



Substantive Change Proposal
Establishing an additional location geographically apart from the main campus at which the institution offers at least 50% of an educational program

Mt. San Jacinto Community College District
1499 N. State Street
San Jacinto, California 92583

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To

Accrediting Commission for Community and Junior Colleges
Western Association of Schools and Colleges

TABLE OF CONTENTS

A. Overview of Substantive Change	6
1. Description of Proposed Program	6
2. Relationship to the Institutional Mission	7
3. Rationale for Request.....	7
B. Planning Process Leading to Request for Change	8
1. Needs and Resource Assessment.....	8
2. Anticipated Effect of the Proposed Change on the Rest of the Institution.....	8
3. Benefits Resulting from Change	8
4. Institutional Impact	9
5. Preparation for Change	9
C. Institutional Resources and Process for Change	9
1. Faculty, Management, and Support Staffing.....	9
2. Equipment and Facilities, Including Adequate Control Over any Off-Site Campus	10
3. Fiscal Resources – Initial and Long Term and Sources of Funding	10
4. Plan for Monitoring Outcomes.....	11
D. Evidence of Internal and External Approvals	11
1. Administrative	11
2. External Regulatory and Legal Requirements	11
3. Mt. San Jacinto College Governing Board Approvals	11
E. Evidence of Maintenance of Eligibility Requirements	12
1. Authority	
2. Mission	
3. Governing Board	
4. Chief Executive Officer	
5. Administrative Capacity	
6. Operational Status	
7. Degrees	
8. Educational Programs	
9. Academic Credit	
10. Student Learning and Achievement	
11. General Education	
12. Academic Freedom	

- 13. Faculty
- 14. Student Services
- 15. Admissions
- 16. Information and Learning Resources
- 17. Financial Resources
- 18. Financial Accountability
- 19. Institutional Planning and Evaluation
- 20. Public Disclosure
- 21. Relations with Accrediting Commission

F. Evidence that Each Accreditation Standard will still be Fulfilled Related to the Change and that All Relevant Commission Policies are Addressed 23

- 1. Standard I23
- 2. Standard II24
- 3. Standard III25
- 4. Standard IV26
- 5. Process for Monitoring and Evaluating the Effectiveness and Learning Outcomes expected through the proposed change26

G. Appendices 28

- Exhibit 1: Programs Where Fifty Percent Or More Of Required Classes Offered At The Temecula Education Complex (Site) Of Mt. San Jacinto College29
- Exhibit 2: Mt. San Jacinto College Board Of Trustees Meeting Actions To Approve The Temecula Education Complex.....30
- Exhibit 3: Mt. San Jacinto College Board Of Trustees Meeting Actions To Approve The Substantive Change Proposal Request.....31
- Exhibit 4: Delegation Of Authority To Superintendent/President Board Policy 243032
- Exhibit 5: Sample Of Mt. San Jacinto College Class Schedule Page Indicating Address And Classes Offered At The Temecula Education Complex33
- Exhibit 6: Operational Budget And Analysis Of Substantive Change Financial Resources As They Relate To The College Budget.....34
- Exhibit 7: Organizational Chart Showing Management Structure For Mt. San Jacinto College And Temecula Education Complex35

Exhibit 8: Matrix Showing Student Access To Student Support Services And Learning Resources
Appropriate To The Programs Offered Online, Off-Site, And On-Site.....36

Exhibit 9: Map Showing Mt. San Jacinto College Site Including The Temecula Education Complex 37

Exhibit 10: Temecula Education Complex Floor Plans And Lease Agreement38

Exhibit 11: Estimated Number Of Students That Live In Mt. San Jacinto College And Attend
Neighboring California Community Colleges- Justification For Developing New Site – Temecula
Education Complex.....39

Exhibit 12: Chart Of College-Going Rates For Riverside County And Mt. San Jacinto College
Feeder High School Districts.....40

STATEMENT OF REPORT REVIEW AND APPROVAL

The Mt. San Jacinto College Substantive Change has been reviewed for accuracy and validated by the District's governance leadership. It was approved by the Mt. San Jacinto Community College District Board of Trustees on March 10, 2011.

Roger W. Schultz
Superintendent/President

Gene Kadow
President, Board of Trustees

A. OVERVIEW OF SUBSTANTIVE CHANGE

The purpose of this substantive change proposal is to request approval for Mt. San Jacinto College (MSJC) to offer classes that constitute at least 50% of the coursework in eight (8) Associate of Arts/Associate of Sciences program and seven (7) certificates at the Mt. San Jacinto College Temecula Education Complex (TEC). The TEC is located 28 miles southwest of the main San Jacinto Campus and is located at 27447 Enterprise Circle West Temecula, California, 92590.

Description of Proposed Program

As part of the Mt. San Jacinto College's Educational Master Plan, and the mission of the institution, it was determined that Mt. San Jacinto College would ultimately need to develop an education center in the southwest end of the district to improve access for residents of Temecula, Murrieta, Lake Elsinore and Wildomar. Beginning in 2007, members of the college community met with constituents to evaluate sites for possible acquisition or lease. Finally, in winter 2007 a site was identified approximately 12 miles from our closest center (Menifee Valley) and 28 miles from the main campus (San Jacinto). Mt. San Jacinto College then entered a three-year lease to establish the Temecula Education Complex (TEC). Since that time the College has extended the lease for another three years bringing the current lease duration to January 31, 2014 with an option to extend.

The complex, consisting of 28,353 square feet of building space, was retrofitted resulting in 14 "smart" classrooms including 2 - 24 station computer labs, administrative offices, restrooms, a student study area, conference room, tutoring space and enrollment and counseling - student service area. The first CTE, transfer and personal enrichment classes were offered in the spring term 2008 at this location.

Prior to the complex opening, Mt. San Jacinto College offered classes in an evening college format at the local high schools in Temecula in order to serve the population of the southwest corridor. When the TEC site was opened in 2008 some classes were relocated from one of the local high schools as an initial offering. In TEC's first term of operation Mt. San Jacinto College offered eight (8) sections of courses serving a total of 244 students. Since that time the student demand and request for a broader array of classes at this new location has been extraordinary and has led to over 100 classes being offered with over 7000 enrollments in the 2009-10 academic year as well as several Community Education classes. This has resulted in the TEC growing to the point where, as of the 2009-10 academic year, offerings were significant enough that it was believed that there were certificate and degree programs that may be represented with fifty percent or more of the course requirements.

In preparation for submittal of the 2009 Annual Report, Mt. San Jacinto College conducted a review of its program and course offerings to validate compliance with ACCJC standards, rules and regulations. This review included an audit of the Mt. San Jacinto College course offerings at TEC. The review found that some of the Mt. San Jacinto College classes scheduled at the TEC accounted for 50% or more of the course requirements for seven (7) certificate programs and eight (8) associate degrees.

Relationship to the Institutional Mission

The current mission statement of Mt. San Jacinto College is consistent with the establishment of programs where fifty percent or more of the course requirements may be completed at the College's Temecula Education Complex. The College mission statement, as printed in the 2010-11 College Catalog is as follows:

Mt. San Jacinto College, a California Community College, offers accessible, innovative, comprehensive and quality educational programs and services to diverse, dynamic and growing communities both within and beyond traditional geographical boundaries. We support life-long learning and student success by utilizing proven educational methodologies as determined by collaborative institutional planning and assessment. To meet economic and workforce development needs, MSJC provides students with basic skills, general and career education that lead to transfer, associate degrees and certificates. Our commitment to student learning empowers students with the skills and knowledge needed to effect positive change and enhance the world in which we live.

Because of the vast size of the College's District, 1,700 square miles, the Temecula Education Complex will enable the educational access to residents of the southwest corridor as guaranteed in its mission. By offering, in Temecula, at least 50% of the coursework leading toward an A.A. degree or in fulfillment of the general education requirements for transfer in the future, the College will provide high quality higher education to the residents of the southern-most region of the Mt. San Jacinto College district.

Rationale for Request

Offering degree and certificate program requirements at more than one location affords students a variety of local opportunities to achieve their educational, personal, and professional goals. As the College has seen unprecedented growth, the demand for classes each semester has also contributed to the need for the College to consider offering multiple sections of classes at various locations in order to enhance students' choices for completing degree and certificate programs in a reasonable amount of time and at locations that are conducive to their regular attendance. The new TEC provides a convenient location for south county residents to continue their studies.

B. PLANNING PROCESS LEADING TO REQUEST FOR CHANGE

Needs and Resource Assessment

Mt. San Jacinto College has been offering classes in the southern area of the district since 1997 on a very limited basis through the use of local high school facilities and only at night. Despite this presence in Temecula, in early 2007, the Office of Institutional Research and Planning shared important data with the College's executive leadership regarding outflow of students. The data related to the large number of students (nearly 10,000) residing within the boundaries of Mt. San Jacinto Community College District who were traveling long distances to attend neighboring community colleges. It was discussed at that time that the majority of these students might be served more efficiently if the College could offer south county residents a full array of classes, at convenient times with a full complement of support services closer to their geographical area. After a failed bond attempt in 2006, in 2007, the district made a decision to seek a leased location to offer classes along the southwest corridor of the district. Following that, the District leased a space and invested general fund money to retrofit the building for classes and support services.

To determine the instructional demand areas in the location of the new building, a number of needs assessments were conducted with community members and local businesses regarding their instructional/training needs. The review of the findings indicated that among other subjects a strong need existed for career training and a strong transfer pattern. The Mt. San Jacinto College Vice President of Instruction and Dean of Offsite Programs have worked to strategically and incrementally develop a schedule of classes for targeted programs that allow students a convenient format for completion of their chosen educational goals.

Anticipated Effect of the Proposed Change on the Rest of the Institution

Since all programs of study are already approved by the California Community College Chancellor's Office and are currently offered successfully across the district at the main campus and at the Menifee Valley Center, this substantive change will have no adverse impact on the institution. Mt. San Jacinto College anticipates that the change requested in this proposal will be a positive one for the College constituents by making more local options available for higher education.

Benefits Resulting from Change

As noted in the rationale for this substantive change proposal, offering degree and certificate requirements at local sites affords students with multiple opportunities to achieve their educational, personal and professional goals.

Institutional Impact

Given that TEC has available classroom space to offer classes, the programs offered there are locally and state approved, and that Mt. San Jacinto College has established procedures for the scheduling of courses at TEC, no additional institutional impact will result from approval of this Substantive Change Proposal. Course offerings and programs of study will continue to grow or retrench based on community need as measured by the College's program review and academic master planning processes.

Preparation for Change

At the Mt. San Jacinto College Board of Trustees request, College personnel originally established a planning committee in 2007 in response to one of the major objectives of the Mt. San Jacinto College mission statement which was to improve student access to higher education for all residents in the College's service area. It has been noted in fact that in Riverside County the college going rate is 44%, well below the state average of 47%. This task force made various recommendations as to location after researching available sites and a final plan for establishment of the new complex was reached.

In preparation for the establishment of the new site the Mt. San Jacinto College Board of Trustees authorized the establishment of new positions for permanent administrative supervision including a Dean of Offsite Programs assigned solely at the new site and an Administrative Associate to support the academic activities and students.

C. INSTITUTIONAL RESOURCES AND PROCESS FOR CHANGE

Faculty, Management, and Support Staffing

As of the writing of this proposal the permanent Dean of Offsite Programs is located at the TEC to oversee the academic programs and facility needs. In addition, a Dean of Student Services and the Dean of Counseling who are located at the College's Meniffee Valley Center location oversee the activities of the personnel in the Enrollment Services and Counseling areas. The faculty are assigned to teach at TEC based on semester-by-semester scheduling needs. Faculty offices are also assigned to full-time faculty who teach their full teaching load at TEC as space permits. Additionally, the TEC has office space available for part time (associate) faculty. Full time Counselors and enrollment staff are also assigned permanently to the Temecula Education Complex.

In addition, TEC students have full access to the essential student services functions of Mt. San Jacinto College such as Counseling, Admission and Records, Disabled Student Programs and

Services and assessment. This staffing level further supports the District's commitment to have administrative, faculty and staff presence at TEC. It is anticipated that TEC student service functions will expand to meet the co-curricular educational needs of the students in the areas of financial aid as resources become available. Financial Aid workshops are held on an ongoing basis at TEC to inform students of financial aid information. A matrix outlining the student access to student support services and learning resources appropriate to the specific programs offered online, off-site, and on-site is available as an exhibit in the appendix of this substantive change report.

Equipment and Facilities, Including Adequate Control Over any Off-Site Campus

As mentioned earlier in this proposal, the current TEC site consists of 28,353 square feet of building space including 14 state-of-the-art "smart" classrooms which includes two 24 station computer labs with equipment and functionality identical to the San Jacinto campus and Menifee Valley Center facilities. In addition at TEC, the site includes a student services area including two full time counselors, admissions staff, an assessment center, an "Eagle Access Center" where students can get assistance in completing online applications, an office for DSPS, a closed captioning service, a student study area, a tutoring center, a "smart" conference room with tele-link capabilities, adequate restrooms, administrative offices, and a vending room for refreshments and student supplies. Students can access library services and online tutoring through the tutoring center, when manned, and may take advantage of printing documents. This tutoring center currently operates part time and in a manner similar to the open computer labs on Mt. San Jacinto College's other main sites. No additional computer needs are required for on-line course section offerings. The College supports the Blackboard course management system.

Fiscal Resources – Initial and Long Term and Sources of Funding

During the budget development process, the College allocated \$1,569,098 of one time funds for development of the new location. The budget development process since then has allocated approximately \$ 732,738 in funds to support ongoing operations (for fiscal year 2010-11). Mt. San Jacinto College is committed to ensuring the availability of fiscal resources to maintain all programs of study regardless of location.

Financial Sustainability

As the program (online, offsite and new programs) grows, more fiscal resources will be allocated as needed through the College's program review and allocation of resources integrated planning process to ensure maintenance of quality.

Plan for Monitoring Outcomes

All Mt. San Jacinto College instructional programs complete the same program review process regardless of where they are offered. Annually, all programs submit a program review update to their required three-year program review that informs decision-making in the areas of curriculum, budget and staffing. Departments report in the areas of enrollment, certificate and degrees awarded, FTES and curriculum. There are no monitoring (or any other) distinctions made between whether students earn course requirements toward degrees or certificates at the main campus, Menifee Valley Center or TEC.

A student survey of all students attending classes at TEC was completed in the fall term 2010 to gain valuable qualitative feedback. This information was analyzed by the Dean of Instruction, Off-Site Programs and results were shared with the Vice President of Instruction and the institutional researcher in order to formulate a plan to improve the overall experience at TEC.

D. EVIDENCE OF INTERNAL AND EXTERNAL APPROVALS

Administrative

The Mt. San Jacinto College Curriculum Committee is co-chaired by a faculty member who receives 40% release time to serve in this capacity. Voting members approve all new or modified courses, new or modified programs of study and student learning outcomes for all courses. The MSJC Board of Trustees approves curriculum monthly following action by the committee and prior to sending the curriculum to the California Community College Chancellor's Office (CCCCO) for review and approval.

