

Transportation Agency for Monterey County

Lease Agreement



Leased Premises:	14 Station Place Salinas, CA 93901
Lessee:	OLIVIA ESPINOZA dba Olivia's Café 14 Station Place, Salinas CA 93901 831-578-6713
Lessor:	Transportation Agency for Monterey County 55B Plaza Circle, Salinas, CA 93901 (831) 775-4416

PREAMBLE

THIS LEASE ("Lease") is made this 31st day of December, 2016 by and between the OLIVIA ESPINOZA dba Olivia's Cafe, ("LESSEE"), 14 Station Place, Salinas, CA, 93901 and the TRANSPORTATION AGENCY FOR MONTEREY COUNTY, ("LESSOR"). LESSEE has been in full possession and control of the Premises for at least five years prior to the date of this Lease.

Based upon the above, LESSOR and LESSEE hereby agree as follows:

ARTICLE 1 - PREMISES

1.1 **Description**: LESSOR hereby leases to LESSEE and LESSEE hereby leases from LESSOR, upon the terms and conditions herein set forth, that certain real property and its appurtenances, situated at 14 Station Place, Salinas, CA, 93901, APN 002-172-001, (the "Premises"), and specifically including the approximately 791 square foot retail and associated parking existing on the approximate 3,841 square foot parcel of land. A Site Plan of the Premises is shown in Exhibit A-1

1.2 **Parking Areas**: The Premises includes, for LESSEE's use, the parking lot located behind the retail at 30 W. Market Street, Salinas, along with LESSOR'S other tenant, Frank Favaloro.

1.3 **Compliance with all applicable laws relative to LESSEE's Use**: LESSOR is leasing back to LESSEE the Premises. LESSEE has represented that the Premises are in sufficient compliance with all laws applicable to property relative to LESSEE's intended use.

ARTICLE 2 – TERM

2.1 **Lease Term**: The term of this Lease (the "Lease Term") shall be from December 31, 2016, or the date escrow closes on APN 002-172-001, whichever occurs first, until April 30, 2017, with such rights of termination and extension of the Lease Term as are hereinafter set forth.

ARTICLE 3 – RENT

In consideration of the continuing right of use, quiet enjoyment and possession of the Premises, LESSEE shall pay a **monthly rent** in the amount of One Thousand Six Hundred Dollars (\$1,600.00) for the Lease Term. In addition, LESSEE shall assume all costs to operate and maintain the entire Premises, including utilities, water, sewer, and normal upkeep according to the Summary of Services and Utilities, attached hereto as **Exhibit B**, and Summary of Repair and Maintenance Responsibilities, attached as **Exhibit C**. LESSEE's responsibilities shall commence on the Lease Commencement Date and shall continue until the Lease terminates and LESSEE vacates possession of the Premises. In addition, LESSEE shall be responsible for real estate assessments, and insurance (including liability and fire) for the Premises.

ARTICLE 4 – ANNUAL RENT ADJUSTMENT

No rent adjustment is contemplated for the Lease because of the short-term nature of the Lease.

ARTICLE 5 - TERMINATION BY LESSOR AND LESSEE

Notwithstanding any other provisions of this Lease, LESSOR or LESSEE may terminate this Lease upon thirty (30) days' written notice. In addition, LESSEE has retained and taken possession of the Premises under this Lease on the express understanding that LESSOR is in the process of including the Premises as part of a larger project.

ARTICLE 6 - NOTICES

All notices or correspondence provided for herein shall be effective only when made in writing, personally delivered or deposited in the United States mail, certified, postage prepaid, and addressed as follows:

	LESSEE	LESSOR
Attention:	OLIVIA ESPINOZA	Transportation Agency for Monterey County Attn: Debra L. Hale, Executive Officer
Address:	14 Station Place	55-B Plaza Circle
City, State & Zip Code:	Salinas, CA 93901	Salinas, CA 93940
Phone:	831-578-6713	831-775-0903
Fax:	N/A	831-775-0897
Email:	oliviascafe@att.net	Debbie@tamcmonterey.org

Any notice or correspondence shall be deemed delivered upon personal delivery or five (5) days after mailed. Correspondence other than notices may be given by phone, regular mail, email or facsimile. Any correspondence sent by facsimile shall also be sent by United States mail if requested by either party. By written notice to the other, either party may change its own mailing address or correspondence information.

