 (four) reserved parking signs to designate the Reserved Parking Spaces (“Parking Signs”), which shall comply with Section 12, below. In the event that any of the Parking Signs are damaged, vandalized, or removed, COUNTY shall be responsible for replacing such Parking Signs in accordance with Section 12, below. LESSOR shall be responsible for all maintenance and repair of the parking lot, including, but not limited to, lighting, signage (other than the Parking signs), irrigation, and landscaping improvements.

4. **TERM; OCCUPANCY DATE:** The initial term of this Agreement shall be for a period of FIVE (5) years (“Initial Term”), commencing on the 1st day of December in the year 2023, (“Commencement Date”), unless earlier terminated in accordance with the provisions of this Agreement. Occupancy of the Premises and payment of Rent by LESSEE shall occur after LESSOR has completed the initial tenant improvements (“Initial Tenant Improvements”) set forth in Exhibit D, attached hereto and incorporated herein by reference (“Initial Tenant Improvements Scope of Work”), and both Parties have approved of the completed Tenant Improvements in writing signed by both Parties (“Initial Tenant Improvement Completion Approval”), commencing on the initial occupancy date indicated in such Initial Tenant Improvement Completion Approval (“Occupancy Date”). LESSOR shall complete the Initial Tenant Improvements no later than the date that is One Hundred Eighty (180) days after the Commencement Date, unless otherwise agreed in writing duly executed by both of the Parties. The Initial Term, together with any Extension Periods (as defined below), collectively shall be defined as the “Term”.

5. **OPTIONS TO EXTEND:** Provided that the COUNTY is then in compliance with all terms and conditions of this Agreement, COUNTY shall have two (2) options to extend the Term of this Agreement beyond the Initial Term, each for an additional period of five (5) years (each such option an “Extension Period Option,” and each such five-year period an “Extension Period”).

COUNTY may exercise such Extension Period Options by providing written notice regarding same to LESSOR at least ninety (90) days prior to expiration of the then-current Initial Term or first Extension Period, as applicable. Extension Period Options may only be exercised by the Director, or the Director’s designee, on behalf of COUNTY.

6. **HOLDING OVER:** If COUNTY remains in possession of the Premises with written consent of LESSOR after the expiration of the Term, and without executing a new lease agreement, then such holding over shall be construed as a month-to-month tenancy, subject to all the conditions, provisions and obligations of this Agreement, insofar as the same are applicable to a month-to-month tenancy.

7. **RENT/NNN OPERATING EXPENSES AND ANNUAL ADJUSTMENTS:**

a. **Monthly Rent Payment:** The monthly Base Rent for this Agreement shall initially be SEVENTEEN THOUSAND TWO HUNDRED FORTY-SEVEN DOLLARS and FIFTY-FIVE CENTS (\$17,247.55), based on \$1.85 per square foot, per month, and shall be subject to increase as set forth in Section 7.e, below. Monthly NNN Operating Expenses shall initially be SIX THOUSAND FOUR HUNDRED THIRTY-TWO DOLLARS and EIGHTY-SEVEN CENTS (\$6,432.87), based on \$0.69 per square foot, per month. The NNN Operating Expenses shall thereafter be adjusted in accordance with Exhibit "C," attached hereto and incorporated herein by reference. Base Rent and NNN Operating Expenses shall hereafter be collectively referred to as "Rent", which Rent shall initially total TWENTY-THREE THOUSAND SIX HUNDRED EIGHTY DOLLARS AND FORTY-TWO CENTS (\$23,680.42) per month.

The monthly Rent represents the fair rental value of the Premises. Each monthly Rent payment shall be in consideration for the use and possession of the Property for the month following the due date of such payment. LESSOR shall not under any circumstances have the right to accelerate the rental payments that fall due in future rental periods, or otherwise declare any rental payments not then in default to be immediately due and payable. Rent shall begin to accrue on the Occupancy Commencement Date, and shall become due and payable, in advance, on or before the first day of each subsequent calendar month of the Term. The Rent due for any period which is for less than one (1) calendar month shall be prorated based upon a thirty (30) calendar day month.

b. **NNN Operating Expenses:** See Exhibit "C" for a definition of NNN Operating Expenses and a description of the adjustments that may be made thereto.

c. **County Reimbursement of Initial Tenant Improvements:** Within fifteen (15) business days after the Occupancy Date, COUNTY shall reimburse LESSOR for the actual and reasonable costs of the Initial Tenant Improvements incurred by LESSOR, up to a total amount of \$200,000, plus a contingency amount of up to \$25,000 for COUNTY-approved Change Orders in accordance with Section 9.d.iv, below, for a maximum aggregate amount not to exceed Two Hundred Twenty-Five maximum aggregate amount not to exceed Two Hundred Thousand Dollars (\$225,000), provided that, on or before the Occupancy Date, LESSOR delivers to COUNTY receipts and other documentation reflecting all Initial Tenant Improvements costs incurred by LESSOR and for which LESSOR seeks reimbursement from COUNTY hereunder.

d. **Late Payments:** In the event a monthly Rent payment is not received by LESSOR within five (5) business days after such Rent payment is due, LESSOR shall provide written notice to COUNTY regarding same. Upon receipt of such written notice, COUNTY shall pay such Rent within 10 business days. If COUNTY fails to pay Rent within 10 business days of COUNTY's receipt of such written notice, COUNTY shall pay a 10% late charge on the outstanding amount of such overdue Rent.

e. **Annual Rent Adjustments:** Beginning on the first anniversary of the Commencement Date, and on each anniversary thereafter during the Term, Base Rent shall such be increased by three percent (3%) of the Base Rent for the month immediately preceding such Base Rent adjustment.

8. **UTILITIES AND JANITORIAL SERVICES:** LESSOR shall be responsible for payment of all utilities and services serving common areas of the Property inclusive of water, sewer, electricity, gas, and trash disposal, and shall pay all charges for such utilities when due. COUNTY shall arrange and pay for utilities to exclusively serve the Premises, and shall arrange and pay for any janitorial services for the Premises.

