RESOLUTION NO. 4082-26

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF WINDSOR APPROVING A COMMUNITY FACILITIES LEASE WITH REACH FOR HOME FOR THE PROPERTY LOCATED AT 8547 OLD REDWOOD HIGHWAY

WHEREAS, the Town of Windsor is the owner of real property at 8547 Old Redwood Highway, in the Town of Windsor, California (the "Property"); and

WHEREAS, Reach For Home is a nonprofit corporation whose purpose is to provide opportunities and support for program participants to work toward self-sufficiency, independence and permanent housing; and

WHEREAS, Participants team with a case manager to help access resources and services that will help them make necessary changes in their lives and gain self-confidence to become self-sufficient; and

WHEREAS, Reach For Home is expanding the interim supportive housing program for the unhoused in northern Sonoma County; and

WHEREAS, the Town and Reach For Home partner on various supportive measures for those struggling with stable housing in Windsor; and

WHEREAS, the ability for this Property to be leased will help support these efforts; and

WHEREAS, the Community Facilities Lease is exempt from the requirement of the Surplus Land Act, Government Code section 54220, et seq., because it consists of the lease of property with a term of less than fifteen (15) years and does not require the development or demolition of the property, and therefore does not constitute the disposition of land as provided in Government Code section 54221(d); and

WHEREAS, the approval of the Community Facilities Lease is not subject to environmental review under the California Environmental Quality Act ("CEQA") because it consists of the leasing of existing facilities involving negligible or no expansion of existing use and because there is no possibility that the Community Facilities Lease will have a new significant effect on the environment.

NOW, THEREFORE BE IT RESOLVED by the Town Council of the Town of Windsor as follows:

Section 1. The foregoing recitals are true and correct.

Section 2. The Community Facilities Lease is exempt from the provisions of CEQA, pursuant to section 15301 of the CEQA Guidelines for the leasing or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use, and because there is no

possibility that the Community Facilities Lease will have a new significant effect on the environment, in accordance with CEQA Guidelines section 15061(b)(3). The Town shall file a notice of exemption as required by Section 21152.1 of the Public Resources Code, pursuant to Section 15062 of the CEQA Guidelines.

Section 3. The Town Council hereby approves the Community Facilities Lease in the form attached hereto.

Section 4. The Town Council hereby authorizes and directs the Town Manager to sign and carry out the obligations of the Community Facilities Lease on behalf of the Town.

PASSED, APPROVED AND ADOPTED this 6th day of May 2026, by the following vote:

AYES:	**COUNCILMEMBERS LEEP, SALMON, WALL, AND VICE MAYOR POTTER**
NOES:	**NONE**
ABSTAIN:	**NONE**
ABSENT:	**MAYOR REYNOZA**

TANYA POTTER, VICE MAYOR

ATTEST:

IRENE CAMACHO-WERBY, TOWN CLERK

Attachment:

- **Exhibit A** - Community Facilities Lease

COMMUNITY FACILITIES LEASE

This Community Facilities Lease (this "Lease") is made and entered into as of _____, 2026, by and between the **TOWN OF WINDSOR**, a California municipal corporation ("Landlord"), and **REACH FOR HOME**, a California nonprofit public benefit corporation ("Tenant"). Landlord and Tenant are hereafter collectively referred to as the "Parties."

RECITALS

A. The Landlord is the owner of real property located at 8547 Old Redwood Highway, in the Town of Windsor, California (the "Premises"). The Premises is more particularly described in Exhibit A attached hereto and incorporated herein by this reference.

B. Tenant is a nonprofit corporation whose purpose is to provide opportunities and support for program participants to work toward self-sufficiency, independence and permanent housing. Participants team with a case manager to help access resources and services that will help them make necessary changes in their lives. Furthermore, the program offers participants the opportunity to gain self-confidence and to become self-sufficient.

C. In order to expand the northern Sonoma County interim supportive housing for the unhoused, Tenant desires to lease the Premises from the Landlord, and the Landlord desires to lease the Premises to the Tenant conditioned upon the terms therein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Landlord and the Tenant hereby agree as follows:

ARTICLE 1.
BASIC LEASE PROVISIONS

1.1 Landlord's contact information:

Town of Windsor
9291 Old Redwood Highway
Windsor, California 95492
Attn: Parks and Recreation Department

1.2 Tenant's contact information:

Reach For Home
443 Hudson St.
Healdsburg, CA 95448
Attn: Executive Director

1.3 Premises: 8547 Old Redwood Highway, Windsor, California, as described in Exhibit A.

1.4 Commencement Date: _____, 2026.

1.5 Term: Ending on May 15, 2031.

1.6 Option(s) to Extend Term: Five (5) one-year renewal terms.

1.7 Rent: $1,800.00 per month.

1.8 Security Deposit: $1,800

1.9 Permitted Uses: Interim supportive housing for the unhoused.

1.10 Improvements. Tenant shall construct the Tenant Repairs and Maintenance upon the Premises in accordance with Section 6 hereof, at Tenant's expense.

1.11 Parking: Tenant and its subtenants, employees, officers, clients and guests are entitled to use unreserved parking spaces on the Premises, for no additional charge.

ARTICLE II.

DEFINITIONS

As used in this Lease, the following terms shall have the definitions set forth below. Additional terms are defined in the remainder of this Lease.

2.1 "Additional Rent" means any amount of rent beyond the "Rent" as described in section 1.7 that Tenant is required to pay Landlord (e.g., Tenant's share of taxes, late fees, or administrative charges), pursuant to this Lease.

2.2 "Alterations" means any decorations, modifications, additions or improvements made in, on, about, under or contiguous to the Premises by or for the benefit of Tenant and its subtenants, including the improvements set forth in Exhibit C hereto.

2.3 "Commencement Date" is the date set forth in Section 1.4, and means the date upon which (i) Tenant shall be permitted to occupy the Premises for the conduct of Tenant's operations, and (ii) the date upon which Tenant's obligation to pay Rent shall commence.

2.4 "Premises" means the rented premises described in Exhibit A.

2.5 "Rent" means the amount to be paid by Tenant to Landlord, pursuant to section 1.7.

2.6 "Term" means the term of this Lease as set forth in Section 1.5, as such may be modified pursuant to the terms hereof.

ARTICLE III

PREMISES AND TERM

3.1 Leased Premises. Subject to and upon the terms and conditions set forth herein, Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord.

