

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA
STANDARD LEASE FORM
THE REGENTS AS TENANT

Lease covers Premises located at:

Campus for which the space is leased:

Landlord's Name, Address & Telephone Number:

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SUMMARY OF LEASE TERMS

Tenant: THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

Landlord: _____

Address of Premises: _____ (Article 1)

Rentable Square feet
of Premises: _____ (Article 1)

Premises Percentage
of Building: _____ (Article 1)

Commencement Date: _____ (Article 2)

Expiration Date: _____ (Article 2)

Extended Term: _____ (Article 2)

Monthly Rent: _____ (Article 3)

Addresses or Notices:
Landlord: _____ (Article 6)

Tenant: _____

Use: _____ (Article 10)

Base Year for
Operating Expenses: _____ (Article 11)

**THE REGENTS OF THE UNIVERSITY OF CALIFORNIA STANDARD
LEASE FORM THE REGENTS AS TENANT**

PREAMBLE

THIS LEASE is made as of _____, 20__ , by and between _____, a _____ ("Landlord") and THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California corporation ("Tenant"). Landlord and Tenant hereby agree as follows:

ARTICLE 1 - PREMISES

1.1 Description. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, upon the terms and conditions herein set forth, that certain real property and its appurtenances, situated in the County of _____, State of _____, and described as follows: _____ consisting of _____ rentable square feet of _____ space, Suite _____, (the "Premises"), located at _____ ("Building") as designated in Exhibit A, which is attached and incorporated. The term "rentable square feet" shall be used as defined from time to time by the Building Owners and Managers Association ("BOMA"). The Premises represent _____ percent (____%) of the Building. As a condition precedent to Tenant's obligations under this Lease, (a) Landlord shall provide the Certificate of Applicable Code in the form described in Exhibit B with respect to seismic adequacy. **OR** (b) Landlord (OR Tenant) shall conduct its own seismic evaluation of the Building. (If Tenant then add:) Landlord shall cooperate with Tenant by providing access to the Building and existing construction plans. Tenant's seismic evaluation is attached as Exhibit B.

1.2 Non-Exclusive Use Areas. Tenant shall also have the non-exclusive right to use, in common with other tenants in the Building, any and all of the following areas which may be appurtenant to the Premises: common entrances, lobbies, elevators, stairways and access ways, loading and unloading areas, visitor parking areas, ramps, drives, platforms, public restrooms, and common walkways and sidewalks necessary for access to the Premises.

1.3 Parking Areas. The Premises include, for Tenant's exclusive use, (____) parking spaces, as designated on Exhibit A and under those terms as described in Addendum 1.

1.4 Area of Premises. Within thirty (30) days of the date that this Lease is executed by Landlord and Tenant, Landlord shall measure the Premises. Provided the amount differs from that set forth in Article 1.1, Landlord and Tenant will execute a letter agreement setting forth the rentable square feet of the Premises. It is agreed that when the rentable square feet of the Premises is determined, changes and modifications to this Lease may be required including, but not limited to, Article 3, Article 7, Article 11, Exhibit A, Addendum 1, Addendum 2, Addendum 3, and Addendum 4.

ARTICLE 2 – TERM

2.1 Lease Term. The term of this Lease (the "Lease Term") shall be for _____ months, commencing (a) _____ or (b) as specified in Exhibit C [specify (a) or (b)] ("Lease Commencement Date") and ending _____ ("Lease Expiration Date"), with such rights of termination and extension of the Lease Term as are hereinafter set forth.

2.2 Extended Term. Tenant shall have the option to extend the Lease Term for: _____ ("Extended Term(s)"). Such option shall be exercised no later than _____ days prior to the last day of the Lease Term (or Extended Term) by written notice to Landlord. Rent for each Extended Term shall be the amount specified in Addendum 2. All other terms and conditions of this Lease shall remain in full force and effect during the Extended Term(s).

ARTICLE 3 - RENT

Except as otherwise provided in Addendum 3, Tenant shall pay to Landlord as Monthly Base Rent for the Premises the sum of _____ dollars (\$_____) payable in advance on or before the first day of each month, beginning _____ ("Rent Commencement Date"). If the Rent Commencement Date is other than the first day of a calendar month, then the rent for that month shall be prorated on a daily basis, based on a thirty (30) day month. Rent shall be payable to Landlord at the address specified in Article 6 or at such other address as Landlord may from time to time designate in writing.

ARTICLE 4 - EARLY TERMINATION

Tenant may terminate this Lease effective at any time on or after _____ by giving written notice to Landlord at least ____ days prior to the date that such termination shall become effective.

OR

Upon ____ days written notice, Tenant may terminate this Lease at any time during the Lease Term or Extended Term(s) effective on the date that the third party source of funding for the payments under this Lease reduces or terminates said funding.

ARTICLE 5 - PROPERTY TAX EXEMPTION

Landlord hereby affirms that the eligibility of the Premises for exemption from property tax pursuant to Article XIII, Section 3(d) of the California Constitution was not taken into account in fixing the rental to be paid by the Tenant hereunder; and Landlord agrees neither to file a claim for such exemption nor to claim the benefit thereof by any other means. The parties mutually agree that property taxes on the Premises shall be paid in full by Landlord and that the Tenant shall thereafter apply to the County of _____, California, for direct refund to the Tenant of taxes paid, in the amount of said exemption, as provided by Section 202.2 of the California Revenue and Taxation Code. Landlord agrees to cooperate with Tenant and do all acts reasonably necessary and appropriate to secure and maintain the said tax exemption of the Premises.

OR

The Premises will be exempt from property taxes (including supplemental taxes, with the possible exception of special assessments and other ad valorem assessments), pursuant to Article XIII, Section 3(d) of the California Constitution, as a result of the University of California's exclusive use thereof. Tenant acknowledges that, in recognition of such exemption, the Landlord has excluded property taxes

from the rental rate herein provided. Therefore, Tenant will do all things reasonably necessary and appropriate to secure and maintain the said tax exemption during the term of this Lease and agrees to reimburse Landlord for any property taxes on the Premises (excluding special assessments or other ad valorem assessments) that may become due and payable during the Lease Term or Extended Term because of Tenant's failure to file a timely exemption.

OR

Landlord will cooperate with Tenant and do all acts reasonably necessary and appropriate to secure and maintain tax exemption of the Premises pursuant to Article XIII, Section 3 of the California Constitution. Landlord will forward the amount of any reduction of tax resulting from such exemption either in the form of a cash payment or a rental credit to Tenant as soon as possible after Landlord receives the benefit of the tax exemption.

If such exemption is granted for a fiscal year which is, in whole or in part, after the date of expiration or earlier termination date of this Lease, then, with respect to that portion of such fiscal year which is after the expiration of the term of this Lease, Landlord will pay Tenant the amount of such reduction of tax in cash.

