

Attachment A



CEO/ALS/HCA-025-007
Health Care Agency
1700 E. Saint Andrew Place
Santa Ana, California 92705

THIRD AMENDMENT TO LEASE

THIS THIRD AMENDMENT TO LEASE AGREEMENT (hereinafter referred to as “**Third Amendment**”) is made _____ (“**Effective Date**”), by and between DRAWBRIDGE SAINT ANDREW, LLC, a Delaware limited liability company (hereinafter referred to as “**Lessor**”), and the COUNTY OF ORANGE, a political subdivision of the State of California (hereinafter referred to as “**County**”). The Lessor and County may individually be referred to herein as a “**Party**,” or collectively as the “**Parties**.”

RECITALS

- I. County entered into that certain lease agreement dated December 5, 2023, (“**Lease**”) wherein County leases from Lessor approximately 70,462 rentable square feet (“**RSF**”) of office space located at 1700 E. Saint Andrew Pl, in Santa Ana, California 92705 (“**Premises**”) for a term of 180 months for Probation Department services.
- II. The Lease commenced on January 1, 2025, and is set to expire on December 31, 2039.
- III. On August 5, 2025, the Parties executed the First Amendment to Lease to amend Clause 10 (RENT ADJUSTMENT) to reflect amortization of the Pre-Lease Commencement Additional Allowance over the term and modify the application of Abated Rent in connection to the initial tenant improvements (“**First Amendment**”).
- IV. On October 28, 2025, the Parties executed the Second Amendment to Lease to expand the Premises into the remaining vacant space in the Building in two Phases, extend the Term, and update the relevant clauses (“**Second Amendment**”).
- V. Now, the Parties desire to amend the Lease to extend the Term, update the Phase I Commencement Date, extend the Purchase Option and update the relevant clauses, as more fully set forth in this Third Amendment.

NOW THEREFORE, in consideration of the Recitals above, which are incorporated herein by this reference, the Parties do hereby agree to amend the Lease as of the Effective Date first written above as follows:

A. Clause 6 (TERM) is hereby deleted from the Lease in its entirety and the following clause is substituted:

“6. TERM (1.5 SA)

The term of this Lease commenced on January 1, 2025, (“**Commencement Date**”) and will continue in effect until March 31, 2045 (“**Term**”).”

B. Clause 8 (OPTION TO TERMINATE LEASE) is hereby deleted from the Lease in its entirety and the following clause is substituted:

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“8. OPTION TO TERMINATE LEASE (1.7 SA)

Provided there is no current County Default under this Lease (as further defined in Clause 28 DEFAULTS AND REMEDIES), County shall have the one-time option to terminate this Lease at the one hundred and twenty-sixth (126th) month of the Lease Term, upon giving Lessor written notice at least twelve (12) months prior to said termination date along with a termination fee equal to unamortized Allowances and Commission calculated at eight percent (8%) and consistent with the termination fee chart attached hereto and made apart hereof as Revised Exhibit F (“**Termination Fee**”).”

C. Clause 10 (RENT ADJUSTMENT) is hereby deleted from the Lease in its entirety and the following clause is substituted:

“10. RENT ADJUSTMENT (1.9 SA)

The monthly rent payable by County for the Premises (“**Rent**”) shall be automatically adjusted as follows:

Initial Premises:

(Probation Department – 70,462 RSF)