3.2 Term and Commencement. The Term of this Lease shall commence on the Commencement Date, and unless sooner terminated as provided herein, the Term shall be for the period set forth in Section 1.5 ("Original Term"). The Term of this Lease will automatically extend for up to five (5) additional one (1)-year terms (each referred to as a "Renewal Term"), unless either Party gives written notice of termination to the other Party not less than ninety (90) days prior to expiration of the Original Term or the then-current Renewal Term.

3.3 No Representations. Tenant acknowledges that neither Landlord nor any of Landlord's agents has made any representation or warranty as to the suitability or fitness of the Premises for the conduct of Tenant's business, and that neither Landlord nor any agent of Landlord has agreed to undertake any alterations or additions or to construct any Tenant Repairs and Maintenance to the Premises except as expressly provided in this Lease.

3.4 Memorandum of Lease. The Parties shall execute and acknowledge a Memorandum of Lease, substantially in the form attached hereto as Exhibit B, which shall be recorded in the official records of Sonoma County.

ARTICLE IV

RENT, OPERATING EXPENSES, AND DEPOSITS

4.1 Rent. From and after the Commencement Date, Tenant shall pay to Landlord the monthly Rent set forth in Section 1.7. Each installment of Rent shall be due and payable to Landlord in advance, on the Commencement Date and on or before the first day of each month during the Term, without abatement, deduction, claim or offset except as otherwise expressly provided herein, and without prior notice, invoice or demand, at Landlord's address or such other place as Landlord may designate from time to time. Tenant may prepay the Rent for all or part of the Term in Tenant's discretion.

4.2 Utilities. Tenant shall pay for all gas, electricity, heat, ventilation and air conditioning, trash, water, sewage, telephone, cable, and internet services used in the Premises. Landlord shall be responsible at its cost for the initial installation of utilities to the Premises. Landlord agrees to cooperate as reasonably required by Tenant to assist Tenant in obtaining separate metering and billing for utilities.

4.3 Taxes and Operating Costs. Tenant shall pay to Landlord, as Additional Rent, the following:

(a) Personal Property, Gross Receipts, Leasing Taxes. Tenant shall pay before delinquency any and all taxes levied or assessed and which become payable during the term hereof upon Tenant's equipment, furniture, fixtures and other personal property located in the Premises.

(b) Property Taxes. Pursuant to Revenue & Taxation Code Section 107.6, Landlord hereby advises Tenant that the possessory or leasehold interest in the Premises conveyed to Tenant by this Lease will be subject to property taxation, and that it is Tenant's obligation under this Lease to pay or cause to be paid all of such property taxes levied on Tenant's possessory or leasehold interests in the Premises. Tenant acknowledges that it understands that property taxes will be levied on Tenant's possessory or leasehold interests in the Premises despite the Landlord's ownership of fee title to the Premises and any exemptions Landlord is entitled to and receives as a result of public entity ownership of the Premises.

ARTICLE V
USE OF PREMISES

5.1 Permitted Use. The Premises shall be used solely for the purposes set forth in Section 1.9 ("Permitted Use") and for no other purpose without the written consent of Landlord, which may be granted or withheld in Landlord's sole discretion.

5.2 Prohibited Uses. Tenant shall not do or permit anything to be done in or about the Premises, or bring to or keep anything therein, which will in any way constitute waste, a nuisance, or increase the premium rate of or affect fire, casualty or other insurance on the Premises, cause a cancellation of, or give rise to any defense by an insurer to any claim under, or conflict with, any policies for such insurance, subject Landlord to liability, or which shall in any way conflict with any law, ordinance, rule, or regulation affecting the occupancy, use or safety of the Premises which is or may hereafter be enacted or promulgated by any public authority, including the Town of Windsor, nor shall Tenant store any hazardous materials on the Premises (other than typical cleaning supplies). If any act or omission of Tenant results in an increase in premiums, Tenant shall pay to Landlord upon demand the amount of such increase. Tenant shall not permit smoking by any persons in the building and in the back yard of the Premises at any time. Tenant shall not permit any persons to reside in the Premises at any time who are registered sex offenders or who are required to register as sex offenders under the California Megan's Law program, Penal Code Section 290.46.

5.3 Signage. Tenant shall be permitted to place a sign on the exterior door of the Premises containing Tenant's name and logo. Tenant shall obtain the prior approval of the Landlord, which approval may be withheld in Landlord's reasonable discretion, before placing any other sign or symbol on doors or windows or elsewhere in or about the Premises so as to be visible from the public areas or exterior of the Premises. Any signs or symbols which have been placed without Landlord's approval may be removed by Landlord. Upon expiration or termination of this Lease, all signs installed by Tenant shall be removed and any damage resulting therefrom shall be promptly repaired by Tenant, or such removal and repair may be done by Landlord and the cost charged to Tenant as Additional Rent.

5.4 Tenant Repair and Maintenance. Tenant shall repair, clean and maintain the Premises (or cause the Premises to be repaired, cleaned and maintained by the residents of the Premises), as follows:

a. Maintain the Premises in good repair and condition, including painting when required;

b. Maintain the cleanliness of the interior Premises, and keep all areas clean and clear of debris, litter and garbage;

c. Maintain all landscaping on the exterior of the Premises and keep all outside areas free of weeds, litter, debris and garbage;

c. Furnish all materials and supplies, including light bulbs and replacement fixtures;

d. Service and provide minor repairs (under $5,000) to the heating, ventilation, and air conditioning ("HVAC") equipment, as well as the electrical and plumbing systems; and

e. Replace windows if damaged from the inside.

If Tenant fails to maintain or keep the Premises in good repair, at Landlord's option, Landlord may, after providing Tenant no less than thirty (30) days' prior written notice, perform any such required maintenance and repairs and Tenant shall pay Landlord's reasonable costs incurred in connection with such repairs, plus a percentage of such costs sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs and expenses in connection therewith.

5.5 Landlord Repair and Maintenance. Landlord's repair and maintenance responsibilities shall include the following:

a. Provide major repairs (over $5,000) to the HVAC, electrical and plumbing systems; and

b. Provide maintenance services, repair and replacement of all exterior and interior walls (excluding painting), structural members, ceilings, and roof as needed, as well as replace windows if damaged from the outside.

5.6 Parking. Landlord hereby grants to Tenant a non-exclusive license and right for use by Tenant and its subtenants, guests, licensees, invitees, employees and agents to use unreserved parking spaces in the Premises parking lot for no additional charge.

