

LEASE AGREEMENT
Adult Transitional-Living Lease Agreement

THIS LEASE (“Lease”) is made as of _____ (the “Effective Date,”) by and between _____ (“Lessor”) and the County of El Dorado (“Lessee”), a political subdivision of the State of California, upon the following terms and conditions:

SECTION 1: BASIC LEASE PROVISIONS

These Basic Lease Provisions set forth the basic terms of this Lease. In the event of any inconsistency between the terms set forth in these Provisions and any other provision of this Lease, the Basic Lease Provisions shall prevail.

1.1	<u>Lessee:</u>	<u>Name:</u> County of El Dorado <u>Address for Notices:</u> County of El Dorado, Mental Health Division ATTN: 768 Pleasant Valley Road, Suite 201 Diamond Springs, CA 95619
1.2	<u>Lessor:</u>	<u>Name:</u> _____ <u>Address for Notices:</u> _____ ATTN: _____ _____
1.3	<u>Premises:</u>	Residential property consisting of approximately _____ rentable square feet of area.
1.4	<u>Property:</u>	Residential property located at _____, Placerville, CA 95667.
1.5	<u>Term:</u>	Term for ____ years from Commencement Date. <u>Commencement Date:</u> This Lease shall become effective when fully executed by all parties hereto and shall expire ____ years from the date thereof, unless terminated earlier pursuant to the provisions contained herein this Lease under the Article(s) titled, “Default, Termination, and Cancellation” or “Fiscal Considerations.”
1.6	<u>Rent:</u>	Monthly Rent: \$_____.00 per month. Monthly Rent includes: Rent, electricity, natural gas and/or propane, water, sewer, trash, basic telephone, and basic television (satellite or cable).
1.7	<u>Security Deposit:</u>	None.

1.8	<u>Definitions:</u>	Terms in this Lease shall have the meaning specified in this Section 1 or in Section 35.
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Section 2: COMPLIANCE WITH LAWS

2.1 Lessor warrants that it is delivering the Premises and the Property in compliance with applicable local, state, and federal laws, including, without limitation, the American Disabilities Act and any amendments thereto or regulations promulgated thereunder, ordinances, orders, rules, resolutions, and other governmental requirements relating to the use, condition, or occupancy of the premises. If the Premises or Property do not comply with applicable requirements, Lessee shall have the right to terminate this Lease as provided in Section 12.

2.1.1 If the applicable requirements are hereafter changed so as to require during the Lease Term the construction, alteration, or retrofit of the Premises, the remediation of any hazardous substance, or the reinforcement or other physical modification of the Premises, Lessor shall be solely responsible for the cost of such work, except where such work is triggered by Lessee as a result of an actual or proposed change in use or modification to the Premises.

2.1.2 Lessor shall, at its own cost and expense, be responsible for compliance with existing federal, state, and local statutes, codes, and ordinances, including the American Disabilities Act (“ADA”) and Title 24 requirements in the construction, alteration, or other physical modifications on the residence and Property, including Tenant Improvements. During the term and any extension, Lessor shall be responsible for any repairs, improvements, retrofits, or upgrades to the interior and exterior of the residence, including the Premises and the Property that are required to comply with the applicable requirements, including the evaluation, installation, and costs arising from changes necessary to bring the residence and property up to ADA accessibility standards due to changes in the applicable requirements after Lease commencement. Lessor shall defend and indemnify Lessee for any claims, liability, costs, or damages associated with Lessor’s failure to comply with the ADA requirements. If Lessee makes any alterations or improvements to the interior of the Premises after the Commencement Date, Lessee shall, at its sole cost and expense, be responsible for insuring that any alterations or improvement to the Premises made by Lessee comply with applicable requirements.

2.2 Changes to Property. Except for the Premises, Lessor reserves the right to make or allow permanent or temporary changes or replacements to the Property during the Term. Lessor’s activities may require the temporary alteration of means of ingress and egress to the Property and the installation of scaffolding and other temporary structures while the work is in progress. Such work shall be performed in a manner reasonably designed to minimize interference with Lessee’s residents. Notwithstanding the foregoing, Lessor shall not block Lessee’s or Lessee’s residents ingress and egress of the Premises.