External Regulatory and Legal Requirements

The California Community College Chancellor's Office approves all new and/or modified programs of study in accordance with California Code of Regulations Title 5. The current Mt. San Jacinto College inventory of approved programs is included as an exhibit of this substantive change proposal addendum. The Mt. San Jacinto College Board of Trustees 2007 action approving the lease of the TEC site in the southwest corridor as well as the lease agreement is included as an exhibit of this substantive change proposal addendum.

Mt. San Jacinto College Governing Board Approvals

Mt. San Jacinto College governing board policy requires all programs of study be approved by that body. All programs included in the CCCCCO Inventory of Programs were approved prior to submittal for state approval.

All district constituents and governance groups were involved in program planning discussions related to the establishment of TEC. This substantive change proposal will be presented to the

Mt. San Jacinto College Board of Trustees as an information item at its February 2011 meeting and again at the March 2011 meeting for formal action and approval. Governing Board approval of this substantive change request is included in the addendum of this substantive change proposal.

E. EVIDENCE OF MAINTENANCE OF ELIGIBILITY REQUIREMENTS

The accrediting Commission and the Western Association of Schools and Colleges (WASC) have prescribed 21 eligibility requirements for community and junior colleges. A summary of the eligibility requirements and the impact of this substantive change proposal (if any) on the eligibility requirement follows. Documentation is either included in this substantive change proposal or referenced for each requirement.

Authority

In order to be eligible, an institution must be authorized or licensed to operate as an educational institution and to award degrees by an appropriate governmental organization or agency as required by each of the jurisdiction or regions in which it operates.

For public community colleges in California, the ACCJC requires official recognition by the California Postsecondary Education Commission and the California Community Colleges Board of Governors. Public Colleges in the Western Pacific are authorized through a charter provided as a part of a regional treaty. Public colleges in Hawaii are authorized through State legislation.

The following statement may be found in the Mt. San Jacinto 2010-11 Catalog. "Mt. San Jacinto College is accredited by the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges. (10 commercial blvd., Suite # 204, Novato, Ca. 94949, (415) 506-0234 [fax (415) 506-0238]. Email: accjcl@pacbell.net, www.accjsc.org), a regional accrediting body recognized by the Council for Higher Education Association and the U.S. Department of Education. The Board of Registered Nursing and the Board of Vocational Nursing and Psychiatric Technician Examiners also are charged with authority to monitor programs in those subspecialties.

The College has been approved for training of veterans under the various United States public laws and California veteran enactments; the Bureau of Immigration and various United States laws and California veteran enactment. The bureau of Citizenship and Immigration Services has approved Mt. San Jacinto College for international students under educational visas. Mt. San Jacinto College is authorized under federal law to enroll non-immigrant and alien students."

Mission

The institution's educational mission must be clearly defined, adopted, and published by its governing board consistent with its legal authorization, and be appropriate to a degree granting institution of higher education and the constituency it seeks to serve. The mission statement defines institutional commitment to achieving student learning.

A copy of Mt. San Jacinto College's currently revised mission statement may be found in the 2010-11 catalog. The mission statement is reviewed regularly by the Institutional Planning Committee and executive leadership and presented to the Board of Trustees for review and approval. The mission statement is and will continue to be reflective and inclusive of all college sites.

Governing Board

The institution must have a functioning governing board responsible for the quality, integrity, and financial stability of the institution and for ensuring that the institution's mission is being carried out. This board must be ultimately responsible for ensuring that the financial resources of the institution are used to provide a sound educational program. The board's membership must be sufficient in size and composition to fulfill all board responsibilities. The governing board must be an independent policymaking body capable of reflecting constituent and public interest in board activities and decisions. A majority of the board members must have no employment, family, ownership, or other personal financial interest in the institution. The board must adhere to a conflict of interest policy which assures that those interests are disclosed and that they do not interfere with the impartiality of governing board members or outweigh the greater duty to secure and ensure the academic and fiscal integrity of the institution.

The five-member Board of Trustees of the Mt. San Jacinto Community College District governs Mt. San Jacinto College, a single college district. The student body elects a student trustee who serves a one-year term on the Board of Trustees, and who votes on college business (except for closed session issues) in an advisory capacity. The governance is inclusive of all college sites and without regard for mode of instruction. The Board of Trustees holds monthly meetings that are open to the public with notices and agendas widely posted in advance. In order to be accessible to members of the large district area, the Board of Trustees provides teleconferencing link capabilities from the main campus where meetings are held, to the Menifee Center. The agenda contains an oral comments section for community comment; The Academic Senate, the Classified Senate, and the Student Government Association all provide reports to the Board of Trustees monthly.

The current Mt. San Jacinto College Board of Trustees Policies are available at URL: <http://www.msjc.edu/BoardofTrustees/Documents/Board Policy Manual/Board Policy Manual.pdf>.

Annual Board of Trustee Goals may be found at URL: <http://www.msjc.edu/BoardofTrustees/Pages/Annual-Board-Goals.aspx>

Chief Executive Officer

The institution must have a chief executive officer appointed by the governing board, whose full-time responsibility is to the institution, and who possesses the requisite authority to administer board policies. Neither the district/system chief administrator nor the college chief administrator may serve as the chair of the governing board.

Dr. Roger Schultz, president of Mt. San Jacinto College, has primary responsibility for the college and has executive responsibilities for administering board policies. Board Policy 2430, Delegation of Authority to the College President. An exhibit in the appendix outlines Dr. Schultz's delegated responsibility as the Chief Executive Officer of Mt. San Jacinto College.

Administrative Capacity

The institution must have sufficient staff, with appropriate preparation and experience to provide the administrative services necessary to support its mission and purpose.

The TEC has adequate staffing and oversight during all hours of operation. During the day the general site operations are overseen by the permanent Dean of Instruction, Off-site Programs and during evening hours the college has consistently hired evening administrators to monitor the site. In addition, three out of the four nights evening classes are held, a Mt. San Jacinto College campus security officer is assigned to monitor safety on location at TEC. The Enrollment Services sector staff of Student Services are supervised by the Director of Enrollment at the Menifee Valley Center and the Counselors are supervised by the Dean of Counseling who supervises counselors district-wide.

For the most part the instructional faculty report to the Vice President of Instruction through their appropriate Division Deans located at either the San Jacinto Campus or the Menifee Valley Center. However, two full time faculty, one in Math and one in English report directly to the Dean of Instruction, Offsite Programs. Personnel responsible for contracts, business operations and maintenance of the center report to the Vice President of Business Services through the Dean of Business Services. All technology is directed by one of two Deans. Staff technology is maintained by the Information Technology department managed by the Dean of Information

Technology. The instructional technology is overseen by the Dean of Library and Technology and executed by an assigned technician from Instructional Technology Services (I.T.S.) deployed from the main campus as needed. Both departments' technicians share an office space when they are needed at TEC since the time devoted to TEC is significant.

Operational Status

The institution must be operational, with students actively pursuing its degree programs.

A Mt. San Jacinto College enrollment history, as well as enrollments in certificate and degree programs by year, is published on the Mt. San Jacinto College website at the following URL: <http://www.msic.edu/CollegeInformation/Administration/InstitutionalResearch/Pages/default>.

A copy of the current searchable class schedule is available on the MSJC Web site at <http://www.msic.edu/ScheduleofClasses/Pages/Spring-2011-Schedule-of-Classes.aspx>. The schedule of classes clearly identifies location (site) that sections are offered and classes that are offered online or in hybrid formats. A copy of the class schedule identifying location is available in an exhibit in the addendum. Courses are scheduled at all sites and/or online so that students have the opportunity to complete degree programs at a pace and location that meets their individual needs.

Degrees

A substantial portion of the institution's educational offerings must be programs that lead to degrees, and a significant proportion of its students must be enrolled in them.

Students are provided with several options for fulfilling the requirements of an associate degree at Mt. San Jacinto College. Each is designed to meet specific educational goals. Through careful course scheduling and enrollment management strategies, course enrollments meet the strategic goals of the college while meeting student needs related to course and degree completion.

Students may fulfill a major in any of the career and technical areas as well as several general areas by completing a minimum number of units (as specified in the College Catalog) and upon completion of general education requirements specified for a specific area. Degree opportunities, transfer courses and certificates of achievement as well as Employment Concentrations are clearly identified in the College Catalog. The Office of Institutional Research and Planning has data related to student success on their website.

The most recent figures for these degree programs are available at URL:

<http://www.msjc.edu/CollegeInformation/Administration/InstitutionalResearch/Documents/Award.08.09.xlsx>

Educational Programs

The institution's principal degrees programs must be congruent with its mission, must be based on recognized higher education field(s) of study, must be of sufficient content and length, must be conducted at levels of quality and rigor appropriate to the degrees offered, and must culminate in identified student outcomes. At least one degree program must be of two academic years in length.

Successful completion of approved programs at Mt. San Jacinto College may lead to an Associate of Arts or Associate of Science Degree; a Certificate of Achievement or Employment Concentration (less than 18 units) in a specific career or technical field; or completion of lower division requirements for transfer to upper division standing at a four-year college or university. The names and course requirements for the degrees offered at Mt. San Jacinto College reflecting the institution's mission statement are found in the institution's catalog. Course descriptions are also found in the catalog which can be accessed at [http://issuu.com/aseavey/docs/2010-11 complete catalog for the web](http://issuu.com/aseavey/docs/2010-11_complete_catalog_for_the_web) . The class schedule each semester identifies where course sections are offered along with the mode of instruction (Onsite, online, or hybrid).

The College's Curriculum Committee ensures programs of study are congruent with the College mission and meet all legal requirements related to length, content, quality and rigor regardless of the site where sections are offered or whether the sections are offered online. The committee requires separate online addendum approvals for courses to be offered online that outlines how the sections offered online will result in identical student outcomes and identical content.

Academic Credit

The institution must award academic credits based on generally accepted practices in degree granting institutions of higher education. Public institutions governed by statutory or system regulatory requirements must provide appropriate information about the awarding of academic credit.

Institutional policies on transfer and awarding credit are specified in the College Catalog. These programs and courses have sufficient content and length and are based on Title 5, section 55002.5 of the California Administrative Code. Credit is assigned to courses based on the

“Carnegie Unit” which expects students to complete 18 hours of work for one unit of credit. Credit is awarded exactly the same regardless of the site or whether a course is offered via distance education.

Student Learning and Achievement

The institution must define and publish for each program the program’s expected student learning and achievement outcomes. Through regular and systematic assessment, it must demonstrate that students who complete programs, no matter where or how they are offered, achieve these outcomes.

Course outlines for all credit and noncredit classes, including the minimum standards for each course, may be found online on the College’s intranet at URL

<http://www.msjc.edu/CollegeInformation/Administration/Committees/CurriculumCommittee/Pages/default.aspx> and soon (Spring 2011) to be archived completely on the College’s

CurricUNET database. At the course level, Mt. San Jacinto College faculty are integrating student learning outcomes and assessment into the course development and review processes. Outcome data from the educational program reviews are available at

Outcome data from the educational program reviews are available at

[http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Pages/Student-Learning-](http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Pages/Student-Learning-Outcomes-and-Assessment.aspx)

[Outcomes-and-Assessment.aspx](http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Pages/Student-Learning-Outcomes-and-Assessment.aspx) and

<http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Pages/Program-Reviews-and-Unit-Plans.aspx>. Graduation history may be found at URL:

<http://www.msjc.edu/CollegeInformation/Administration/InstitutionalResearch/Pages/default.aspx>

Department Learning outcomes are developed for each program and can be viewed at

[http://www.msjc.edu/CollegeInformation/Administration/Committees/CurriculumCommittee/Pages/MSJC-Student-Learning-Outcomes-\(SLOs\).aspx](http://www.msjc.edu/CollegeInformation/Administration/Committees/CurriculumCommittee/Pages/MSJC-Student-Learning-Outcomes-(SLOs).aspx) and will be published in the college

catalog beginning with school year 2011-12. Overseen by the Curriculum Committee, all programs have established learning outcomes and assessment plans.

Proposed student learning outcomes and assessment cycles are reviewed by the Assessment Coordinator. After review and approval the Coordinator places the student learning outcomes and assessments on the Assessment Committee agenda for review. Student learning outcomes will be included as an addendum with all course outlines of record by 2011. Site of course offerings or mode of delivery does not influence student learning and achievement measures (outcomes and assessment).

General Education

The institution must define and incorporate into all of its degree programs a substantial component of general education designed to ensure breadth of knowledge and promote intellectual inquiry. The general education component must include demonstrated competence in writing and computational skills and an introduction to some of the major areas of knowledge. General education must have comprehensive learning outcomes for the students who complete it. Degree credit for general education programs must be consistent with levels of quality and rigor appropriate to higher education See the Accreditation Standards, ii.A.3. for areas of study required for general education.

Mt. San Jacinto College has three patterns of General Education courses (MSJC GE Option A, CSU GE option B and IGETC option c) that promote the student's personal, cultural and intellectual growth. These general education courses of study include demonstrated competence in writing and computational skills and serve as an introduction to major areas of knowledge (Title 5 – 55806). General education courses are listed in the college catalog. All course descriptions are found in the Catalog and verification of their quality and rigor are provided. The Curriculum Committee approves all courses and programs of study to be included in the general education sequence.

General education courses are taught at all college sites, with some being offered via online (distance) education. The courses are taught in accordance with course outlines of record, with assessment of approved student learning outcomes regardless of teaching site.

Academic Freedom

The institution's faculty and students must be free to examine and test all knowledge appropriate to their discipline or area of major study as judged by the academic/educational community in general. Regardless of institutional affiliation or sponsorship, the institution must maintain an atmosphere in which intellectual freedom and independence exist.

The College's academic freedom policy for faculty and students is set forth in Board Policy 5030 and appears in the College Catalog. The District's academic freedom policy is applicable regardless of site.

Faculty

The institution must have a substantial core of qualified faculty with full-time responsibility to the institution. The core must be sufficient size and experience to support all of the institution's educational programs. A clear statement of faculty responsibilities must include development and review of curriculum as well as assessment of learning.

In fall term 2010, Mt. San Jacinto College employed 150 full-time faculty members and 549 part-time faculty members. Information about full-time faculty including name, title, and degrees are listed in the College Catalog. Information regarding part-time faculty is kept in the Instructional Services Offices and in the Mt. San Jacinto College Human Resource Department office. The Mt. San Jacinto College faculty handbook provides information on faculty responsibilities, resources and other relevant information regarding teaching and learning. References as to primary responsibilities are also contained in the faculty contract between Mt. San Jacinto College and the California Teachers Association.

Faculty who meet minimum qualifications, according to the California Community College Chancellor's Office, are assigned to teach at all sites. The same is true for sections taught online, however, faculty are required to demonstrate proficiency and/or have experience teaching online prior to being assigned online sections. Such determinations are made by department chairs and deans with review by the Dean of Library and Technology.

Student Services

The institution must provide for all of its students appropriate student services that support student learning and development within the context of the institutional mission.