5.7 Alarms, Locks and Keys. Tenant may place locks on doors, gates and fences to the portion of the Premises used by Tenant and its subtenants, but must furnish Landlord with access to the building through the alarm system and a duplicate set of keys for all such locks. Upon

termination of the Lease, Tenant shall deliver to Landlord all keys which shall have been furnished the Tenant or which Tenant shall have had made.

5.8 Subtenant Rent. If Tenant charges rent or other fees for occupancy of the Premises by one or more program participants of Reach For Home, the total amount of rent and other fees shall not exceed an affordable rent for a low income household in Sonoma County, for a household size appropriate to the unit, as defined in Health and Safety Code Section 50053(b)(4).

ARTICLE VI

ALTERATIONS AND ADDITIONS

6.1 Tenant Repairs and Maintenance. Tenant shall cause to be constructed and rehabilitated the improvements described in the Scope of Work attached hereto as Exhibit C (the "Tenant Repairs and Maintenance"). All Tenant Repairs and Maintenance constructed or rehabilitated by or on behalf of Tenant shall be constructed and rehabilitated in a good, skillful and professional manner, in compliance with all applicable laws. Lessee shall bear the entire and sole cost of planning, designing, engineering, financing, constructing, supervising, and inspecting the Tenant Repairs and Maintenance, including all fees.

6.2 Construction Contract. Tenant shall enter into one or more construction contracts with one or more general contractors for the Tenant Repairs and Maintenance with a general contractor reasonably acceptable to Landlord, which general contractor shall be duly licensed in the State of California and shall have significant experience in organizing and contracting Tenant Repairs and Maintenance.

6.3 Prevailing Wage Requirements.

(a) Tenant shall and shall cause its contractors and subcontractors to pay prevailing wages in the construction and rehabilitation of the Tenant Repairs and Maintenance as those wages are determined pursuant to Labor Code Sections 1720 et seq., and the implementing regulations of the Department of Industrial Relations (the "DIR"), to employ apprentices as required by Labor Code Sections 1777.5 et seq., and the implementing regulations of the DIR and comply with the other applicable provisions of Labor Code Sections 1720 et seq., 1777.5 et seq., 1810-1815 and implementing regulations of the DIR.

(b) All calls for bids, bidding materials and the construction contract documents for the construction of the Tenant Repairs and Maintenance must specify that:

(1) No contractor or subcontractor may be listed on a bid proposal nor be awarded a contract for the construction of the Tenant Repairs and Maintenance unless registered with the DIR pursuant to Labor Code Section 1725.5.

(2) The Tenant Repairs and Maintenance are subject to compliance monitoring and enforcement by the DIR.

(c) Tenant, as the "awarding body", shall register the construction of the Tenant Repairs and Maintenance as required by Labor Code Section 1773.3 as set forth in the

DIR's online form PWC-100 within two (2) days after entering into the construction contract and provide evidence of such registration to Landlord within two (2) days of such registration and any additional registration reporting to the DIR.

(d) In accordance with Labor Code Sections 1725.5 and 1771.1, Tenant shall require that its contractors and subcontractors be registered with the DIR, and maintain such registration as required by the DIR.

(e) Pursuant to Labor Code Section 1771.4, the construction and rehabilitation of the Tenant Repairs and Maintenance is subject to compliance monitoring and enforcement by the DIR. Tenant shall and shall require its contractors and subcontractors to submit payroll and other records electronically to the DIR pursuant to Labor Code Sections 1771.4 and 1776 et seq., or in such other format as required by the DIR.

(f) Tenant shall and shall cause its contractors and subcontractors to keep and retain such records as are necessary to determine if prevailing wages have been paid as required pursuant to Labor Code Sections 1720 et seq., and that apprentices have been employed as required by Labor Code Section 1777.5 et seq., and shall, from time to time upon the request of the Lessor provide to the Lessor such records and other documentation reasonably requested by the Lessor.

(g) Tenant shall cause its respective contractors and subcontractors to comply with all other applicable provisions of Labor Code, including without limitation, Labor Code Sections 1720 et seq., 1725.5, 1771, 1771.1, 1771.4, 1776, 1777.5 et seq., 1810-1815 and implementing regulations of the DIR in connection with construction and rehabilitation of the Improvements or any other work undertaken or in connection with the Premises.

(h) Copies of the currently applicable current per diem prevailing wages are available from the DIR website, www.dir.ca.gov. Tenant shall cause its respective contractors to post the applicable prevailing rates of per diem wages at the project site and to post job site notices, in compliance with Title 8 California Code of Regulations 16451(d) or as otherwise as required by the DIR.

(i) Tenant shall indemnify, defend (with counsel approved by Landlord) and hold Landlord and its elected and appointed officers, employees, agents, consultants, and contractors (collectively. the "Indemnitees") harmless from and against all liability, loss, cost, expense (including without limitation attorneys' fees and costs of litigation), claim, demand, action, suit, judicial or administrative proceeding, penalty, deficiency, fine, order, and damage (all of the foregoing collectively "Claims") which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, the payment or requirement of payment of prevailing wages in the construction and rehabilitation of the Tenant Repairs and Maintenance, the failure to comply with any state or federal labor laws, regulations or standards in connection with this Lease, including but not limited to the Prevailing Wage Laws, or any act or omission of Tenant related to this Lease with respect to the payment or requirement of payment of prevailing wages, whether or not any insurance policies shall have been determined to be applicable to such Claims. It is further agreed that Landlord does not and shall not waive any rights against Tenant

which it may have by reason of this indemnity and hold harmless agreement because of the acceptance by Landlord, or Tenant's deposit with Landlord of any of the insurance policies described in this Lease. The provisions of this Section 6.3 shall survive the expiration or earlier termination of this Lease and the Landlord's approval of the Tenant Repairs and Maintenance. Lessee's indemnification obligations under this Section 6.1 shall not apply to any Claim which arises as a result of an Indemnitee's gross negligence or willful misconduct.