LESSOR shall be available to LESSEE by phone during LESSOR's regular business hours.

LESSEE or LESSEE's designated property management shall be available to LESSOR, by phone during regular business hours, and for emergencies after hours and on weekends. LESSEE shall subscribe to a 24-hour, 7 days a week emergency answering service that maintains contact phone numbers of key personnel or maintenance/service companies in event of an emergency.

ARTICLE 7 - PREMISE IMPROVEMENTS

7.1 **No Premises Improvements Contemplated:** LESSOR intends to use the Premises as part of a larger project related to transportation needs in Monterey County. As such, no improvements to the Premises are contemplated by LESSOR and no improvements requested by LESSEE shall be permitted, unless relating to necessary repairs to the Premises and unless written approval is provided by LESSOR.

7.2 **Ownership of Improvements:** All existing and future Premises Improvements, exclusive of trade fixtures, constructed or placed within the Premises by LESSEE shall be the property of the LESSOR upon termination of this Lease or earlier termination hereof.

ARTICLE 8 - PUBLIC WORK LAWS

Under Section 1720 of the California Labor Code, any construction done under contract and paid for in whole or in part out of public funds may be considered a 'public work' if certain conditions are met. If applicable, LESSEE 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), all as periodically amended.

ARTICLE 9 - PRIOR OCCUPANCY

LESSEE acknowledges its prior exclusive occupancy of the Premises, as stated in the Preamble.

ARTICLE 10 – USE

10.1 **Use:** LESSEE shall use the Premises primarily for CAFÉ/RESTAURANT purposes. LESSEE may alter said use to any lawful purpose, but only upon the written consent of LESSOR, which consent shall be within LESSOR's sole discretion.

10.2 **Compliance with Laws:** LESSEE represents and warrants to LESSOR, that, to the best of LESSEE's knowledge, the construction, the current uses, and the operation of the Premises 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. LESSEE absolves LESSOR 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:** LESSEE shall have no liability or responsibility for toxic or hazardous materials or substances which result from LESSOR'S acts or omissions or which occur on any portion of LESSOR'S property not occupied by LESSEE, unless caused by LESSEE, its agents, employees, invitees or guests. LESSEE acknowledges that it had exclusive possession and use of the Premises for at least five years prior to the date of this Lease. LESSEE warrants, to the best of LESSEE's actual knowledge, that at the time of execution of this Lease there are no known areas on the Premises where hazardous or toxic materials or substances (including asbestos, leads, toxic mold spores or PCBs) have been present, used, stored, or deposited. LESSEE will comply with all applicable laws concerning the handling and removal of

the above-mentioned hazardous or toxic materials. LESSEE, at its own expense, shall comply with all applicable laws concerning the handling and removal of hazardous material and medical wastes generated as a result of LESSEE'S use of the Premises under this Lease.

10.4 **Environmental Hazards:** LESSEE warrants, to the best of LESSEE'S ability, that the Premises will be maintained free of all Environmental Hazards (including asbestos, leads, toxic mold spores or PCBs) and if deemed necessary, agrees to survey, test, and abate as applicable. Any said survey or test performed shall be provided to LESSOR upon completion.

LESSEE shall immediately notify LESSOR of any suspected Environmental Hazards.

10.5 **Acceptance of Premises:** By entry hereunder, LESSEE accepts the Premises as being in good and sanitary order, condition and repair.

ARTICLE 11 - SIGNS AND FIXTURES

LESSEE may place such signs and advertisements upon the Premises as LESSEE may desire, subject to approval by the LESSOR which consent shall not be unreasonably withheld provided, however, that at the expiration of the term hereof or any renewal or extension of this Lease, LESSEE will remove said signs and will restore the Premises to their original conditions. Any trade fixtures, equipment, furniture, demountable walls, and other property installed in the Premises by and at the expense of the LESSEE shall remain the property of the LESSEE, and the LESSOR agrees that the LESSEE shall have the right at any time, and from time to time, to remove any and all of its trade fixtures, equipment and other property which it may have stored or installed in the Premises, provided the Premises are restored to acceptable condition. The LESSOR agrees not to mortgage or pledge the LESSEE'S trade fixtures, equipment and other property.