Mt. San Jacinto College provides a full range of student services and programs, which are published in the catalog. Mt. San Jacinto College routinely advertises services and programs on its website and through announcements in classes. Student Services include the following:

- Admissions and Records
- Student Government Association
- Athletics
- Career and Transfer Center
- Counseling
- Disabled Students Programs and Services (DSPS)
- Extended Opportunities Program and Services (EOPS) and Cooperative Agencies Resources for Education (CARE)
- Financial Aid Services
- International Student Services
- Matriculation and Outreach
- Student Activities and Clubs
- Tutorial Services
- Veteran Services

Admissions

The institution must have adopted and must adhere to admission policies consistent with its mission that specify the qualifications of students appropriate for its programs.

The college's admission policy is included in the college catalog. An electronic copy of the enrollment application and details regarding student qualifications for admission are available online at WWW.MSJC.EDU. Admissions policies are applicable to all students regardless of the site where courses are offered or whether courses are taken onsite or online.

Information and Learning Resources

The institution must provide, through ownership or contractual agreement, specific long-term access to sufficient information and learning resources and services to support its mission and instructional programs in whatever format and wherever they are offered.

A profile of the libraries' holding and resources may be found on the library Web site at URL: <https://library.msjc.edu/uhtbin/cgisirsi/9ASKXY1xge/MENIFEE/175150017/60/502/X> Copies of an interlibrary loan agreement with On-line Computer Library Center Inc. (OCLC) may be found in the office of the Dean of Instruction library and Technology. This agreement provides this service to on-campus and off campus students during the regular terms and most summers if the college offers a summer schedule. In addition to this service, the reference collection includes 1500 non-circulating titles; the library collection includes 40,000 books that may be circulated for loan, and 300 paper format journals, magazines and newspapers. The electronic databases, most accessible to students online, provide an excellent resource especially for the students attending classes off-site. This scholarly collection offers information in nearly every area of academic study. Assistance in locating information is provided by professionally trained librarians "face-to-face" at one of the two main libraries at the San Jacinto Campus and the Meniffee center, or electronically by phone or email. All on campus and on-line learning resources are available to students taking classes at the TEC. The TEC site is wireless and students have a study area in which to use laptops to access library services.

Financial Resources

The institution must document a funding base, financial resources, and plans for financial development adequate to support student learning programs and services, to improve institutional effectiveness, and to assure financial stability.

District financial planning and information is under the purview of the Vice President of Business Services. The current budget for Mt. San Jacinto College and statement of fund balances for the College Foundation are available in the College's Business Services Division.

The general fund for the College includes support across all instructional and student services programs at the College, regardless of the method or mode of instruction or location. The support for instructional and student services programs that result in the College meeting Standard II are included in the College budget. The Institutional Planning and Budget Committees review programmatic needs each year based on program review and academic master planning for the purposes of recommending a final budget to the College president. The committees are responsible for ensuring the final budget recommendations include support for all services and functions, that result in student success at all sites and modes of instruction. The committees have representatives from all constituent groups at the College.

All funds coming to the College are carefully tracked and documented. The College maintains conservative financial management policies and practices that ensure continued fiscal stability for the foreseeable future.

Financial Accountability

The institution must undergo an audit annually and make available an external financial audit by a certified public accountant or an audit by an appropriate public agency. The institution must submit with its eligibility application a copy of the budget and institutional financial audits and management letters prepared by an outside certified public accountant who has no other relationship to the institution for its two most recent fiscal years, including the fiscal year ending immediately prior to the date of the submission of the application. The audits must be certified and any exceptions explained. It is recommended that the auditor employ as a guide Audits of Colleges and Universities, published by the American Institute of Certified Public Accountants. An applicant institution must not show an annual or cumulative operating deficit at any time during the eligibility process.

Reports on audit of financials and supplemental information including report on compliance data are prepared for Mt. San Jacinto College by **Vavrinek, Trine, Day & Co., LLP** Certified Public Accountant & Consultant, and are available for review in the College's Business Services Office. The College meets this eligibility requirement by ensuring a balanced budget that supports all College sites and modes of instruction as verified by the public accounting firm. The audit firm employs *Audits of Colleges and Universities*, published by the American Institute of Certified Public Accountants. The Board of Trustees reviews the audit findings, exceptions, letter to management and any recommendations made by the contracted audit firm.

Institutional Planning and Evaluation

The institution systematically must evaluate and make public how well and in what ways it is accomplishing its purposes, including assessment of student learning outcomes. The institution

must provide evidence of planning for improvement of institutional structures and processes, student achievement of educational goals and student learning. The institution must assess progress toward achieving its stated goals and make decisions regarding improvement through an ongoing and systematic cycle of evaluation, integrated planning, resource allocation, implementation and reevaluation.

The Mt. San Jacinto College Institutional Planning and Budget Committee serve as the strategic planning and budget committees for the college. The Strategic Plan sets forth the strategic directions, goals, and strategies that Mt. San Jacinto College is pursuing in order to fulfill its College mission.

A copy of the most recent strategic plan may be viewed at the URL:

http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Documents/Recommendation_2_Evidence/MSJCCD_Strategic_Plan_final_working.docx

A copy of the most recent Educational Master Plan may be viewed at the URL:

<http://www.msjc.edu/InstitutionalPlanningandEffectiveness/Pages/Educational-Master-Plan.aspx> and the 2010-11 budget is housed in the Business Services Division office. The most

recent institutional evaluations of student assessment and outcomes systems may be found in the program reviews, located in the Instructional Services Office. The College is in the process of purchasing a new software eLumen to serve as an active repository for all student learning outcomes and assessments. A new college Facilities Master Plan is in its initial stages of college preparation.

Public Disclosure

The institution must provide a catalog for its constituents with precise, accurate and current information about the college in general, requirements, major policies affecting students, and documentation.

All of the required information is available from the Mt. San Jacinto College home page on the web at WWW.MSJC.EDU or by reading any of the following sources, which are all public documents: the catalog, class schedule, the full time faculty handbook and the Mt. San Jacinto College Board of Trustees Policies and Administrative Procedures.

The Mt. San Jacinto College Public Information Office maintains copies of recent print or media advertisements and press releases for the college. The College Catalog includes addresses to all college sites, and names of administrators that support each site.

Relations with Accrediting Commission

The institution must provide assurance that it adheres to the eligibility requirements and accreditation standards and policies of the commission, describes itself in identical terms to all its accrediting agencies, communicates any changes in its accrediting status, and agrees to disclose information required by the commission to carry out its accrediting responsibilities. The institution must comply with commission requests, directives, decisions, and policies and must make complete, accurate, and honest disclosure. Failure to do so is sufficient reason, in and of itself, for the commission to impose a sanction, or to deny or revoke candidacy or accreditation.

A general statement of accreditation for Mt. San Jacinto College is in the catalog. A general description of Mt. San Jacinto College and a listing of programs of instruction are contained in this same document. A signed letter from the Superintendent/President, assuring the district's compliance with the commission's policies, is on file with the commission and maintained in the College's presidents office. Relations with the accrediting commission would not be impacted as a result of this substantive change proposal other than the result would be Mt. San Jacinto meeting the commission requirements for instituting substantial changes.

F. EVIDENCE THAT EACH ACCREDITATION STANDARD WILL STILL BE FULFILLED RELATED TO THE CHANGE AND THAT ALL RELEVANT COMMISSION POLICIES ARE ADDRESSED

Standard I – Institutional Effectiveness and Mission

As stated in this substantive change proposal, **Relationship to the Institutional Stated Mission**, the current mission statement of the College is clearly consistent with the establishment of programs where fifty percent or more of course requirements may be completed at the Temecula Education Complex (TEC). The Mt. San Jacinto College mission statement, as printed in the 2010-2011 College Catalog is:

Mt. San Jacinto College, a California Community College, offers accessible, innovative, comprehensive and quality educational programs and services to diverse, dynamic and growing communities both within and beyond traditional geographical boundaries. We support life-long learning and student success by utilizing proven educational methodologies as determined by collaborative institutional planning and assessment. To meet economic and workforce development needs, MSJC provides students with basic skills, general and career education that lead to transfer, associate degrees and certificates. Our commitment to student learning empowers students with the skills and knowledge needed to effect positive change and enhance the world in which we live.

This statement clearly shows the institutional intent to serve the needs of both individuals and the community by offering a variety of programs and services in transfer education, career and technical education, general education, basic skills education, community education, and support services. In addition to conforming to the actual mission statement, the stated institutional goals that derive from it also support offering programs of study where fifty percent or greater of program requirements may be earned at the Temecula Education Complex of Mt. San Jacinto College. These components of the mission statement point to the need for all efforts to be geared toward providing student success and enhancing access “within and beyond traditional geographic boundaries.”

The proposed substantive change will enhance the College’s ability to address this purpose. As the college grows, the number of programs where 50% or more of courses required of degree and certificate programs at the TEC may grow as well. As such, the college is seeking approval to offer courses and programs meeting the definitions of this substantive change proposal addendum.

Standard II - Student Learning Programs and Services

The College assures quality of the courses offered at the Temecula Education Complex (site) the same as the main San Jacinto Campus and Menifee Valley Center. The same high quality programs and courses are offered at the TEC in accordance to the College mission. Regardless of the location of delivery, courses and programs of study are approved by the College’s Curriculum Committee with adherence to the College’s established course outlines of record (as required by the California Community College’s Chancellor’s Office). All courses are taught with the most appropriate pedagogy and methodology with respect to the official course outline of record and with the use of state-of-the-art instructional technology as noted in the equipment and facilities response of this Substantive Change Proposal. All sections, regardless of where and how they are offered, adhere to the appropriate depth and rigor of all sections taught in a discipline. Sections are always scheduled with consideration to what is in the best interest of students, offering choices that will enhance their personal, educational, and professional development and opportunity to complete certificate and degree programs in a reasonable time frame.

All courses, regardless of location of delivery, adhere to the College’s established student learning outcomes programs with oversight by the College’s Assessment Coordinator and Council. Currently 50% of disciplines have approved student learning outcomes and assessments established for courses in their programs. Assessment has been going on since 2005 along with a new program review process put in place beginning with the 2009 school year. The principles and practices included in the College’s student learning outcomes and

program review processes and procedures have resulted in the College's proficiency in student learning outcomes, program review and planning and budgeting regardless of whether programs and courses are offered at San Jacinto, Menifee campuses or TEC.

The College also offers support for students who are enrolled at any site in the form of helpdesks and online support linked to the College's course delivery software, BlackBoard. This platform is used by faculty who support their "face to face" classes as well as online sections. Student helpdesk and assistance with online courses 24/7 is available at the College's support center site: <http://my.msjc.edu/web/help.html>

An online orientation to the College is offered at the College's Matriculation website at <http://www.msjc.edu/StudentServices/Matriculation/Pages/Orientation.aspx>. Counseling is available to all students, including online students at the Temecula Education Complex and at both San Jacinto Campus and Menifee Valley Center on a by-appointment or drop-in basis. Online counseling is also available to all students through the Mt. San Jacinto College Online Advisor at <http://www1.msjc.edu/formscripts/counseling/onlineadvisor/contact.asp>.

The student support services at the TEC (site) include a full service admissions and record office, learning center, vending area, wireless access, student study area and counseling. Students may attend periodic financial Aid workshops held on an ongoing basis. Books can be purchased online and direct shipped thereby saving the TEC students any need to go to the main campuses for any specialized student services unless they choose to. As noted in the faculty and staffing section of this Substantive Change Proposal, a permanent dean of instruction has been assigned to the TEC. The functions of student services are overseen by district-wide Deans of Student Services with area responsibilities in the areas of counseling, admissions and enrollment, and DSPS.

The student services division has completed student learning outcomes that are currently assessed and part of the overall proficiency of the College in student learning outcomes, program review, and planning and budgeting. Student learning outcomes are developed and assessed for the overall student services programs and without regard for location. College faculty and staff work to ensure student services are available equally to students regardless of the location or method of instruction of the courses they take.

Standard III - Resources

Faculty members are hired in accordance with established College governing board policies and administrative procedures. Job announcements include, when appropriate, willingness and ability to teach online and include a statement that notes that teaching assignments may be at

any district facility. A sample statement: “While the current vacancy is expected to be at the Menifee Valley Campus, applicants may be assigned to the San Jacinto Campus or any District facility” appears as an example in the current position announcement for Chemistry. Faculty are evaluated in accordance with governing board policy and administrative procedure regardless of the site of the teaching assignments. Full-time and part-time faculty offices are available at all campus locations including TEC for student consultations and preparation for classes. Faculty at all sites also have support from administrative assistants assigned to each site. The facilities at all College sites are adequate for the number of sections scheduled and number of students served at each site. The College provides sufficient maintenance of the Temecula Education Complex (and all sites) to ensure the safety and security of students. Training in support of technology use in the classroom and support offices is available to all faculty and staff at all teaching sites through the twice annual @MSJC Academies.

Standard IV- Leadership and Governance

Mt. San Jacinto College’s governance processes and procedures may be accessed by all faculty and staff regardless of the teaching location. Students are represented by the college’s Student Government Association (SGA) with representation from all college sites. SGA officers are elected by students.

As shown in the college’s management organizational chart (exhibit in the appendix) all instructional programs are managed by the Mt. San Jacinto College division deans and the Vice President of Instruction regardless of the site location. Classes scheduled at the Temecula Education Complex (TEC) have additional oversight by the TEC Dean of Instruction, Offsite Programs.

Process for monitoring and evaluating the effectiveness and learning outcomes expected through the proposed change

It is the task of the Dean of Instruction, Offsite Programs, a permanent administrator assigned to the site, in coordination with the Vice President of Instruction, to monitor and evaluate the effectiveness of programs conducted offsite. In the Fall term 2010, a student survey was delivered to all students attending classes at the Temecula Education Complex (site) to evaluate student opinion about programs and services. The results of the survey will be shared with the College’s Associate Dean of Research and Planning to evaluate the results. After evaluation of the results, strategies will be developed in the spring of 2011 to address any student concerns or suggested improvements. In addition, results will be shared with local four-year institutions to enhance the opportunity for articulation between institutions.

Annually, a Unit Plan is developed for all sectors to establish goals and report on progress. This Unit Plan serves as a foundation for evaluating effectiveness and learning outcomes at all locations. The Dean of Instruction, Offsite Programs is charged with preparing this annual review for all offsite locations. These plans feed into the Vice President of Instruction Division Plan which is submitted to Executive Leadership, reviewed by the Institutional Planning Committee and the Budget Committee. Annual expenditures for supplies, equipment and staffing are recommended based on these annual reviews. They can be viewed at the Institutional Planning and Effectiveness website at:

<http://www.msic.edu/InstitutionalPlanningandEffectiveness/Pages/default.aspx>

The Institutional Planning and Effectiveness division supports the planning and decision-making efforts throughout the District by providing data and information for managing and maintaining the quality and effectiveness and encouraging continuous improvement of academic programs, academic and student support services, and administrative services.