9. **TENANT IMPROVEMENTS:**

a. **Approved COUNTY Installations.** Under the supervision of LESSOR, LESSOR authorizes COUNTY to independently contract to install and maintain voice and data communication systems within the Premises to COUNTY standards. COUNTY shall pay the cost of all equipment, installation, maintenance, and any monthly charges for such voice and data communication systems during the Term. Notwithstanding any other provisions of this Agreement, all such voice and data communication equipment and wiring installed on the Premises by or on behalf of COUNTY during the Term (collectively, "Communications Equipment") shall be the property of COUNTY, shall remain the property of COUNTY following the termination of this Agreement, and shall be removed from the Premises by COUNTY upon the termination of this Agreement. COUNTY shall keep the Premises and Property free and clear of all liens for labor and materials.

b. **ADA Compliance.** All alterations and improvements to the Premises by either Party must comply with the Americans With Disabilities Act (ADA) requirements and conform to and comply with: (1) Approved Floor Plans applicable to the Premises; (2) the City of Lompoc Building Code; (3) any permit(s) issued by the City of Lompoc or other applicable regulatory agency and applicable to the Premises; and (4) all provisions of California law regarding construction that constitutes a public works project to prevailing wage requirements. Any agreement between LESSOR and a third party for work that constitutes a public works project shall include the following provisions:

"Contractor shall pay, and shall require any subcontractor to pay, not less than the specified prevailing rates of per diem wages to all laborers, workers, and mechanics employed by them in the execution of this Contract in accordance with the provisions of Article 2 (commencing with section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. Copies of the prevailing rate of per diem wages are on file at the County of Santa Barbara's Department of Public Works, and are available to Contractor upon request. Contractor shall also pay, and shall require each subcontractor to pay, travel and subsistence payments to each laborer, worker, and mechanic needed to execute the work."

In addition to any other indemnification provision of this Agreement, LESSOR shall indemnify and hold COUNTY harmless from and defend COUNTY against any and all claims of liability for any failure by LESSOR arising in part or in whole from LESSOR's or its agents, contractors, or employees' failure to comply with the requirements set forth in this Section 9.b. and the Labor Code

c. **Ownership of Improvements:** Upon termination of this Agreement and/or vacation of the Premises by COUNTY, any alteration or improvement made solely by LESSOR, and at no cost or expense to COUNTY, in accordance with the provisions of this Agreement shall remain the property of the LESSOR, and COUNTY shall relinquish possession of all such improvements in

good condition and repair with only normal wear and tear, unless otherwise provided in any Tenant Improvement Agreement. This Section 9.c. shall not apply to Communications Equipment or Internal Equipment and Systems.

d. Initial Tenant Improvements: LESSOR shall perform all work to construct and install the Initial Tenant Improvements in accordance with the provisions hereof.

i. Building Permit: If a building permit is required by the City of Lompoc ("City") for any Initial Tenant Improvements work or construction identified in Exhibit D, then LESSOR shall submit plans to the City for approval and issuance of such building permit ("Building Permit").

ii. Construction of Initial Tenant Improvements: In the event a Building Permit is required, LESSOR shall comply with all applicable requirements and specifications, and shall begin construction covered by such Building Permit as soon as practicable after receipt of the Building Permit, and shall operate in such a way as to cause the least inconvenience and disruption to COUNTY as commercially practicable. LESSOR shall notify COUNTY in writing at least five (5) business days prior to the commencement of such construction, and such notification shall include a construction schedule.

iii. Cost of Plans, Permit(s) and Construction: LESSOR shall contract and pay for all costs for the Initial Tenant Improvements, subject to COUNTY's reimbursement obligation as set forth in Section 7.c., above, including, but not limited to, the costs of design, preparation of plans and specifications, permits, materials, labor, and all related construction.

iv. Change Orders: If COUNTY requests any change, addition or alteration to the Initial Tenant Improvements set forth in Exhibit D ("Change Order Request") LESSOR shall deliver to COUNTY a written estimate of the maximum aggregate cost to prepare revised plans for the Initial Tenant Improvements in accordance with such Change Order Request ("Change Order Plans Estimate"). If COUNTY approves such Change Order Plans Estimate in writing, LESSOR shall have revised Initial Tenant Improvements Scope of Work prepared and delivered to COUNTY ("Change Order Plans"), provided that the cost of such Change Order Plans shall not be in excess of such Change Order Plans Estimate. Promptly upon the completion of such Change Order Plans, LESSOR shall notify COUNTY in writing of the costs that would be chargeable to COUNTY for completion of the work specified in such Change Order Plans ("Change Order Estimate"). COUNTY shall, within ten (10) business days after receipt of such Change Order Estimate, notify LESSOR in writing whether COUNTY approves of such Change Order Estimate and desires to proceed with such Change Order; provided, however, that in no event shall the aggregate costs of all Change Orders and Change Order Plans hereunder exceed \$25,000. If COUNTY does not deliver to LESSOR such written approval of such Change Order Estimate within ten (10) business days after COUNTY's receipt of such Change Order Estimate, LESSOR shall not be obligated to perform the work specified in such Change Order Plans, and LESSOR may then proceed with the work specified in the original Initial Tenant Improvements Plans.

v. Certificate of Occupancy: As soon as practicable after construction of the Initial Tenant Improvements have been completed, LESSOR shall obtain a certificate of

occupancy, or similar document, if required, from the City ("Certificate of Occupancy"), and shall promptly deliver to COUNTY a true and correct copy of such Certificate of Occupancy.

vi. COUNTY's Rent Obligation: The Premises shall be delivered in "turnkey" condition upon completion of all Initial Tenant Improvements, subject to Initial Tenant Improvement Completion Approval. COUNTY's obligation to pay Rent shall begin on the Occupancy Date.