ARTICLE 12 - SERVICES AND UTILITIES

Services and utilities shall be furnished and the cost borne as outlined in **Exhibit B**. In the event of failure by LESSOR to furnish, in a satisfactory manner, any of the services and utilities to the Premises for which LESSOR is responsible, LESSEE may furnish the same if LESSOR has not undertaken to correct such failure within fifteen (15) days after written notice, and, in addition to any other remedy LESSEE may have, may deduct the amount thereof, including LESSEE'S service costs, from rent or other remuneration due LESSOR hereunder. As stated in **Exhibit B** and **Exhibit C**, the term "adequate" shall mean sufficient enough to ensure the health, safety and general wellbeing of the occupants or invitees of the Premises; the term "deemed necessary" shall mean that LESSOR and LESSEE are in agreement that action needs to be taken to ensure the health, safety and general wellbeing of the occupants and or invitees of the Premises.

ARTICLE 13 - REPAIR AND MAINTENANCE

13.1 **LESSOR and LESSEE Obligations:** The respective repair and maintenance responsibilities of LESSOR and LESSEE are set forth in **Exhibit C**, Summary of Repair and Maintenance Responsibilities, which by this reference is incorporated herein.

13.2 **Negligent Acts or Omissions of LESSEE:** Notwithstanding the foregoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance required as a direct result of negligent acts or omissions of LESSEE, its agents, employees, or invitees.

13.3 **Failure of LESSEE to Make Repairs:** If LESSEE fails to maintain the Premises or to make the repairs required in this article within the time periods as specified herein, LESSOR may perform such maintenance or make such repairs at its expense and add the reasonable cost thereof to the rent due hereunder.

13.4 **LESSOR and LESSEE Obligations in Applying Noxious Substances:** LESSEE, its officers, employees, and agents shall not apply any substance as part of any building maintenance or repair which would introduce irritating or noxious odors or any other hazardous condition to occupied spaces without prior coordination and approval of the LESSOR. Prior notification and approval shall be made at least 48 hours prior to the desired application time. Also, a Material Safety Data Sheet shall be furnished by the proposed applicator to the LESSEE'S onsite office manager. Examples of such substances or materials include, but are not limited to, the following:

- Termite Control Materials
- Pesticides
- Paint
- Water Treatment Chemicals
- Any other substance that is or could be construed as hazardous

ARTICLE 14 - ALTERATIONS, MECHANICS' LIENS

14.1 **Alterations:** No structural alterations or improvements shall be made to the Premises by LESSEE or at LESSEE's request without the prior written consent of LESSOR, which consent shall not be within LESSOR's sole discretion.

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

14.3 **Mechanic's Liens:** LESSOR and LESSEE 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 15 - ASSIGNMENT AND SUBLETTING

LESSEE shall not assign or sublet all or any portion of the Premises.

ARTICLE 16 - ENTRY BY LESSOR

LESSEE shall permit LESSOR and LESSOR'S agents to enter the Premises, with reasonable advance 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 LESSEE'S business.

ARTICLE 17 - INSURANCE AND INDEMNIFICATION

LESSEE shall indemnify, defend, and hold harmless the LESSOR, its officers, agents and employees from any claim, liability, loss, injury or damage arising out of, or in connection with, performance of this Agreement by LESSEE and/or its agents, employees or sub-contractors, excepting only loss, injury or damage caused by the negligence or willful misconduct of LESSOR or personnel employed by the LESSOR. It is the intent of the parties to this Agreement to provide the broadest possible coverage for the LESSOR. The LESSEE shall reimburse the LESSOR for all costs, attorneys' fees, expenses and liabilities incurred with respect to any litigation in which the LESSEE is obligated to indemnify, defend and hold harmless the LESSOR under this Agreement.

LESSEE shall maintain insurance or a program of self-insurance providing comprehensive general liability coverage with liability limits of not less than \$1,000,000 for injury or death to one or more persons and property damage limits of not less than \$1,000,000 per occurrence insuring against all liability of LESSEE and its authorized representatives arising out of and in connection with LESSEE'S use or occupancy of the Premises.