APPENDICES

EXHIBIT 1: PROGRAMS WHERE FIFTY PERCENT OR MORE OF REQUIRED CLASSES OFFERED AT THE TEMECULA EDUCATION COMPLEX (SITE) OF MT. SAN JACINTO COLLEGE

Temecula Education Complex (April 2008 – began operating)

Administration of Justice (AS/Certificate)
Legal Assistant (AS/ Certificate)
Business Administration (AS/ Certificate)
Small Business Operation (Certificate)
Child Development and Education (AS/ Certificate)
Liberal Arts (AA)
 Areas of Emphasis Arts and Humanities
 Social and Behavioral Sciences
 Mathematics and Science
 Business and Technology
Management/Supervision (AS/ Certificate)
Real Estate (AS/ Certificate)
Social and Behavioral Sciences (AA)

CA Community Colleges Chancellor's Office

(941) Mount San Jacinto College

[Program Inventory Last Updated on: 03/11/10 04:09:35]

T.O.P.	T.O.P. Title Local Title	Cert Units	Degree Units	Degree Type	Year Approved	Unique Code
0109.40	Turfgrass Technology Turf & Landscape Management	18.00			2002	18192
Comment: Requires nine unit horticulture, turf, and soil core, plus electives in concentration area.						
0109.40	Turfgrass Technology Turf & Landscape Management [degree]		18.00	S	2002	12877
Comment: Requires nine unit horticulture, turf, and soil core, plus electives in concentration area.						
0505.00	Business Administration Business Administration		18.00	S	1963	04388
0505.00	Business Administration Business Administration	24.00			1963	22122
0506.00	Business Management Management/Supervision		24.00	S	1966	04390
Comment: Mainly a business management program with one required course in human relations for supervisors.						
0506.00	Business Management Management/Supervision	24.00			1966	22123
Comment: Mainly a business management program with one required course in human relations for supervisors.						
0506.40	Small Business and Entrepreneurship Small Business Operations	24.00			1963	04389
0511.00	Real Estate Real Estate	24.00			1967	22124
0511.00	Real Estate Real Estate		18.00	S	1967	04391
0514.00	Office Technology/Office Computer Applications Business Clerical	25.00			1963	04392
Comment: Document formatting, word processing, related courses.						
0514.00	Office Technology/Office Computer Applications Office Administration		18.00		1963	08675
0514.00	Office Technology/Office Computer Applications Office Administration: Tech Prep		18.00		1963	08676
Comment: Permits articulation of up to 16 units of high school/ROP work for college credit.						
0514.00	Office Technology/Office Computer Applications Microsoft Applications Specialist	18.00			1963	10769
Comment: Introductory office computer applications.						
0514.00	Office Technology/Office Computer	25.00			1963	22126

Applications

Office Administration: Tech Prep

Comment: Permits articulation of up to 16 units of high school/ROP work for college credit.

0514.00 Office Technology/Office Computer Applications 25.00 1963 16038

Business Clerical--Tech Prep Option

Comment: Allows high school/ROP units to be applied for community college credit.

0514.00 Office Technology/Office Computer Applications 18.00 1963 08678

Microsoft Applications Specialist: Tech Prep

Comment: Allows high school/ROP units to be applied for community college credit.

0514.00 Office Technology/Office Computer Applications 25.00 1963 22125

Office Administration

0614.10 Multimedia 24.00 2000 22127

Multimedia

Comment: Offers two "suggested paths," E-Commerce Design and 3D Animation. Both require core of visual design and multimedia coursework. E-Commerce Design path includes electives in digital imaging and multimedia authoring; 3D Animation Path includes electives in animation and modeling, multimedia post-production

0614.10 Multimedia 24.00 S 2000 12022

Multimedia

Comment: Offers two "suggested paths," E-Commerce Design and 3D Animation. Both require core of visual design and multimedia coursework. E-Commerce Design path includes electives in digital imaging and multimedia authoring; 3D Animation Path includes electives in animation and modeling, multimedia post-production.

0702.00 Computer Information Systems 18.00 S 1999 04395

Computer Information Systems

Comment: Certificate is titled "Computer Information Systems: General Track."

0702.00 Computer Information Systems 18.00 1999 22128

Computer Information Systems: General Track

0707.10 Computer Programming 18.00 1999 11476

CIS: Programming

0708.10 Computer Networking 18.00 1999 11475

CIS: Networking

0709.00 World Wide Web Administration 18.00 1999 11474

CIS: Internet Authoring

0835.00 Physical Education 18.00 A 1963 04396

Physical Education

0948.00 Automotive Technology 27.00 1966 22129

Automotive/Transportation Technology

0948.00 Automotive Technology 18.00 S 1966 04400

Automotive/Transportation Technology

0953.00 Drafting Technology 18.00 S 1967 04402

Engineering: Drafting Technology

Comment: Although this is a drafting program, the degree is called Engineering.

0953.00 Drafting Technology 18.00 1967 22130

Engineering: Drafting Technology

Comment: Although this is a drafting program, the degree is called Engineering.

0958.00	Water and Wastewater Technology Water Technology	18.00	S	2002	14270
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Comment: Prepares for entry-level water and wastewater system operations positions. Prepares for certification exams given by State Department of Health and State Water Resources Board.

0958.00	Water and Wastewater Technology Water Technology	18.00		2002	22131
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Comment: Prepares for entry-level water and wastewater system operations positions. Prepares for certification exams given by State Department of Health and State Water Resources Board.

1002.00	Art (Painting, Drawing, and Sculpture) Art	18.00	A	1966	04403
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1004.00	Music Music	18.00	A	1963	04404
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1005.00	Commercial Music Audio Technology	18.00		1999	22133
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1005.00	Commercial Music Audio Technology	18.00	A	1999	08682
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1005.00	Commercial Music Audio & Video Technology	27.00		2006	22132
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1005.00	Commercial Music Audio & Video Technology	27.00	A	2006	16774
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1006.00	Technical Theater Technical Theater	18.00	S	1999	08679
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Comment: Includes lighting, stagecraft, costumes, makeup, etc.

1006.00	Technical Theater Technical Theater	18.00		1999	22134
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Comment: Includes lighting, stagecraft, costumes, makeup, etc.

1007.00	Dramatic Arts Musical Theater	18.00		1999	22135
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1007.00	Dramatic Arts Theater Arts	18.00	A	1966	04405
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1007.00	Dramatic Arts Musical Theater	18.00	A	1999	08681
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1008.00	Dance Dance	18.00	A	1966	08680
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1009.00	Applied Design Visual Communication (Graphic Design)	22.00	A	2005	16742
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1011.00	Photography Photography	18.00		1966	22136
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1011.00	Photography Photography	18.00	S	1966	04407
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1208.00	Medical Assisting Medical Assistant	24.00	S	2000	04416
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Comment: Includes clinical and administrative components.

1208.00	Medical Assisting Medical Assistant	24.00		2000	22137
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1227.00	Diagnostic Medical Sonography Diagnostic Medical Sonography	74.00	S	2006	16824
1227.00	Diagnostic Medical Sonography Diagnostic Medical Sonography	74.00		2006	22138
1230.10	Registered Nursing Nursing	72.00	S	1987	04413
Comment: Includes two LVN to RN patterns: a local pattern resulting in degree, and 30-unit BRN pattern resulting only in licensure.					
1230.20	Licensed Vocational Nursing Vocational Nursing	56.50		1963	04414
Comment: There are separate full-time and part-time patterns.					
1305.00	Child Development/Early Care and Education Child Development and Education	43.00	S	1967	04427
Comment: Coursework pattern for T.22 requirements (12 units) also given.					
1305.00	Child Development/Early Care and Education Child Development and Education	43.00		1967	22139
Comment: Coursework pattern for T.22 requirements (12 units) also given.					
1309.00	Gerontology Gerontology	24.00		1999	22140
Comment: Requires 18 unit gerontology core, including psysiology, psychology, and sociology of aging, etc., plus six unit specialty. Requires a three unit internship.					
1309.00	Gerontology Gerontology	24.00	S	1999	08685
Comment: Requires 18 unit gerontology core, including psysiology, psychology, and sociology of aging, etc., plus six unit specialty. Requires a three unit internship.					
1402.00	Paralegal Legal Assistant	27.00	S	1999	08686
Comment: Requires 18 unit legal assistant core, plus nine units of specialty coursework.					
1402.00	Paralegal Legal Assistant	27.00		1999	22141
Comment: Requires 18 unit legal assistant core, plus nine units of specialty coursework.					
1501.00	English English	25.00		2010	20795
1506.00	Speech Communication Communication Studies	21.00	A	2008	18793
1701.00	Mathematics, General Mathematics	18.00	S	1963	04422
2104.40	Alcohol and Controlled Substances Alcohol & Drug Studies	39.00	S	1987	08688
2104.40	Alcohol and Controlled Substances Alcohol & Drug Studies	39.00		1987	22142
2105.00	Administration of Justice Administration of Justice	24.00	S	1966	04426
Comment: General program: law enforcement, police work, courts and corrections system.					
2105.00	Administration of Justice	24.00		1966	22143

Administration of Justice

Comment: General program: law enforcement, police work, courts and corrections system.

2133.00 **Fire Technology** 24.00 S 1970 04429
Fire Technology

2133.00 **Fire Technology** 24.00 1970 22144
Fire Technology

2201.00 **Social Sciences, General** 18.00 A 1963 04430
Social/Behavioral Sciences

Comment: Any 18 units from anthropology, early childhood studies, economics, geography, health science, history, nutrition, political science, psychology, sociology, public administration.

2206.00 **Geography** 18.00 A 2009 19301
Geography

2206.10 **Geographic Information Systems** 18.00 S 2002 12443
Geographic Information Systems

Comment: Includes 12-unit GIS core, plus 6 units elective units from design, illustration, etc.

2206.10 **Geographic Information Systems** 18.00 2002 22145
Geographic Information Systems

Comment: Includes 12-unit GIS core, plus 6 units elective units from design, illustration, etc.

4902.00 **Biological and Physical Sciences (and** 18.00 A 2008 17906
Mathematics)
Liberal Arts: Mathematics & Science

4902.00 **Biological and Physical Sciences (and** 52.00 S 2005 16765
Mathematics)
Environmental Studies

4902.00 **Biological and Physical Sciences (and** 18.00 S 1963 08690
Mathematics)
Mathematics/Science

Comment: Any 18 units in anatomy & physiology, physical anthropology, astronomy, biology, chemistry, environmental science, physical geography, geology, mathematics, nutrition, physics.

4903.00 **Humanities** 18.00 A 2008 17904
Liberal Arts: Arts, Humanities &
Communications

4903.00 **Humanities** 18.00 A 1963 08689
Humanities

Comment: Any 18 units from art, English, foreign language, history, music, philosophy, speech, theatre arts.

4903.30 **Humanities and Social Sciences** 18.00 A 2008 17907
Liberal Arts: Social & Behavioral
Science

4999.00 **Other Interdisciplinary Studies** 18.00 A 2008 17905
Liberal Arts: Business & Technology

EXHIBIT 2: MT. SAN JACINTO COLLEGE BOARD OF TRUSTEES MEETING ACTIONS TO APPROVE THE TEMECULA EDUCATION COMPLEX



Board of Trustees

ACTION

MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT
1499 North State Street, San Jacinto, CA 92583 (951) 487-6752

Item No. 2009/10-	Section: Business Services	Subject: Temecula Education Complex Lease Agreement Amendment Authorization	Date: 06/10/10
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EXHIBIT

None

BACKGROUND:

On October 11, 2007 the Board of Trustees approved the lease agreement for the Temecula Education Complex. The site consists of approximately 28,353 gross square feet which provides for instructional space, enrollment services, financial aid assistance, Continuing Education courses, and counseling services. The District began offering classes at the Temecula Education Complex in April 2008 and is currently generating over 760 FTES per year.

In order to continue to serving our students the Administration is requesting to extend Temecula Education Complex lease agreement for an additional three years. The terms of the new lease will begin February 1, 2011 and will continue through January 30, 2014 at the base rent of \$50,184.81 per month.

SUPERINTENDENT/PRESIDENT'S RECOMMENDATION:

It is recommended that the Board of Trustees authorizes the Vice President of Business Services to execute the lease amendment for the Temecula Education Complex.

BUDGET IMPLICATIONS:

Funds have been allocated for the lease agreement.



Board of Trustees

ACTION

MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT
1499 North State Street, San Jacinto, CA 92583 (951) 487-6752

Item No. 2007/08-043	Section: Business Services	Subject: Pacific Plaza Lease Agreement Authorization	Date: 10/11/07
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EXHIBIT

None

BACKGROUND:

It is requested that the Mt. San Jacinto Community College District Board of Trustees authorize the Interim Vice President of Business Services to negotiate and execute a lease for the Pacific Plaza building located in Temecula. The site consists of approximately 28,353 gross square feet which would provide for classroom and administrative space in the southwest corridor for a period of 36 months with options to extend.

SUPERINTENDENT/PRESIDENT'S RECOMMENDATION:

It is recommended that the Board of Trustees authorize the Interim Vice President of Business Services to negotiate and execute a lease agreement for the Pacific Plaza building.

BUDGET IMPLICATIONS:

Not to exceed \$46,860 per month for the first year with a 3.5% cap.

MT. SAN JACINTO COLLEGE
MINUTES FOR BOARD OF TRUSTEES MEETING
October 11, 2007

OPENING OF MEETING

Eugene Kadow, President of the Board, called the meeting to order at 3:30 p.m. at the San Jacinto Campus, 1499 N. State St., San Jacinto CA 92583.

Pledge of Allegiance – Trustee Sparkman

Board Members

Mr. Kadow – Present
Mrs. Motte – Present
Miss Schlange – Present
Mrs. Sparkman – Present
Mrs. McGargill – Present
Student Trustee: Danny Gutierrez – Present

Senate Representatives:

Academic Senate: John Seed – Present
Classified Senate: Tatiana Somers – Present
Associated Student Body: Vince Guglielmana – Present

Staff:

Jon Tyler, Interim Superintendent/President
Kathy Donnell, Exec. Assist. Supt/President
Roger Schultz, Vice President, Student Services
Pam Deegan, Vice President, Instruction
Dennis Hogan, Interim Vice President, Business Services
Dennis Anderson, Dean, Instruction
Robin Steinback, Dean, Instruction
Pat James Hanz, Dean, Instruction
Laurie McLaughlin, Interim Dean, Instruction
Carlos Lopez, Interim Assoc Dean, Instruction
Joanna Quejada, Dean, Student Services
Patrick Springer, Dean, Student Services
Jeanne O'Dell, Facilities Planner
Kevin Segawa, Chief of Police
Bill Marchese, Director, Public Information

Visitors and other staff present: Marcus Castellanos, Sterling Roulette, David King, Darrell Taylor, John Bacher, Susan Lemerande, Devan Mitchell, Kris Kay, Chris Bradley, Greg Barker, Dave Dysart, Patrick McCallum

LINK: Richard Rowley, Interim Dean, Instruction

m/sc Schlange/Sparkman

Moved to approve the minutes of the September 13, 2007 regular meeting.

Discussion

Motion passed.