10. FIXTURES: The Parties agree that all improvements to, or fixtures on the Premises, made or added by or on behalf of either Party, which become attached to and considered as part of the Premises, shall be the property of LESSOR upon such affixture to the Premises. Trade fixtures, which are defined as articles of personal property which are fastened to the Premises and used for COUNTY's business purposes, may be removed, without damage to the Premises, upon expiration or termination of this Agreement. For the avoidance of doubt, the foregoing provisions of this Section 10 shall not apply to Communications Equipment or Internal Equipment and Systems (defined below).

11. ALTERATIONS: COUNTY agrees that, during the Term, no alterations, improvements, or any construction within the Premises will be made without the prior written consent of the LESSOR, which consent shall not be unreasonably withheld, provided the alteration or improvement is consistent with the design and long-term use of the Property. LESSOR reserves the right to post notices of non-responsibility on the Premises.

In the event COUNTY requests alterations or improvements be made to the Premises, other than the Initial Tenant Improvements ("Requested Tenant Improvements"), LESSOR shall have the option to make the Requested Tenant Improvements, or grant COUNTY the right to make the Requested Tenant Improvements under LESSOR'S direction. If LESSOR consents to making the Requested Tenant Improvements, LESSOR shall provide to COUNTY a price and timetable for all such Requested Tenant Improvements work. Any such Requested Tenant Improvements work shall be detailed in a separate written agreement, approved and executed by both Parties prior to commencement of any such work. The Director may approve and execute such an agreement on behalf of COUNTY. Payment by COUNTY for such Requested Tenant Improvements shall be made within thirty (30) days following COUNTY'S inspection and acceptance of such completed Requested Tenant Improvements.

12. SIGNS: COUNTY may place reasonable signage on the Property and Premises, subject to LESSOR'S prior written approval, at COUNTY'S sole cost and expense, provided such signage complies with all applicable City and County requirements. COUNTY shall remove all such COUNTY-installed signage at its sole cost and expense upon termination of this Agreement.

13. PROPERTY SUPPLIED BY COUNTY: It is understood and agreed that COUNTY may install additional equipment and systems, such as, but not limited to, security, water purification, data, and telephone systems and equipment, and that COUNTY may use and install lateral files that are required to be installed with anchors into the building walls in order to comply with safety standards (such equipment and systems, collectively, "Internal Equipment and Systems"). COUNTY shall pay for any such Internal Equipment and Systems, including installation and maintenance costs, and any recurring monthly charges for such Internal Equipment and Systems during the Term. Notwithstanding any other provisions of this Agreement, following

the termination or expiration of this Agreement, all Internal Equipment and Systems shall remain the property of COUNTY and shall be removed from the Premises by COUNTY upon termination of this Agreement. Upon termination of this Agreement, COUNTY shall restore all Premises walls to their condition at occupancy, reasonable wear and tear excepted.

14. MAINTENANCE AND REPAIR: Maintenance and repair of the Premises and appurtenances shall be performed as follows:

a. **LESSOR'S Responsibilities:** LESSOR shall keep and maintain the Premises in good order and repair in accordance with LESSOR responsibilities are set forth herein. LESSOR shall maintain and pay all charges for maintenance of the following on and in the Property: (1) all mains, wires (other than wiring installed by COUNTY), and cables; (2) heating, ventilation and air conditioning equipment; (3) roof and structural elements, including exterior walls, foundations, gutters, downspouts, doors and windows; (4) all plumbing, electricity and utility systems; and (5) all exterior surfaces and landscaped areas. For security purposes, LESSOR shall provide sufficient exterior lighting as determined by COUNTY, doors that lock from the inside, and keys as needed. LESSOR shall retain qualified service providers to perform regular maintenance on such systems as LESSOR reasonably determines to be necessary or appropriate to maintain the Property in good condition and repair.

LESSOR shall, upon receipt of notice from COUNTY that maintenance or repair work is required on the Property ("Maintenance Notice"), perform or cause to be performed such maintenance and repair work in a competent, expeditious, and workman-like manner and in such a way as to cause the least inconvenience and disruption to COUNTY as commercially practicable. LESSOR shall have ten (10) calendar days after receipt of such Maintenance Notice from COUNTY to make such repairs and/or provide maintenance work pursuant to this Section 14.a., except that LESSOR shall make repairs within one (1) workday if the nature of the maintenance or repair need presents a hazard to health or property, or constitutes an emergency. If LESSOR does not make such required repairs or maintenance within the time limits specified in this Section 14.a., then COUNTY may make such repairs or maintenance and LESSOR shall promptly reimburse COUNTY for the costs thereof.

b. **COUNTY'S Responsibilities:** COUNTY shall, at its sole cost and expense, keep and maintain in good order, condition and repair, any COUNTY exterior signage and all interior portions of the Premises, including light bulbs, stoppages in kitchen sink from the lateral to the main, and display window, other than as provided in Section 14.a, above. COUNTY shall repair any damage to the Premises caused solely by negligent acts or omissions of COUNTY or its employees, agents, invites or contractors within a reasonable period of time after the occurrence of such damage, or in any case within thirty (30) calendar days after receipt of notice of such damage from LESSOR, unless the contents of such notice are contested by COUNTY. Upon termination or expiration of this Agreement, COUNTY will return the Premises to LESSOR in good order, reasonable wear and tear excepted.