LESSOR agrees that it will keep the subject property insured against loss or damage by fire, to at least eighty percent (80%) of the full fair insurable value thereof, the building on the demised Premises or of which the demised Premises are a part. **LESSOR'S insurance will not insure LESSEE'S personal property or trade fixture.**

LESSOR shall not be liable to LESSEE, or to anyone whatsoever for any damages caused by plumbing, gas, water, steam, sprinkler or other pipe and sewage system, or by the bursting, running or leaking of any tank, washstand, closet, or waste or other pipe, in and about the Premises of the building of which they are a part, or for any damage caused by water being upon or coming in through the roof, skylight, vent, trap door or otherwise; provided that LESSOR shall not be relieved from any of its obligations for maintenance and repair as otherwise set forth in this Lease.

ARTICLE 18 - WAIVERS OF SUBROGATION

LESSOR and LESSEE each hereby waive any right of recovery against the other due to loss of or damage to the property of either LESSOR or LESSEE 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 19 - 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, LESSOR shall effect restoration of the Premises as quickly as is reasonably possible, but in any event restoration shall begin 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, LESSOR shall forthwith give notice to LESSEE of the specific number of days required to repair the same. If LESSOR 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, LESSEE, in either such event, at its option, may terminate this Lease.

In the event of any such destruction other than total, where LESSEE has not terminated the Lease as herein provided, LESSOR shall diligently prosecute the repair of the Premises and, in any event, if said repairs are not completed within sixty (60) calendar days from the work commencement date, 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%), LESSEE shall have the option to terminate this Lease.

If LESSEE 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 LESSEE 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 rest rooms.

ARTICLE 20 - DEFAULT BY LESSEE

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

- (a) A default in the payment of rent when such default continues for a period of thirty (30) days after written notice, or
- (b) LESSEE fails to faithfully perform or observe any other covenant or undertaking required under this Lease and such failure continues for a period of thirty (30) days after written notice thereof.

20.2 **Remedies:** If LESSEE fails to cure a prospective default within the time frames outlined above, LESSOR 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 LESSOR elect to cure the default itself, all costs associated with such cure shall be reimbursed by LESSEE to LESSOR, as Additional Rent, within thirty (30) days of receipt of LESSOR'S invoice for said costs.

ARTICLE 21 - DEFAULT BY LESSOR

21.1 **Default:** LESSOR shall not be in default unless LESSOR fails to perform its obligations under this Lease within a reasonable time, but in no event later than thirty (30) days after written notice by LESSEE to LESSOR specifying wherein LESSOR has failed to perform such obligations. If the nature of LESSOR'S obligation is such that more than thirty (30) days are required for performance, then LESSOR shall not be in default if LESSOR commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. LESSEE'S obligation to provide written notice to LESSOR of a default by LESSOR is limited to those instances where knowledge of LESSOR'S default is within the actual knowledge of LESSEE.

21.2 **Remedies:** If LESSOR fails to cure a prospective default within the time periods outlined above, LESSEE 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 LESSEE elect to cure the default itself, all costs associated with such cure shall be reimbursed by LESSOR to LESSEE within thirty (30) days of receipt of LESSEE'S invoice for said costs. However, upon LESSOR'S failure to so reimburse or, at LESSEE'S option, said costs shall be held from rent due hereunder. If LESSOR'S default hereunder prevents LESSEE'S use of the Premises, there shall be an abatement of rental payments for the period of such non-use.

ARTICLE 22 - HOLDING OVER

If LESSEE, with LESSOR'S consent, remains in possession of the Premises after the Lease 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, subject to termination upon thirty (30) days' written notice by either party. All other terms and conditions shall remain in full force and effect, provided that, in the event that LESSEE remains in possession of the Premises after the end of the Lease Term.

ARTICLE 23 - WAIVER

The waiver by LESSOR or LESSEE 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 24 - QUIET POSSESSION

As long as LESSEE keeps and performs the covenants in this Lease, LESSEE 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 LESSOR or any person claiming under LESSOR, subject to LESSOR's right to sublease designated areas for purposes that assist LESSOR's primary function of elimination of blight and redevelopment.

ARTICLE 25 – SUBORDINATION AND NON-DISTURBANCE

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

ARTICLE 26 - 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 27 - MISCELLANEOUS PROVISIONS

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

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

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

27.4 **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.

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

27.6 **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.

ARTICLE 28 - MAJOR APPLIANCES

Installation of major appliances such as vending machines, refrigerators, stoves, etc., must be approved by LESSOR prior to installation. The LESSOR will grant installation approval for new appliances only. Such approval shall not be unreasonably withheld.