6.4 Other Alterations and Improvements. Other than the Tenant Repairs and Maintenance, Tenant may not make any Alterations to the Premises without the prior written approval of Landlord. Any Landlord-approved alterations shall be done at Tenant's expense, in a good and workmanlike manner, in conformity with plans and specifications reviewed and approved by Landlord, and in compliance with all applicable laws. Tenant shall obtain all necessary governmental approvals and permits for such alterations. Tenant shall give Landlord not less than ten (10) business days' notice prior to the commencement of construction so that Landlord may post a notice of nonresponsibility on the Premises. In no event shall any alteration, without the prior written consent of Landlord:

(i) affect the exterior of the Premises,

(ii) affect any structural portion of the Premises, including without limitation, the roof,

(iii) require any change to the basic floor plan of the Premises or any change to the structural or mechanical components of the Premises,

(iv) diminish the value of the Premises,

(v) result in an increase in demand for building services or utilities,

(vi) cause an increase in the premiums for hazard or liability insurance carried by Landlord, or

(vii) overload the floor load capacity or unduly burden the plumbing, heating, ventilation, air conditioning, electrical or other basic systems that serve the Premises.

6.5 Liens. Tenant shall not permit any mechanics', materialmen's or other liens, to be filed against the Premises or against Tenant's leasehold interest in the Premises. Landlord has the right at all times to post and keep posted on the Premises any notice that it considers necessary for protection from such liens. If Tenant fails to cause the release of record of any lien(s) filed against the Premises or Tenant's leasehold estate therein, by payment or posting of a proper bond within ten (10) days from the date of the lien filing(s), then Landlord may, at Tenant's expense, cause such lien(s) to be released by any means Landlord deems proper, including but not limited to payment of or defense against the claim giving rise to the lien(s). All sums reasonably disbursed, deposited or incurred by Landlord in connection with the release of the lien(s), including but not limited to all costs, expenses and attorney's fees, shall be due and payable by Tenant to Landlord as Additional Rent on demand by Landlord.

6.6 Ownership of Improvements. As between Landlord and Tenant, during the Term of this Lease, Landlord shall own all Improvements now existing or hereafter constructed by Tenant upon the Premises.

ARTICLE VII

INSURANCE AND INDEMNITY

7.1 Indemnity. To the fullest extent permitted by law, Tenant shall defend (with counsel reasonably acceptable to Landlord), indemnify and hold Landlord, its officers, directors, employees, agents, contractors, successors and assigns ("Indemnitees") harmless from and against any and all claims arising out of or relating directly or indirectly to this Lease or the Premises ("Claims"), including without limitation, Claims for or relating to loss of or damage to property, injury or death of any person, and economic losses and consequential or resulting damage of any kind, including any Claim arising from or in connection with or in any way attributable to: (i) the use or occupancy, or manner of use or occupancy of the Premises by Tenant or any invitee, guest or licensee of Tenant, (ii) any act, error, omission or negligence of Tenant or Tenant Parties or any invitee, guest or licensee of Tenant in, on or about the Premises including without limitation Claims which directly or indirectly, in whole or in part, are caused by, arise in connection with, result from, relate to, or are alleged to be caused by, arise in connection with, or relate to, any act or omission of Tenant, (iii) any activity, work, or thing done, omitted, permitted, allowed or suffered by Tenant or Tenant Parties in, at, or about the Premises or the Premises, or (iv) any breach or default in performance of any obligation on Tenant's part in the performance of any covenant or agreement to be performed under this Lease, except to the extent caused by the sole gross negligence or willful misconduct of the Indemnitees. The provisions of this section shall not be construed or interpreted as restricting, limiting or modifying Tenant's insurance obligations under this Lease and are independent of such obligations. Tenant's compliance with insurance requirements set forth in this Lease shall not restrict, limit or modify Tenant's indemnification obligations hereunder. The provisions of this section shall survive the expiration or earlier termination of this Lease.

7.2 Tenant's Insurance. Tenant shall, at its sole expense, procure and maintain throughout the Term (plus any later periods where Tenant may be in occupancy of the Premises) all of the insurance coverages, of the type and amounts as described in Exhibit D, attached.

ARTICLE VIII

ASSIGNMENT AND SUBLETTING

8.1 Right to Assign and Sublet. Tenant shall have the right to assign or sublet all or any part of Tenant's interest in this Lease or in the Premises to one or more employees of Tenant. Any assignment or sublease shall be solely for the Permitted Use. Any other proposed assignment of this Lease or sublease of the Premises shall require the prior written consent of the Landlord, which may be granted, withheld or conditioned by Landlord in its sole and absolute discretion.

8.2 No Release of Obligations. No subtenant may assign its sublease, or further sublet its subleased premises, without Landlord's prior written consent, which consent may be granted, withheld or conditioned by Landlord in its sole and absolute discretion. Neither an assignment or subletting nor the collection of rent by Landlord from any person other than Tenant shall be deemed a waiver of any of the provisions of this Article or release Tenant from its obligations to

comply with this Lease, and Tenant shall remain fully and primarily liable for all of Tenant's obligations under this Lease.

ARTICLE IX
DAMAGE AND DESTRUCTION

9.1 Repair and Restoration; Termination Rights. If all or part of the Premises is damaged by fire or other casualty, such that access to or use and occupancy of the Premises is materially impaired, within forty-five (45) days of the date of the damage, Landlord shall notify Tenant of the estimated time, in Landlord's reasonable judgment, required for repair or restoration ("**Repair Period**"). If the estimated Repair Period is one hundred eighty (180) days or less, Landlord shall proceed promptly and diligently to repair or restore the Premises or the portion of the Premises necessary for Tenant's occupancy, and this Lease shall remain in effect. If the estimated Repair Period is in excess of one hundred eighty (180) days from the date of the casualty, Landlord, at its option, shall either (a) commence to repair the damage, in which case this Lease shall continue in full force and effect, or (b) terminate this Lease as of the date specified by Landlord in a notice of termination, and this Lease shall terminate on the date specified in the notice.

9.2 Damage Near End of Term. Notwithstanding anything to the contrary set forth in this Article, if the Premises are damaged during the last twelve (12) months of the Term, Landlord and Tenant shall each have the option to terminate this Lease by giving written notice to the other of the exercise of that option within thirty (30) days after the damage or destruction, and this Lease shall terminate as of the date specified in such notice which shall be not before the date of such notice nor more than 30 days after the date of such notice.

9.3 Waiver of Statutory Provisions. The provisions of this Lease, including those in this Article IX, constitute an express agreement between Landlord and Tenant that applies in the event of any damage to the Premises or Premises. Tenant, therefore, fully waives the provisions of any statute or regulation, including California Civil Code §§1932(2) and 1933(4), relating to any rights or obligations concerning any such casualty.