15. SECURITY SERVICES: COUNTY shall, at its sole cost and expense, contract with a security company to provide onsite and/or remote security services with respect to the Premises ("Security Services"). In the event LESSOR considers such Security Services to be inadequate, LESSOR shall deliver to COUNTY written notice specifying the particulars of such deficiencies, and COUNTY shall be provided a reasonable opportunity to correct such deficiencies. Should such

deficiencies continue uncured for a period of seven (7) calendar days from COUNTY's receipt of such notice, LESSOR may contract with another security guard service, subject to COUNTY's prior written approval, which approval shall not be unreasonably withheld, conditioned, or delayed, for LESSOR to provide additional security services and reasonably charge the COUNTY for such additional security services. LESSOR shall provide COUNTY with an invoice, with supporting documentation, for the reasonable costs of such additional security services and, within fifteen (15) business days of COUNTY's receipt of such invoice, COUNTY shall reimburse LESSOR for the reasonable cost set forth in such invoice.

16. COUNTY'S USE/RIGHT TO SUBLEASE: COUNTY, in its sole discretion, and without further approval, shall have the right to sublease or assign space within the Premises to governmental or other agencies that provide services to the public, on the same terms and conditions as this Agreement, for use as office space.

17. AMENDMENTS: No amendment of this Agreement shall be effective unless in writing duly executed by both of the Parties. Any such amendments, once fully executed in accordance with this Section 18, shall be binding upon the heirs, successors, and authorized assigns of the Parties.

18. NONDISCRIMINATION: LESSOR and COUNTY in their respective operations to be conducted pursuant to the provisions of this Agreement, shall not discriminate or permit discrimination against any person or class of persons by reason of race, color, creed, religion, ancestry, age, sex, or national origin in any manner prohibited by the laws of the United States, the State of California, or COUNTY ordinance.

Noncompliance with provisions of this Section 19 shall constitute a material breach of this Agreement in which event, in addition to any other remedies provided by law, COUNTY shall have the right to terminate this Agreement and the interest hereby created without liability therefore.

19. QUIET ENJOYMENT: LESSOR covenants that COUNTY shall have peaceable and quiet enjoyment of the Premises during the Term, provided that COUNTY is not materially in default hereunder. LESSOR further covenants that, during the Term, LESSOR shall not materially interfere or permit any person acting through or under authority of LESSOR to interfere with COUNTY'S peaceful possession, quiet enjoyment, and use of the Premises.

The obligation to pay Rent is contingent upon COUNTY having beneficial use and occupancy of the Property and Premises for the COUNTY's intended purposes, and if such use and occupancy is not provided in accordance with the provisions of this Agreement, there shall be an abatement of Rent during the period that such occupancy, use, and quiet enjoyment is not available.

20. NOTICES: Except where otherwise specifically provided herein, all notices to be delivered to a Party under this Agreement and in connection herewith shall be addressed and delivered to such Party at the address set forth for such Party as follows:

COUNTY: County of Santa Barbara
Department of Behavioral Wellness
315 Camino del Remedio, Bldg. 3
Santa Barbara, CA 93110
(805) 681-5220
Attn: Chief Financial Officer

with a copy to

County of Santa Barbara
General Services Dept./Support Services Div.
1105 Santa Barbara St., 2nd Floor, East Wing
Santa Barbara, CA 93101
Attn: Real Property Manager

LESSOR: 425 West Central Properties, LLC
c/o Pacifica Commercial Realty
2520 Professional Parkway
Santa Maria, CA 93455
Phone: 805-928-2800
e-mail: support@pacificacre.com

or at such other address as such Party may designate from time to time in writing delivered in accordance herewith. Such notice(s) shall be delivered via United States Postal Service postage prepaid certified mail, overnight courier, email, if an email address for the receiving party is set forth above and receipt of such email notice is confirmed, or by personal delivery. The date of mailing, or, in the event of personal delivery, the date of delivery, or in the case of email, the date receipt is confirmed, shall constitute the date that such notice is deemed delivered and received.

21. INDEMNIFICATION: Each Party (the “Indemnifying Party”) agrees to defend, indemnify, and hold harmless the other Party and its officers, officials, employees, volunteers, and agents (the “Indemnitee”) against any and all claims, damages, costs, liabilities, and expense, including attorneys’ fees, arising from or attributable to the Indemnifying Party’s negligent acts or omissions or intentional misconduct in connection with this Agreement.

22. INSURANCE: Each Party shall maintain its own insurance coverage, through commercial insurance, self-insurance or a combination thereof, against any claim, expense, cost, damage, or liability arising out of the performance of such Party’s responsibilities pursuant to this Agreement.

Minimum Scope of Insurance for each Party.
Coverage shall be at least as broad as:

- A. Commercial General Liability (CGL). Insurance on an “occurrence” basis, including products-completed operations, personal & advertising injury, with limits no less than \$2,000,000 per occurrence and \$4,000,000 in the aggregate.
- B. Automobile Liability. Insurance covering any auto with policy limits no less than \$2,000,000 per accident for bodily injury and property damage.
- C. Workers’ Compensation. Insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
- D. Property Insurance: against all risks of loss to any tenant improvements or betterments, at full replacement cost with no coinsurance penalty provision.

If LESSOR maintains higher limits than the minimums shown above, COUNTY shall be entitled to coverage for the higher limits maintained by LESSOR. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to COUNTY.

23. MUTUAL WAIVER OF SUBROGATION RIGHTS: LESSOR and COUNTY each hereby waive any rights such Party may have against the other on account of any loss or damage suffered such party to their respective property, the Premises, its contents, or to other portions of the Property, arising from any risk generally covered by "all risk" property insurance; and each of the Parties, on behalf of such Party's insurance companies insuring such Party's property against any such loss, waive any right of subrogation that such party may have against the other Party, as the case may be. The foregoing waiver of subrogation shall be offered only so long as any such insurance policy will not be invalidated thereby.