2.3 The parties agree that this Lease is subject to the effect of any covenants, conditions, restrictions, easements, mortgages or deeds of trusts, ground leases, right of way of record, and any other matters or documents of record (“Restrictions”). Lessee agrees that as to its leasehold estate, Lessee will conform to the Restrictions which may now or hereafter encumber the Property. This Lease is subordinate to the Restrictions and any amendments or modifications thereto.

Section 3: RENT

3.1 Rent shall be paid in advance on or before the first day of each calendar month. If the Commencement Date is a day other than the first day of a month, then the first and last monthly installment of Lessee's monthly installment of rent shall be prorated on the basis of a thirty (30) day month.

Section 4: REPAIR AND MAINTENANCE

4.1 Lessor shall inspect the premises quarterly and, at its sole cost and expense, maintain and repair, throughout the initial and extended term(s) of the Lease, or cause to be maintained and repaired, in good working order, repair, and condition, including but not limited to:

- a) Systems and Equipment of the residence and Property.
- b) Foundation, exterior, windows, walls, stairs, structural components, and roof of the residence.
- c) Common Areas.

Except in emergency situations, Lessor shall provide Lessee written advanced notice of inspection, providing at least 24 hours advanced notice. Said inspection shall occur between the hours of 8 a.m. to 5 p.m. Monday through Friday.

Lessor shall have ten (10) days after notice from Lessee to perform its obligations hereunder, except Lessor shall perform its obligations immediately if the nature of the problem presents a material hazard or emergency as determined by Lessee. Any notice or demand concerning a material hazard or emergency may be made orally, by telephone or otherwise, provided that written confirmation is given within two (2) days after the oral notice or demand is made.

4.2 If Lessor does not perform its obligations within the time limitations provided herein, Lessee, after notice to Lessor, may perform the obligations and has the right to be reimbursed for the sum Lessee actually and reasonably expends (including charges for use of Lessee's employees and equipment) in the performance of Lessor's obligations. If Lessor does not reimburse Lessee within ten (10) days after demand from Lessee, Lessee shall have the right to withhold from future rent due the sum Lessee has expended until Lessee is reimbursed in full. Lessor shall also be liable for any other damages (whether direct or consequential), and rent shall be abated, on account of Lessor's failure to perform its maintenance and repair obligations.

Section 5: SERVICES, UTILITIES, TAXES, AND ASSESSMENTS

5.1 Lessor shall furnish the Premises with the following services:

5.1.1 Heating, ventilation, and air conditioning ("HVAC") for the comfortable occupancy of Premises for residential purposes, subject to any energy conservation or other regulations which may be applicable from time to time. The HVAC system shall be inspected each year by a qualified inspector. Lessor shall notify Lessee when the inspection shall occur and shall provide Lessee with a copy of the inspection report within five (5) days of receipt by Lessor. Lessor shall correct any problems identified in the inspection report within ten (10) days of the date of the inspection.

5.1.2 Electrical current for routine lighting and the operation of general household appliances which use 110 volt electric power.

- 5.1.3 Water for restrooms, dishwashers, clothes washers, and other reasonable residential uses.
- 5.2 At Lessee's option and sole cost, Lessee may contract with the local provider for cable television services for Lessee's use.
- 5.3 Lessee shall provide a clothes washer and clothes dryer, and a refrigerator.
- 5.4 Lessee agrees to reasonably cooperate with Lessor, and to abide by all regulations and requirements which Lessor may prescribe for the proper functioning and protection of the residence's HVAC, electrical, and plumbing systems.
- 5.5 Unless due to any fault on the part of the Lessee, its employees, or agents, Lessee's obligation to pay rent shall abate proportionately during any period in which Lessee's access to, or use of, all or any portion of the Premises for their intended purpose is so impaired that Lessee cannot, and actually does not, use all or such portion of the Premises for a period in excess of five (5) consecutive business days; the rent abatement in such case to commence as of the sixth (6) business day. Lessee shall give Lessor notice of any such interruption of access, use, or service prior to Lessee ceasing to use all or any portion of the Premises. If such interruption or discontinuation in services continues beyond thirty (30) consecutive business days, Lessee has the right to terminate the Lease with no additional financial obligation to Lessor.
- 5.6 Should Lessee require, and should Lessor provide, additional residential services during the Lease term, Lessee agrees to pay the expense of additional services as mutually agreed upon by both parties.
- 5.7 In the event that services provided by Lessor under the Lease are discontinued due to Lessor's failure to pay, Lessee shall have the option to assume payment for such services, in which event Lessee will be entitled to a rent credit equal to the amount thus paid by Lessee, plus fifteen per cent (15%) annual interest, which shall be applied against the first installments of rent due under the Lease until the obligation is fully satisfied.
- 5.8 Lessor shall pay all real property taxes, special taxes, and assessments on or attributable to the Premises.