<u>Dates</u>	<u>Per Square Foot</u>	<u>Monthly Rent</u>	<u>Amortized TI Rent</u>	<u>Total Monthly Rent</u>
1/1/2025 - 12/31/2025	\$3.35	\$236,047.70	\$5,315.81	\$241,363.51
1/1/2026 - 12/31/2026	\$3.45	\$243,129.13	\$5,315.81	\$248,444.94
1/1/2027 - 12/31/2027	\$3.55	\$250,423.00	\$5,315.81	\$255,738.81
1/1/2028 - 12/31/2028	\$3.66	\$257,935.70	\$5,315.81	\$263,251.51
1/1/2029 - 12/31/2029	\$3.77	\$265,673.77	\$5,315.81	\$270,989.58
1/1/2030 - 12/31/2030	\$3.88	\$273,643.98	\$5,315.81	\$278,959.79
1/1/2031 - 12/31/2031	\$4.00	\$281,853.30	\$5,315.81	\$287,169.11
1/1/2032 - 12/31/2032	\$4.12	\$290,308.90	\$5,315.81	\$295,624.71
1/1/2033 - 12/31/2033	\$4.24	\$299,018.16	\$5,315.81	\$304,333.97
1/1/2034 - 12/31/2034	\$4.37	\$307,988.71	\$5,315.81	\$313,304.52
1/1/2035 - 12/31/2035	\$4.50	\$317,228.37	\$5,315.81	\$322,544.18
1/1/2036 - 12/31/2036	\$4.64	\$326,745.22	\$5,315.81	\$332,061.03
1/1/2037 - 12/31/2037	\$4.78	\$336,547.58	\$5,315.81	\$341,863.39
1/1/2038 - 12/31/2038	\$4.92	\$346,644.01	\$5,315.81	\$351,959.82
1/1/2039 - 12/31/2039	\$5.07	\$357,043.33	\$5,315.81	\$362,359.14
1/1/2040 - 12/31/2040	\$5.22	\$367,754.63	\$0.00	\$367,754.63
1/1/2041 - 12/31/2041	\$5.38	\$378,787.26	\$0.00	\$378,787.26
1/1/2042 - 12/31/2042	\$5.54	\$390,150.88	\$0.00	\$390,150.88
1/1/2043 - 12/31/2043	\$5.70	\$401,855.41	\$0.00	\$401,855.41
1/1/2044 - 12/31/2044	\$5.87	\$413,911.07	\$0.00	\$413,911.07
1/1/2045 - 3/31/2045	\$6.05	\$426,328.40	\$0.00	\$426,328.40

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Phase I Expansion Premises:
(Health Care Agency – 59,017 RSF)

<u>Dates</u>	<u>Per Square Foot</u>	<u>Monthly Rent</u>
4/1/2027 - 12/31/2027	\$3.55	\$209,747.30
1/1/2028 - 12/31/2028	\$3.66	\$216,039.72
1/1/2029 - 12/31/2029	\$3.77	\$222,520.91
1/1/2030 - 12/31/2030	\$3.88	\$229,196.54
1/1/2031 - 12/31/2031	\$4.00	\$236,072.44
1/1/2032 - 12/31/2032	\$4.12	\$243,154.61
1/1/2033 - 12/31/2033	\$4.24	\$250,449.25
1/1/2034 - 12/31/2034	\$4.37	\$257,962.73
1/1/2035 - 12/31/2035	\$4.50	\$265,701.61
1/1/2036 - 12/31/2036	\$4.64	\$273,672.66
1/1/2037 - 12/31/2037	\$4.78	\$281,882.84
1/1/2038 - 12/31/2038	\$4.92	\$290,339.32
1/1/2039 - 12/31/2039	\$5.07	\$299,049.50
1/1/2040 - 12/31/2040	\$5.22	\$308,020.99
1/1/2041 - 12/31/2041	\$5.38	\$317,261.62
1/1/2042 - 12/31/2042	\$5.54	\$326,779.46
1/1/2043 - 12/31/2043	\$5.70	\$336,582.85
1/1/2044 - 12/31/2044	\$5.87	\$346,680.33
1/1/2045 - 3/31/2045	\$6.05	\$357,080.74

The monthly Rent, above, is the amount to be paid by County. The “Per Square Foot” rate, above, is an estimate for statistical purposes only and for no other purpose.”

D. Clause 58 (RIGHT TO PURCHASE), is hereby deleted from the Lease in its entirety and the following clause is substituted:

“58. RIGHT TO PURCHASE (N)

County shall have the right to purchase the Property for four hundred and fifty dollars (\$450.00) per RSF (totaling \$76,522,950.00) (“**Purchase Price**”) through May 31, 2025 (“**Right to Purchase**”). On June 1, 2025, the Purchase Price shall increase annually by three percent (3%) over the next six years as reflected in Revised Exhibit G. If the County does not purchase said Property during that time, County shall have the ongoing Right of First Offer per Clause 59 below. Furthermore, County shall have the right to apply any unused Allowances towards the Purchase Price of the Property. The County shall not have the Right to Purchase at any time that County is in a material monetary default. County will exercise the Right to Purchase, if any, by executing and delivering the Purchase and Sale Agreement to Lessor, in substantially the same form attached hereto as Exhibit H.”