ARTICLE X
SURRENDER OF PREMISES; HOLDING OVER

10.1 Surrender of Premises. On expiration of this Lease, Tenant shall surrender the Premises in the same condition as when the Term commenced, ordinary wear and tear excepted. Except for furniture, equipment and trade fixtures (other than those which are affixed to the Premises so that they cannot be removed without material damage to the Premises) all alterations, additions or improvements made in or upon the Premises, either by Landlord or Tenant, may, at Landlord's election, become Landlord's property without compensation to Tenant; provided that, upon reasonable written request of Landlord, Tenant shall, at its expense and without delay, remove any alterations, additions or improvements (including, without limitation, all

telecommunications equipment and cabling, and all alterations and improvements made by Tenant after the Commencement Date) made to the Premises by Tenant and designated by Landlord to be removed, and shall repair any damage to the Premises caused by such removal. If Tenant fails to complete such removal or to repair the Premises, Landlord may complete such removal and repair, and Tenant shall reimburse Landlord therefor. If Tenant fails to remove such property as required under this Lease, Landlord may dispose of such property in its sole discretion without any liability to Tenant, and further may charge the cost of any such disposition to Tenant.

10.2 Holdover Tenancy. If Tenant remains in possession of the Premises after expiration or earlier termination of this Lease, Tenant shall be deemed, at Landlord's option, to occupy the Premises as a tenant from month-to-month. During such tenancy (and prior to any termination by Landlord), Tenant agrees to pay Landlord, monthly in advance, an amount equal to the then fair market rental (as reasonably determined by Landlord) for the Premises, together with all other amounts payable by Tenant to Landlord under this Lease. Except as provided in the preceding sentence, such month-to-month tenancy shall be on the same terms and conditions of this Lease except that any rights or options pertaining to additional space shall be deemed to be terminated and shall be inapplicable thereto. Landlord's acceptance of Rent after such holding over with Landlord's written consent shall not result in any other tenancy or in a renewal of the initial term of this Lease. If Tenant remains in possession of the Premises after the expiration or earlier termination of this Lease without Landlord's written consent, Tenant's continued possession shall be on the basis of a tenancy at sufferance and Tenant shall pay Rent during the holdover period in an amount equal to the fair market rental (as reasonably determined by Landlord) for the Premises.

ARTICLE XI

LANDLORD'S RESERVED RIGHTS.

11.1 Rights Reserved to Landlord. Without notice and without liability to Tenant, and without effecting an eviction or disturbance of Tenant's use or possession, Landlord shall have the right to (i) enter the Premises at reasonable times and with reasonable advance notice (and at any time in the event of an emergency), to inspect or repair the Premises and to perform any acts related to safety, protection, or improvement of the Premises; (ii) install and maintain signs on and in the Premises; and (iii) make such rules and regulations as, in the reasonable judgment of Landlord, may be needed from time to time for the safety of the tenants, the care and cleanliness of the Premises and the preservation of good order therein. Landlord shall at all times retain a key with which to unlock all of the doors in the Premises, except Tenant's vaults and safes. If an emergency necessitates immediate access to the Premises, Landlord may use whatever force is necessary to enter the Premises and any such entry to the Premises shall not constitute a forcible or unlawful entry into the Premises, a detainer of the Premises or an eviction of Tenant from the Premises or any portion thereof.

ARTICLE XII

DEFAULT AND REMEDIES

12.1 Tenant's Default. It shall be an "Event of Default" hereunder if Tenant shall:

(a) fail to pay when due any installment of Rent, or fail to pay any other amount owed by Tenant to Landlord under this Lease as and when due and such failure continues for five (5) days following written notice thereof to Tenant by Landlord;

(b) fail to provide any certificate, instrument or assurance as required by this Lease if the failure continues for ten (10) days after written notice of the failure to Tenant;

(c) make a general assignment for the benefit of its creditors or file a petition for bankruptcy or other reorganization, liquidation, dissolution or similar relief or have a proceeding filed against Tenant seeking any relief mentioned in this subsection (c) which is not discharged within sixty (60) days thereafter;

(d) abandon or vacate the Premises for more than three (3) consecutive months;

(e) assign this Lease or sublease any portion of the Premises in violation of Article VIII; or

(f) fail to comply with any other provision of this Lease in the manner required hereunder and such failure continues for thirty (30) days after written notice thereof to Tenant by Landlord (or if the noncompliance cannot by its nature be cured within the 30-day period, if Tenant fails to commence to cure such noncompliance within the 30-day period and thereafter diligently prosecute such cure to completion).

12.2 Remedies on Default. Upon the occurrence of an Event of Default, Landlord shall have the right to pursue any one or more of the following remedies in addition to any other remedies now or later available to Landlord at law or in equity. These remedies are not exclusive but instead are cumulative.

(a) Continue Lease. Landlord may continue this Lease in full force and effect. In such case, so long as Landlord does not terminate Tenant's right to possession, this Lease will continue in effect and Landlord shall have the right to collect Rent when due, and may undertake efforts to relet the Premises, or any part of them, to third parties for Tenant's account. No act by Landlord allowed by this Section shall terminate this Lease unless Landlord terminates Tenant's right to possession. After an Event of Default and for as long as Landlord does not terminate Tenant's right to possession of the Premises, Tenant shall have the right to assign or sublet its interest in this Lease in accordance with the provisions of Article VIII, but Tenant shall not be released from liability.

(b) Terminate Lease. Landlord may terminate this Lease and Tenant's right to possession of the Premises at any time following an Event of Default. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance or efforts to relet the Premises shall not constitute a termination of Tenant's right to possession. On termination, Landlord shall have the right to recover from Tenant all of the following:

(i) The amount of any unpaid Rent that had been earned at the time of termination of this Lease;

(ii) The amount of unpaid Rent that would have been earned after the date of termination of this Lease less any amount of the unpaid Rent that Tenant proves could have been reasonably avoided;

(iii) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform obligations under this Lease; and

(iv) Any other amounts, in addition to or in lieu of those listed above that may be permitted by law.