ARTICLE 6 - NOTICES

All notices or correspondence provided for herein shall be effective only if made in writing, personally delivered with an executed acknowledgment of receipt or deposited in the United States mail, certified, postage prepaid, and addressed as follows:

To Landlord:

To Tenant:

The Regents of the University of California
c/o _____

and a copy to:

Rent payments shall be made to (need not be sent certified):

Any notice shall be deemed delivered (i) five (5) days after notice is mailed, or (ii) if personally delivered, when acknowledgment of receipt is signed, as provided above, or (iii) for any notice by

overnight courier, the next business day after deposit with the courier. By written notice to the other, either party may change its own mailing address.

ARTICLE 7 - TENANT IMPROVEMENTS

7.1 **Tenant Improvements.** Prior to the Lease Commencement Date, Landlord shall construct tenant improvements and make installations in the Premises in accordance with plans and specifications approved by Tenant and Landlord ("Plans and Specifications") and in accordance with those provisions of the attached Addendum 4 which describe construction. The work described in the preceding sentences and the resulting installations are referred to in this Lease as the "Tenant Improvements", and Addendum 4 is referred to herein as the "Work Agreement."

7.2 **Cost of Tenant Improvements.** Landlord shall provide to Tenant a Tenant Improvement Allowance of _____ dollars (\$ _____) per rentable square foot (the "Tenant Improvement Allowance") towards the actual costs incurred by Landlord for the Tenant Improvements on the terms and conditions provided for in the Work Agreement. If the construction costs for Tenant Improvements under the Work Agreement exceed the Tenant Improvement Allowance, and if such costs are not the result of defective or inadequate design by Landlord, Tenant shall be solely responsible for such excess costs ("Excess Costs"). Tenant shall pay Landlord all Excess Costs up to a maximum of 100% of the amount approved by Tenant pursuant to Section 3(c) of the Work Agreement without imposition of overhead by Landlord. Any failure of Tenant to pay Landlord for such Excess Costs shall constitute a default under the terms of this Lease. If the construction costs for the Tenant Improvements are less than the Tenant Improvement Allowance, all such unutilized Tenant Improvement Allowance amounts shall be credited to the rent otherwise payable by Tenant. Construction costs resulting from defective or inadequate design by Landlord shall be paid by Landlord.

7.3 **Tenant Improvement Warranties.** Landlord warrants to Tenant that all materials and equipment furnished by Landlord in its improvement of the Premises shall be new unless otherwise specified in the Work Agreement, and that all of Landlord's work to be performed under the Work Agreement shall be of good and workmanlike quality, free from faults and defects, and in accordance with the final Plans and Specifications and the requirements of the Work Agreement. Any of Landlord's work not conforming to the above standards shall be considered defective.

For one (1) year after the date of substantial completion of Tenant Improvements, Landlord shall, following written notice from Tenant, unconditionally make any repair, replacement, correction or other alteration of any nature necessary by virtue of any defective construction of the Premises or defective materials used therein. Thereafter, Landlord shall promptly make or cause to be made all repairs, replacements, corrections or alterations, at no expense to Tenant, to correct latent defects in the Premises caused by a nonconformance with the Plans and Specifications other than as approved by Tenant.

OR

7.2 **Cost of Tenant Improvements.** Landlord shall provide at its sole cost and expense the Tenant Improvements on the terms and conditions provided in Addendum 4.

7.3 **Tenant Improvement Warranties.** Landlord warrants to Tenant that all materials and equipment furnished by Landlord in its improvement of the Premises shall be new unless otherwise specified in the Work Agreement, and that all of Landlord's work to be performed under the Work Agreement shall be of good and workmanlike quality, free from faults and defects, and in accordance with the final Plans and

Specifications and the requirements of the Work Agreement. Any of Landlord's work not conforming to the above standards shall be considered defective.

For one (1) year after the date of substantial completion of Tenant Improvements, Landlord shall, following written notice from Tenant, unconditionally make any repair, replacement, correction or other alteration of any nature necessary by virtue of any defective construction of the Premises or defective materials used therein. Thereafter, Landlord shall promptly make or cause to be made all repairs, replacements, corrections or alterations, at no expense to Tenant, to correct latent defects in the Premises caused by a nonconformance with the Plans and Specifications other than as approved by Tenant.

ARTICLE 8 - NOTICE OF COMPLETION

Landlord shall complete construction of the Tenant Improvements within _____ (____) days after the Plans and Specifications have been approved by Landlord and Tenant. The period for completion of construction shall be extended by the time needed to perform the additional construction required by any change order requested by Tenant and authorized by Landlord pursuant to the terms of the Work Agreement and also by any delay resulting from causes specified in Article 9. Landlord shall immediately upon completion of construction give written notice to Tenant of such completion. Within _____ (____) days after Landlord has notified Tenant that the Tenant Improvements have been substantially completed, Tenant shall deliver to Landlord a list of items that Tenant deems necessary that Landlord complete or correct in order for the Premises to be acceptable. Landlord shall immediately commence to complete or to correct such items and diligently prosecute the same to completion. Unless otherwise agreed to by Landlord and Tenant, Landlord's completion or correction of such items shall constitute substantial completion of the Premises. If Tenant does not deliver the list to Landlord within the _____ (____) day period, Tenant shall be deemed to have accepted possession of the Premises, subject however to Landlord's warranty as set forth above in Article 7.3.

ARTICLE 9 - TIME LIMIT AND PRIOR TENANCY

On the Lease Commencement Date, Landlord shall deliver possession of the Premises to Tenant in the condition required by Article 10.2 with construction completed as required in Addendum 4, the Work Agreement. No rent shall accrue under this Lease, nor shall Tenant have any obligation to perform the covenants or observe the conditions herein contained until the Premises have been so delivered. If Landlord does not deliver possession of the Premises, ready for occupancy by Tenant on or before _____, then Tenant, in addition to any other remedies available, may terminate this Lease by notifying Landlord in writing before Landlord delivers possession of the Premises to Tenant. If Landlord's ability to deliver possession by the date as set forth in this provision is delayed as a result of any of the following causes, the date for delivery shall be postponed without penalty to Landlord for a period of time equivalent to the period caused by such delay:

- a. acts of Tenant, its agents, or employees;
- b. acts of God which Landlord could not reasonably have foreseen or guarded against;
- c. any strikes, boycotts or like obstructive actions by employees or labor organizations and which are beyond the control of Landlord and which cannot be reasonably overcome; or
- d. restrictive regulations by the Federal Government which are enforced in connection with a national emergency.

It shall be Landlord's responsibility to remove any prior tenant in the Premises.