E. Clause 59 (RIGHT OF FIRST OFFER TO PURCHASE THE BUILDING) is hereby deleted from the Lease in its entirety and the following clause is substituted:

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“59. RIGHT OF FIRST OFFER TO PURCHASE THE BUILDING (N)

Provided there is no current County Default under this Lease (as further defined in Clause 28 DEFAULTS AND REMEDIES), County shall have an ongoing right of first offer (“**ROFO**”) to purchase the Property. The ROFO shall be structured as follows: (i) Lessor shall inform County that it intends to market the Property for sale and County shall have fifteen (15) business days to submit a purchase offer to Lessor for the entirety of the Property that Lessor intends to sell (“**Purchase Offer**”), consistent with Revised Exhibit G. Lessor may accept the offer or advance to a sale process in which Lessor may transact with a third party. If the third party’s purchase price terms are more than five percent (5%) more favorable to buyer than County’s offer terms, County shall have a ‘second look’ and provide notice within ten (10) business days of its intent to purchase the Property. If County does not timely notice Lessor, Lessor may sell the Property to a third party. If the third party offer terms are not more than five percent (5%) more favorable than County’s original offer, then Lessor shall sell to County at its Purchase Offer and enter into a Purchase and Sale Agreement consistent with Exhibit H, which is attached hereto and by this reference made a part hereof.”

F. Clause 60 (NOTICES) is hereby deleted from the Lease in its entirety and the following clause is substituted:

“60. NOTICES (6.7 SA)

All written notices pursuant to this Lease shall be addressed as set forth below or as either Party may hereafter designate by written notice and shall be deemed received upon personal delivery, delivery by facsimile machine, electronic mail, or seventy-two (72) hours after deposit in the United States Mail.

To: Lessor

Drawbridge Saint Andrew, LLC
Three Embarcadero Center, Suite 2310
San Francisco, CA 94111
Attention: Mike Embree
Facsimile: (415) 391-4430
Email: membree@drawbridgerealty.com

with a copy to:

(Courier):
The Opus Law Firm
6050 El Tordo
Rancho Santa Fe, CA 92067
Attention: Justin White, Esq.
Email: justin@opus.attorney

(USPS only):
The Opus Law Firm
P.O. Box 1502
Rancho Santa Fe, CA 92067
Attention: Justin White, Esq.
Email: justin@opus.attorney

To: County

County of Orange, CEO Real Estate
400 West Civic Center Drive, 5th Floor
Santa Ana, CA 92701
Attention: Chief Real Estate Officer

With a copy to:

County of Orange
Probation Department
1055 N. Main St., 5th Floor
Santa Ana, CA 92701
Attn: Director, Administrative Services

County of Orange
Health Care Agency
405 W. 5th Street, Suite 203
Santa Ana, CA 92701
Attention: Chief of Administrative Services

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In regards to insurance, Lessor shall ensure that any and all insurance related mail includes the Lease number and project name and Lessor shall mail all insurance certificates and insurance related correspondence to: insurance.ceore@ocgov.com.”

G. Clause 61 (ATTACHMENTS) is hereby deleted from the Lease in its entirety and the following clause is substituted:

“61. ATTACHMENTS (6.8 S)

This Lease includes the following, which are attached hereto and made a part hereof:

I. EXHIBITS

Revised Exhibit A – Description of Premises
 Revised Exhibit B – Depiction of Premises
 Exhibit C – The Work, County Improvements and Performance Specifications
 Exhibit D – Work Acceptance Letter
 Exhibit E – Form of Subordination, Attornment and Non-Disturbance
 Agreement and Estoppel Certificate
 Revised Exhibit F – Termination Fee Schedule
 Revised Exhibit G – Purchase Price Schedule
 Exhibit H – Form of Purchase and Sale Agreement
 Exhibit I – Payment Request Form
 Revised Exhibit J-1 – Expansion Premises Work and Schedule 1 to Work Letter
 Revised Exhibit J-2 – Expansion Premises Space Plan
 Revised Exhibit J-3 – Expansion Premises Approved Working Drawings”

H. Clause 64 (EXPANSION PREMISES) is hereby deleted from the Lease in its entirety and the following clause is substituted:

“64. EXPANSION PREMISES

County shall expand into the entirety of the Expansion Premises on or before October 31, 2028.

Lessor hereby agrees to complete, at Lessor’s expense, the construction, alterations, repairs, and other work to the Expansion Premises substantially in accordance with Clause 13 (CONSTRUCTION), and Revised Exhibit J-1, Revised Exhibit J-2, Revised Exhibit J-3 (collectively, Revised Exhibit J), which are attached hereto and by this reference made a part hereof (“**Expansion Premises Work**” or the “**Work**”). Additionally, Lessor shall provide equivalent Allowances to the Expansion Premises Work consistent with Clause 13 (CONSTRUCTION).