Section 6: ASSIGNMENT AND SUBLETTING

6.1 This Lease shall not be assigned by either party without the written consent of the other party, which consent shall not be unreasonably withheld. The party requesting assignment or subletting ("Transfer") of the Lease shall provide the other party with prior written notice of the proposed Transfer containing the items specified in Section 6.2 below. Within ten (10) business days after receipt of the Transfer notice, the other party shall notify the requesting party of its election to (a) approve the requested Transfer or (b) disapprove the requested Transfer, which disapproval shall specify the reasons for such disapproval.

Notwithstanding the foregoing, no consent shall be required for an assignment or sublet to any Lessee agencies, departments, affiliates, or contractors.

6.2 Documentation Required. The Transfer notice shall be accompanied by each of the following:

- a) A copy of all proposed Transfer documents.
- b) A statement setting forth the name, address and telephone number of the transferee, and all principal owners of the transferee.
- c) Current financial information regarding the proposed transferee, including a statement of financial condition.
- d) For any sublease, a description of the portion of the Premises to be sublet.
- e) Any other information reasonably required by the party in order to determine the financial responsibility, character, and reputation of the proposed transferee, nature of such transferee's business, or proposed use of the residence or portion thereof.

6.3 In the event of any transfer by any Lessor of its interest, Lessor shall be automatically relieved from all liability accruing from and after the date of the transfer or conveyance, but shall not be released from the obligation to indemnify Lessee for acts or omission occurring prior to the transfer unless so released by Lessee in writing. Upon any conveyance of title to the Property, the grantee or transferee shall be deemed to have assumed Lessor's obligations to be performed under this Lease from and after the date of such conveyance.

Section 7: INSURANCE

7.1 Prior to Commencement Date, Lessor shall furnish to Lessee proof of a policy of insurance issued by an insurance company that is acceptable and satisfactory to Lessee's Risk Manager and documentation evidencing that Lessor maintains insurance that meets the following requirements:

- a) General Liability insurance of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000 aggregate limit.
- b) Workers' Compensation and Employers' Liability Insurance covering all employees of Lessor's employees working directly on the residence or Premises as required by law in the State of California.
- c) Property insurance on real property covered by this Lease under a standard "all Risk" policy." The policy shall insure for not less than ninety percent (90%) of the replacement value of the property.
- d) The certificate of insurance must include a provision stating that insurer will not cancel insured's coverage without thirty (30) days written notice to Lessee.

Lessor shall maintain the required insurance in effect at all times during the Term of this Lease. In the event said insurance expires at any time during the Term, Lessor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the Term of the Lease, or for a period not less than one (1) year. New certificates of insurance are subject to the approval of the Lessee. If Lessor fails to maintain in effect at all times the insurance coverage specified herein, Lessee may, in addition to any other remedies it may have, terminate this Lease.

Section 8: INDEMNITY

8.1 Lessee shall defend, indemnify and hold Lessor harmless from and against any and all losses, damages, claims, suits, liability, costs, including reasonable attorney's fees, for any damage to property or injury to any person occurring in, on, or about the Premises, or any part thereof, caused by, arising out of, or in connection with the performance under this Lease by Lessee, its officers, employees, except to the extent such damage or injury is caused in whole or in part by the negligence or willful misconduct of Lessor, its employees, agents or contractor.

8.2 Lessor shall defend, indemnify and hold Lessee harmless from and against any and all losses, damages, claims, suits, costs, and liability for damages of every name, kind and description, including reasonable attorney's fees, incurred, brought for, or on account of any damages to property or injuries to or death of any person, or any economic or consequential losses which are claimed to or in any way caused by, arise out of, or are connected with the operations, acts, omissions, or performance under this Lease by Lessor, its employees, agents or contractors, except to the extent such damage or injury is caused by the sole or active negligence of Lessee, its officers and employees.