SIGNATURES

LESSEE: Oliva Espinoza dba Olivia's Cafe

_____ **Date:** _____

LESSOR: Transportation Agency for Monterey County

By: _____ **Date:** _____

Debra L. Hale

Title: Executive Director

APPROVED AS TO FORM:

Title: TAMC Counsel

Date: _____

EXHIBIT A

DESCRIPTION OF PREMISES

(Site Map)
Exhibit A-1

(Floor Plan with Dimensions)
Exhibit A-2

EXHIBIT B

SUMMARY OF SERVICES AND UTILITIES

The following is a summary of services and utilities responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Provide adequate paper supplies, dispensers, and waste and recycling containers for the Premises and rest rooms			X
Provide adequate custodial service for interior of the Premises (dust, waste removal, recycling removal, vacuum, mop and general cleaning)			X
Provide adequate custodial service for exterior of the Premises and common areas			X
Professionally clean carpets, rugs, tile and linoleum flooring as deemed necessary			X
Professionally clean existing drapes, blinds, and window shades as deemed necessary			X
Professionally clean interior windows as deemed necessary			X
Professionally clean exterior windows as deemed necessary			X
Provide adequate pest control for the interior of the Premises			X
Provide adequate pest control for exterior of Premises			X
Provide adequate landscape maintenance and gardening (including landscape irrigation system and associated water supply and service)			X
Provide adequate parking lot area sweeping			X
Provide adequate refuse, rubbish, garbage, and recyclable (paper, plastic, and aluminum) disposal and pick up service			X
Provide adequate fire sprinkler systems testing			X
Provide adequate fire alarm systems monitoring			X
Provide adequate intrusion/security alarm systems monitoring			X
Provide adequate patrolled security guard service			X
Provide adequate heating, ventilation & air conditioning (HVAC) systems filter replacements, unit inspections and unit lubrications			X
Provide adequate servicing of uninterrupted power source (UPS)	X		
Provide adequate servicing of power back up generator (excludes any power back up generator provided by LESSEE)			X
Provide adequate gas utility service			X
Provide adequate electric utility service			X

Provide adequate water utility service			X
Provide adequate telephone and data service (including connection charges)			X
Provide adequate sewage services (including MRWPCA fee, if applicable)			X
OTHER:			

EXHIBIT C

SUMMARY OF REPAIR AND MAINTENANCE RESPONSIBILITIES

The following is a summary of maintenance and repair responsibilities of LESSOR and LESSEE for the proposed use of the Premises:

	N/A	LESSOR	LESSEE
Common Areas			X
Foundations			X
Floor Slabs			X
Elevators and/or Dumb Waiters	X		
Exterior and Bearing Walls			X
Exterior Doors and Hardware (excludes re-keying if deemed necessary)			X
Exterior Windows and Window Frames			X
Roofs			X
Gutters, Drains and Downspouts			X
Parking Lots			X
Ceilings			X
Fire Sprinkler Systems			X
Fire Alarm Systems			X
Intrusion/Security Alarm Systems			X
Uninterrupted Power Source (UPS)	X		
Power Back Up Generator (excludes any generator provided by LESSEE)	X		
Heating, Ventilation and Air Conditioning (HVAC) Systems (including replacement if deemed necessary)			X
Heating, Ventilation and Air Conditioning (HVAC) control switches, sensors and thermostats			X
Electrical Systems (including electrical outlets, panels, circuit breakers and wiring)			X
Plumbing Systems and Fixtures (including sewer and drain stoppages)			X
Lighting Systems (including starters, ballasts, transformers and light switches) (surgical units and/or operating rooms shall be the responsibility of the LESSEE)			X
Light Bulbs and Fluorescent Light Tubes (adequate replacement)			X
Interior Walls			X
Interior Wall Surfaces (including repainting if deemed necessary)			X
Interior Doors and Hardware			X

Interior Windows and Window Frames			X
Carpet, Tile, and Linoleum Flooring (including replacement if deemed necessary)			X
Base and/or Moldings			X
Appliances			X
Communication Systems (data/telephone cabling, connections and equipment)			X

***Notwithstanding the forgoing, LESSEE will pay to LESSOR the reasonable cost of any repairs or maintenance required as a direct result of negligent acts or omissions of LESSEE, its agents, employees, or invitees.**