24. DEFAULT: Except as otherwise specified herein, should either Party at any time be in default hereunder with respect to any material covenant contained herein, the non-defaulting Party shall give notice to the defaulting Party specifying the particulars of the default and whether such default is capable of cure, and, if such default is capable of cure, the actions required by the defaulting Party to cure such default ("Default Notice"). Upon receipt of such notice, if such default is capable of cure, the defaulting Party shall promptly commence and diligently pursue remedial action to cure such default in accordance with such Default Notice. Should such default continue uncured for a period of twenty-one (21) calendar days from the date of such Default Notice, then the non-defaulting Party may terminate this Agreement. In the event that such curable default would reasonably take more than twenty-one (21) calendar days to cure, the defaulting Party may request, in writing delivered to the non-defaulting Party prior to the expiration of such 21-day cure period, an extension of the time to cure such default, which request the non-defaulting Party may grant, subject to additional conditions specified by the non-defaulting Party in its response to such request, or deny, in the non-defaulting Party's sole discretion.

25. REMEDIES: In the event of a default hereunder or breach hereof by a Party, the non-defaulting Party may exercise any right or remedy at law or in equity which such non-defaulting Party may have by reason of such default or breach, including, but not limited to, the following:

a) The non-defaulting Party may waive the default or breach in accordance with Section 26, WAIVER, below.

b) The non-defaulting Party may maintain this Agreement in full force and effect and recover whatever monetary loss(es) may have resulted from such default or breach.

c) Where COUNTY is the non-defaulting Party, COUNTY may terminate this Agreement and surrender possession.

d) Where LESSOR is the non-defaulting Party, LESSOR may terminate this Agreement.

e) In the event of termination by either Party, the rights and obligations of the Parties hereunder shall cease and terminate, except as otherwise provided herein.

26. WAIVER: It is further understood and agreed that any waiver, express or implied, of any breach of any term of this Agreement shall not be a waiver of any subsequent breach or any other provision of this Agreement.

27. **NONAPPROPRIATION**: LESSOR understands that monies payable to LESSOR by COUNTY as Rent are derived from federal, state, or local sources, including local taxes, and are subject to curtailment, reduction, or cancellation by government agencies or sources beyond the control of COUNTY. COUNTY shall have the right to terminate this Agreement upon four (4) months' written notice to LESSOR in the event that such curtailment, reduction, or cancellation occurs, or in the event of non-appropriation of funds, and thereafter the liability of the Parties hereunder for further performance under the terms of this Agreement, except as otherwise set forth herein, shall thereupon cease; provided, however, that no Party shall be relieved of such Party's duty to perform its obligations hereunder which accrued prior to the date of such termination.

28. **TERMINATION**: This Agreement may terminate, and all rights of COUNTY shall cease and COUNTY shall quietly and peacefully deliver to LESSOR possession and interest in the Premises, and upon such delivery, shall be relieved of all future liability:

- a) At the expiration of the term as provided in Section 4, TERM;
- b) Upon non-appropriation of funds as provided in Section 28, NONAPPROPRIATION;
- c) Upon discrimination by LESSOR in violation of Section 19, NONDISCRIMINATION, and COUNTY's exercise of its right to terminate;
- d) Upon the failure of either party hereto to satisfy, observe, or perform any of the covenants, conditions, or reservations set forth in this Agreement and the expiration of any applicable cure period as provided in Section 25, DEFAULT; or
- e) Upon the total or partial destruction or damage of the Premises, as provided in Section 31, DESTRUCTION OF THE PREMISES.

29. **ABANDONMENT**: COUNTY shall not vacate or abandon the Premises at any time during the Term, and if COUNTY shall abandon, vacate, or surrender said Premises, any personal property belonging to COUNTY and left on the Premises more than thirty (30) days after termination of this Agreement shall be deemed abandoned, at the option of the LESSOR.

30. **DESTRUCTION OF THE PREMISES**: If the Premises are totally destroyed or rendered unusable for the COUNTY's purposes by fire or any other cause, this Agreement, at the option of COUNTY, shall terminate.

If a loss or casualty renders any portion of the Premises unusable, COUNTY may choose to remain in possession of the Premises, or may terminate this Agreement by written notice to LESSOR. Should COUNTY choose to remain in possession of the Premises, LESSOR shall promptly repair the Premises within ninety (90) days of the casualty.

If COUNTY remains in possession of the Premises despite partial destruction, the Rent provided in this Agreement shall be reduced by the same percentage that usable Premises floor space has been reduced until the destroyed or unusable portion is rebuilt to its condition prior to the casualty.

31. **OBLIGATIONS TO SECURED LENDER/FORECLOSURE**: In case of a foreclosure or other proceeding by which the lender, Pacific Premier Bank, or its successor takes title to the Property, COUNTY will accept the lender or its successor as the lawful landlord in place of

LESSOR. COUNTY shall provide such estoppel or attornment certificates as the lender, or successor, may require, without subordination of this Agreement.

32. **CAPTIONS:** The title on headings to the sections of this Agreement are not a part of this Agreement, and shall have no effect upon the construction or interpretation of any part hereof.

33. **SEVERABILITY:** If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

34. **EXECUTION IN COUNTERPARTS:** This Agreement may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the Parties shall preserve undestroyed, shall together constitute one and the same instrument.

35. **AGENCY DISCLOSURE:** LESSOR acknowledges that the General Services Department, Real Property Division of COUNTY, is the agent for the COUNTY exclusively, and is neither the agent for the LESSOR nor a dual agent in this transaction.

COUNTY acknowledges that Pacifica Commercial Realty is the agent for the LESSOR exclusively, and is neither the agent for the COUNTY nor a dual agent in this transaction.

36. **CERTIFICATION OF SIGNATORY:** The signatories of this Agreement and each of them represent and warrant that they are authorized to execute this Agreement and that no additional signatures are required to bind COUNTY and LESSOR to its terms and conditions or to carry out duties contemplated herein.

37. **ENTIRE AGREEMENT:** This Agreement, including all exhibits and attachments hereto, constitutes the entire Agreement between the Parties with respect to the subject matter hereof, and there have been no promises, representations, agreements, warranties or undertakings by any of the Parties, either oral or written, of any character or nature hereafter binding except as set forth herein.