12.3 Landlord's Default; Waiver of Liability. Landlord's failure to perform any of its obligations under this Lease shall constitute a Landlord Event of Default hereunder if the failure continues for thirty (30) days after written notice of the failure from Tenant to Landlord. If the required performance cannot be completed within thirty (30) days, Landlord's failure to perform shall not constitute a Landlord Event of Default if Landlord undertakes to cure the failure within such thirty (30) day period and diligently and continuously attempts to complete the cure as soon as reasonably possible. Tenant waives any right to terminate this Lease and to vacate the Premises upon Landlord's default under this Lease. Tenant's sole remedy on Landlord's default is an action for damages or injunctive or declaratory relief. The obligations of Landlord shall not be personally binding on, nor shall any resort be had to the private property or assets of any of its investment managers, trustees, directors, officers, partners, beneficiaries, members, stockholders, employees, or agents. In no case shall Landlord be liable to Tenant hereunder for any lost profits, damage to business, or any form of special, indirect or consequential damages.

ARTICLE XIII

MISCELLANEOUS

13.1 No Waiver. No receipt and retention by Landlord of any payment tendered by Tenant in connection with this Lease shall constitute an accord and satisfaction, or a compromise or other settlement, notwithstanding any accompanying statement, instruction or other assertion to the contrary unless Landlord expressly agrees to an accord and satisfaction, or a compromise or other settlement, in a separate writing duly executed by Landlord. Landlord will be entitled to treat any such payments as being received on account of any item or items of Rent, interest, expense or damage due in connection herewith, in such amounts and in such order as Landlord may determine at its sole option. Any waiver of any condition or provision set forth in this Lease shall not be deemed a waiver of any subsequent breach of such condition or provision or of any other condition or provision, nor shall any such waiver be deemed a continuing waiver.

13.2 Severability. The Parties intend this Lease to be legally valid and enforceable in accordance with all of its terms to the fullest extent permitted by law. If an arbitrator or a court of competent jurisdiction holds any provision hereof to be invalid or unenforceable in whole or in part for any reason, the validity and enforceability of the remaining clauses, or portions of them,

shall not be affected unless an essential purpose of this Lease would be defeated by loss of the invalid or unenforceable provision.

13.3 Governing Law; Venue; Construction. This Lease shall be construed according to the laws of the State of California without regard to principles of conflict of laws. Any action or proceeding that relates to, or arises from, this Lease shall be brought in a state court of competent jurisdiction located in Sonoma County. The captions used for the Sections and Articles of this Lease have been inserted for convenience only and shall not be used to alter or interpret the content of this Lease.

13.4 Binding Effect; Survival. The covenants, conditions, warranties and agreements contained in this Lease shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. The representations and warranties of Landlord and Tenant and the indemnification obligations of Landlord and Tenant set forth herein shall survive the expiration or termination of this Lease as shall all other provisions hereof which are intended to survive such expiration or termination.

13.5 Time. Time is of the essence of each provision of this Lease.

13.6 Entire Agreement; Amendments. This Lease and Exhibits A, B, C and D, attached hereto and incorporated herein by this reference, constitutes the final, complete, and exclusive statement of the terms of the agreement between Landlord and Tenant pertaining to the lease of the Premises and supersedes all prior and contemporaneous understandings or agreements of the parties. This Lease may not be amended or modified except in a writing signed by both Parties.

13.7 Notices. All notices delivered pursuant to this Lease shall be in writing and delivered to Landlord or Tenant at the applicable address designated in Section 1.1 and 1.2 or to such other address as may hereafter be designated by either party by written notice delivered to the other party in accordance with this Section. Such notices shall be effective on the earlier to occur of actual receipt or: (i) if mailed, three (3) days after posting at a United States post office, (ii) upon receipt if mailed by certified mail with return receipt requested, and (iii) upon delivery if delivered by overnight delivery service and delivery is confirmed by the delivery service.

13.8 Force Majeure. Except as otherwise provided in this Lease, the time for performance of an obligation other than payment of money under this Lease shall be extended for the period during which a party is prevented from performing due to Unavoidable Delay. "Unavoidable delay" shall mean any and all delay beyond the applicable party's reasonable control, including without limitation, delays caused by the other party; governmental restrictions, regulations, controls, preemptions or delays; orders of civil, military or naval authorities; strikes, labor disputes, lock-outs, shortages of labor or materials or reasonable substitutes therefore; Acts of God; quarantines, epidemics or pandemics or governmental orders related thereto, fire, earthquake, floods, explosions or other casualties; extreme weather conditions or other actions of the elements; enemy action, civil commotion, riot or insurrection.

13.9 Attorneys' Fees. If any judicial remedy or arbitration is undertaken to enforce or interpret any provision of this Lease, the prevailing party shall be entitled to reasonable attorneys'

fees, costs, expert witnesses fees, post judgment collection costs, and other expenses, in addition to any other relief to which such party may be entitled.

13.10 Authority. Each party warrants and represents that it has full authority to enter into this Lease, that this Lease constitutes a binding obligation of such party, and that the individual(s) signing on behalf of such party are duly authorized to bind such party hereto.

13.11 Landlord Approvals. Whenever the consent or approval of Landlord is required hereunder, such consent or approval may be granted or withheld by the Town Manager of Tenant or his or her designee, unless the Town Manager determines in his or her discretion that such matter shall be referred to Landlord's governing body for consideration.

13.12 Counterparts. This Lease may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by any other party. This Lease shall take effect when signed by all Parties.

NOW THEREFORE, Landlord and Tenant have executed this Community Facilities Lease as of the date first written above.

LANDLORD:

TOWN OF WINDSOR,
a California municipal corporation

By: _____
Jon Davis, Town Manager

Approval as to Form:

By: _____
Jose Sanchez, Town Attorney

TENANT:

REACH FOR HOME,
a California nonprofit public benefit corporation

By: _____
Margaret Sluyk, CEO

List of Exhibits

Exhibit A: Premises Description

Exhibit B: Memorandum of Lease

Exhibit C: Scope of Work

Exhibit D: Insurance Requirements

EXHIBIT A

LEGAL DESCRIPTION

That real property located in the Town of Windsor, County of Sonoma, State of California, described as follows:

For APN/Parcel ID(s): 164-080-040-000
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE TOWN OF WINDSOR, COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A, AS SHOWN UPON THE RECORD OF SURVEY OF WINDSOR PALMS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SONOMA COUNTY, CALIFORNIA, ON JULY 7, 1950 IN BOOK 64 OF MAPS, AT PAGES 25 AND 26, SONOMA COUNTY RECORDS.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN THE DEED FROM WANDA LANE FENDER TO JOHN BAUER, ET UX, DATED AUGUST 19, 1968 AND RECORDED AUGUST 19, 1968 IN BOOK 2347 OF OFFICIAL RECORDS, AT PAGE 571, AS SERIAL NO. K-89260, SONOMA COUNTY RECORDS.