Section 9: DAMAGE OR DESTRUCTION: EMINENT DOMAIN

9.1 Damage or Destruction. If any part of the Premises or the Property is damaged by fire, Hazardous Substance Condition, or other casualty and the damage affects Lessee's use or occupancy of the Premises, Lessee shall give prompt notice to Lessor, and Lessor shall repair such damage with reasonable diligence. Except as provided herein, Lessor shall, at its sole cost and expense, restore or repair the Premises diligently and to their condition immediately prior to the damage. If such casualty occurs and a portion of the Premises is still usable by Lessee, the rent shall be abated and prorated on a square footage basis of usable space until the Premises are restored to their original condition.

9.1.1 In the event of damage or destruction or Hazardous Substance Condition to the Premises or the Property and a portion of the Premises is still usable, the rent payable by Lessee for the period required for the repair or remediation of such damage shall be abated and prorated on a square footage basis of usable space until the Premises are restored to their original condition immediately prior to the damage.

9.1.2 If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair, remediation, or restoration of the Premises within ninety (90) days after such obligation shall accrue, Lessee may at any time prior to the commencement of such repair or restoration give written notice to Lessor and to any Lenders, of which Lessee has actual notice, of Lessee's election to terminate the Lease on a date not less than sixty (60) days following the giving of such notice. If Lessee gives such notice and repair or restoration is not commenced within thirty (30) days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such thirty (30) days, this Lease shall continue in full force and effect. "Commence" shall mean the beginning of the actual work on the Premises.

9.1.3 Exceptions to Obligation to Rebuild. Notwithstanding the above, this Lease may be terminated by Lessor in any of the following situations:

- (a) If substantial alteration or reconstruction of the Property or Premises is required as a result of the damage, to an extent exceeding forty percent (40%) of the full insurable value thereof.
- (b) If the damage to the Property or Premises is caused by the gross negligence or willful misconduct of Lessee, its employees, officers, or residents.
- (c) If existing laws do not permit the Premises to be restored to substantially the same condition as they were in immediately before the destruction.
- (d) If the damage occurs during the last six (6) months of the Lease Term and the repair, reconstruction, or restoration of the Premises will take more than six (6) months to complete.

Any such election to terminate this Lease shall be exercised by notice to Lessee delivered within 60 days after the occurrence of the event of casualty causing such damage. The notice shall specify the date of termination, which shall be at least sixty (60) days after such notice is given. If Lessor gives such notice of termination, this Lease shall terminate as of the date specified, and all rent shall be prorated to the later of the date of termination or Lessee's vacation of the Premises.

9.1.4 Lessee's Right to Terminate. If the Premises are rendered uninhabitable by reason of such damage, Lessor shall give Lessee a reasonable estimate of the time required for repair within 45 days after the date of damage. If Lessor reasonably estimates that the time needed for repair will extend more than nine (9) months after the date of damage, then Lessee shall have the right to terminate this Lease by giving written notice within fifteen (15) days after receipt of Lessor's estimate. The termination shall be effective ten (10) days after the date such notice of termination is given.

9.2 Eminent Domain. If the residence or Premises, or such portion thereof shall be taken for public or quasi-public purpose by any lawful power or authority by exercise of the right of appropriation, condemnation, or eminent domain, or sold to prevent such taking, either party shall have the right to terminate this Lease effective as of the date possession is required to be surrendered to said authority.

9.2.1 Lessee shall not assert any claim against Lessor or the taking authority for any compensation because of such taking and Lessor shall be entitled to receive the entire amount of any award without deduction for any estate or interest of Lessee. However, Lessee shall not be precluded from claiming from the condemning authority any compensation to which Lessee may otherwise lawfully be entitled in respect to personal property or fixtures belonging to Lessee, or for relocating to new space, or for the unamortized portion of any Tenant Improvements installed in the Premises to the extent they were paid for by Lessee or for the loss of goodwill.

9.2.2 In the event of taking of less than the entire Premises, Lessee may elect to terminate the Lease by giving thirty (30) days written advanced notice to Lessor. If Lessee does not so elect, Lessor shall promptly proceed to restore the Premises to substantially their same condition prior to such partial taking and a proportionate allowance shall be made to Lessee for the rent corresponding to the time during which, and to the part of the Premises of which Lessee shall be so deprived on account of such taking and restoration. Notwithstanding the foregoing, if the costs of restoration exceed the portion of the condemnation award allocated to restoration costs, Lessor may elect to terminate this Lease unless Lessee elects to pay such excess.