The Phase I Expansion Premises term shall commence on April 1, 2027 (“**Phase I Expansion Premises Commencement Date**” or “**Phase I CD**”) and shall be coterminous with the Term. The Phase II Expansion Premises term shall commence on the first day of the first full calendar month following the Final Completion Date of the Work (“**Phase II Expansion Premises Commencement Date**” or “**Phase II CD**”) and shall be coterminous with the Term.

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County shall pay Lessor Rent for each Phase of the Expansion Premises at the same rate per square foot as the then applicable “**Per Square Foot**” base rent rate as defined in Clause 10 (RENT ADJUSTMENT) commencing on the Phase I CD of April 1, 2027, and the Phase II CD, respectively. Should County occupy any portion of the Expansion Premises prior to the Phase I CD and/or Phase II CD, Lessor shall be entitled to pro rata rent based on the period of occupancy and the amount of space occupied, consistent with Clause 9 (RENT).

In the event that the cost of the Expansion Premises Work exceeds the amount of the Allowances (as defined in Clause 13 (CONSTRUCTION)), Lessor shall immediately notify the County in writing of such overage and the Parties shall make best efforts to modify scope to achieve cost savings and reduce overages. After the application of any converted Abated Rent (as defined above in Clause 9 (RENT)) towards the Work or such overages at County’s discretion, the amount by which the Work costs exceed the Allowances, shall be approved in writing by the Chief Real Estate Officer and be County’s responsibility (“**County Overage**”). It is expressly understood and agreed between the Parties that no oral agreements, understandings, modifications or waiver of County’s rights hereunder, shall be valid or enforceable unless in writing and signed by persons with full and complete authority to bind the County, including the Chief Real Estate Officer or designee, as such may be approved by the Orange County Board of Supervisors.

County shall reimburse Lessor in a lump sum for the County Overage upon Lessor’s submittal of a written claim, proof of payment and evidence satisfactory to the County that the Expansion Premises Work has been completed and paid in full by Lessor. County shall have the right to audit said claim and require additional supporting documentation from Lessor prior to making reimbursement payment. The reimbursement claim in connection with the Phase I Expansion Premises shall be due and payable no later than February 1, 2027, following the receipt of Lessor’s written claim. County Overages shall be paid as Additional Rent consistent with Clause 9 (RENT).”

I. Wherever a conflict in the terms or conditions of this Third Amendment, the Lease, First Amendment, and/or Second Amendment exists, the terms or conditions in this Third Amendment shall prevail. In all other respects, the terms and conditions of the Lease, First Amendment, and/or Second Amendment not specifically changed by this Third Amendment, shall remain in full force and effect.

[Next page is signature page.]

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IN WITNESS WHEREOF, the Parties have executed this Lease the day and year first above written.

APPROVED AS TO FORM:

OFFICE OF COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

By: DocuSigned by:
Lauren Kramer
5CE9F49926D24E3...
Deputy

LESSOR

DRAWBRIDGE SAINT ANDREW, LLC
a Delaware limited liability company

***By: Signed by:
Charlie McEachron
FEC1331728804024
Charles McEachron, COO

RECOMMENDED FOR APPROVAL:

HEALTH CARE AGENCY

By: Signed by:
Lorraine Daniel
B0245E34CEC941C
Assistant Agency Director

PROBATION DEPARTMENT

By: Signed by:
Daniel Hernandez
76DA1098646B4D1
~~Director of Administration~~
Chief Probation Officer

COUNTY EXECUTIVE OFFICE

By: Signed by:
Steven K. Miller
739A986E3A144AC
Senior Real Estate Manager

*** Pursuant to the requirements of California Corporations Code section 313, one of the following two methods must be used by a corporation when it enters into a contract with the County: Two people must sign the document. One of them must be the chairman of the board, the president or any vice president. The other must be the secretary, any assistant secretary, the chief financial officer or any assistant treasurer. One corporate officer may sign the document, providing that written evidence of the officer's authority to bind the corporation with only his or her signature must be provided. This evidence would ideally be a corporate resolution.