EXCEPTING THEREFROM ALL THAT PORTION OF LAND DEEDED TO THE TOWN OF WINDSOR, A MUNICIPAL CORPORATION IN GRANT DEED RECORDED MARCH 25, 2002, INSTRUMENT NO. 2002043164, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF SAID LANDS OF WEAVER, SAID POINT BEARS SOUTH 36°52'12" WEST, 38.00 FEET FROM CENTERLINE STATION 23+26.44 OF OLD REDWOOD HIGHWAY AS SHOWN ON THE IMPROVEMENT PLANS OF OLD REDWOOD HWY., LAKEWOOD DRIVE TO HEMBREE LANE, DATED APRIL, 2000 ON FILE IN THE TOWN OF WINDSOR ENGINEERING DEPARTMENT;

THENCE ALONG SAID NORTHEASTERLY LINE NORTH 36°52'14" EAST, 3.00 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF OLD REDWOOD HWY.;

THENCE ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, SOUTH 53°07'46" EAST, 140.46 FEET;

THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 25.00 FEET, THROUGH A CENTRAL ANGLE OF 35°15'44", FOR A LENGTH OF 15.39 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF BLUEBIRD DRIVE;

THENCE LEAVING SAID NORTHWESTERLY RIGHT OF WAY LINE NORTH 4L°07'48" WEST, 7.64 FEET;

THENCE NORTH 53°07'48" WEST, 147.42 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF LAND DEEDED TO THE TOWN OF WINDSOR, A MUNICIPAL CORPORATION IN GRANT DEED RECORDED AUGUST 6, 2002, INSTRUMENT NO. 2002117665, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT A POINT ON THE NORTHWESTERLY LINE OF SAID LANDS OF WEAVER, SAID POINT BEARS SOUTH 36° 52' 12" WEST, 38.00 FEET FROM CENTERLINE STATION 23+26.44 OF OLD REDWOOD HIGHWAY AS SHOWN ON THE IMPROVEMENT PLANS FOR OLD REDWOOD HIGHWAY, LAKEWOOD DRIVE TO HEMBREE LANE, DATED AUGUST, 2000 ON FILE IN THE TOWN OF WINDSOR ENGINEERING DEPARTMENT; THENCE ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF OLD REDWOOD HIGHWAY SOUTH 53° 07' 48" EAST, 80.00 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE CONTINUING ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF OLD REDWOOD HIGHWAY SOUTH 53° 07' 48" EAST, 67.42 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY; THENCE SOUTH 36° 52' 12" WEST, 2.00 FEET; THENCE NORTH 53° 07' 48" WEST, 67.42 FEET; THENCE NORTH 36° 52' 12" EAST, 2.00 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT B

Form of Memorandum of Lease

RECORDING REQUESTED BY AND WHEN
RECORDED RETURN TO:

WHEN RECORDED RETURN TO:

Town of Windsor
9291 Old Redwood Highway
Windsor, California 95492
Attn: Parks and Recreation Department

(SPACE ABOVE THIS LINE FOR RECORDER'S USE)

MEMORANDUM OF COMMUNITY FACILITIES LEASE

THIS MEMORANDUM OF COMMUNITY FACILITIES LEASE (the "Memorandum") is entered into as of _____, 2026, by and between the **TOWN OF WINDSOR**, a California municipal corporation ("Landlord"), and **REACH FOR HOME**, a California nonprofit public benefit corporation ("Tenant"), with respect to that certain Community Facilities Lease dated _____, 2026 (the "**Lease**"), between the Lessor and the Lessee. All capitalized terms used in this Memorandum and not defined shall have the meaning set forth in the Lease.

1. Pursuant to the Lease, Lessor leases to Lessee and Lessee leases from Lessor that certain real property, more particularly described in Exhibit A, attached hereto and incorporated herein (the "**Premises**"). The Lease shall commence on _____, 2026, and shall remain in effect until _____, 2031 (the "Initial Term") of the Lease, together with any One Year Extension Terms as provided thereunder, unless sooner terminated pursuant to the terms and conditions of the Lease.

2. As more particularly set forth in the Lease, certain use restrictions apply to the Premises.

3. This Memorandum shall incorporate herein all of the terms and provisions of the Lease as though fully set forth herein.

4. This Memorandum is solely for recording purposes and shall not be construed to alter, modify, amend or supplement the Lease, of which this is a memorandum. In the event of any inconsistency between the terms and conditions of this Memorandum and the terms and conditions of the Lease, the terms and conditions of the Lease shall control.

5. This Memorandum may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts so executed shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be duly executed as of the date first above written.

LANDLORD:

TOWN OF WINDSOR,
a California municipal corporation

By: _____
Jon Davis, Town Manager

Approval as to Form:

By: _____
Jose Sanchez, Town Attorney

TENANT:

REACH FOR HOME,
a California nonprofit public benefit corporation

By: _____
Margaret Sluyk, CEO

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Name: _____
Notary Public

Exhibit A

LEGAL DESCRIPTION

That real property located in the Town of Windsor, County of Sonoma, State of California, described as follows:

For APN/Parcel ID(s): 164-080-040-000
THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE TOWN OF WINDSOR, COUNTY OF SONOMA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A, AS SHOWN UPON THE RECORD OF SURVEY OF WINDSOR PALMS, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SONOMA COUNTY, CALIFORNIA, ON JULY 7, 1950 IN BOOK 64 OF MAPS, AT PAGES 25 AND 26, SONOMA COUNTY RECORDS.

EXCEPTING THEREFROM THAT PORTION DESCRIBED IN THE DEED FROM WANDA LANE FENDER TO JOHN BAUER, ET UX, DATED AUGUST 19, 1968 AND RECORDED AUGUST 19, 1968 IN BOOK 2347 OF OFFICIAL RECORDS, AT PAGE 571, AS SERIAL NO. K-89260, SONOMA COUNTY RECORDS.