OR

On the Lease Commencement Date, Landlord shall deliver possession of the Premises to Tenant in the condition required by Section 10.2 with construction completed as required in Addendum 4, the Work Agreement. No rent shall accrue under this Lease, nor shall Tenant have any obligation to perform the covenants or observe the conditions herein contained until the Premises have been so delivered. If Landlord does not deliver possession of the Premises, ready for occupancy by Tenant on or before _____, then a penalty shall be assessed against Landlord and Landlord shall pay to Tenant the sum of _____ dollars (\$_____) per day until Landlord delivers possession of the Premises to Tenant. If Landlord's ability to deliver possession by the date as set forth in this provision is delayed as a result of any of the following causes, that date for delivery shall be postponed without penalty to Landlord for a period of time equivalent to the period caused by such delay:

- a. acts of Tenant, its agents, or employees;
- b. acts of God which Landlord could not reasonably have foreseen or guarded against;
- c. any strikes, boycotts or like obstructive actions by employees or labor organizations and which are beyond the control of Landlord and which cannot be reasonably overcome; or
- d. restrictive regulations by the Federal Government which are enforced in connection with a national emergency.

It shall be Landlord's responsibility to remove any prior tenant in the Premises.

ARTICLE 10 - USE

10.1 Use. Tenant shall use the Premises for _____. Tenant may alter said use to any lawful purpose, upon the written consent of Landlord, which consent shall not be unreasonably withheld.

10.2 Compliance With Laws. Landlord represents and warrants to Tenant that, to the best of Landlord's knowledge, the construction (including all Landlord-constructed Tenant Improvements), the current and proposed uses, and the operation of the Building are in full compliance with applicable building and seismic codes, environmental, zoning and land use laws, and other applicable local, state and federal laws, regulations and ordinances, except as follows: _____. Tenant absolves Landlord of legal or other responsibility for any code violations or other deviations from applicable local, state and federal laws, regulations and ordinances as may be listed above.

10.3 Hazardous Substances. Tenant shall have no liability or responsibility for toxic or hazardous materials or substances in existence in, on, or about the Premises prior to Tenant's occupancy of the Premises or which result from Landlord's acts or omissions or which occur on any portion of Landlord's property not occupied by Tenant, unless caused by Tenant, its agents, employees, invitees or guests. Landlord specifically warrants that at the time of execution of this Lease there are no known areas in, on, or about the Building where hazardous or toxic materials or substances (including asbestos or PCBs) have been used, stored, or deposited. Tenant will comply with all applicable laws concerning the handling or discharge of hazardous materials.

ARTICLE 11 - OPERATING EXPENSES

11.1 Definitions. For the purposes of this Article, the following definitions shall apply:

- a. Tenant's Percentage: The portion of the Building occupied by Tenant pursuant to this Lease, which percentage is hereby set forth in Article 1.1.
- b. Base Year: _____.
- c. Comparison Year: Each year of the Lease Term after the Base Year.
- d. Direct Expenses: Those expenses reasonably incurred by Landlord with respect to the maintenance and operation (excluding capital expenses) of the Building, including real and personal property taxes (subject to Article 5 of this Lease), insurance, utilities, janitorial services, supplies, management fees, and compensation (including employment taxes and fringe benefits) of persons for duties performed in connection with the maintenance and operation of the Building. Provided Tenant secures the tax exemption of the Premises (as defined in Article 5), real property taxes are excluded for purposes of defining Direct Expenses.

11.2 Additional Rent. If the Direct Expenses for any Comparison Year are in excess of the Direct Expenses for the Base Year, Tenant shall pay Tenant's Percentage of such excess as additional rent to Landlord. As soon as possible after the end of the Base Year, Landlord shall provide Tenant with a written statement of the estimated Direct Expenses for the Comparison Year. Beginning in the thirteenth (13th) month of the Lease Term [OR: Beginning in the first month after the Base Year], Tenant shall pay as additional monthly rent an amount equal to one-twelfth (1/12) of Tenant's Percentage of the estimated increase in Direct Expenses for the Comparison Year. As soon as possible after the end of the Comparison Year, Landlord shall provide Tenant with a written statement of actual Direct Expenses. Any overpayments shall be credited against subsequent rent payments and any underpayments shall be paid by Tenant in a lump sum within thirty (30) days of receipt of said statement. Tenant maintains the right to audit Landlord's records in order to verify the accuracy of Direct Expenses passed through.

OR

11.1 Definitions. For the purposes of this Article, the following terms are defined as follows:

- a. Tenant's Percentage: The portion of the Building occupied by Tenant pursuant to this Lease, which percentage is hereby set forth in Article 1.1.
- b. Direct Expenses: Those expenses reasonably incurred by Landlord with respect to the maintenance and operation (excluding capital expenses) of the Building, including real and personal property taxes (subject to Article 5 of this Lease), insurance, utilities, janitorial services, supplies, management fees, and compensation (including employment taxes and fringe benefits) of persons for duties performed in connection with the maintenance and operation of the Building. Provided Tenant secures the tax exemption of the Premises (as defined in Article 5), real property taxes are excluded for purposes of defining Direct Expenses.

11.2 Additional Rent. This is a "net lease." Tenant shall pay on a monthly basis following the Lease Commencement Date and throughout the Lease Term, Tenant's Percentage of the cost of Direct Expenses. Tenant has the right to audit Landlord's records in order to verify the accuracy of Direct Expenses passed through.

OR

This is a "modified gross" lease. Tenant's Base Rent is inclusive of all costs, including, but not limited to: Landlord's cost for insurance, tenant improvements, common area charges, maintenance, and repairs

of the Premises and Building, including any parking structures. Tenant shall be billed and pay directly all separately metered utility charges including, but not limited to, electricity, gas, and telephone service.

ARTICLE 12 - SERVICES, UTILITIES

Services and utilities shall be furnished and the cost borne as outlined in Exhibit D. In the event of failure by Landlord to furnish, in a satisfactory manner, any of the services and utilities to the Premises for which Landlord is responsible, Tenant may furnish the same if Landlord has not undertaken to correct such failure within five (5) days after written notice, and, in addition to any other remedy Tenant may have, may deduct the amount thereof, including Tenant's service costs, from rent or other remuneration due Landlord hereunder.

ARTICLE 13 - INDEMNIFICATION

13.1 Landlord's Obligation. Landlord shall indemnify, defend and hold harmless Tenant, its officers, agents, and employees from and against any claims, damages, costs, expenses, or liabilities (collectively "Claims") arising out of or in any way connected with this Lease including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons, but only in proportion to and to the extent that such Claims arise from the negligent or wrongful acts or omissions of Landlord, its officers, partners, agents, or employees.

