

ASSIGNMENT, ASSUMPTION AND AMENDMENT OF LEASE

This Assignment, Assumption, and Amendment of Lease (“**Assignment and Amendment Agreement**”) is made on the ____ day of _____, 2009, by and among the County of Orange, a political subdivision of the State of California (“**County**”), the Judicial Council of California, Administrative Office of the Courts (“**AOC**”), and CTF5-Lake Hills, LLC, a California limited liability company (“**Lessor**”), collectively referred to in this agreement as “the parties”, with reference to the following facts:

RECITALS

A. The County, as lessee, and Lessor have previously entered into that certain Lease, dated October 21, 2008 (the “**Lease**”), under which the County leases from Lessor, and Lessor leases to the County, certain improved real property described in said Lease and located at 23141 Moulton Parkway, in the city of Laguna Hills, in the county of Orange, State of California (the “**Leased Premises**”), including that certain trial court facility commonly known as the Harbor Justice Center Laguna Hills Facility (“**Court Facility**”) for use by the Superior Court of California for the County of Orange (“**Court**”). A true, correct, and complete copy of the Lease, including all amendments and modifications thereto, is attached as **Attachment 1** to this Assignment and Amendment Agreement.

B. Pursuant to the Trial Court Facilities Act of 2002 (Government Code § 70301 *et seq.*) (the “**Act**”), the County desires to assign, delegate, transfer, convey, and relinquish to the AOC all of the County’s right, title, and interest in, to, and under the Lease, pursuant to that certain Transfer Agreement For The Transfer of Responsibility and Transfer of Leasehold Interest For Court Facilities between the AOC and the County (the “**Agreement**”), which Agreement provides for, among other things, the transfer of responsibility for the Leased Premises from the County to the AOC and the transfer of the County’s right, title, and interest in, to, and under the Lease to the AOC.

C. The AOC desires to accept the assignment and assume all of the County’s duties and obligations under the Lease.

D. Concurrently with the assignment and assumption of the Lease, the parties desire to amend the Lease.

In furtherance of the terms of the Agreement, the parties agree as follows:

1. Assignment by County. The County hereby fully and forever assigns, transfers, conveys, and relinquishes to the AOC, to the fullest extent

assignable and permitted by law, all right, title, and interest of the County in, to, and under the Lease (the “**Assignment**”).

2. Acceptance and Assumption by AOC. The AOC hereby accepts the Assignment, and assumes and agrees to perform all duties and obligations of the County arising under the Lease from and after the Effective Date (as defined in Section 3, below) of the Assignment.

3. Effective Date. The effective date of the Assignment (“**Effective Date**”) shall be the Closing Date, as defined in the Agreement. The Assignment shall be of no force or effect unless and until the Closing occurs pursuant to the Agreement.

4. Lessor’s Representations and Warranties.

(a) Lessor represents and warrants that the copy of the Lease attached hereto as **Attachment 1** is a true and complete copy of the Lease as currently in effect and that there exist no other written or oral agreements or amendments to the Lease affecting the County’s tenancy under the Lease, except as otherwise set forth herein.

(b) Lessor represents and warrants that Lessor is currently the lessor under the Lease.

(c) Lessor represents and warrants that Lessor has taken all action necessary to authorize Lessor to enter into, deliver, and perform this Assignment and Amendment Agreement, and the person signing this Assignment and Amendment Agreement on behalf of Lessor has been duly authorized to do so.

(d) To the best of Lessor’s knowledge, the Lease is in full force and effect and no defaults exist under the Lease, nor any acts or events which, with the passage of time or giving of notice or both, could become defaults.

5. County’s Representations and Warranties.

(a) The County represents and warrants that the copy of the Lease attached as **Attachment 1** is a true and complete copy of the Lease as currently in effect and that there exist no other written or oral agreements or amendments to the Lease affecting the County’s tenancy under the Lease, except as otherwise set forth herein.

(b) The County represents and warrants that the Lease is in full force and effect and no defaults exist under the Lease, nor any acts or events which, with the passage of time or giving of notice or both, could become defaults.

6. Condition of Leased Premises. On the Effective Date, the County shall deliver the Leased Premises to the AOC in the condition required under the Agreement. To the extent that the Agreement includes the transfer of any Personal Property, as defined in the Agreement, the County shall deliver the Leased Premises with the applicable Personal Property.

7. Security Deposit. The County and Lessor hereby represent and warrant to the AOC that no security deposit was or is required from the County under the terms of the Lease, nor has any security deposit been given to Lessor with respect to the County's lease of the Leased Premises.

8. Amendment of Lease. Lessor, County and the AOC agree that the Lease is hereby amended as follows, effective on the Effective Date (the "**Amendment**"):

(a) Payment of Rent. Section 7 of the Lease is hereby modified and amended to reflect that the rent is to be paid in arrears on or about the first day of each month. Notwithstanding anything in the Lease to the contrary, an event of default shall not occur if the AOC is unable to pay any rent because of the State of California's failure to timely approve and adopt a State budget. Should the AOC fail to pay any rent as a result of the State of California's failure to timely approve and adopt a State budget, the AOC shall promptly pay any previously due and unpaid rent upon approval and adoption of the State budget.