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LESSOR AND COUNTY SIGNATURES ON FOLLOWING PAGES

Project: Behavioral Wellness Office Space
425 W. Central Avenue, 2nd Flr
Lompoc
APN: 093-450-049
File No.: 004009

IN WITNESS WHEREOF, COUNTY and LESSOR have executed this Agreement to be effective as of the first date duly executed by both Parties.

“LESSOR”
425 WEST CENTRAL PROPERTIES, LLC

DocuSigned by:
By: Franziska Shepard

Name: Franziska Shepard - Manager

Date: 9/14/2023

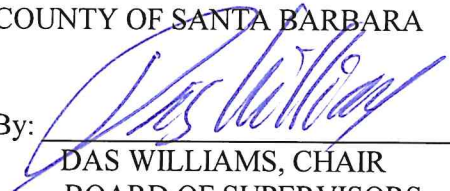
COUNTY SIGNATURES ON FOLLOWING PAGE

11-11

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425 W. Central Avenue, 2nd Floor,
Lompoc
APN: 093-450-049
File No.: 004009

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“COUNTY”
COUNTY OF SANTA BARBARA


By: 
DAS WILLIAMS, CHAIR
BOARD OF SUPERVISORS

Date: 10-17-23

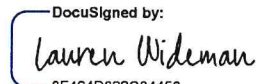
ATTEST:
MONA MIYASATO
CLERK OF THE BOARD

By: 
Deputy Clerk

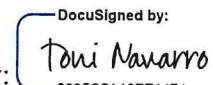
APPROVED:
GENERAL SERVICES DEPARTMENT
REAL PROPERTY DIVISION

By: 
Kirk A. Lagerquist, Director
General Services Department

APPROVED AS TO FORM:
RACHEL VAN MULLEM
COUNTY COUNSEL

By: 
Lauren Wideman
Deputy County Counsel Risk Manager

APPROVED

By: 
Antoinette Navarro, Director
Behavioral Wellness Department

APPROVED AS TO FORM:
CEO/RISK MANAGEMENT

By: 
Greg Milligan
Risk Manager

APPROVED AS TO FORM
BETSY SCHAFFER, CPA, CPFO
AUDITOR-CONTROLLER

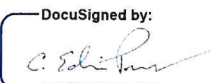
By: 
C. Edwin Price, Jr.
Deputy Auditor-Controller

EXHIBIT B

Second Floor of 425 West Central Avenue; Lompoc, CA ("Premises")

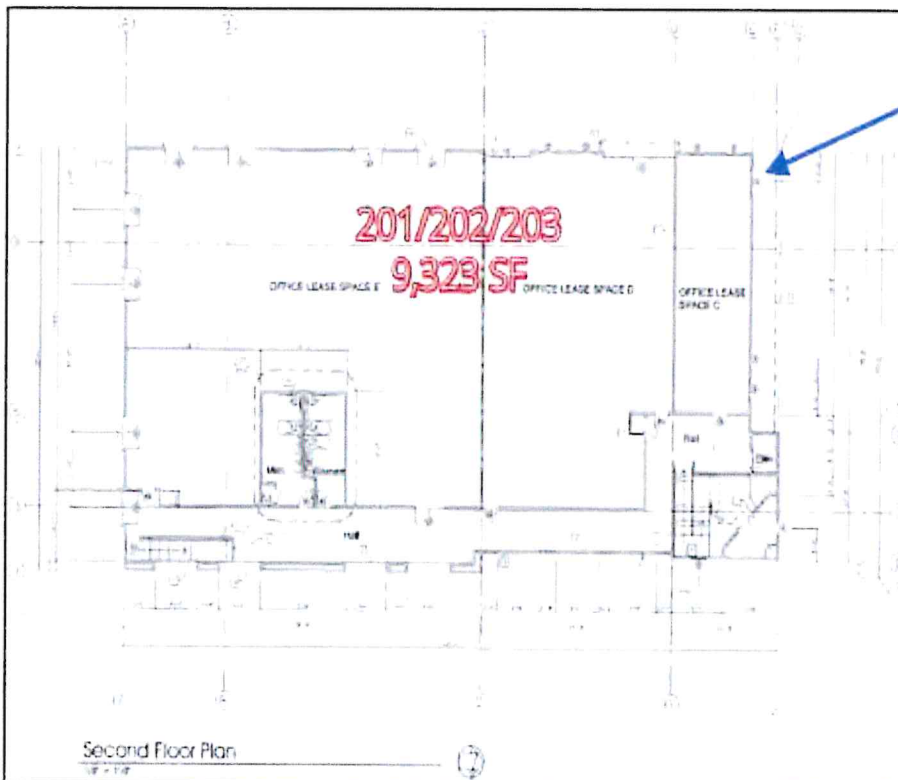
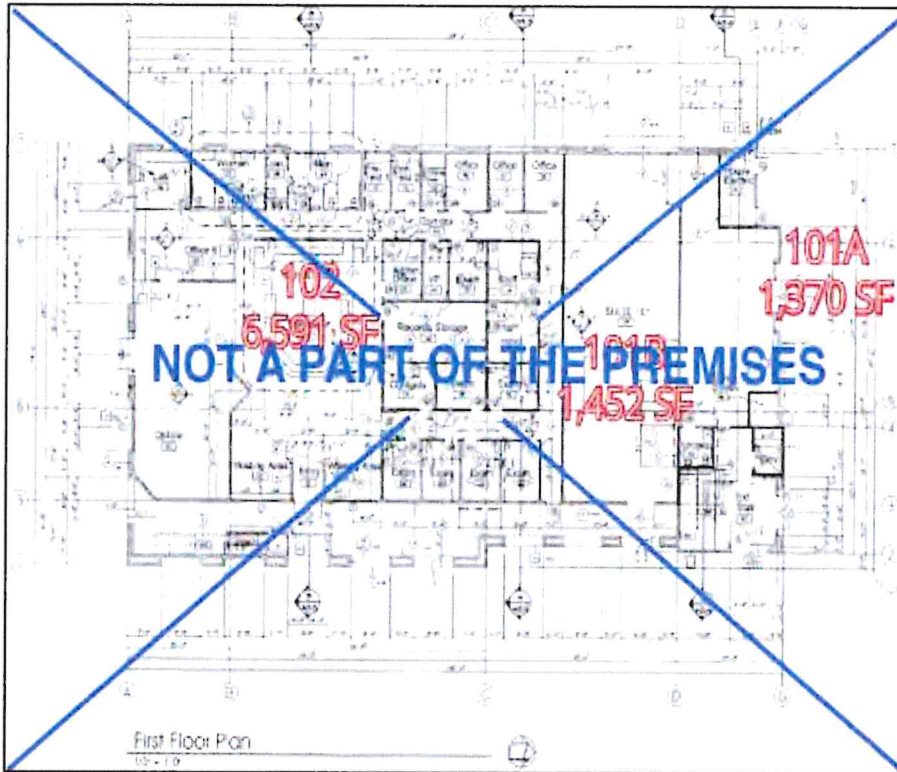