13.2 Tenant's Obligation. Tenant shall indemnify, defend and hold harmless Landlord, its officers, partners, agents, and employees from and against any Claims arising out of or in any way connected with this Lease including, without limitation, Claims for loss or damage to any property or for death or injury to any person or persons, but only in proportion to and to the extent that such Claims arise from the negligent or wrongful acts or omissions of Tenant, its officers, agents, or employees.

ARTICLE 14 - INSURANCE REQUIREMENTS

14.1. Tenant's Insurance. Tenant, at its sole cost and expense, shall insure its activities in connection with this Lease and obtain, keep in force and maintain insurance as follows:

- a. General Liability Self-Insurance Program (contractual liability included) with minimum limits as follows:
 1. Each Occurrence \$ _____
 2. Products/Completed Operations Aggregate \$ _____
 3. Personal and Advertising Injury \$ _____
 4. General Aggregate \$ _____
- b. Business Automobile Liability Self-Insurance Program for owned, non-owned, or hired automobiles with a combined single limit of not less than _____ dollars (\$_____) per occurrence.
- c. Property, Fire and Extended Coverage Self-Insurance Program in an amount sufficient to reimburse Tenant for all of its equipment, trade fixtures, inventory, fixtures and other personal property located on or in the Premises including leasehold improvements hereinafter constructed or installed.

- d. Workers' Compensation as required by California law.

The coverages referred to under a. and b. of this Section 14.1 shall include Landlord as an additional insured. Such a provision shall apply only in proportion to and to the extent of the negligent acts or omissions of Tenant, its officers, agents and employees. Tenant, upon the execution of this Lease, shall furnish Landlord with certificates of insurance evidencing compliance with all requirements. Certificates shall provide for thirty (30) days advance written notice to Landlord of any material modification, change or cancellation of any of the above insurance coverages.

The coverages required herein shall not limit the liability of Tenant.

14.2. Landlord's Insurance. Landlord, at its sole cost and expense, shall insure its activities in connection with this Lease and obtain, keep in force and maintain insurance as follows:

- a. Commercial Form General Liability Insurance (contractual liability included) with minimum limits as follows:

1. Each Occurrence \$ _____
2. Products/Completed Operations Aggregate \$ _____
3. Personal and Advertising Injury \$ _____
4. General Aggregate \$ _____

If the above insurance is written on a claims-made form, it shall continue for three (3) years following termination of this Lease. The insurance shall have a retroactive date of placement prior to or coinciding with the Lease Commencement Date.

- b. Business Automobile Liability Insurance for owned, scheduled, non-owned, or hired automobiles with a combined single limit of not less than _____ dollars (\$_____) per occurrence.
- c. Property, Fire and Extended Coverage Insurance in an amount equal to one hundred percent (100%) of the full replacement value of the Building to conform with then current codes and the costs of demolition and debris removal, excluding land and the footings, foundations and installations below the basement level.
- d. Workers' Compensation as required by California law.

The coverages referred to under a. and b. of this Section 14.2 shall include Tenant as an additional insured. Such a provision shall apply only in proportion to and to the extent of the negligent acts or omissions of Landlord, its officers, partners, agents, and employees. Landlord, upon the execution of this Lease, shall furnish Tenant with certificates of insurance evidencing compliance with all requirements. Certificates shall provide for thirty (30) days (ten (10) days for non-payment of premium) advance written notice to Tenant of any material modification, change or cancellation of any of the above insurance coverages.

The coverages required herein shall not limit the liability of Landlord.

ARTICLE 15 - WAIVERS OF SUBROGATION

Landlord and Tenant each hereby waives any right of recovery against the other due to loss of or damage to the property of either Landlord or Tenant when such loss of or damage to property arises out of the acts of God or any of the property perils whether or not such perils have been insured, self-insured or non-insured.

ARTICLE 16 - REPAIR AND MAINTENANCE

16.1 Landlord and Tenant Obligations. The respective repair and maintenance responsibilities of Landlord and Tenant are set forth in Exhibit E, Summary of Repair and Maintenance Responsibilities, which by this reference is incorporated herein.

16.2 Failure of Landlord to Make Repairs. If Landlord fails to maintain the Premises or to make the repairs required in this Article 16 within a reasonable time after written notice from Tenant, Tenant may perform such maintenance or make such repairs at its expense and deduct the reasonable cost thereof from the rent due hereunder.

ARTICLE 17 - ALTERATIONS, MECHANICS' LIENS

17.1 Alterations. No structural alterations or improvements in excess of \$_____ shall be made to the Premises by Tenant or at Tenant's request without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

17.2 Condition at Termination. Tenant may remove any fixtures, machinery and equipment installed in the Premises by Tenant upon termination of this Lease, if Tenant is not then in default under this Lease and if Tenant repairs any damage to the Premises caused by such removal. Upon termination of this Lease, Tenant shall return the Premises in the same condition as when delivered to Tenant, reasonable wear and tear, damage by casualty, and alterations approved by Landlord excepted.

17.3 Mechanic's Liens. The parties shall keep the Premises free from any liens arising out of any work performed by, materials furnished to, or obligations incurred by the parties.

ARTICLE 18 - ASSIGNMENT AND SUBLETTING

Tenant shall not assign or sublet all or any portion of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld.

ARTICLE 19 - ENTRY BY LANDLORD

Tenant shall permit Landlord and Landlord's agents to enter the Premises, with reasonable advance written notice (except in the case of emergency), provided such entry is made in a reasonable manner and does not unreasonably interfere with the conduct of Tenant's business.

ARTICLE 20 - DESTRUCTION

If the Premises are totally destroyed by fire or other casualty, either party may terminate this Lease immediately by giving notice to the other party.

If such casualty shall render ten percent (10%) or less of the floor space of the Premises unusable for the purpose intended, Landlord shall effect restoration of the Premises as quickly as is reasonably possible, but in any event within thirty (30) days after such destruction.

If such casualty shall render more than ten percent (10%) of such floor space unusable but not constitute total destruction, Landlord shall forthwith give notice to Tenant of the specific number of days required to repair the same. If Landlord under such circumstances shall not give such notice within fifteen (15) calendar days after such destruction, or if such notice shall specify that such repairs will require more than ninety (90) days to complete from the date such notice is given, Tenant, in either such event, at its option, may terminate this Lease.

In the event of any such destruction other than total, where Tenant has not terminated the Lease as herein provided, Landlord shall diligently prosecute the repair of the Premises and, in any event, if said repairs are not completed within the period of thirty (30) days for destruction aggregating ten percent (10%) or less of the floor space, or within the period specified herein in connection with partial destruction aggregating more than ten percent (10%), Tenant shall have the option to terminate this Lease.