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SIGNED AND CERTIFIED THAT A
COPY OF THIS DOCUMENT HAS BEEN
DELIVERED TO THE CHAIR OF THE BOARD
PER GC § 25103, RESO. 79-1535

COUNTY

COUNTY OF ORANGE

Attest:

ROBIN STIELER
Clerk of the Board of Supervisors
of Orange County, California

Chair of the Board of Supervisors
Orange County, California

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REVISED EXHIBIT F**TERMINATION FEE SCHEDULE**

Termination Penalty Calculation						
	Lease	Second Amendment	Third Amendment	Second & Third Amendments	Second & Third Amendments	
	Initial Premises (Probation)	Initial Premises Extension (Probation)	Initial Premises 2nd Extension (Probation)	Phase I Expansion (HCA)	Phase II Expansion (TBD)	Entire Premises
Rentable Area	70,462 rsf	70,462 rsf	70,462 rsf	59,017 rsf	40,572 rsf	170,051 rsf
Lease Commencement Date	1/1/2025	1/1/2040	1/1/2043	4/1/2027	11/1/2029 est.	
Lease Expiration Date	12/31/2039	12/31/2042	3/31/2045	3/31/2045	3/31/2045	3/31/2045
Lease Term (months)	180 months	36 months	27 months	216 months	185 months est.	
Amortization Commencement Date	1/1/2025	1/1/2025	4/1/2027	4/1/2027	11/1/2029 est.	
Amortization Term	180 months	216 months	216 months	216 months	185 months est.	
Surrender Option (Month)	Month 126	Month 126	Month 99	Month 99	68 months est.	
Surrender Option (Date)	6/30/2035	6/30/2035	6/30/2035	6/30/2035	6/30/2035	6/30/2035
Tenant Improvement Allowance (\$125/rsf)	\$8,807,750	\$0	\$0	\$7,377,125	\$5,071,500	\$21,256,375
Unamortized Amount @ 8.0%	\$3,747,729	\$0	\$0	\$5,232,244	\$3,873,817	\$12,853,789
Total Leasing Commissions	\$1,798,784	\$886,620	\$719,432	\$2,257,656	\$1,532,024	\$7,194,517
Unamortized Amount @ 8.0%	\$765,389	\$523,748	\$510,259	\$1,601,248	\$1,170,222	\$4,570,866
Total Termination Penalty	\$4,513,118	\$523,748	\$510,259	\$6,833,492	\$5,044,039	\$17,424,655

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REVISED EXHIBIT G**PURCHASE PRICE SCHEDULE**

Purchase Date	Price PSF	Purchase Price
Prior to 5/31/2025	\$450.00	\$76,522,950.00
6/1/2025 - 5/31/2026	\$463.50	\$78,818,638.50
6/1/2026 - 5/31/2027	\$477.41	\$81,183,197.66
6/1/2027 - 5/31/2028	\$491.73	\$83,618,693.58
6/1/2028 - 5/31/2029	\$506.48	\$86,127,254.39
6/1/2029 - 5/31/2030	\$521.67	\$88,711,072.02
6/1/2030 - 5/31/2031	\$537.32	\$91,372,404.18

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REVISED EXHIBIT J-1**EXPANSION PREMISES WORK AND SCHEDULE 1 WORK LETTER
COUNTY IMPROVEMENTS AND PERFORMANCE SPECIFICATIONS**

This Work Letter shall supplement the terms and conditions relating to the construction of the Work in the Expansion Premises as set forth in Clause 13 (CONSTRUCTION) of the Lease. If any conflict shall arise between this Revised Exhibit J and the Lease, the terms and conditions of the Lease shall prevail. This Work Letter is essentially organized chronologically and addresses the issues of the construction, in sequence, as such issues will arise during the actual construction of the Expansion Premises. All references in this Work Letter to Clauses or Sections of “this Lease” or “the Lease” shall mean the relevant portion of Clauses 1 through 64 of the Lease to which this Work Letter is attached as Exhibit J and of which this Work Letter forms a part, and all references in this Work Letter to Sections of “this Work Letter” shall mean the relevant portion of Sections 1 through 7 of this Work Letter. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