EXHIBIT C NNN OPERATING EXPENSES

C.1) Payments by COUNTY: COUNTY shall pay to LESSOR, in addition to the Base Rent, a NNN Operating Expenses payment on the first day of each full calendar month of the Term. COUNTY and LESSOR intend that the amount of the NNN Operating Expenses (“NNN Operating Expenses”) reflect the COUNTY'S monthly proportionate share of LESSOR'S estimated total operating costs (“Estimated Total Operating Costs”) as determined hereunder. The monthly **NNN Operating Expenses payment shall initially be set at \$0.69 per square foot**, per month for the first year of the Term. If the Term of this Agreement begins on a day other than the first day of the month, COUNTY shall make this payment in advance for such partial month. Each month shall be computed on a thirty (30) day basis.

The annual **accounting period** for estimating LESSOR'S total operating cost (each such period, an “Accounting Period”) **shall begin on the Commencement Date and end on December 1st of each subsequent year** during the Term, with the last Accounting Period ending on the date that is the last day of the Term.

The amount of the NNN Operating Expenses shall be adjusted each Accounting Period, with the new amount becoming effective December 1st of each year of the Term, as described in Section C.2, below, and subject to the limitations set forth in Section C.4, below, to reflect COUNTY'S proportionate share of all operating expenses associated with the common areas of the Property. COUNTY'S proportionate share of LESSOR'S total operating costs shall be **50%** which reflects the ratio that the total number of square feet comprising the Premises (as set forth in Section 2, **Leased Premises**) bears to the total number of leasable square feet of the building on the Property in which the Premises is situated. For purposes of this Agreement, “leasable square feet” shall be defined as 18,736 square feet, and the “total number of square feet comprising the Premises” shall be defined as 9,323 square feet.

Operating costs for any portion of an Accounting Period not included within the Term of this Agreement shall be prorated on the basis of a 360-day year.

Objections to accounting, if any, by COUNTY shall be made no more than thirty (30) business days after COUNTY'S receipt of a statement reflecting such accounting, or the time to object shall expire and the right to further object shall be deemed waived.

C.2) Estimated Costs – Reconciliation of Payments: No later than thirty (30) days prior to the start of each Accounting Period, LESSOR shall furnish to COUNTY the Estimated Total Operating Costs reasonably anticipated by LESSOR for such Accounting Period, and the NNN Operating Expenses for such Accounting Period. No later than thirty (30) days after the last day of each Accounting Period, LESSOR shall furnish to COUNTY a statement showing the total amount of LESSOR'S actual operating costs for such Accounting Period (“Actual Total Operating Costs”), COUNTY'S proportionate (i.e., 50%) share thereof, and the sum of the NNN Operating Expenses payments made by COUNTY during such Accounting Period. Each such statement shall be certified to be correct by LESSOR or its duly authorized agent.

If COUNTY'S proportionate share of the Actual Total Operating Costs for the preceding Accounting Period exceeds the NNN Operating Expenses paid by COUNTY during such Accounting Period, then COUNTY shall pay the deficiency to LESSOR, as limited in section C.4, below, within twenty (20) days after COUNTY'S receipt of LESSOR'S statement. If COUNTY objects to such

deficiency calculations, COUNTY shall notify LESSOR within fifteen (15) business days after COUNTY's discovery of such objection(s) and LESSOR agrees to work with COUNTY to resolve any disputes resulting from LESSOR's deficiency calculations. Should the NNN Operating Expenses payments made by COUNTY during the preceding Accounting Period exceed COUNTY'S proportionate share of the Actual Total Operating Costs for such Accounting Period, LESSOR shall pay to COUNTY the aggregate amount of such overpayments concurrently with LESSOR's provision of said statement to COUNTY.

C.3) Total Operating Costs Defined:

a. Operating Costs: "Total Operating Costs" shall mean all sums paid or incurred by LESSOR for the maintenance and operation of the Property in which the Premises are situated, including both costs allocable to the building and to all common areas excluding the building envelope. Such costs shall include, without limitation, the costs and expenses attributable to the following during the applicable Accounting Period:

1. All costs necessary in LESSOR'S reasonable judgment for the repair, maintenance and operation of the building and land (APN 093-450-049) comprising the Property on which the Premises are situated. Said repair and maintenance that is significant enough to constitute a Replacement (defined below) shall be treated as a Capital Improvement, and therefore its cost shall be amortized over the improvement's useful life and not the Term. A Replacement shall be defined as a substitution of a similar asset for an existing asset.
2. Lot sweeping, resealing, repainting, and restriping of any parking areas;
3. Cleaning, sweeping, trash removal, and other janitorial and gardening services for common areas;
4. Policing and security services or security alarm, in addition to those provided by COUNTY under Section 16, if any provided;
5. Maintenance and repair of refuse receptacles;
6. Maintaining plantings, landscaping and watering systems;
7. Directional signs and other markers;
8. The cost of electricity, natural gas, water and sewer and/or the cost of providing any water well to the Premises, telephone and other utilities furnished to the common areas;
9. The premiums on insurance maintained by LESSOR per Section 22, Lessor's Insurance Obligation, with respect to the Property or Premises;
10. Real property taxes levied or assessed against the Property, buildings thereon, or any portion thereof as hereinafter defined;