5/0

Additions and/or deletions to the agenda – Revised Items 2007/08-33, pg 10 and 2007/08-39, pg 22 and pulled Item 2007/08-042, pg 26. Item 042 will be placed on the November agenda.

Trustee Kadow said that item 2007/08-041 will be moved to follow Closed Session. Items 2007/08-39 and 42 will be placed on a future agenda. Three reports have been moved to the front of the agenda for this meeting.

Trustee Kadow said that the first reports will be given by Student Trustee Danny Gutierrez and ASB President Vince Guglielmana so that they can leave and take part in this evening's student homecoming activities.

Student Trustee Gutierrez said that he will be participating and helping the ASB with the homecoming bond fire and planned activities

President Guglielmana reported that this evening's activities include fun, food and music and will begin in the quad at 6:00 p.m. He invited everyone at the meeting to join in the festivities. ASB is also making plans for its annual October 31st Halloween activities for area children.

INFORMATION AGENDA/ PRESENTATIONS

Update/Sacramento

Patrick McCallum of the McCallum Group, Inc. gave a presentation on the current Sacramento environment. He reported on the McCallum Group successes working on behalf of Mt. San Jacinto College and other community college clients that included the following legislation: SB 614 (Simitian), AB 554 (Hernandez), AB 1559 (Berryhill), SB 586 (Dutton), SB 823 (Perata). He commented on other bills of interest mentioning AB 262 (Coto), AB 314 (Soto), AB 900 (Solorio), SB139 (Scott), and SB 832 (Corbett). Disappointments for 2007 were covered followed by information on the 2007-08 budget dealing with ongoing funds, funding for

Basic Skills and onetime funds. Mr. McCallum shared how important it is for MSJC to support the CCC Initiative concluding his report with a look at the 2008 legislative outlook.

**Architectural Presentation
MVC Classroom Building I**

GKK Works, Inc. architects Devan Mitchell, Kris Kay and Chris Bradley provided the presentation on the proposed Menifee Valley Campus general classroom I capital outlay construction project. They presented the plan and its relationship to the promenade describing the configuration of the first and second floors of the building. The 22,000 square foot building is currently on budget, on schedule and should be completed and ready for occupancy fall of 2009.

**Eminent Domain –
Azusa Pacific University**

Interim Superintendent/President, Dr. Jon Tyler gave an update on the final judicial action resolved as of September 28, 2007 reporting that the building now belongs to the District.

Interim Vice President Hogan added that the building is not ready for occupancy as it does not satisfy DSA Field Act codes and must be retrofitted to be compliant. It will be a step by step process and take months to complete. The administration will update the Board as the college goes through the process to satisfy the Field Act requirements.

**COMMENTS OF INDIVIDUALS,
GROUPS, DELEGATIONS
LIMITED TO AGENDA ITEMS**

None

**BOARD PRESIDENT & TRUSTEE
REPORT**

Trustee Sparkman shared that the "Race for the Cure" scheduled for October 21st has 12,000 pre-registered participants.

Vice President Schultz reported that MSJC has 169 employees that plan to participate and the college has raised over \$10,000 to date.

Trustee Schlange said that she attended the President's Club Dinner at the Ramona Bowl and enjoyed the entertainment of "Taming of the Shrew."

Trustee Motte complimented the college on the new look for the website. It is a dynamic change, a definite improvement and she appreciates the District being on

the cutting edge of this technology.

Trustee Kadow congratulated the women's volleyball team on their current record of 4 and 0.

STUDENT TRUSTEE REPORT

Report was given at the beginning of the meeting.

SUPERINTENDENT/PRESIDENT

Dr. Tyler asked the Vice Presidents to give a brief update on their respective departments.

Interim Vice President of Business Services, Dennis Hogan reported that on October 10 the college was visited by representatives from the Chancellor's office, gas company, electric company and state energy commission. They came down to see how the college is managing our energy management and savings program. They are interested in seeing us move forward and they do have dollars that could be available to MSJC if the college meets certain criteria.

Also the college staff met with a couple of financing agencies and attorneys to see what we need to do or not do in reference to the Pass area school facilities improvement district. The financing companies do not charge for their preliminary assistance in hopes that they will be selected to manage the bond financing if and when a bond is passed.

Vice President of Student Services, Roger Schultz shared that as part of Disability Awareness Month the *Eye on Ability* Art Show will be held on the San Jacinto campus on October 16th and October 18th on the Menifee campus.

The Job Fair is scheduled for October 17th on the San Jacinto campus and he would like to thank Joanna Quejada, Patrick Springer and the Transfer Center staff. They also hosted two successful college fairs this last week with 372 local high school students attending in addition to our own students. Thirty-five college and university representatives and recruiters took part in the job fair.

The ASB is out in the quad where they are getting ready to have former MSJC football player, Pechanga Development Corporation Board Member Butch Murphy light the homecoming bond fire.

Dr. Tyler brought the Trustees attention to the handout "Connection to the Community at MSJC" in front of each of them highlighting the outreach efforts to get the word out about MSJC. He thanked Interim Dean of Instruction, Laurie McLaughlin for putting this information together.

On October 5th Chief of Police Kevin Segawa notified him of threats made to preschoolers by a recently expelled MSJC college student known as I am the Beast. He asked Chief Segawa to continue the report to the Board.

Chief Segawa reported that the college was contacted by concerned citizens from as far away as Flint Michigan who read the threats that were made on television station KABC's website. The station worked with the college removing the threat from their website and within three to four minutes the two college preschools were locked down and being protected by on site MSJC police officers and Riverside County Sheriff deputies. Working in cooperation with the Sheriff's department, Hemet PD, the District Attorney, Homeland Security and the FBI the MSJC police department arrested the suspect at his home and he was put under 72 hour mental evaluation. He remained in custody on Tuesday and the Superior Court signed off on no bail enhancement for this individual. A search warrant was issued and an ongoing investigation continues.

Dr. Tyler said that Chief Segawa and his crew are being praised for their actions by the other agencies for their quick action and arrest of the suspect as these other agencies have been trying to apprehend this individual for the last four years.

The Board thanked Chief Segawa.

Trustee Kadow reported that the college has been in contact with Mayor Ayers of the City of San Jacinto and a joint meeting is being planned.

Dr. Tyler said that he had been in contact with Mayor Ayers and a joint meeting of the San Jacinto City Council and the MSJC Board of Trustees has been scheduled for Thursday, October 18th at 5:30 p.m. in the Board Room at the San Jacinto Unified School District Office.

CONSENT AGENDA

Items 2007/08-032 – 2007/08-040

m/sc McGargill/Sparkman

Moved to approve Consent Agenda Items 2007/08-032 through 2007/08-040.

Motion passed.

5/0

OPEN AGENDA

Human Resources

PUBLIC HEARING

CTA Bargaining Proposal for Academic Year 2007-2008

Open Hearing

4:51 p.m.

Public Hearing

No request to speak

Closed Hearing

4:51 p.m.

Business Services

Item 2007/08-043

Pacific Plaza Lease Agreement Authorization

m/sc Schlange/McGargill

Moved to approve Item 2007/08-043.

Discussion

Interim Vice President Hogan provided additional information on the building the administration has identified for Board consideration to provide the Southwest Corridor constituents with a permanent site where MSJC classes can be offered during the day and evening. 52% of our population reside in the Temecula area and are greatly underserved. The plan would be to move existing classes being held on high school campuses and our services currently being housed in a rented space in the Adobe Plaza to the new facility. The site offers 175 parking spaces as well as street parking during the day and additional parking in the evening when the surrounding businesses are closed.

Board discussion continued.

Motion passed

4/1

Trustee Motte opposed

INFORMATION AGENDA

COMMENTS OF INDIVIDUALS, GROUPS, DELEGATIONS

MSJC faculty member Sterling Roulette made reference to the Press Enterprise endorsement of Trustee Kadow.

Trustee Kadow stopped Dr. Roulette saying this is not a forum for politics.

Susan Lemerande addressed the Board in regards to being a fulltime employee, being injured on the job, placed on the rehire list, applying for numerous

positions but not being rehired. She wanted the Board and Dr. Tyler to tell her what they were going to do in regards to her position.

Dr. Tyler said that he could not talk with her concerning this situation as he might violate her right to privacy. Ms. Lemeande waived her right to privacy and Dr. Tyler explained that she has obtained legal services and she would have to work through the process that must be followed once an employee has legal representation.

Superintendent/President
Donations to the Foundation

Dr. Tyler thanked the donors for their continued support of the Foundation.

Instruction
ARCC – Accountability Reporting
for the California Community Colleges

Vice President of Instruction, Pam Deegan offered a PowerPoint presentation with handouts covering the following information:

What is ARCC?

A Look at the Data

Self Assessment

How this information can be used to improve MSJC

Human Resources

- A. CSEA Bargaining Proposal for Academic Year 2007-2008
- B. CWA Bargaining Proposal for Academic Year 2007-2008

Dr. Tyler said that these two items have been placed on the agenda for information only and will be included on the November agenda for Board action.

Academic Senate

President John Seed said that on October 23rd the Senate will host Educational Master Plan consultant Grace Mitchell at a faculty meeting from 1:00 p.m. to 2:30 p.m. on the Menifee campus LINKED to the San Jacinto campus.

President Seed thanked the Trustees for settling with Azusa Pacific University. It is good for the college and thank you for your persistence.

He would like to see the faculty involved in the institutional planning processes and have input in the design phase of new buildings as well as the discussion on the changes that will affect the bookstore.

In reference to joint hiring, President Seed thanked Dr. Tyler for agreeing to have two members of the faculty participate on each interview committee

Classified Senate

President Tatiana Somers reported that classified employees are serving on eight out of twelve college committees. The holiday luncheon "Hollywood Holiday" will be held December 20th from 12:30-2:30 in the San Jacinto campus cafeteria. We encourage staff to come as their favorite Hollywood character.

Martha Crawford has been selected as the first MSJC "Star Team Member of the Month." Tatiana provided a copy of the MSJC Employee Recognition Procedures for each Trustee.

CLOSED SESSION

The Board adjourned to closed session at 5:55 p.m.

RECONVENED TO OPEN SESSION

Trustee Kadow called the meeting back to order at 7:22 p.m.

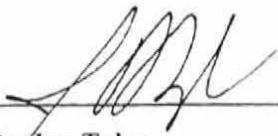
CLOSED SESSION ACTION

In accordance with Government Code section 54957.1, the Governing Board hereby discloses the fact that the Governing Board received a tort claim from Dr. Richard Giese on September 7, 2007. The Board voted to reject the claim pursuant to Government Code section 912.6. The vote was 5 Ayes, 0 Nos, and 0 Abstentions.

ADJOURNMENT

m/sc Schlange/McGargill
Moved to adjourn.
Motion passed.
5/0
Meeting adjourned at 7:23 p.m.

The next meeting of the Board of Trustees is scheduled for **Thursday, November 8, 2007** at 3:30 p.m., San Jacinto Campus, Room #200.



Dr. Jon Tyler
Interim Superintendent, President



Eugene V. Kadow
President, Board of Trustees



ORIGINAL

STANDARD MULTI-TENANT OFFICE LEASE - GROSS
AIR COMMERCIAL REAL ESTATE ASSOCIATION

1. Basic Provisions ("Basic Provisions")

1.1 Parties: This Lease ("Lease"), dated for reference purposes only November 5, 2007, is made by and between Enterprise Circle, LLC ("Lessor") and Mt. San Jacinto Community College District ("Lessee")...

1.2(a) Premises: That certain portion of the Project (as defined below), known as Suite Number(s) N/A, 1st & 2nd floor(s), consisting of approximately 28,353 rentable square feet and approximately useable square feet ("Premises")...

1.2(b) Parking: 100% of the Project's Parking, unreserved and reserved vehicle parking spaces at a monthly cost of \$ per unreserved space and \$ per reserved space...

1.3 Term: Three (3) years and zero (0) months ("Original Term") commencing February 1, 2008 ("Commencement Date") and ending January 31, 2011 ("Expiration Date")...

1.4 Early Possession: Upon fully executed lease, deposit and insurance ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: \$46,782.45 per month ("Base Rent"), payable on the first (1st) day of each month commencing February 1, 2008. (See also Paragraph 4)

[X] If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. (See Addendum, Paragraph 50)

1.6 Lessee's Share of Operating Expense Increase: One Hundred percent (100%) ("Lessee's Share"). Lessee's Share has been calculated by dividing the approximate rentable square footage of the Premises by the total approximate square footage of the rentable space...

1.7 Base Rent and Other Monies Paid Upon Execution:

- (a) Base Rent: \$46,782.45 for the period February 1 - 29, 2008.
(b) Security Deposit: \$50,184.81 ("Security Deposit").
(c) Parking: \$ N/A for the period N/A.
(d) Other: \$ N/A for N/A.
(e) Total Due Upon Execution of this Lease: \$96,967.26.

1.8 Agreed Use: College classrooms, administration office and related uses. (See also Paragraph 6) Notwithstanding any other provision of this Lease, Lessee shall not use the Premises, nor allow any other person or entity to use the Premises...

1.9 Base Year; Insuring Party. The Base Year is 2008. Lessor is the "Insuring Party". (See also Paragraphs 4.2 and 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

- [X] Lee & Associates Commercial Real Estate (Crisell/Piper) represents Lessor exclusively ("Lessor's Broker");
[X] Landvest USA (M. Griffin) represents Lessee exclusively ("Lessee's Broker"); or
[] represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers the brokerage fee agreed to in a separate written agreement (or if there is no such agreement, the sum of -- or -- % of the total Base Rent for the brokerage services rendered by the Brokers).

1.11 Guarantor. The obligations of the Lessee under this Lease shall be guaranteed by N/A ("Guarantor"). (See also Paragraph 37)

1.12 Business Hours for the Building: a.m. to p.m., Mondays through Fridays (except Building Holidays) and a.m. to p.m. on Saturdays (except Building Holidays). "Building Holidays" shall mean the dates of observation of New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and

1.13 Lessor Supplied Services. Notwithstanding the provisions of Paragraph 11.1, Lessor is NOT obligated to provide the following:

- [X] Janitorial services (Interior and Exterior)
[X] Electricity (Interior and Exterior)
[] Other (specify):

1.14 Attachments. Attached hereto are the following, all of which constitute a part of this Lease:

- [X] an Addendum consisting of Paragraphs 50 through 54;

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- a plot plan depicting the Premises; Exhibit A "Property Site Plan" and Exhibit A-1 "Building Floor Plans"
- a current set of the Rules and Regulations;
- a Work Letter;
- a janitorial schedule;
- other (specify): _____

2. Premises.

2.1 **Letting.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises and Common Areas, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. Unless otherwise provided herein, any statement of size set forth in this Lease, or that may have been used in calculating Rent, is an approximation which the Parties agree is reasonable and any payments based thereon are not subject to revision whether or not the actual size is more or less. **Note: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition.** Lessor shall deliver the Premises to Lessee in a clean condition on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), and all other items which the Lessor is obligated to construct pursuant to the Work Letter attached hereto, if any, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law.