SECTION 1. - CONSTRUCTION DRAWINGS FOR THE EXPANSION PREMISES WORK

Space Plan. Lessor and its architect shall prepare the final space plan (collectively, the “**Final Space Plan**”) for construction of the certain improvements within the Expansion Premises (“**Expansion Premises Work**”) and shall deliver the Final Space Plan to County for County’s approval, such approval not to be unreasonably withheld, conditioned or delayed. County shall have five (5) business days to review and approve such Final Space Plan. If County does not approve the Final Space Plan in accordance with this Section, County shall provide reasons for said disapproval and allow Lessor ten (10) business days to provide the revised Final Space Plan taking into account County’s reasons for disapproval. Failure of County to reasonably disapprove any draft of the Final Space Plan within said five (5) business day period shall be deemed to constitute County’s approval thereof. This process shall be repeated until the Final Space Plan has been approved; it being agreed that County’s right to raise objections (following County’s initial objections to Lessor’s first submission of the Final Space Plan) shall be limited to (a) the revisions made to the previous submission of the Final Space Plan in order to address County’s prior objections or changes which are derivative of changes resulting from such prior objections and/or (b) revisions to design elements not previously a part of the Final Space Plan previously submitted to County.

Final Working Drawings. Lessor and its architect and engineers shall complete the architectural and engineering drawings for the Expansion Premises Work. The final architectural working drawings shall be in a form which is complete to allow subcontractors to bid on the Expansion Premises Work and to obtain all applicable permits (collectively, the “**Final Working Drawings**”) and shall submit the same to County for County’s approval, such approval not to be unreasonably withheld, conditioned or delayed. County shall approve or reasonably disapprove any draft of the Final Working Drawings within seven (7) business days after County’s receipt thereof; provided, however, that (i) County shall not be entitled to disapprove any portion, component or aspect of the Final Working Drawings which are consistent with the Final Space Plan unless (a) County agrees to pay for the additional cost (if any) resulting from such change in the Final Space Plan as part of the over-allowance amount pursuant to Section 2 below, and (b) County agrees that any such delays caused by such change(s) shall be deemed a delay caused by the County for all purposes of this Work Letter, Schedule 1 attached hereto and the Lease, and (ii) any disapproval of the Final Working Drawings by County shall be accompanied by a detailed written explanation of the reasons for County’s disapproval. Failure of County to reasonably disapprove any draft of the Final Working Drawings within

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said seven (7) business day period shall be deemed to constitute County's approval thereof. This process shall be repeated until the Final Working Drawings have been approved; it being agreed that County's right to raise objections (following County's initial objections to Lessor's first submission of the Final Working Drawings) shall be limited to (a) the revisions made to the previous submission of the Final Working Drawings in order to address County's prior objections or changes which are derivative of changes resulting from such prior objections and/or (b) revisions to design elements not previously a part of the Final Working Drawings previously submitted to County. The Final Working Drawings, as approved by Lessor and County, may be referred to herein as the "**Approved Working Drawings.**" County shall make no changes or modifications to the Final Space Plan or the Approved Working Drawings without the prior written consent of Lessor, which consent may be withheld in Lessor's sole discretion if such change or modification would directly or indirectly delay the Substantial Completion of the Work or increase the cost of designing or constructing the Work. Lessor shall promptly submit the Approved Working Drawings to the appropriate municipal authorities for all applicable building permits necessary to allow Contractor as that term is defined in Section 3, below, to commence and fully complete the construction of the Work (the "**Permits**"). County shall cooperate with Lessor in promptly executing permit applications and performing other ministerial acts reasonably necessary to enable Lessor to obtain any such permit or certificate of occupancy. No changes, modifications or alterations in the Approved Working Drawings may be made without the prior written consent of Lessor, provided that Lessor may withhold its consent, in its sole discretion, to any change in the Approved Working Drawings if such change would directly or indirectly delay the Substantial Completion of the Expansion Premises Work.

Bidding. Lessor shall construct the Work in accordance with the plans prepared by County's architect and approved by Lessor in accordance with the Design Problem criteria (anything that adversely affects the structural, mechanical, electrical or fire life-safety systems of the Building). Lessor's contractor shall be the contractor selected pursuant to a procedure whereby the final plans and a construction contract approved by County are submitted to three (3) contractors mutually agreed to by Lessor and County (all of which must have a reputation for quality work, timely performance and integrity). Each of the three (3) contractors shall submit to Lessor a fixed price contract bid to construct the Work. Lessor and County, after adjustments for the inconsistent assumptions to reflect an "apples to apples" comparison, shall select the lowest price bidder and such contractor with the lowest priced bid shall enter into a construction contract with Lessor consistent with the terms of the bid to construct the Work. As of the Effective Date hereof, Lessor has completed the bidding process and selected Esplanade Builders, Inc. (EBI). The County hereby acknowledges and approves of the same.