If Tenant remains in possession of the Premises though partially destroyed, the rent for said Premises as herein provided, during restoration, shall be reduced by the same ratio as the usable square feet Tenant is thus precluded from occupying bears to the total usable square feet in the Premises. "Usable square feet" shall mean actual inside dimensions and shall not include public corridors, stairwells, elevators, and restrooms.

OR

In case of destruction, during the Lease Term, rent shall abate during the period and to the extent that the Premises are rendered unusable for Tenant's purposes.

If at any time the Premises is partially or totally destroyed, Landlord may terminate this Lease by written notice within thirty (30) days of the loss if such loss is not covered by any insurance described in the provisions of this Lease. If such loss is covered or Landlord elects not to terminate even though the loss is not covered, Landlord must restore the improvements to substantially the same condition as they were in immediately before destruction or as close as possible thereto provided Tenant has not terminated the Lease as provided herein. If Landlord does not terminate the lease, Landlord must within thirty (30) days of the destruction notify Tenant, in writing, of the time period in which restoration will be complete.

If the Premises are partially or totally destroyed, Tenant may terminate this Lease by giving written notice within thirty (30) days after any of the following: if it is determined Landlord cannot restore to substantially the same condition as before destruction; if Tenant is notified that such restoration period will be more than 120 days; if restoration extends beyond the time period for completion as contained in the notification to Tenant unless such extension is due to a delay and for the time period as set forth in Article 9.

ARTICLE 21 - PUBLIC WORKS LAWS

It is the practice of Tenant to require payment of prevailing wage rates pursuant to any construction contract to improve space to be leased by The Regents of the University of California if The Regents will be a tenant using more than 50 percent of the assignable square feet of the project in which the construction will be performed. The word "project" shall include, but not be limited to, the entire building in which the leased Premises are located. If applicable, Landlord shall comply with provisions of law governing public works including, without limitation, Labor Code sections 1773, 1773.2, 1773.3, 1773.8, 1775 (payment of prevailing wages), 1776 (payroll records), and 1777.5 (employment of apprentices).

ARTICLE 22 - SERVICE COMPANIES

Within _____ (____) days after occupancy of the Premises by Tenant, Landlord shall give Tenant notice of the name, address and telephone number of an agency or person convenient to Tenant as a local source of service with regard to Landlord's responsibilities under this Lease as to repairs, maintenance, and servicing of the Premises and any or all related equipment, fixtures and appurtenances. If Landlord fails to provide such notice, Tenant may choose service companies as needed and without penalty from Landlord.

ARTICLE 23 - DEFAULT BY TENANT

23.1 **Default.** If any of the following events occur, each such event shall constitute a material breach of this Lease, and Landlord may, at Landlord's option, exercise any or all rights available to a landlord under the laws of the State of California:

- a. a default in the payment of rent when such default continues for a period of _____ (____) days after written notice; or
- b. Tenant fails to faithfully perform or observe any other covenant or undertaking required under this Lease and such failure continues for a period of _____ (____) days after written notice thereof. If the nature of Tenant's obligation is such that more than _____ (____) days are required for performance, then Tenant shall not be in default if Tenant commences performance within such _____ (____) day period and thereafter diligently prosecutes the same to completion; or
- c. Tenant is adjudicated bankrupt; or
- d. Tenant's lease interest is sold under execution of judgment.

23.2 **Remedies.** If this Lease terminates pursuant to a default by Tenant hereunder, Landlord may immediately enter upon and repossess the Premises in accordance with applicable laws and cause any personal property of Tenant to be removed from the Premises and stored in any public warehouse at the risk and expense of Tenant.

ARTICLE 24 - DEFAULT BY LANDLORD

24.1 **Default.** Landlord shall not be in default unless Landlord fails to perform its obligations under this Lease within a reasonable time, but in no event later than _____ (____) days after written notice by Tenant to Landlord specifying wherein Landlord has failed to perform such obligations. If the nature of Landlord's obligation is such that more than _____ (____) days are required for performance, then Landlord shall not be in default if Landlord commences performance within such _____ (____) day period and thereafter diligently prosecutes the same to completion. Tenant's obligation to provide written notice to Landlord of a default by Landlord is limited to those instances where knowledge of Landlord's default is within the actual knowledge of Tenant.

24.2 **Remedies.** If Landlord fails to cure a prospective default within the _____ (____) day period, Tenant shall have the option to cure the default or to terminate this Lease, in addition to any other remedies at law not inconsistent herewith. Should Tenant elect to cure the default itself, all costs associated with such cure, including reasonable attorneys' fees (if any), shall be reimbursed by Landlord to Tenant within _____ (____) days of receipt of Tenant's invoice for said costs. However, upon Landlord's failure to so reimburse, at Tenant's option, said costs shall be held from rent due

hereunder. If Landlord's default hereunder prevents Tenant's use of the Premises, there shall be an abatement of rental payments for the period of such non-use.

ARTICLE 25 - CONDEMNATION

If any part of the Premises is taken or condemned for a public or quasi-public use, this Lease shall terminate at the option of Tenant as of the date title shall vest in the condemnor.

OR

If more than thirty percent (30%) of the Premises shall be taken or condemned for a public or quasi-public use, Landlord may terminate this Lease, as of the date condemnor has the right to possession, upon written notice by Landlord to Tenant as provided herein. In the event of such a taking, Tenant may terminate this Lease after notice to Landlord, provided that the remainder of the Premises after the taking is not reasonably sufficient for Tenant to continue operation of its activities. Any notice of termination under this provision shall be made within thirty (30) days after both the specific area of taking and the date of possession by condemnor is known by the parties.

If the parties do not elect to terminate this Lease under this provision, then this Lease shall remain in effect as to the part not taken and the rent will be adjusted in the same ratio as the rentable square footage remaining is to the rentable square footage as leased.

Any potential restoration shall be negotiated at the time of the taking.

ARTICLE 26 - HOLDING OVER

If Tenant, with Landlord's consent, remains in possession of the Premises after the Lease Term or any Extended Term, this Lease shall automatically be extended on a month-to-month basis at the monthly rent applicable to the last month of the Lease Term or Extended Term, subject to termination upon thirty (30) days' written notice by either party. All other terms and conditions shall remain in full force and effect.

ARTICLE 27 - WAIVER

The waiver by Landlord or Tenant of any term, covenant or condition herein contained shall not be deemed to be a waiver of any other term, covenant or condition, nor shall either party's consent to any breach of any term, covenant or condition be deemed to constitute or imply its consent to any subsequent breach of the same or other term, covenant or condition herein contained.

ARTICLE 28 - ATTORNEYS' FEES

In the event Landlord or Tenant bring suit against the other to enforce any rights under this Lease, the prevailing party shall recover from the other, in addition to any other award, an amount equal to reasonable attorneys' fees to be fixed by the court.