2.3 **Compliance.** Lessor warrants to the best of its knowledge that the improvements comprising the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances ("Applicable Requirements") in effect on the Start Date. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 49), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the zoning and other Applicable Requirements are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Premises ("Capital Expenditure"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date that on which the Base Rent is due, an amount equal to 1/44th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to nonvoluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 **Acknowledgements.** Lessee acknowledges that: (a) Lessee has been advised by Lessor and/or Brokers to satisfy itself with respect to the condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements), and their suitability for Lessee's intended use; (b) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises; and (c) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises; and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants; (d) Notwithstanding any provision to the contrary, prior to delivering possession of the Premises, Lessor shall ensure that existing HVAC units and restrooms are in good working order.

2.5 **Lessee as Prior Owner/Occupant.** The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date, Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 **Vehicle Parking.** So long as Lessee is not in default, and subject to the Rules and Regulations attached hereto, and as established by Lessor from time to time, Lessee shall be entitled to rent and use the number of parking spaces specified in Paragraph 1.2(b) at the rental rate applicable from time to time for monthly parking as set by Lessor and/or its licensee.

(a) If Lessee commits, permits or allows any of the prohibited activities described in the Lease or the rules then in effect, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

(b) The monthly rent per parking space specified in Paragraph 1.2(b) is subject to change upon 30 days prior written notice to Lessee. The rent for the parking is payable one month in advance prior to the first day of each calendar month.

2.7 **Common Areas - Definition.** The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Premises that are provided and designated by the Lessor from time to time for the general nonexclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including, but not limited to, common entrances, lobbies, corridors, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

2.8 **Common Areas - Lessee's Rights.** Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the exclusive nonexclusive right to use, in common with others entitled to such use, the Common Areas as they exist as part of Lessee's Premises, from time to time, subject to any rights, powers and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 **Common Areas - Rules and Regulations.** Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to adopt, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order. ~~as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees.~~ The Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers,


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customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the noncompliance with said Rules and Regulations by other tenants of the Project.

2.10 ~~Common Areas - Changes.~~ Lessor shall have the right, in Lessor's sole discretion, from time to time:
(a) ~~To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of the lobbies, windows, stairways, air shafts, elevators, escalators, restrooms, driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;~~
(b) ~~To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;~~
(c) ~~To designate other land outside the boundaries of the Project to be a part of the Common Areas;~~
(d) ~~To add additional buildings and improvements to the Common Areas;~~
(e) ~~To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and~~
(f) ~~To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.~~

3.

Term.

3.1 **Term.** The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession.** If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such early possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee's Share of the Operating Expense Increase) shall be in effect during such period. Any such early possession shall not affect the Expiration Date.

3.3 **Delay In Possession.** Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to deliver possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Operating Expense Increase.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share of the amount by which all Operating Expenses for each Comparison Year exceeds the amount of all Operating Expenses for the Base Year, such excess being hereinafter referred to as the "Operating Expense Increase", in accordance with the following provisions:

(a) "Base Year" is as specified in Paragraph 1.9.

(b) "Comparison Year" is defined as each calendar year during the term of this Lease subsequent to the Base Year, provided, however, Lessee shall have no obligation to pay a share of the Operating Expense Increase applicable to the first 12 months of the Lease Term (other than such as are mandated by a governmental authority, as to which government mandated expenses Lessee shall pay Lessee's Share, notwithstanding they occur during the first twelve (12) months). Lessee's Share of the Operating Expense Increase for the first and last Comparison Years of the Lease Term shall be prorated according to that portion of such Comparison Year as to which Lessee is responsible for a share of such increase.

(c) The following costs relating to the ownership and operation of the Project, calculated as if the Project was at least 95% occupied, are defined as "Operating Expenses":

(i) Costs relating to the operation, repair, and maintenance in neat, clean, safe, good order and condition, but not the replacement (see subparagraph (g)), of the following:

(aa) The Common Areas, including their surfaces, coverings, decorative items—carpets, drapes and window coverings—and including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, stairways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, building exteriors and roofs, fences and gates;

(bb) All heating, air conditioning, plumbing, electrical systems, life safety equipment, communication systems and other equipment used in common by, or for the benefit of, tenants or occupants of the Project, including elevators and escalators, tenant directories, fire detection systems including sprinkler system maintenance and repair.

(ii) The cost of trash disposal, janitorial and security services, exterior pest control services, and the costs of any environmental inspections;

(iii) The cost of any other service to be provided by Lessor that is elsewhere in this Lease stated to be an "Operating Expense";

(iv) The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 and any deductible portion of an insured loss concerning the Building, or the Common Areas;

(v) The amount of the Real Property Taxes payable by Lessor pursuant to paragraph 10;

(vi) The cost of water, sewer, gas, electricity, and other publicly mandated services not separately metered;

(vii) Labor, salaries, and applicable fringe benefits and costs, materials, supplies and tools, used in maintaining and/or cleaning the Project and accounting and management fees attributable to the operation of the Project;

(viii) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided, however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such Capital Expenditure in any given month;

(ix) The cost to replace equipment or improvements that have a useful life for accounting purposes of 5 years or less.

(x) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

(d) Any item of Operating Expense that is specifically attributable to the Premises, Interior Common Areas, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Premises, Building, or other building. However, any such item that is not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

(e) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(c) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

(f) Lessee's Share of Operating Expense Increase is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the Operating Expense Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessee's Share of the actual Common Area Operating Expenses incurred during the preceding year, a reasonably detailed statement showing Lessee's Share of the actual Operating Expense Increase incurred during such year. If Lessee's payments during such Year exceed Lessee's Share, Lessee shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such Year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of said statement. Lessor and Lessee shall forthwith adjust between them by cash payment any balance determined to exist with respect to that portion of the last Comparison Year for which Lessee is responsible as to Operating Expense Increases, notwithstanding that the Lease term may have terminated before the end of such Comparison Year.

(g) Operating Expenses shall not include the costs of replacement for equipment or capital components such as the roof, foundations, exterior walls or a Common Area capital improvement, such as the parking lot paving, elevators, fences that have a useful life for


INITIALS


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accounting purposes of 5 years or more.

(h) Operating Expenses shall not include any expenses paid by any tenant directly to third parties, or as to which Lessor is otherwise reimbursed by any third party, other tenant, or by insurance proceeds.

4.3 **Payment.** Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States on or before the day on which it is due, without offset or deduction (except as specifically permitted in this Lease). ~~All monetary amounts shall be rounded to the nearest whole dollar.~~ In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of \$25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. **Security Deposit.** Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount due already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 90 days after the expiration or termination of this Lease, Lessor shall return that portion of the Security Deposit not used or applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. **Use.**

6.1 **Use.** Lessee shall use and occupy the Premises and Common Areas only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements of the Building, will not adversely affect the mechanical, electrical, HVAC, and other systems of the Building, and/or will not affect the exterior appearance of the Building. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances.**

(a) **Reportable Uses Require Consent.** The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, byproducts or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank; (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority; and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use such as ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor.** If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation.** Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) **Lessee Indemnification.** Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or ~~caused by Lessee~~ any third party (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) **Lessor Indemnification.** Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances which existed on the Premises prior to Lessee's occupancy or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations.** Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) **Lessor Termination Option.** If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12


INITIALS


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times the then monthly Base Rent or \$100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or \$100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 Lessee's Compliance with Applicable Requirements. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times, after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1e) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations. Notwithstanding Lessor's obligation to keep the Premises in good condition and repair, Lessee shall be responsible for payment of the cost thereof to Lessor as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any equipment (wherever located) that serves only Lessee or the Premises or Common Areas, to the extent such cost is attributable to abuse or misuse. Lessee shall be responsible for the cost of painting, repairing or replacing wall coverings, and to repair or replace any improvements with the Premises and Common Areas. Lessor may, at its option, upon reasonable notice, elect to have Lessee perform any particular such maintenance or repairs the cost of which is otherwise Lessee's responsibility hereunder.

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, fire alarm and/or smoke detection systems, fire hydrants, and the Common Areas. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) **Definitions.** The term "Utility Installations" refers to all floor and window coverings, air lines, vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, and plumbing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent.** Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof, ceilings, floors or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed \$2000. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds.** Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 Ownership; Removal; Surrender; and Restoration.

(a) **Ownership.** Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal.** By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration.** Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 Insurance Premiums. The cost of the premiums for the insurance policies maintained by Lessor pursuant to paragraph 8 are included as Operating Expenses (see paragraph 4.2 (c)(iv)). Said costs shall include increases in the premiums resulting from additional coverage related to requirements of the holder of a mortgage or deed of trust covering the Premises, Building and/or Project, increased valuation of the Premises,


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Building and/or Project, and/or a general premium rate increase. Said costs shall not, however, include any premium increases resulting from the nature of the occupancy of any other tenant of the Building. If the Project was not insured for the entirety of the Base Year, then the base premium shall be the lowest annual premium reasonably obtainable for the required insurance as of the Start Date, assuming the most nominal use possible of the Building and/or Project. In no event, however, shall Lessee be responsible for any portion of the premium cost attributable to liability insurance coverage in excess of \$2,000,000 procured under Paragraph 8.2(b).

8.2 Liability Insurance.

(a) **Carried by Lessee.** Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than \$1,000,000 per occurrence with an annual aggregate of not less than \$2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement and coverage shall also be extended to include damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor.** Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) **Building and Improvements.** Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Building and/or Project. The amount of such insurance shall be equal to the full insurable replacement cost of the Building and/or Project, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee under Paragraph 8.4. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed \$1,000 per occurrence.

(b) **Rental Value.** Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value Insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) **Adjacent Premises.** Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) **Lessee's Improvements.** Since Lessor is the insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property, Business Interruption Insurance.

(a) **Property Damage.** Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed \$1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) **Business Interruption.** Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **No Representation of Adequate Coverage.** Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies.** Insurance required herein shall be by companies duly licensed or admitted to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least A-, VI, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 10 days prior written notice to Lessor. Lessee shall, at least 30 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation.** Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity.** Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability.** Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Self insurance.** In lieu of the commercial, fire, or any type of insurance policy required hereunder, Lessee retains the right to self-insure for all or any portion of its insurance obligations herein. **Failure to Provide Insurance.** Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or \$100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.


INITIALS


INITIALS

9.1 **Definitions.**

(a) **"Premises Partial Damage"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) **"Premises Total Destruction"** shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) **"Insured Loss"** shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) **"Replacement Cost"** shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) **"Hazardous Substance Condition"** shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6.2(a), in, on, or under the Premises which requires repair, remediation, or restoration.

9.2 **Partial Damage - Insured Loss.** If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is \$5,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss.** If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction.** Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term.** If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by: (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies**

(a) **Abatement.** In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

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

9.7 **Termination; Advance Payments.** Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. **Real Property Taxes.**

10.1 **Definitions.** As used herein, the term **"Real Property Taxes"** shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. **"Real Property Taxes"** shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 **Payment of Taxes.** Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and said payments shall be included in the calculation of Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 **Additional Improvements.** Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 **Joint Assessment.** If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.


INITIALS


INITIALS

10.5 **Personal Property Taxes.** Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

10.6 The foregoing Sections 10.1 through 10.5, inclusive, shall not apply so long as the Tax Exemption is available to Lessor and Lessee has promptly provided any information requested by Lessor or any taxing authority in connection with Lessor's claim of the Tax Exemption.

11. **Utilities and Services.**

11.1 **Services Provided by Lessor.** Lessor shall provide heating, ventilation, air conditioning, reasonable amounts of electricity for normal lighting and office machines, water for reasonable and normal drinking and lavatory use in connection with an office, and replacement light bulbs and/or fluorescent tubes and ballasts for standard overhead fixtures. Lessor shall also provide janitorial services to the Premises and Common Areas 5 times per week, excluding Building Holidays, or pursuant to the attached janitorial schedule, if any. Lessor shall not, however, be required to provide janitorial services to kitchens or storage areas included within the Premises.

11.2 **Services Exclusive to Lessee.** Lessee shall pay for all water, gas, light, power, telephone and other utilities and services specially or exclusively supplied and/or metered exclusively to the Premises or to Lessee, together with any taxes thereon. If a service is deleted by Paragraph 1.13 and such service is not separately metered to the Premises, Lessee shall pay at Lessor's option, either Lessee's Share or a reasonable proportion to be determined by Lessor of all charges for such jointly metered service.

11.3 **Hours of Service.** Said services and utilities shall be provided during times set forth in Paragraph 1.12. Utilities and services required at other times shall be subject to advance request and reimbursement by Lessee to Lessor of the cost thereof.

11.4 **Excess Usage by Lessee.** Lessee shall not make connection to the utilities except by or through existing outlets and shall not install or use machinery or equipment in or about the Premises that uses excess water, lighting or power, or suffer or permit any act that causes extra burden upon the utilities or services, including but not limited to security and trash services, over standard office usage for the Project. Lessor shall require Lessee to reimburse Lessor for any excess expenses or costs that may arise out of a breach of this subparagraph by Lessee. Lessor may, in its sole discretion, install at Lessee's expense supplemental equipment and/or separate metering applicable to Lessee's excess usage or loading.

11.5 **Interruptions.** There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

12. **Assignment and Subletting.**

12.1 **Lessor's Consent Required.** Lessee shall have no power to, either voluntarily, involuntarily, by operation of law or otherwise, sell, assign, transfer, or hypothecate this Lease, or sublet the Premises or any part thereof, or permit the Premises or any part thereof to be used or occupied by anyone other than Lessee or Lessee's employees without the prior written consent of Lessor, which consent shall not be unreasonably withheld. Lessee may transfer its interest pursuant to this Lease only upon the following express conditions, which are agreed by Lessor and Lessee to be reasonable. The proposed transferee shall be subject to the prior written consent of Lessor, which consent shall not be unreasonably withheld; without limiting the generality of the foregoing, it shall be reasonable for Lessor to deny such consent if:

(a) The use to be made of the Premises by the proposed transferee is (i) not generally consistent with the character and nature of all other tenancies in the Project, or (ii) a use which conflicts with any so-called "exclusive" ten in favor of, or for any use which is the same as that stated in ten any percentage rent lease to, another tenant of the project or any other building which are in the same complex as the Project, or (iii) a use which would be prohibited by any other person of this Lease (including, but not limited to, any Rules and Regulations then in effect); Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) The financial responsibility of the proposed transferee is not reasonably satisfactory to Lessor; and unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) Either the proposed transferee or any person or entity which directly or indirectly controls, is controlled by, or is under common control with the proposed transferee (i) occupies space in the Project at the time of the request for consent, or (ii) is negotiating with Lessor or has negotiated with Lessor or has negotiated with Lessor during the six (6) month period immediately preceding the date of the proposed transfer, to lease space in the Project. The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting.**

(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of \$500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)


INITIALS


INITIALS

12.3 **Additional Terms and Conditions Applicable to Subletting.** The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to atorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. **Default; Breach; Remedies.**

13.1 **Default; Breach.** A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material data safety sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b) or (c), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 **Remedies.** If Lessee fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:


(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture.** Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "Inducement Provisions", shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The


INITIALS


INITIALS

acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

~~13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or \$100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.~~

~~13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for nonscheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to nonscheduled payments. The interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.~~

~~13.6 Breach by Lessor.~~

~~(a) Notice of Breach. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.~~

~~(b) Performance by Lessee on Behalf of Lessor. In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.~~

~~14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "Condemnation"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the rentable floor area of the Premises, or more than 25% of Lessee's Reserved Parking Spaces, if any, are taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade-Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.~~

~~15. Brokerage Fees.~~

~~15.1 Additional Commission. In addition to the payments owed pursuant to Paragraph 4.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule of the Brokers in effect at the time of the execution of this Lease.~~

~~15.2 Assumption of Obligations. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.~~

~~15.3 Representations and Indemnities of Broker Relationships. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers, if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.~~

~~16. Estoppel Certificates.~~

~~(a) Each Party (as "Responding Party") shall within 10 days after written notice from the other Party (the "Requesting Party") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "Estoppel Certificate" form published by the AIRCommercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.~~

~~(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.~~

~~(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.~~

~~17. Definition of Lessor. The term "Lessor" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.~~

~~18. Severability. 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.~~

~~19. Days. Unless otherwise specifically indicated to the contrary, the word "days" as used in this Lease shall mean and refer to calendar days.~~

~~20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor or its partners, members, directors, officers or shareholders, and Lessee shall look to the Project, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.~~

~~21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.~~

~~22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or~~


INITIALS


INITIALS

with respect to any default or breach hereof by either Party.