Section 10: DEFAULT

10.1 The occurrence of any one or more of the following shall be deemed a default by Lessee, or as and where the context allows, by Lessor:

10.1.1 Abandonment or Vacation of Premises. Abandonment or vacation of the Premises by Lessee, together with the non-payment of rent, for a continuous period in excess of thirty (30) consecutive days.

10.1.2 Nonpayment of Rent. Lessee's failure to pay rent when due, if the failure continues for five (5) days after written notice has been given to Lessee.

10.1.3 Other Obligations. Except as otherwise expressly provided in this Lease, the failure to perform any other provisions or obligations under this Lease if the failure to perform is not cured within thirty (30) days after written notice has been given to the defaulting party. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

10.1.4 Nuisance. Lessor must notify Lessee of instances of nuisance, which includes but is not limited to anything which is injurious to health, including but not limited to the illegal sale of controlled substances or is indecent or offensive to the senses.

a) A public nuisance is one which affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal.

10.2 Notice given under this Section 10.1.1 through 10.1.3 shall specify the alleged default and applicable Lease provisions, and shall demand that the defaulting party perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time. No such notice shall be deemed a forfeiture or a termination of this Lease unless the party giving notice so elects in the notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. Lessee agrees to give Lessor's lenders, by registered or certified mail, return receipt requested, a copy of any notice of default served upon Lessor, provided that prior to such obligation to give notice, Lessee has been notified, in writing of the addresses of the Lenders. Lessee further agrees that if Lessor shall have failed to cure such default within the time provided in this Lease, then before Lessee pursues its other remedies, Lessor's lenders shall have an additional thirty (30) days (the "Lender Cure Period") within which to cure the default on behalf of Lessor.

10.3 Under this Section 10.1.4, Lessor shall serve a three-day (3) notice to the Lessee and the tenant and shall specify the alleged default, applicable Lease provisions, describe the tenant's improper conduct, and shall demand that the defaulting party correct the default. No such notice shall be deemed a forfeiture or a termination of this Lease unless the party giving notice so elects in the notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired.

Section 11: REMEDIES UPON DEFAULT

11.1 Termination. In the event of a default, either party may elect to terminate this Lease or can cure the default at the defaulting party's cost. The election to terminate may be stated in any notice served upon the defaulting party.

11.2 Any sum paid by the non-defaulting party to cure the default shall be due within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate permitted by law. Lessee shall have the right to withhold from future rent due the sum Lessee has expended until Lessee is reimbursed in full for the sum and interest on it.

11.3 Remedies Cumulative. All rights, privileges and elections of remedies are cumulative and, to the extent permitted by law, are in addition to and do not in any manner limit other remedies set forth in other sections of this Lease.

Section 12: TERMINATION

- 12.1 This Lease may be terminated upon the occurrence of one or more of the following:
- (a) The failure to remedy any default or breach of any provisions of this Lease.
 - (b) The failure to comply with any provisions of this Lease.
 - (c) Damage or destruction, or condemnation of the Premises as specified in Section 9.
 - (d) In the case of bankruptcy, voluntary or involuntary, or insolvency of either party.
- 12.2 Termination for Lack of Funding. Lessee's business operations are funded by federal, state, county, local, and/or private foundations ("Funding Sources"). Notwithstanding any provisions in this Lease, if during the Term of the Lease, the Funding Sources reduce, eliminate, withhold, or make unavailable to Lessee sufficient funds to meet the obligations of this Lease, Lessee shall have the right to terminate this Lease upon ninety (90) days written notice of such termination to Lessor.

Section 13: SUBORDINATION AND ATTORNMENT

13.1 Subordination. At the election of the Lessor or any first mortgagee with a lien on the property or any ground lessor with respect to the property, this Lease shall be subject to and subordinate the lien of any mortgage or deed of trust which may now exist or hereafter be executed for which the residence, land, ground leases or underlying leases, or Lessor's interest or estate in any said items is specified as security. If requested by Lessor, Lessee agrees to execute and deliver to Lessor, within ten (10) business days after written demand therefor, and in the form requested by Lessor or such further instruments confirming the subordination of this Lease to the lien of any such mortgage or deed trust as may be requested by Lessor or any Lender from time to time. Any failure or refusal of Lessee to execute such instrument, which incorporates Lessee's reasonable changes, within ten (10) business days, shall constitute a default. However, Lessor agrees that as a condition to any subordination of this Lease to any future mortgage, deed of trust or ground lease, Lessee shall first receive a subordination, attornment, and non-disturbance agreement from such lender or ground lessor on commercially reasonable terms.