ARTICLE 29 - QUIET POSSESSION

As long as Tenant keeps and performs the covenants in this Lease, Tenant shall at all times during the term of this Lease peaceably and quietly have, hold and enjoy the Premises, without suit, trouble or hindrance from Landlord or any person claiming under Landlord.

ARTICLE 30 - SUBORDINATION

This Lease shall be subject and subordinated to the lien of any mortgages and deeds of trust which are hereafter placed against the Landlord's interest or estate in the property provided that the mortgagee or beneficiary under such mortgage or deed of trust shall agree in writing that, in the event of a foreclosure of same or of any other such action or proceeding for the enforcement thereof, or of any sale thereunder, this Lease shall not be barred, terminated, cut off, or foreclosed, nor will the rights and possession of Tenant hereunder be disturbed if Tenant shall not then be in default under the terms of this Lease, and Tenant shall attorn to the purchaser at such foreclosure, sale or other action or proceeding, provided that such purchaser shall assume the obligations of Landlord hereunder. The foregoing subordination shall be effective without the necessity of having any further instruments executed by Tenant, but Tenant shall nonetheless execute, upon demand, such further instruments evidencing such subordination as may be reasonably requested by Landlord or any mortgagee or beneficiary.

ARTICLE 31 - ESTOPPEL CERTIFICATE

Within thirty (30) days of written notice by one party to the other, each will execute, acknowledge and deliver to the other an estoppel certificate in writing declaring any modifications, defaults or advance payments and whether the lease, as may be modified, is in full force and effect. Any such certificate may be conclusively relied upon for the intended transaction for which the statement was requested.

ARTICLE 32 - MISCELLANEOUS PROVISIONS

32.1 **No Amendments.** No amendment of this Lease shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on either party hereto.

32.2 **Time of the Essence.** Time is of the essence of each term and provision of this Lease.

32.3 **Binding Effect.** Subject to any provision hereof restricting assignment or subletting by Tenant, this Lease shall bind the parties, their personal representatives, successors, and assigns.

32.4 **Invalidity.** The invalidity of any provision of this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

32.5 **Warranty of Authority.** If Landlord is a corporation, the person executing this lease on behalf of Landlord hereby covenants and warrants that Landlord is a duly authorized and existing corporation and that he/she is duly authorized to execute this Lease.

32.6 **Addendum.** In the event of conflict between this Lease and any Addendum or Exhibit attached hereto, the provisions of such Addendum or Exhibit shall control.

TENANT:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: _____

Its: _____

LANDLORD:

By _____

Its: _____

This Standard Lease Form has been approved by the General Counsel of The Regents
of the University of California.

EXHIBIT A

DESCRIPTION OF PREMISES

(Floor Plan with Dimensions)

(Parking location or plan)

(Site Map)

EXHIBIT B

UNIVERSITY OF CALIFORNIA

**VERIFICATION OF THE BUILDING'S COMPLIANCE WITH THE
UC SEISMIC SAFETY POLICY FOR PURCHASED AND LEASED BUILDINGS**

(INDEPENDENT REVIEW)

OR

(CERTIFICATE OF APPLICABLE CODE)

EXHIBIT C

CONFIRMATION OF LEASE TERM

This Confirmation of Lease Term is entered into as of _____, 20____
between _____, ("Landlord"), and The Regents of the University of California
("Tenant").

WHEREAS, Landlord and Tenant entered into that certain Lease dated _____ for
the Premises located at _____ (the "Lease").

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereto agree as
follows:

1. Lease Term. Landlord and Tenant agree that the Lease Term as defined in the Lease
commences on _____(Lease Commencement Date) and ends on
_____ (Lease Termination Date).

The parties have caused this Confirmation of Lease Term to be executed as of the date first set
forth above.

TENANT:

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: _____

Title: _____

Dated: _____

LANDLORD:

By: _____

Title: _____

Dated: _____

EXHIBIT D
SUMMARY OF SERVICES AND UTILITIES

The following is a summary of service and utility responsibilities of Landlord and Tenant*:

	L A N D L O R D	T E N A N T	F R E Q U E N C Y
Paper Supplies, dispensers and waste containers (Premises & restrooms)			
Paper Supplies, dispensers and waste containers (common areas)			
Ballasts and transformers for fluorescent lights, light switches and electrical outlets, light bulbs & fluorescent light tubes and starters			
Heating and air conditioning control switches			
Janitorial service for interior of Premises (dust, waste removal, vacuum, mop, cleaning)			
Janitorial service for exterior of Premises and common areas			
Carpet, tile and linoleum for interior of Premises			
Gas**			
Electric**			
Water**			
Window washing – interior			
Window washing – exterior			
Landscaping, gardening and exterior signage			
Drapes, blinds, window shades			
Kitchen appliances			
Refuse, rubbish & garbage disposal			
Pest control			

* Per Article 11.1.b, items indicated as Landlord responsibilities with “X” are not reimbursable to Landlord as Direct Expenses. Items indicated as Landlord responsibilities with “Reimbursable” are reimbursable as Direct Expenses.

** Tenant’s responsibility for gas, electric, and water utilities not separately sub-metered to the Premises shall be subject to the provisions of Article 11.2.

EXHIBIT E
SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

The following is a summary of repairs and maintenance responsibilities of Landlord and Tenant:

	Landlord - Not Reimbursable	Landlord - Reimbursable as Direct Expense	Tenant
Foundations			
Exterior & Bearing Walls			
Roof			
Electrical Systems			
Lighting Systems			
Plumbing Systems			
HVAC Systems – Repair/Replacement			
HVAC Systems – Regular Maintenance (filters/testing)			
Security Alarm Systems			
Plate Glass			
Windows & Window Frames			
Gutters, Drains, Downspouts			
Floor Slabs			
All Common Areas			
Ceilings			
Interior Walls			
Interior Doors			
Interior Surfaces & Windows			
Appliances & Fixtures			
Repainting of Interior Walls (every 10 years)			
Base and/or moldings			
Parking Lot Area			
Security Cameras at Entrances			
Exterior Building Signage			

ADDENDUM 1 - PARKING PROVISIONS
TO LEASE AGREEMENT DATED _____
BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

AND

In accordance with Article 1.3 of the Lease and as designated on Exhibit A, the Premises includes _____ (____) parking spaces for the exclusive use of Tenant. Tenant shall pay to Landlord the cost of said spaces at the rate of _____ dollars (\$____) per space per month payable at the same time and at the same address as Base Rent.

OR

Tenant shall have the right but not the obligation to lease up to _____ (____) parking spaces at the prevailing rate for comparable parking spaces in the area.