SECTION 2. – LESSOR'S BUILDING WORK

Lessor shall, at Lessor's sole cost and expense (irrespective of the allowances defined above), be responsible for all the Building systems being in good working order and shall return the Building to a warm shell condition, County-identified existing improvements removed and demised, and to complete certain lobby, corridor, and common area restrooms with building standard ("**Lessor's Building Work**").

The above defined "Lessor's Building Work" shall be completed concurrently with the Work and is anticipated to be completed on or before November 1, 2026.

SECTION 3. - TIME DEADLINES (AS DEFINED IN SCHEDULE 1)

County shall use its good faith efforts and due diligence to cooperate with the Lessor, its architect, and the engineers to complete all phases of the construction drawings and the permitting process and to receive the

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Permits, and with Contractor (as defined below in Section 4) as soon as possible after the execution of the lease, and, in that regard, shall meet with Lessor on a scheduled basis to be determined by Lessor, to discuss the progress in connection with the same. The applicable dates for approval of items, plans and drawings as described in this Section 1, above, and in this Work Letter are set forth and further elaborated upon in Schedule 1 attached hereto.

SECTION 4. - CONTRACTOR'S WARRANTIES AND GUARANTIES

Lessor shall assign to County (on a non-exclusive basis) all warranties and guaranties by the Contractor who constructs the Expansion Premises Work (the "**Contractor**") relating to the Work and pursuant to said assignment, County hereby waives all claims against Lessor relating to, or arising out of the construction of, the Expansion Premises Work. Lessor shall independently retain Contractor, on behalf of County, to construct the Expansion Premises Work in accordance with the Approved Working Drawings and Lessor shall supervise the construction by Contractor.

SECTION 5. - COUNTY'S COVENANTS

County hereby indemnifies, defends and holds harmless Lessor and Lessor Parties for any loss, claims, damages or delays arising from the negligence, acts or omissions of County, its agents, including, but not limited to any space planner, architect or engineer hired by County in connection with the Expansion Premises Work.

SECTION 6. - MISCELLANEOUS

Freight Elevators. Lessor shall make the freight elevator (if applicable) reasonably available to County in connection with initial decorating, furnishing and moving into the Premises, if applicable.

Time of the Essence in This Work Letter. Unless otherwise indicated, all references herein to a number of days shall mean and refer to calendar days. In all instances where County is required to approve or deliver an item, if no written notice of approval is given or the item is not delivered within the stated time period, at Lessor's sole option, at the end of such period the item shall automatically be deemed approved or delivered by County and the next succeeding time period shall commence.