13.2 Attornment. In the event of the foreclosure of any mortgage or cancellation, Lessee, at the request of the then successor to the Lessor following such event, shall attorn to and recognize the successor (herein referred to as the "Successor Lessor"), as Lessor under this Lease. Lessee agrees to execute and deliver at any time upon request of any Lender or purchaser, and the successors of either, any instrument reasonably requested to further evidence such attornment.

13.3 Non-Disturbance Protection. Notwithstanding anything to the contrary contained herein, Lessee's obligations to subordinate its rights hereunder to any future mortgage or to attorn to any future lender shall be conditioned upon Lessor's obtaining from the Lender (upon request from Lessee) a non-disturbance agreement in such other commercially reasonable form as may be acceptable to Lessor's lender providing in substance that:

- (a) So long as Lessee is not in default under this Lease, Lessee's tenancy will not be disturbed, nor its rights under this Lease affected by, any default under such mortgage nor shall Lessee be named as a defendant in any foreclosure proceeding (unless the Lender is legally required to do so);

- (b) Any Successor Lessor shall assume the obligations of Lessor under this Lease accruing thereafter;
- (c) The non-disturbance agreement shall be binding upon and inure to the benefit of the successors or assigns of the parties thereto.

Section 14: LESSEE'S DEFAULT

14.1 Right to Cure- Lessee shall not be deemed to be in default in the performance of any obligation required of it under this Lease unless Lessee has failed to perform such obligation within 30 days after receipt by Lessor of written notice from Lessor to Lessee, specifying the obligation in question and the manner in which Lessee has failed to perform the obligation. If the nature of Lessee's obligation is such that more than thirty (30) days are reasonably required for its performance, Lessee shall not be in default if Lessee commences to cure the default within ten (10) business days after receipt of notice and proceeds to completion with reasonable promptness.

Section 15: ENTRY AND ACCESS

15.1 Lessor and its agents or representatives may enter the Premises only in case of emergencies or required maintenance and/or repairs of the Premises. Any inspection, entry or access to the Premises shall be coordinated through Lessee's management or personnel and with no less than 24 hours prior notice. Access to the Premises will be under supervision and accompanied at all times by Lessee's employees. All work shall be done as expeditiously as reasonably feasible so as to cause as little interference to Lessee as reasonably possible. Lessor shall at all times have a key to all doors providing entry to the Premises.

15.2 Lessee shall have access 24 hours per day, 7 days per week, 52 weeks per year to the Premises and residence.

Section 16: RELOCATION

16.1 Lessor shall not have the right to relocate Lessee under any circumstances.

Section 17: SURRENDER OF PREMISES

17.1 Upon the expiration or earlier termination of this Lease, Lessee shall surrender the Premises in the same condition as when received, reasonable and ordinary wear and tear excepted.

17.1.1 Hold Over- Lessee shall have the right to remain in the Premises on a month-to-month basis at the then rent in effect as of the last day of the Term. In the event that the Lessor wishes to terminate said month to month tenancy, Lessor shall provide Lessee written notice at least ninety (90) days prior to said termination.

Section 18: HIPAA

18.1 Lessor shall comply with all applicable provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") including, but not limited to, Privacy Rule (45 CFR Parts 160 and 164), as such are implemented and revised from time to time, including, without limitation, the American Recovery and Reinvestment Act ("ARRA") and the objectives of the guidelines establishing privacy standards as adopted by any federal regulatory agencies having jurisdiction over Lessee's affairs (the "Privacy Guidelines"). "Protected health information" ("PHI") shall have the meaning defined by the Standards for Privacy of Individually Identifiable Health Information, 45 CFR Part 160 and Subparts A

and E or Part 164 and all amendments thereto (commonly known as the “Privacy Standards,”) as promulgated by the U.S. Department of Health and Human Services pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 and all amendments thereto (“HIPAA”). Neither Lessor nor Lessor’s employees, agent, or contractors shall need access to, or the use of, any PHI. In the event PHI is seen by or disclosed (whether inadvertently or otherwise) to Lessor or its employees, agent, or contractors, the Party discovering such disclosure shall promptly notify Lessee, and if required by applicable law, to regulatory agencies. Lessor shall promptly take commercially reasonable measures to prevent any subsequent dissemination by Lessor or its employees or agents of such PHI to third parties, and if required by applicable law, to regulatory agencies. The parties agree that the provisions of this section do not create, and are not intended to create, a “business associate” relationship between parties as that term is defined by the Privacy Standards.