ADDENDUM 2 - RENT FOR EXTENDED TERM(S)
TO LEASE AGREEMENT DATED _____

BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

AND

Tenant shall have the option to extend the Lease Term for the Extended Term as set forth in Article 2.2. Base Rent for the Extended Term shall be the lesser of (i) _____ percent (____%) of the then-prevailing market rate for comparable space in the area, or (ii) the amount of Base Rent payable for the month immediately preceding the commencement of each additional period. In the event Landlord and Tenant are unable to agree upon a mutually acceptable prevailing market rate within four (4) months prior to the expiration of the Lease Term or extension thereof, the matter shall be submitted to arbitration using an independent M.A.I. appraiser jointly selected by the parties as arbitrator. If the parties are unable to agree on an arbitrator, either party may petition the Chief Judge of the Superior Court of the County in which the Premises is located to appoint an arbitrator.

OR

Tenant shall have the option to extend the Lease Term for the Extended Term as set forth in Article 2.2. Base Rent for the Extended Term shall be _____.

ADDENDUM 3 - RENT ADJUSTMENTS
TO LEASE AGREEMENT DATED _____

BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

AND

The Base Rent payable by Tenant shall be increased on each anniversary of the Rent Commencement Date to reflect any increase in the cost of living, which adjustment shall be determined as follows:

1. The cost of living index to be used is the _____ (Index).
2. On each anniversary of the Rent Commencement Date, the _____ Index for the calendar month two (2) months prior to the anniversary date shall be compared to the _____ Index for the calendar month two (2) months prior to the Rent Commencement Date. The Base Rent payable by Tenant shall be increased by the percentage increase, if any, in the _____ Index, except that in no event shall any increase exceed _____ percent (____%) in any year.
3. In the event that the _____ Index shall cease to be published, then the successor or most nearly comparable index shall be used.

**ADDENDUM 4 - WORK AGREEMENT
TO LEASE AGREEMENT DATED _____
BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

AND

WORK AGREEMENT

**ADDENDUM 4 - WORK AGREEMENT
TO LEASE AGREEMENT DATED _____
BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

AND

WORK AGREEMENT

THIS WORK AGREEMENT, dated _____, is by and between _____ ("Landlord"), and, THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California corporation ("Tenant").

1. Definitions. The terms used in this Work Agreement shall have the meanings as defined in the Lease dated _____, by and between Landlord and Tenant (the "Lease").
2. Tenant Improvements. Landlord shall construct all Tenant Improvements in accordance with the Plans and Specifications and the conditions of any applicable governmental approval. Tenant Improvements must satisfy the State Building Code and Federal Americans with Disabilities Act.
3. Tenant's Representative. For the purposes of this Work Agreement, Tenant shall be represented by _____ ("Tenant's Representative"). Landlord hereby recognizes that Tenant's Representative is the sole party authorized by Tenant to coordinate Landlord's construction of the Tenant Improvements and to render Tenant's approval or consent as required by provisions of this Work Agreement.
4. Construction Plans, Landlord Review, Estimated Costs, Changes and Delay:
 - a. Tenant shall provide Landlord with program instructions to complete Plans and Specifications ("Program Instructions") on or before the Lease's Effective Date. When complete, the Program Instructions shall be attached to this Work Agreement and incorporated as Exhibit A.

b. Landlord, for Tenant's approval, which approval shall not be unreasonably withheld, shall provide the preliminary 'fifty percent' plans and specifications, as the term is commonly used in the architectural field, which shall conform to the extent possible to Tenant's Program Instructions and the most current applicable building code requirements ("Fifty Percent Plans"). Landlord shall submit the Fifty Percent Plans Tenant's Representative within ____ (____) business days of receipt of Program Instructions. Landlord shall also provide Tenant's Representative a preliminary estimate of the costs for completion of the work required by the Fifty Percent Plans ("Fifty Percent Cost Estimate"), and a preliminary schedule for such work showing principle milestones and the estimated date of completion, to the extent possible, within ____ (____) business days of receipt of the Program Instructions.

c. Tenant shall provide Landlord with written notice of its approval or disapproval of Fifty Percent Plans within ____ (____) days after receipt of such Fifty Percent Plans from Landlord. If Tenant disapproves the Fifty Percent Plans, Tenant shall notify Landlord thereof within the ____ (____) business day period of any matters as to which the Fifty Percent Plans fail to conform to Tenant's construction requirements or otherwise fail to meet with Tenant's reasonable approval.

Tenant shall also provide Landlord with written notice of its approval or disapproval of the Fifty Percent Cost Estimate within such ____ (____) business day period. Should Tenant disapprove Fifty Percent Cost Estimate, Tenant and Landlord shall meet within ____ (____) business days of Landlord's receipt of notice of such disapproval to discuss how best to reduce costs associated with Landlord's completion of the work required by the Fifty Percent Plans, and shall, by mutual agreement, provisionally establish a revised Fifty Percent Cost Estimate. Landlord shall deliver to Tenant the completed revised cost estimate ("Revised Fifty Percent Cost Estimate") and revised plans and specifications ("Revised Fifty Percent Plans") reflecting the agreed upon changes within ____ (____) business days of such meeting between Tenant and Landlord. Tenant shall provide Landlord with written notice of its approval or disapproval of the Revised Fifty Percent Cost Estimate and the Revised Fifty Percent Plans within ____ (____) business days of Tenant's receipt of Revised Fifty Percent Cost Estimate and Revised Fifty Percent Plans.

d. Subsequent to Tenant's approval of the Revised Fifty Percent Plans and Revised Fifty Percent Cost Estimate, as provided for in Article 4.c above, Landlord, for Tenant's approval, which approval shall not be unreasonably withheld, shall provide the complete and detailed proposed Plans and Specifications for the Premises, stamped and signed by the preparing architect, civil engineer, or structural engineer, the design of which shall conform to Tenant's Program Instructions and any Tenant comments on the Fifty Percent Plans, also as provided for by Article 4.c above, and which shall conform to the most current applicable building code requirements. Landlord shall submit the proposed Plans and Specifications to Tenant's Representative on or before _____, 20___. Landlord shall also provide to Tenant's Representative an estimate of the costs for completion of the work ("Work") required by the Plans and Specifications ("Cost Estimate"), and a schedule for the Work showing principle milestones and the estimated date of completion ("Work Schedule"), on or before _____, 20__.

- e. Tenant shall provide Landlord with written notice of its approval or disapproval of the Plans and Specifications within ____ (__) business days after receipt of such Plans and Specifications from Landlord. If Tenant disapproves the Plans and Specifications, Tenant shall notify Landlord thereof within the ____ (__) business day period of any matters as to which the Plans and Specifications fail to conform to Tenant's construction requirements or otherwise fail to meet with Tenant's reasonable approval.