(b) Insurance. The Property/Fire and Liability insurance policies required to be maintained by the Lessor under section 16 of the Lease shall name as additional insureds the "State of California, the Judicial Council of California, the Administrative Office of the Courts, the Superior Court of California, County of Orange, and the County of Orange, and the officers, employees, and agents of each of them."

(c) County Occupancy of Leased Premises. Lessor acknowledges and consents to the County's occupancy and possession of a portion of the Leased Premises after the Assignment, under the terms of a Joint Occupancy Agreement by and between the County and the AOC.

(d) Notice. Section 29 of the Lease is hereby deleted in its entirety and replaced with the following:

“29. NOTICES

Any formal notice or communication required to be sent to a party pursuant to this Lease shall be sent in writing by personal delivery (including overnight courier service), certified U.S. mail, postage pre-paid and with return receipt requested, or facsimile transmission sent during regular business hours of the recipient to the parties at the addresses or fax numbers indicated below, and shall be deemed delivered upon such personal delivery, delivery by facsimile transmission, or seventy-two (72) hours after deposit in the U.S. mail. Routine exchange of information regarding the transactions contemplated in this Lease may be conducted via telephone, facsimile, and/or electronic means, including but not limited to e-mail.

If to the AOC:

Administrative Office of the Courts
Office of Court Construction and Management
Attention: Portfolio Administration Analyst,
Southern Regional Office
455 Golden Gate Avenue, 8th Floor
San Francisco, CA 94102
Voice: 415-865-4986
Fax: 415-865-8885

With a copy to:

Administrative Office of the Courts
Office of Court Construction and Management
Attention: Manager, Real Estate
455 Golden Gate Avenue
San Francisco, CA 94102
Voice: 415-865-4048
Fax: 415-865-8885

In addition, all audit requests and notices by the County relating to termination of the Lease or an alleged breach or default by the AOC of the Lease must also be sent to:

Administrative Office of the Courts
Attention: Senior Manager, Business Services
455 Golden Gate Avenue
San Francisco, CA 94102-3688
Voice: 415-865-4090
Fax: 415-865-4326
E-mail: grant.walker@jud.ca.gov

If to the Lessor:

CTF5-Lake Hills, LLC
20151 S.W. Birch Street, Suite 200
Newport Beach, CA 92660
Attn: Dan Culler

All notices and correspondence to the AOC must reference the address of the Leased Premises.”

9. Effective Date of Amendment. The Amendment shall be of no force or effect whatsoever unless and until the Assignment takes effect on the Effective Date pursuant to Section 3 of this Assignment and Amendment Agreement. Lessor and the AOC further agree that once the Assignment takes effect on the Effective Date pursuant to Section 3 of this Assignment and Amendment Agreement, the Amendment shall concurrently take effect immediately and automatically, and without any further action or approval of any kind or nature by either Lessor or the AOC.

10. Governing Law. This Assignment and Amendment Agreement is made and entered into in the State of California and shall be interpreted, construed, and enforced in accordance with the laws of the State of California without resort to choice of law principles.

11. Binding Effect. This Assignment and Amendment Agreement shall apply to, bind, and inure to the benefit of the parties, and their respective heirs, legal representatives, successors, and assigns.

12. No Other Modifications. All of the rights, duties, and obligations of the AOC and the County shall be and remain in full force and effect as and to the extent provided for in the Agreement notwithstanding the occurrence of the Effective Date of the Assignment and the Amendment provided for herein. This Assignment and Amendment Agreement shall not diminish, modify, or otherwise affect any other duty or obligation of the AOC, the County, or Lessor with respect

to the Lease or the Leased Premises, and except as expressly modified by the terms of this Assignment and Amendment Agreement, all rights, duties, and obligations of the AOC and Lessor shall remain in full force and effect as provided for in the Lease.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, this Assignment and Amendment Agreement has been executed as of the date first above written.

APPROVED AS TO FORM:
Administrative Office of the Courts,
Office of the General Counsel

**JUDICIAL COUNCIL OF CALIFORNIA,
ADMINISTRATIVE OFFICE OF THE
COURTS**

By: _____
Name: Kenneth Levy
Title: Attorney
Date: _____

By: _____
Name: Grant Walker
Title: Senior Manager, Business Services
Date: _____

SIGNED AND CERTIFIED THAT A
COPY OF THIS DOCUMENT HAS
BEEN DELIVERED TO THE BOARD
CHAIR:

**COUNTY OF ORANGE, a political
subdivision of the State of California**

By: _____
Clerk of the Board of Supervisors,
County of Orange, California

By: _____
Name: _____
Title: Chairman of the Board of Supervisors
Date: _____

APPROVED AS TO FORM:
Office of the County Counsel
County of Orange, California

LESSOR
CTF5-Lake Hills, LLC, a California limited
liability company

By: _____
Title: Deputy
Date: _____

By: _____
Name: _____
Title: _____