Section 19: MOLD; AIR QUALITY

19.1 Lessor warrants and represents that the Premises are free of mold and odor free. Lessor, at its sole cost and expense, shall remove, mitigate, or remediate any such mold or odors that Lessee identifies during the initial and extended term(s) of the Lease.

Section 20: HAZARDOUS MATERIALS

20.1 Lessor hereby represents and warrants that to Lessor’s actual knowledge that as of the date hereof there are no Hazardous Materials on or under the Premises or Property and that Lessor has received no written notice stating that any portion of the Property is in violation of any Hazardous Material laws. Removal or remediation of any Hazardous Materials which existed on the Premises or Property prior to Lessee’s occupancy or not caused by the gross negligence or willful acts or omissions of Lessee, its employees or residents shall be the sole obligation of Lessor. Lessor shall indemnify, defend and hold harmless Lessee, its employees or agents, from and against any and all losses, liability, claims, lawsuits, damages, destruction of property, or injuries incurred by Lessee in connection with or as the result of the presence, use, or disposal of any Hazardous Materials in or about the Premises or Property.

Section 21: AUTHORITY

21.1 Each of the persons executing this Lease on behalf of any entity warrants and represents that he or she has been duly authorized to do so by the entity on whose behalf he or she executes this Lease and that said entity will thereby be obligated to perform the terms of this Lease.

Section 22: ENTIRE AGREEMENT

22.1 This Lease constitutes the entire understanding of the parties with respect to the Premises and supersedes all prior or contemporaneous understandings and agreements relating to the subject matter thereof. There are no other promises, covenants, understandings, agreements, representations, or warranties with respect to the subject matter of this Lease except as expressly set forth herein or in any instrument executed concurrently herewith.

Section 23: AMENDMENTS

23.1 This Lease may not be modified or amended except pursuant to a written instrument duly executed by all of the parties hereto.

Section 24: FURTHER ASSURANCES

24.1 From time to time, either party, at the request of the other party, and without further consideration, shall execute and deliver further instruments and take such other actions as the requesting party may reasonably require to complete more effectively the transactions contemplated by this Agreement.

Section 25: NO THIRD PARTY BENEFICIARIES

25.1 This Lease is made and entered into for the sole benefit and protection of the parties hereto, and the parties do not intend to create any rights or benefits under this Lease for any person who is not a party to this Lease, other than a Lender and the Indemnified Parties.

Section 26: WAIVER

26.1 The waiver by any party of any term, covenant, agreement or condition herein contained shall be effective only if in writing and shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement or condition herein contained, nor shall any custom or practice which may develop between the parties in the administration of this Lease be construed to waive or to lessen the right of any party to insist upon the performance by the other party in strict accordance with all of the terms, covenants, agreements and conditions of this Lease.

Section 27: FORCE MAJEURE

27.1 Whether or not any specific provision of this Lease expressly excepts delays caused by Force Majeure, neither Lessee nor Lessor shall be chargeable with, or be liable or responsible to the otherwise chargeable, liable or responsible party for, anything or in any amount for any failure to perform or delay in performing caused by Force Majeure, provided that nothing herein shall affect or relieve Lessee's obligation to pay rent under this Lease. Any such failure or delay due to Force Majeure shall not be deemed a breach of or default in the performance of this Lease by either Lessee or Lessor. Notwithstanding the foregoing, those provisions of this Lease that exclude specifically Force Majeure events shall govern and control over this Section 26.

Section 28: TIME OF THE ESSENCE

28.1 Time is of the essence with respect to the performance of this Lease.

Section 29: ESTOPPEL CERTIFICATE

29.1 Lessee, shall at any time, and from time to time, upon twenty (20) business days' prior written notice from Lessor, execute, acknowledge and deliver to Lessor an Estoppel Certificate. Any Estoppel Certificate may be relied upon by any Lender or any prospective lender with respect to, or any prospective purchaser of any interest in, the Property. Any failure or refusal by Lessee to execute and return a requested Estoppel Certificate within the time period specified in this Section 28 (without additional time, despite any other provision of this Lease) shall constitute a default.