23. **Notices.**

23.1 Notice Requirements. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 Date of Notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) **THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.**

25. **Disclosures Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) **Lessor's Agent.** A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee's Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessee and the Lessor: a. Diligent exercise of reasonable skills and care in performance of the agent's duties. b. A duty of honest and fair dealing and good faith. c. A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licenses, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: a. A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. b. Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Buyer and Seller agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. **No Right To Holdover.** Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. In the event that Lessee holds over, then the Base Rent shall be increased to 150% of the Base Rent applicable immediately preceding the expiration or termination. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. **Cumulative Remedies.** No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions; Construction of Agreement.** All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. **Binding Effect; Choice of Law.** This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance.**

30.1 **Subordination.** This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment.** In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor. (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance.** With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options, to extend


INITIALS


INITIALS

the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees, actually and reasonably incurred. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach (\$200 is a reasonable minimum per occurrence for such services and consultation).

32. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. Signs. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof.

35. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. Consents. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. Guarantor.

37.1 Execution. The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.

37.2 Default. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor; and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. Quiet Possession. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. Options. If Lessee is granted an Option, as defined below, then the following provisions shall apply.

39.1 Definition. "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 Options Personal To Original Lessee. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 Multiple Options. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been finally exercised.

39.4 Effect of Default on Options.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. Security Measures. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties. In the event, however, that Lessor should elect to provide security services, then the cost thereof shall be an Operating Expense.

41. Reservations.

(a) Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessor may also: change the name, address or title of the Building or Project upon at least 90 days prior written notice; provide and install, at Lessee's expense, Building standard graphics on the door of the Premises and such portions of the Common Areas as Lessor shall reasonably deem appropriate; grant to any lessee the exclusive right to conduct any business as long as such exclusive right does not conflict with any rights expressly given herein; and to place such signs, notices or displays as Lessor reasonably deems necessary or advisable upon the roof, exterior of the Building or the Project or on signs in the Common Areas. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights. The obstruction of Lessee's view, air, or light by any structure erected in the vicinity of the Building, whether by Lessor or third parties, shall in no way affect this Lease or impose any liability upon Lessor.

(b) Lessor also reserves the right to move Lessee to other space of comparable size in the Building or Project. Lessor must provide at least 45 days prior written notice of such move, and the new space must contain improvements of comparable quality to those contained within the Premises. Lessor shall pay the reasonable out of pocket costs that Lessee incurs with regard to such relocation, including the expenses of moving and necessary stationary revision costs. In no event, however, shall Lessor be required to pay an amount in excess of two months Base Rent. Lessee may not be relocated more than once during the term of this Lease.

(c) Lessee shall not: (i) use a representation (photographic or otherwise) of the Building or Project or their name(s) in connection


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with Lessee's business; or (ii) suffer or permit anyone, except in emergency, to go upon the roof of the Building.

42. **Performance Under Protest.** If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. **Authority; Multiple Parties; Execution**

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. **Conflict.** Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. **Offer.** Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. **Amendments.** This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable nonmonetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. **Waiver of Jury Trial. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS AGREEMENT.**

48. **Mediation and Arbitration of Disputes.** An Addendum requiring the Mediation and/or the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease is is not attached to this Lease.

49. **Americans with Disabilities Act.** Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AIR COMMERCIAL REAL ESTATE ASSOCIATION OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.
2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING AND SIZE OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: Escondido Ca Executed at: _____
On: 12 12 07 On: _____

By LESSOR:

By LESSEE:

ENTERPRISE CIRCLE, LLC MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT

By: [Signature] By: [Signature]
Name Printed: Chris Coseo Name Printed: Dennis Hogan
Title: Manager Title: Vice President, Business Services

By: _____ By: _____
Name Printed: _____ Name Printed: _____
Title: _____ Title: _____
Address: 3146 Quiet Hills Drive Address: 1499 N. State Street
Escondido, CA 92029 San Jacinto, CA 92533

Telephone: (760) 737-3084 Telephone: (951) 487-3200
Facsimile: () Facsimile: (951) 487-3402
Federal ID No. _____ Federal ID No. _____

[Signature]
INITIALS

[Signature]
INITIALS

LESSOR'S BROKER:

LESSEE'S BROKER:

LEE & ASSOCIATES COMMERCIAL REAL ESTATE

LANDVEST USA

Attn: Rob Crisell / Mary Piper

Attn: Mike Griffin

Address: 25240 Hancock Avenue, Suite 100
Murrieta, CA 92562

Address: 320 Goddard, Suite 125
Irvine, CA 92616

Telephone: (951) 445-4513 / (951) 445-4516

Telephone: (909) 798-1361

Facsimile: (951) 445-4553 / (951) 445-4556

Facsimile: (909) 798-9744

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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PAGE 14 OF 14


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ADDENDUM TO LEASE

This Addendum to Lease (the "Addendum") is entered into in connection with and as part of that certain Lease dated November 05, 2007, incorporated herein by this reference, by and between Enterprise Circle, LLC ("Lessor"), and Mt. San Jacinto Community College District ("Lessee").

In the event any inconsistency between the provisions of this Addendum and the Lease, the provisions of this Addendum shall prevail. Notwithstanding anything to the contrary contained in the Lease, the parties further agree as follows:

50. Base Rent Schedule & Abated Rent: Monthly Base Rent is payable in advance on the first day of each month, per below and Paragraphs 1.5 and 4.

<u>SCHEDULED DATES</u>	<u>MONTHLY BASE RENT</u>
February 1, 2008	\$46,782.45
March 1, 2008 – April 31, 2008	Rent Abated – See Para 51 below
May 1, 2008 – January 31, 2009	\$46,782.45
February 1, 2009 – January 31, 2010	\$48,483.63
February 1, 2010 – January 31, 2011	\$50,184.81

51. Abated Base Rent: Lessee shall receive the equivalent of two (2) months of abated Base Rent for months March 2008 and April 2008. In the event of an early termination of the Lease by Lessee or vacation of Premises and failure to pay rent or other sums due under the Lease, Lessor shall be entitled to recapture the two (2) months of abated Rent along with unamortized Improvement Allowance and Lease Commissions.

52. IMPROVEMENT ALLOWANCE. Lessee shall be entitled to a one-time improvement allowance (the "**Improvement Allowance** ") in the amount of \$60,000.00 for the costs relating to alterations / improvements which are permanently affixed to the Premises (the "**Improvements** "). Prior to start construction of the Improvements, Lessee shall a) have determined that the Applicable Requirements (including but limited to zoning) under Section 2.3 are satisfied, and b) obtain Lessor written approval of such Improvement plans, which shall not be unreasonably withheld. All Improvements shall be constructed in strict compliance with all laws, statutes, ordinances, rules, and regulations of any governmental agency or public authority having jurisdiction over the Premises. In no event shall Lessor be obligated to make disbursements in a total amount, which exceeds the Improvement Allowance and in no event shall Lessee be entitled to any credit for any unused portion of the Improvement Allowance after the first twelve (12) months of the Lease term. Prior to construction of the Improvements of Premises, Lessee to notify Lessor in writing with no less than fifteen (15) days notice to Lessor of Lessee's intent to perform improvements in Premises

1. Improvement Allowance Reimbursement. Lessor shall reimburse Lessee for Lessor approved improvements to the Premises within thirty (30) days of receipt from Lessee to Lessor of proof of Improvement completion and unconditional lien release, if applicable, releasing Lessor, and any of Lessor's agents, partners and lenders from any liability. Lessee shall indemnify, protect, defend and hold harmless Lessor, and any of Lessor's agents, partners, and lenders from and against any loss of rents, and/or damages, liens, judgments, penalties, attorneys and consultant fees, expenses, and/or liabilities arising out of construction of the Improvements. Proof of Improvement completion shall be in the form of an invoice from supplier, contractor, vendor, or laborer itemizing material and/or labor provided to the Premises.

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Page 1 of 3
Addendum Lease

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53. OPTION TO EXTEND - RENEWAL OPTION.

1. Grant of Option; Conditions. Lessee shall have the right to extend the Term (the "Renewal Option") for two (2) additional periods of three (3) years each commencing on the day following the Termination Date of the initial Term and any Option periods (the "Renewal Term"), if:
 - a. Lessor receives notice of exercise ("Initial Renewal Notice") not less than 120 days prior to the expiration of the initial Term and not more than 240 days prior to the expiration of the initial Term; and
 - b. Lessee is not in default under the Lease beyond any applicable cure periods at the time that Lessee delivers its Initial Renewal Notice or within the previous twelve (12) months and in no event greater than two (2) times over the lease term or at the time Lessee delivers Initial Renewal Notice and execution of Renewal Amendment to extend the Lease term, and
 - c. No part of the Premises is sublet at the time that Lessee delivers its Initial Renewal Notice, and
 - d. The Lease has not been assigned (other than pursuant to a permitted transfer) prior to the date that Lessee delivers its Initial Renewal Notice.
2. Terms Applicable to Premises during Renewal Term.
 - a. The initial Monthly Rent rate per rentable square foot for the Premises during the Renewal Terms shall be increased at the beginning of first Lease Year of the Renewal Term/s and at the beginning of each remaining Lease Year during the Renewal Term/s in an amount equal to three and one-half percent (3.50%) of the Base Rent in effect for the immediately preceding Lease year. Monthly Rent attributable to the Premises shall be payable in monthly installments in accordance with the terms and conditions of the Lease.
 - b. During any Renewal Term, Lessee shall continue to pay Operating Expenses (for the Premises in accordance with the terms and conditions of the Lease, and the manner and method in which Lessee reimburses Lessor for Lessee's share of Operating Expenses .
3. Renewal Amendment. If Lessee is entitled to and properly exercises its Renewal Option, Lessor shall prepare an amendment (the "Renewal Amendment") to reflect changes in the Monthly Rent, Operating Expenses, Term, Termination Date and other appropriate terms. The Renewal Amendment shall be sent to Lessee within a reasonable time after receipt of Initial Renewal Notice and Lessee shall execute and return the Renewal Amendment to Lessor within 20 days after Lessee's receipt of same.

54. FURNITURE IN THE PREMISES

Existing furniture and fixtures shall be removed by the Landlord prior to Tenant occupancy.

SIGNATURES ON FOLLOWING PAGE

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Page 2 of 3
Addendum Lease

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Dated: 12-12, 2007

Dated: _____, 2007

LESSOR:

Enterprise Circle, LLC
A California limited liability company

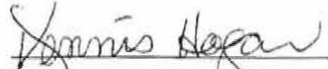
By: 

Print Name: Chris Coseo

Title: Manager

LESSEE:

Mt. San Jacinto Community College
District

By: 

Print Name: Dennis Hogan

Its: VP Business SWS

By: _____

Print Name: _____

Its: _____

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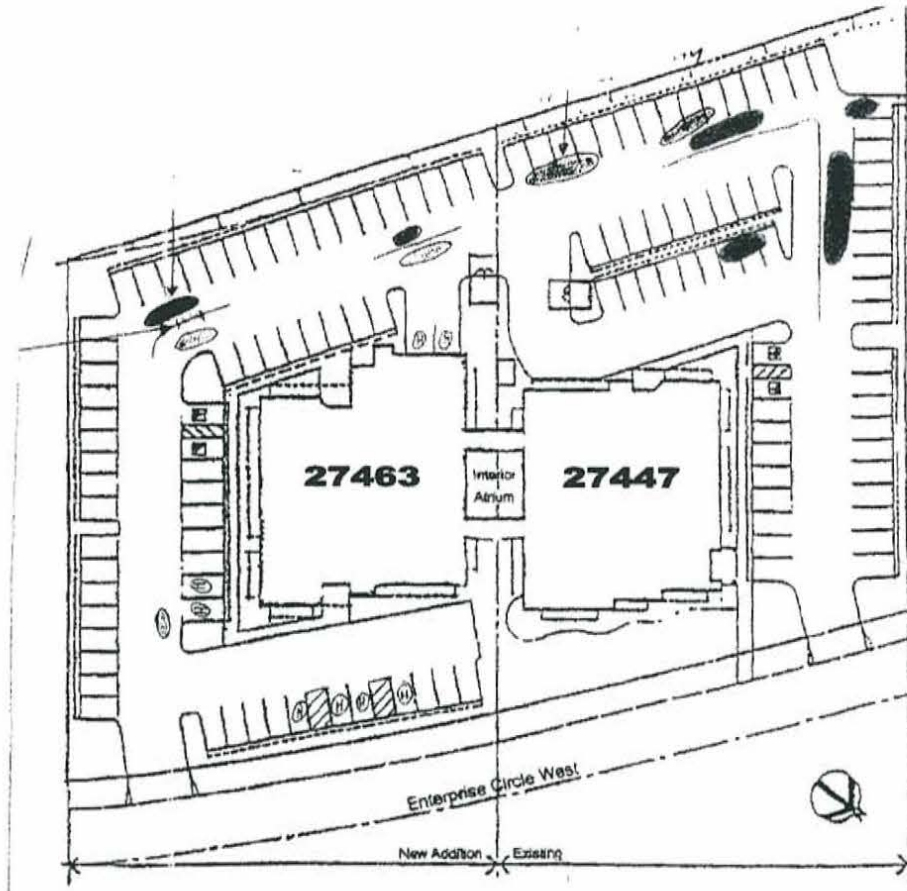


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EXHIBIT "A"
PROPERTY SITE PLAN

27463 & 27447 Enterprise Circle West
Temecula, CA



For illustration purposes only, Landlord does not guarantee accuracy of the above.