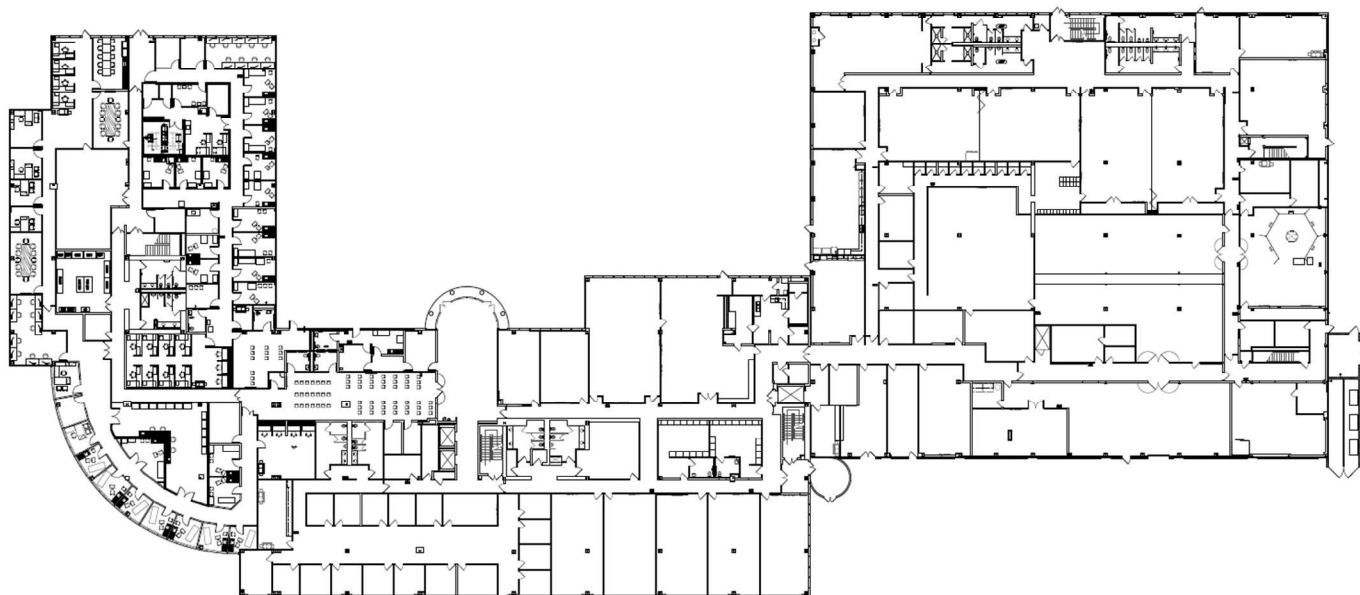
SECTION 7. - SCHEDULE 1 TO WORK LETTER

Second Amendment Execution	October 28, 2025
Space Plan delineating the demising location between Phase I and Phase II Expansion Premises	November 20, 2025
Design and Construction Drawings	February 1, 2026
Plan Check/Permit Approval	August 31, 2026
Construction Commencement and Building Work	September 1, 2026
Phase I Substantial Completion Date	April 1, 2027

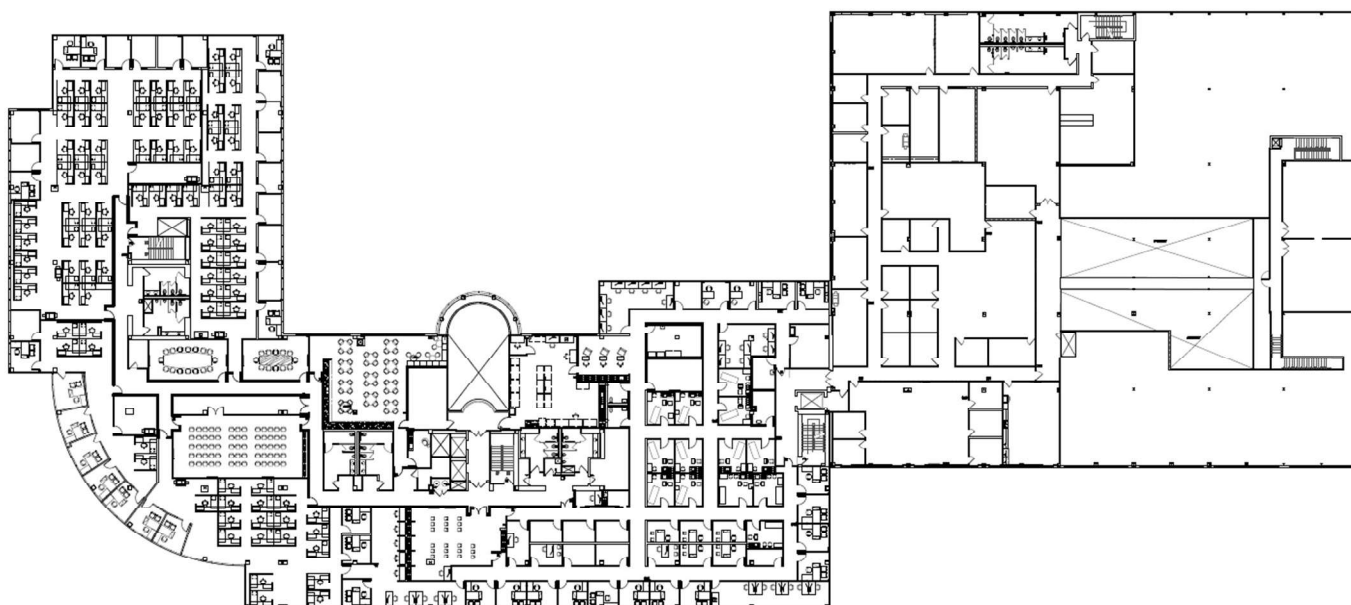
Attachment A

REVISED EXHIBIT J-2 **EXPANSION PREMISES SPACE PLAN**

1st Floor



2nd Floor



Attachment A

REVISED EXHIBIT J-3 **EXPANSION PREMISES APPROVED WORKING DRAWINGS**

3rd floor As-Built