Section 30: NOTICES

30.1 All notices, requests, demands or other communications required or desired to be given hereunder, to be legally binding, shall be in writing and may be served either personally (including service by any commercial messenger or courier service), by registered or certified United States mail (return receipt requested, with all postage and fees fully prepaid), via facsimile, or electronically. Any written notice must be addressed to the respective addresses set forth in Section 1.1 and 1.2 above, or to such other address as the party to whom the notice is addressed has theretofore specified in a notice served upon the other party in accordance with the requirements hereof. All notices shall be effective upon actual delivery

to the addressee, as evidenced by the return receipt if service is by mail, except in the case of a party that has relocated and has not served upon the other party a notice of a new address for service of notices as specified above, or in the case if a party to whom the notice is addressed that refuses to accept delivery of the notice, in either of which cases the notice shall be deemed effective upon the first date of attempted delivery, as indicated by the return receipt if the attempted service was by mail, at the last address of which the party attempting to make the service had notice. In addition, a copy of any notice with respect to a default of or claim against Lessor, which is served upon Lessor, shall be sent concurrently to all Lenders of which Lessee has notice.

Section 31: GOVERNING LAW

31.1 This Lease shall be governed by and construed pursuant to the law of the State of California, without reference to conflicts of laws rules.

Section 32: SEVERABILITY

32.1 In the event that any provision of this Lease shall be adjudicated to be void, illegal, invalid, or unenforceable, the remaining terms and provisions of this Lease shall remain in full force and effect.

Section 33: SUCCESSORS AND ASSIGNS

33.1 Subject to all restrictions set forth herein, the terms, covenants, conditions and agreements herein contained shall inure to the benefit of and bind the heirs, successors, legal representatives and assigns of the parties hereto.

Section 34: INTERPRETATION

34.1 The provisions of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.

Section 35: COUNTERPARTS

35.1 This Lease may be executed in counterparts, each of which shall be deemed an original including copies sent to a party by facsimile transmission or in portable document format (pdf), but which together shall constitute one and the same instrument.

Section 36: DEFINITIONS

36.1 In addition to the terms defined in Section 1 of the Lease, the following terms shall have the meanings specified below when used in the Lease:

- a) Days means calendar days unless otherwise specifically referred to as business days.
- b) Estoppel Certificate means fire or other casualty, earthquake, explosion, flood, hurricane, acts of God, enemy or hostile governmental action, civil commotion, war, invasion, terrorist attack, insurrection, rebellion, riots, strikes or lockouts, or any other cause or occurrence beyond the reasonable control of the party obligated to perform.
- c) Hazardous Materials means any substance, material, product, chemical, waste, contaminant, or pollutant including but not limited to, asbestos and asbestos-containing materials, urea formaldehyde, radioactive substance, flammable explosives, petroleum including crude oil or any fraction thereof, polychlorinated biphenyls, and all other hazardous substance, materials, wasted regulated by existing or future federal, state or local law, ordinance, regulation, code, resolution, administrative or legal decisions, and any common law theory relating to such materials.

d) Person means an individual, trust, partnership, joint venture, association, corporation, and any other legal or business entity.

e) Personal Property means any trade fixtures, furnishings or equipment, and all other personal property contained in the Premises from time to time.

f) Property shall mean the Property described in Section 1.4, including the land, the residence thereon and all roads, landscaped areas, improvements situated on or adjacent to the land, as the same may be modified, altered, reduced or expanded from time to time throughout the Term of this Lease.

g) Systems and Equipment means any plant, machinery, transformers, duct work, cable, wires, equipment, facilities, or systems designed to supply heat, ventilation, air conditioning, humidity, or any other services or utilities, or comprising or serving as any component or portion of the electrical, gas, steam, plumbing, sprinkler, communications, alarm, security, or fire/life/safety systems or equipment, or any other mechanical, electrical, electronic, computer or other systems or equipment utilized for the Property or any portion of it.

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IN WITNESS WHEREOF, the parties have executed this Lease on the day and year specified above.

“Lessee”:

COUNTY OF EL DORADO

By: _____
Name: _____

By: _____
Name: _____
Title: _____

“Lessor”:

NAME

By: _____
Name: _____
Title: _____