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BEGINNING AT A POINT ON THE NORTHWESTERLY LINE OF SAID LANDS OF WEAVER, SAID POINT BEARS SOUTH 36°52'12" WEST, 38.00 FEET FROM CENTERLINE STATION 23+26.44 OF OLD REDWOOD HIGHWAY AS SHOWN ON THE IMPROVEMENT PLANS OF OLD REDWOOD HWY., LAKEWOOD DRIVE TO HEMBREE LANE, DATED APRIL, 2000 ON FILE IN THE TOWN OF WINDSOR ENGINEERING DEPARTMENT;

THENCE ALONG SAID NORTHEASTERLY LINE NORTH 36°52'14" EAST, 3.00 FEET TO THE SOUTHWESTERLY RIGHT OF WAY LINE OF OLD REDWOOD HWY.;

THENCE ALONG SAID SOUTHWESTERLY RIGHT OF WAY LINE, SOUTH 53°07'46" EAST, 140.46 FEET;

THENCE SOUTHEASTERLY ALONG A CURVE CONCAVE NORTHEASTERLY HAVING A RADIUS OF 25.00 FEET, THROUGH A CENTRAL ANGLE OF 35°15'44", FOR A LENGTH OF 15.39 FEET TO THE NORTHWESTERLY RIGHT OF WAY LINE OF BLUEBIRD DRIVE;

THENCE LEAVING SAID NORTHWESTERLY RIGHT OF WAY LINE NORTH 4L°07'48" WEST, 7.64 FEET;

THENCE NORTH 53°07'48" WEST, 147.42 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPTING THEREFROM ALL THAT PORTION OF LAND DEEDED TO THE TOWN OF WINDSOR, A MUNICIPAL CORPORATION IN GRANT DEED RECORDED AUGUST 6, 2002, INSTRUMENT NO. 2002117665, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT A POINT ON THE NORTHWESTERLY LINE OF SAID LANDS OF WEAVER, SAID POINT BEARS SOUTH 36° 52' 12" WEST, 38.00 FEET FROM CENTERLINE STATION 23+26.44 OF OLD REDWOOD HIGHWAY AS SHOWN ON THE IMPROVEMENT PLANS FOR OLD REDWOOD HIGHWAY, LAKEWOOD DRIVE TO HEMBREE LANE, DATED AUGUST, 2000 ON FILE IN THE TOWN OF WINDSOR ENGINEERING DEPARTMENT; THENCE ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF OLD REDWOOD HIGHWAY SOUTH 53° 07' 48" EAST, 80.00 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE CONTINUING ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF OLD REDWOOD HIGHWAY SOUTH 53° 07' 48" EAST, 67.42 FEET TO AN ANGLE POINT IN SAID RIGHT-OF-WAY; THENCE SOUTH 36° 52' 12" WEST, 2.00 FEET; THENCE NORTH 53° 07' 48" WEST, 67.42 FEET; THENCE NORTH 36° 52' 12" EAST, 2.00 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT C

SCOPE OF WORK

- Carpet removal
- Flooring
- Painting
- Plumbing

EXHIBIT D

INSURANCE COVERAGE

1. General Requirements. All insurance policies required to be carried by Tenant (except Tenant's business personal property insurance) hereunder shall conform to the following requirements:

(a) Tenant's policies of insurance required hereunder shall be provided at Tenant's sole expense;

(b) Said policies shall name the Landlord and any other party the Landlord so specifies that has a material financial interest in the Premises (the "Landlord Entities") as additional insureds (General Liability) and loss payee (Property—Special Form).

(c) The insurer under each policy shall carry a designation in "Best's Insurance Reports" as issued from time to time throughout the term as follows: Policyholders' rating of A; financial rating of not less than VII;

(d) The insurer shall be qualified to do business in the state of California;

(e) The policy shall be in a form and include such endorsements as are acceptable to Landlord;

(f) Certificates of insurance (Liability insurance on ACORD Form 25 and Property insurance on ACORD Form 27) shall be delivered to Landlord at commencement of the term and certificates of renewal at least thirty (30) days prior to the expiration of each policy and when requested by Landlord; and

(g) Each policy shall require that Landlord be notified in writing by the insurer at least thirty (30) days prior (10 days for Non-Payment of Premium) to any cancellation or expiration of such policy, or any reduction in the amounts of insurance carried.

2. Required Insurance. Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease, a commercial general liability insurance policy insuring Tenant and protecting Landlord and the Landlord Entities against any liability to the public or to any invitee at the Premises against the risks of, bodily injury and property damage, personal injury, contractual liability, completed operations, products liability, host liquor liability, owned and non-owned automobile liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be a combined single limit policy in an amount not less than TWO MILLION DOLLARS ($2,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. Landlord, the Landlord Entities and any lender and any other party in interest designated by Landlord shall be named as additional insured(s). The policy shall contain cross liability endorsements with coverage for Landlord for the negligence of Landlord even though Landlord is named as an additional insured; shall insure performance by Tenant of the

indemnity provisions of this Lease; shall be primary, not contributing with, and not in excess of coverage which Landlord may carry; shall provide for severability of interest; shall provide that an act or omission of one of the insured or additional insureds which would void or otherwise reduce coverage shall not void or reduce coverages as to the other insured or additional insureds; and shall afford coverage after the term of this Lease (by separate policy or extension if necessary) for all claims based on acts, omissions, injury or damage which occurred or arose (or the onset of which occurred or arose) in whole or in part during the term of this Lease. Any additional insured shall have the right, but not the obligation, to satisfy on behalf of Tenant any self-insured retention or deductible amount. The limits of said insurance shall not limit any liability of Tenant hereunder. Not more frequently than every year, if, in the reasonable opinion of Landlord, the amount of liability insurance required hereunder is not adequate, Tenant shall promptly increase said insurance coverage as required by Landlord.

3. Insurance Carried by Landlord. Landlord may maintain liability insurance in addition to, and not in lieu of the insurance required to be maintained by Tenant. Tenant shall not be named as an additional insured thereunder and such insurance shall be secondary to Tenant's insurance which is primary in all respects.

4. Workers' Compensation Insurance. Tenant shall carry Workers' Compensation insurance as required by law, including an employers' liability endorsement.

5. Waiver. So long as their respective insurers so permit, Tenant and Landlord hereby mutually waive their respective rights of recovery against each other for any loss fully insured by fire, extended coverage, All Risk or other property insurance now or hereafter existing for the benefit of the respective party but only to the extent of the net insurance proceeds payable under such policies. Each party shall obtain any special endorsements required by their insurer to evidence compliance with the aforementioned waiver.