11. Maintenance of heating, ventilation and air conditioning systems installed by LESSOR in the building in which the Premises are located; and
12. Fees paid for management of the Property and /or Premises.

b. Common Areas: The term "common areas" shall include those portions of the Property that are designated by LESSOR for the common use of tenants and others, including, without limitation, the hallways, entryways, stairs, vending area(s), elevator(s), driveways, sidewalks, parking and loading areas, trash facilities, and all other areas and facilities of the Property provided and designated from time to time by LESSOR for the general nonexclusive use and convenience of COUNTY and other tenants and their respective employees, invitees, licensees or other visitors ("Common Areas").

c. Real Property Taxes: The term "real property taxes" as used in this Exhibit shall mean and include all taxes, assessments, and other governmental charges, general and special, ordinary and extraordinary, of any kind and nature whatsoever, levied or assessed against the land, building, and other improvements on the land of which the leased Premises are a part, including but not limited to, assessment for public improvements or benefits which shall be levied or assessed against the building or any part thereof, but excluding franchise, estate, inheritance, capital levy, income, or excess profits tax imposed upon LESSOR. If at any time during the term of this Agreement under the laws of California or political subdivision thereof, a tax or excise on rents or other tax, however described, is levied or assessed against LESSOR on account of the rent expressly reserved hereunder, in addition to or as a substitute in whole or in part for taxes assessed or imposed by California or such political subdivision on land and/or buildings, such tax or excise shall be included within the definition of "real property taxes", but only to the extent of the amount thereof which is lawfully assessed or imposed as a direct result of LESSOR'S ownership of this Agreement or rental occurring under this Agreement. With respect to any assessments which may be levied against or upon the building, land or improvements which the leased Premises are a part, and which under the laws then enforced may be evidenced by improvement or other bonds, or may be paid in installments, COUNTY shall be required to pay its share of any installment applicable to a period within the Term subject to the limitations set forth in section C.4, below. Installments applicable to periods partly within the Term and partly outside the Term shall be prorated so that COUNTY is charged only for its share of the portion of the installment applicable to the period within the Term. COUNTY shall remain liable after the expiration of the Term for its share of installments of assessments billed after the expiration of the Term but applicable to periods within the Term.

C.4) Limitations on Additional Rent: It is agreed that COUNTY'S proportionate share of NNN Operating Expenses, excluding Real Property Taxes, shall be limited, such that they shall not exceed an annual increase from one Accounting Period to the next Accounting Period of more than 2% of the current operating expense payment. or the actual cost of COUNTY'S proportionate share, whichever is less.

C.5) Triple Net Lease: This is intended as a triple net lease so that the rentals received by LESSOR will not be diminished by expenses for utilities, insurance, maintenance, taxes as hereinabove defined or security services if any provided, except as provided herein. Such expenses are included within the definition of total operating costs as hereinabove stated except as provided herein.

EXHIBIT D

" Initial Tenant Improvements " Scope of Work (July 25, 2023)

Construction Documents and Permits

- Architectural drawings.
- Structural engineering.
- City building permit fee.

Reception Area

Demo

- Remove cabinet uppers and lowers at peninsula at back wall.
- Removal of 1,436 SF of existing LVP flooring and replace with Prescott LVP, Brookstone. Remove and replace 4-inch rubber cove base.

Medical Lab - Exam Area

Demo

- Demo 12 partial walls.
- Demo t-bar ceiling.
- Demo existing plumbing and cap.
- Removal of existing lab equipment on ceiling.
- Demo cabinets, countertops and sinks in Lab 116.

Miscellaneous

- Install new 2x4 LED lighting in 16 locations.
- Install new t-bar grid and 2x4 acoustical tile (Armstrong Radar) in lab area.
- Construction of 9-feet of wall with 5/8" drywall, both sides, to enclose Lab 1.
- Construction of 38-feet of wall consisting of two offices with 3070 door openings.
- Removal of existing wall and move 20'. Reinstall wall and door. Drywall, tape and texture. (no paint)
- Installation of three Western Industrial Materials, aluminum frame, 3070 solid core with birch skin doors.
- Removal and repair of seven in-floor outlets, recessed. Repair floor, cap electrical with existing floor blank plate.
- Installation of two 2x4 LED lighting with switch leg.

Exam Rooms

Demo

- Demo existing upper and lower cabinets in 12 examination rooms.
- Spot patch drywall.

Nurses Station

Demo

- Demo can lights in soffit.
- Demo cabinets at nurses station and on east wall.

Miscellaneous

- Rough frame wall at soffit area and frame out two door openings. Drywall, tape and texture.
- Installation of two Western Industrial Materials aluminum frame with solid core birch skin doors.

Painting

- All 5 newly installed birch doors shall be sanded, stained and seal to match existing doors. All existing birch doors are in good and acceptable condition. No sanding, staining or sealing to be performed.

Flooring

- Furnish 1,800 SF of Armstrong VCT flooring. Install in areas of 4'x 2' patches where walls are coming out and areas where carpet is presently. Price includes removing existing carpet, prepping areas and installation of 400 lineal feet of 4-inch rubber cove base.

Job Supervision/Tasks/Landfill

- Job supervision.
- Various clean up Tasks.
- Landfill Trips.

EXHIBIT E " Reserved Parking Spaces "