Tenant shall also provide Landlord with written notice of its approval or disapproval of the Cost Estimate within such ____ (__) business day period. The cost of the Work shall not exceed Cost Estimate approved by Tenant's Representative, as further described in Article 7.2 of the Agreement, "Cost of Tenant Improvements", except by change order approved by Tenant's Representative, as further described in Article 4.g below.

- f. Construction shall commence in accordance with Article 8 of the Lease.
- g. During construction Landlord and Tenant's Representative shall confer periodically regarding the progress of the Work and the approximate cost of the Work completed and the estimated total cost of the Work. Tenant's Representative may request changes, modifications or alterations to the Plans and Specifications by submitting a written proposal request to Landlord. If Landlord approves of the changes described in the Tenant's Representative's proposal request, which approval shall not be unreasonably withheld, Landlord shall respond to such request in writing within ____ (__) business days, proposing the requested changes and providing an estimate of the costs for completion of the such changes (the "Change Order"). Tenant's Representative shall approve or deny each Change Order within ____ (__) business days. No Work based upon a Change Order shall be undertaken unless and until Tenant's Representative approves such Change Order by written notice to Landlord.

Landlord shall not prepare or execute Change Orders unless requested and subsequently approved in writing by Tenant's Representative.

- h. If Landlord determines that a change proposed by Tenant will delay completion of the construction beyond the period allocated for such construction in Article 8 of the Lease, Landlord shall, within ____ (__) business day(s), notify Tenant's representative of the estimated length of delay caused by Tenant's request. Tenant's Representative shall advise Landlord within ____ (__) business days after receipt of such notice as to whether Landlord shall proceed with requested change, modification or alteration. Landlord shall not make the requested change to the Plans and Specifications without Tenant's approval of any proposed time extensions.
- i. If Landlord requests that Tenant clarify or refine the Plans and Specifications, then Tenant's Representative shall meet with Landlord for the purpose of clarifying or refining the Plans and Specifications within ____ (__) business days after Tenant's receipt of Landlord's request therefor. No such clarification or refinement shall be deemed to be a change order.
- j. If Landlord determines that the Plans and Specifications must be changed as a result of omissions or errors in the Plans and Specifications, then Landlord shall, at Landlord's cost, prepare and submit to Tenant revised Plans and Specifications correcting any such

omission or error. Tenant shall approve or disapprove such revised Plans and Specifications within ____ (__) business days after receipt and shall not unreasonably withhold its approval.

Landlord shall not be responsible for any delays in the time for completion of construction resulting from Tenant's Delay. For purposes herein, Tenant's Delay means any actual delay in the completion of the construction of the Tenant Improvements that may arise solely as a result of: (i) Tenant's failure to comply with its obligations set forth in subsections (a), (c), (e), (g), (h), and (i), above, within the time specified; (ii) any change made after notification to Tenant that a change will delay completion of the construction as provided in subsection (h), above; or (iii) extra time required to obtain any long lead items specified by Tenant. For purposes herein, an item shall be considered a long-lead item if Landlord notifies Tenant within ____ (__) business days after receipt of Tenant's approval of the Plans and Specifications that such item is not readily available or readily installable after the same is requested by Tenant.

4. Approval of Plans by Public Authorities. Landlord shall obtain approval of the Plans and Specifications for the Premises from all appropriate government agencies, and a copy of the Plans and Specifications, as approved, shall be dated and initialed by both Landlord and Tenant. Landlord shall exercise due diligence in obtaining any such approval.
5. Quality of Work. All Work performed hereunder shall be done in a good and workmanlike manner, free from faults and defects and in accordance with the Plans and Specifications. All materials and equipment installed in the Tenant Improvements shall be new unless otherwise specified in the Plans and Specifications.
6. Acceptance of Premises. At any time during the construction of the Tenant Improvements, Tenant may reject any Work that does not conform to the Plans and Specifications. Within ____ (__) days after Landlord delivers to Tenant a list of Work items remaining to be done or corrected and notifies Tenant that the Tenant Improvements are ready for inspection by Tenant's Representative pursuant to Article 8 of the Lease, Tenant shall deliver to Landlord a list of items that Tenant shall have reasonably determined that Landlord must complete or correct prior to Tenant's acceptance of possession in order for the Work to conform to the Plans and specifications. Landlord shall immediately commence to complete or correct the items listed by Tenant, except those it contends are not justified. If Tenant fails to deliver such a list within the ____ (__) day period, Tenant shall be deemed to have accepted the Premises subject to completion of the corrections on Landlord's list of corrections and, other than as provided for in Article 8 of the Lease, to have approved the construction. Failure of Landlord and Tenant to agree on the items to be corrected or completed within ____ (__) days after Tenant delivers its list of items shall entitle Tenant to initiate arbitration to be conducted pursuant to the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction.
7. Tenant's Access During Construction. Tenant and its agents and contractors shall have access to the Premises during the construction of the Tenant Improvements for activities and purposes related to construction of the Premises or preparation of the Premises for occupancy. Landlord shall provide to Tenant, at the earliest practicable time but in no event later than ____ (__) business days prior to the date of Substantial Completion, Landlord's best estimate of the date of Substantial Completion. Tenant may, beginning ____ (__) days prior to Landlord's best estimate of the date of Substantial Completion, enter the Premises for the purpose of installing furniture, fixtures, and equipment. Tenant's representatives on the Premises during

construction shall cooperate with Landlord's contractor and not delay in any way the performance by Landlord's contractor or Landlord's representatives of any Work (including but not limited to the construction of Tenant Improvements).

8. Notices. All notices required or permitted hereunder shall be in writing and shall be delivered as follows:

(a) If to Tenant, to: _____

Attention: _____
with a copy to: _____

(b) If to Landlord, to: _____

Attention: _____

9. Notice of Non-Responsibility. Landlord may post such notices of non-responsibility as it reasonably deems appropriate in the Premises during the construction provided for herein.
10. Responsibility for Damage. If Tenant installs equipment in the Premises prior to completion of the Work hereunder, Tenant shall bear the risk of loss to such equipment other than as a result of negligence or willful misconduct by Landlord, its agent or contractors.

IN WITNESS WHEREOF, the parties have executed this Work Agreement as of the date first above written.

TENANT: _____

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: _____

Its: _____

LANDLORD: _____

By: _____

Its: _____

ADDENDUM 5 - REAL ESTATE SERVICES FEE
TO LEASE AGREEMENT DATED [DATE]
BY AND BETWEEN
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

AND

[LANDLORD]

Landlord shall pay to the Regents of the University of California, University of California, Santa Cruz, Real Estate Office, upon commencement of this Lease by Tenant, a fee equal to \$_____. Payment shall be sent to:

The Regents of the University of California
Director, Real Estate Office
1156 High Street
MS REO/MBEST
Santa Cruz, CA 95064