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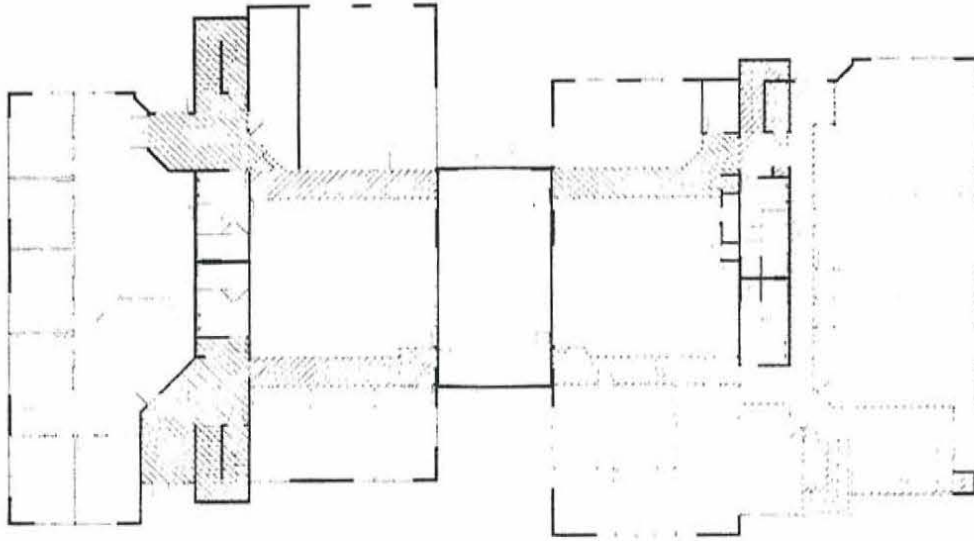

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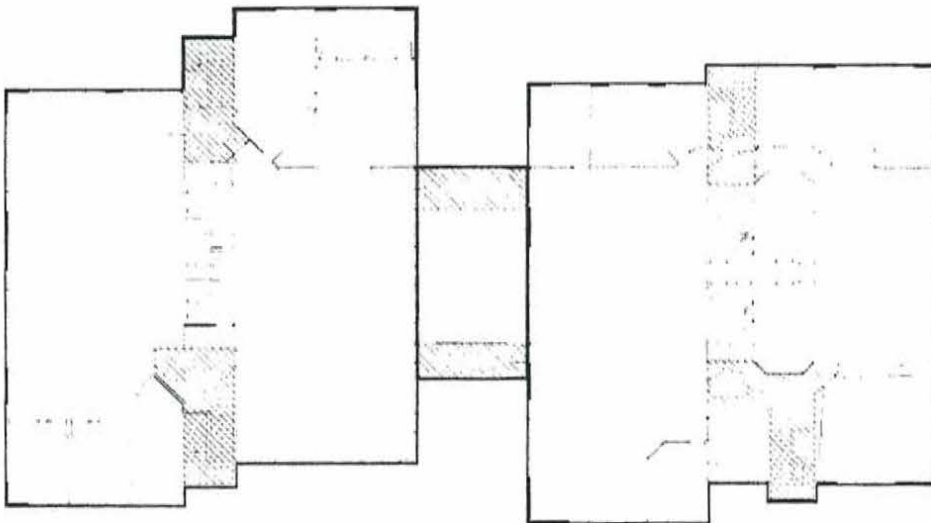
EXHIBIT "A-1"
BUILDING FLOOR PLANS

27463 & 27447 Enterprise Circle West
Temecula, CA

First Floor




Second Floor



For illustration purposes only, Landlord does not guarantee accuracy of the above.


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RULES AND REGULATIONS FOR STANDARD OFFICE LEASE

Dated: November 5, 2007

By and Between Enterprise Circle, LLC (Lessor) and Mt. San Jacinto Community College District (Lessee)

GENERAL RULES

- ~~1. Lessee shall not suffer or permit the obstruction of any Common Areas, including driveways, walkways and stairways.~~
2. Lessor reserves the right to refuse access to any persons Lessor in good faith judges to be a threat to the safety and reputation of the Project and its occupants.
3. Lessee shall not make or permit any noise or odors that annoy or interfere with other lessees or persons having business within the Project.
4. Lessee shall not keep animals or birds within the Project, and shall not bring bicycles, motorcycles or other vehicles into areas not designated as authorized for same.
5. Lessee shall not make, suffer or permit litter except in appropriate receptacles for that purpose.
6. Lessee shall not alter any lock or install new or additional locks or bolts.
7. Lessee shall be responsible for the inappropriate use of any toilet rooms, plumbing or other utilities. No foreign substances of any kind are to be inserted therein.
8. Lessee shall not deface the walls, partitions or other surfaces of the Premises or Project.
9. Lessee shall not suffer or permit anything in or around the Premises or Building that causes excessive vibration or floor loading in any part of the Project.
10. Furniture, significant freight and equipment shall be moved into or out of the building only with the Lessor's knowledge and consent, and subject to such reasonable limitations, techniques and timing, as may be designated by Lessor. Lessee shall be responsible for any damage to the Office Building Project arising from any such activity.
11. Lessee shall not employ any service or contractor for services or work to be performed in the Building, except as approved by Lessor.
- ~~12. Lessor reserves the right to close and lock the Building on Saturdays, Sundays and Building Holidays, and on other days between the hours of _____ P.M. and _____ A.M. of the following day. If Lessee uses the Premises during such periods, Lessee shall be responsible for securely locking any doors it may have opened for entry.~~
13. Lessee shall return all keys at the termination of its tenancy and shall be responsible for the cost of replacing any keys that are lost.
14. No window coverings, shades or awnings shall be installed or used by Lessee.
15. No Lessee, employee or invitee shall go upon the roof of the Building.
16. Lessee shall not suffer or permit smoking or carrying of lighted cigars or cigarettes in areas reasonably designated by Lessor or by applicable governmental agencies as non-smoking areas.
17. Lessee shall not use any method of heating or air conditioning other than as provided by Lessor.
18. Lessee shall not install, maintain or operate any vending machines upon the Premises without Lessor's written consent.
19. The Premises shall not be used for lodging or manufacturing, cooking or food preparation.
20. Lessee shall comply with all safety, fire protection and evacuation regulations established by Lessor or any applicable governmental agency.
21. Lessor reserves the right to waive any one of these rules or regulations, and/or as to any particular Lessee, and any such waiver shall not constitute a waiver of any other rule or regulation or any subsequent application thereof to such Lessee.
22. Lessee assumes all risks from theft or vandalism and agrees to keep its Premises locked as may be required.
23. Lessor reserves the right to make such other reasonable rules and regulations as it may from time to time deem necessary for the appropriate operation and safety of the Project and its occupants. Lessee agrees to abide by these and such rules and regulations.

PARKING RULES

1. Parking areas shall be used only for parking by vehicles no longer than full size, passenger automobiles herein called "Permitted Size Vehicles." Vehicles other than Permitted Size Vehicles are herein referred to as "Oversized Vehicles."
2. Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee's employees, suppliers, shippers, customers, or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
3. Parking stickers or identification devices shall be the property of Lessor and be returned to Lessor by the holder thereof upon termination of the holder's parking privileges. Lessee will pay such replacement charge as is reasonably established by Lessor for the loss of such devices.
- ~~4. Lessor reserves the right to refuse the sale of monthly identification devices to any person or entity that willfully refuses to comply with the applicable rules, regulations, laws and/or agreements.~~
- ~~5. Lessor reserves the right to relocate all or a part of parking spaces from floor to floor, within one floor, and/or to reasonably adjacent offsite location(s), and to reasonably allocate them between compact and standard size spaces, as long as the same complies with applicable laws, ordinances and regulations.~~
6. Users of the parking area will obey all posted signs and park only in the areas designated for vehicle parking.
7. Unless otherwise instructed, every person using the parking area is required to park and lock his own vehicle. Lessor will not be responsible for any damage to vehicles, injury to persons or loss of property, all of which risks are assumed by the party using the parking area.
8. Validation, if established, will be permissible only by such method or methods as Lessor and/or its licensee may establish at rates generally applicable to visitor parking.
9. The maintenance, washing, waxing or cleaning of vehicles in the parking structure or Common Areas is prohibited.
10. Lessee shall be responsible for seeing that all of its employees, agents and invitees comply with the applicable parking rules, regulations, laws and agreements.
11. Lessor reserves the right to modify these rules and/or adopt such other reasonable and non-discriminatory rules and regulations as it may deem necessary for the proper operation of the parking area.
12. Such parking use as is herein provided is intended merely as a license only and no bailment is intended or shall be created hereby.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.

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FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("First Amendment") is made and entered into as of the 10th day of June 2010 by and between John F. Firestone and Evan L. Shaw, as successor-in-interest to Enterprise Circle, LLC, (the "Lessor") and Mt. San Jacinto Community College District, (the "Lessee").

RECITALS

A. Lessor and Lessee are parties to that certain lease dated November 05, 2007, (the "Original Lease") and incorporated herein by the reference.

B. Pursuant to the Lease, Lessor has leased to Lessee space currently containing approximately 28,353 rentable square feet described as 1st & 2nd floors (the "Premises") in the building located at 27463 & 2747 Enterprise Circle West, Temecula, California 92590 (the "Building").

C. By this First Amendment, Lessor and Lessee desire to modify the Lease as provided herein. NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENTS

1. **EXTENSION:** Lessee and Lessor now desire to exercise Lessee's first of two Renewal Options and extend the term of the Lease for a period of three (3) years beginning February 01, 2011 (the "Extension Date") and shall expire on January 30, 2014 (the "Extended Expiration Date"), unless sooner terminated in accordance with the terms of the Lease. The Term commencing the day immediately following the Prior Expiration Date (the "Extension Date") and ending on the Extended Expiration Date shall be referred to herein as the "Extended Term".

2. **BASE RENT:** The monthly Base Rent on the Premises shall be the following amounts on the dates set forth below:

<u>Period</u>	<u># of Months</u>	<u>New Base Rent</u>
February 01, 2011 - January 31, 2012	12	\$50,184.81 per Month
February 01, 2012 - January 31, 2013	12	\$50,184.81 per Month
February 01, 2013 - January 31, 2014	12	\$50,184.81 per Month

3. **CONDITION OF PREMISES:** Lessee is currently occupying the Premises and accepts in its "as-is" condition as of the date of this First amendment with the exception of the water damage to the ceiling tiles and walls incurred during recent rain storms. Lessor will replace damaged ceiling tiles, paint water damaged walls and repair roof leaks to prevent further disruption to classes during the remainder of the term of this option agreement.

4. **ALARM NOTICES.** Lessor will require that Trilar notify Lessee Maintenance and Operations staff when either the elevator or building alarms are activated.

5. **AUTHORITY TO EXECUTE AGREEMENT:** Each individual executing this First Amendment on behalf of a partnership, corporation or other entity represent that he or she is duly authorized to execute and deliver this First Amendment on behalf of the corporation,

BJL
6/15/2010

partnership and/or other entity and agrees to deliver evidence of his or her authority to Lessor prior to the execution of this First Amendment.

6. **ENTIRE AGREEMENT:** This First Amendment represents the entire agreement among the parties with respect to the matters contained in this First Amendment and supersedes any prior negotiations, representations, or agreements, whether written or oral, with respect to the subject matter contained herein. Nothing in this First Amendment shall be deemed to waive or modify any of the provisions of the Lease, First Amendment except as expressly stated herein. This First Amendment may be amended, modified, or altered only by written instrument, signed by Lessor and Lessee.

7. **INCONSISTENCIES:** Except as modified or amended herein, each and all of the terms, covenants and conditions of the Lease are hereby ratified and confirmed and remain in full force and effect. If there are any inconsistencies between this First Amendment and the Lease, this First Amendment shall prevail.

8. **NEUTRAL INTERPRETATION; HEADINGS:** Headings used in this First Amendment are for convenience of reference only and shall not be used in construing this First Amendment.

9. **CHOICE OF LAW:** This First Amendment shall be governed by and construed in accordance with the domestic laws of the State of California applicable to agreements executed and to be fully performed therein without giving effect to any choice of law provision or rule (whether of the State of California or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California. The parties hereto agree that any suit, action or proceeding arising out of or relating to this Amendment shall be instituted and prosecuted in the Superior Court of California located in Riverside County, and the parties hereto irrevocably submit to the jurisdiction of said court and waive any rights to object to or challenge the appropriateness of said forum.

10. **SEVERABILITY:** If any term, covenant, condition or provision of this First Amendment, or the application thereof to any person or circumstance, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this First Amendment, or the application thereof to any person or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

11. **SUBMISSION OF AGREEMENT:** The submission of this First Amendment to Lessee, Lessee's agent or attorney for review or signature does not constitute an offer to Lessee. This First Amendment shall have no binding force or effect until its execution and delivery by both Lessor and Lessee.

12. **RATIFICATION OF LEASE:** Except as expressly set forth herein, the Lease is hereby ratified and confirmed in its entirety and remains unchanged and in full force and effect.
IN WITNESS WHEREOF, this First Amendment has been executed as of the day and year first above written.

Dated: 6/15/2020



Dated: _____

LESSOR:

John F. Firestone & Evan L. Shaw,
as successor-in-interest to Enterprise Circle, LLC

By: *John Firestone*

Print Name: JOHN FIRESTONE

Title: 6-15-2010

By: _____

Print Name: _____

Title: _____

LESSEE:

Mt. San Jacinto Community College District

By: *Becky Elam* 6/15/2010

Print Name: Becky Elam

Title: Vice President of Business Services

By: _____

Print Name: _____

Title: _____

EXHIBIT 3: MT. SAN JACINTO COLLEGE BOARD OF TRUSTEES MEETING ACTIONS TO APPROVE THE SUBSTANTIVE CHANGE PROPOSAL REQUEST



Board of Trustees

AGENDA

MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT
1499 North State Street, San Jacinto, CA 92583 (951) 487-6752

Vision Statement

Our commitment to excellence is Your gateway to the future.

Thursday, February 10, 2011
San Jacinto Campus
Room 200

1.0 OPEN MEETING

3:30 p.m.

- 1.1 Call to Order
- 1.2 Pledge of Allegiance
- 1.3 Roll Call
- 1.4 Approval of Minutes – January 20, 2011 Regular Meeting
- 1.5 Additions and/or Deletions to the Agenda

2.0 COMMENTS OF INDIVIDUAL, GROUPS, DELEGATIONS LIMITED TO AGENDA ITEMS

Public comments are limited to agenda items and shall be no more than five (5) minutes per speaker and twenty (20) minutes per subject unless further time is granted by the Board of Trustees.

3.0 REPORTS

- 3.1 Board President & Trustees
- 3.2 Student Trustee
- 3.3 Superintendent/President

4.0 CLOSED SESSION

Pursuant to all applicable education codes, government codes and recently enacted statutes, the Board of Trustees will meet in closed session to discuss and/or act on the following matters:

- 4.1 **CONFERENCE WITH LABOR NEGOTIATOR** – Faculty Association CTA/NEA. The chief negotiator representing the Board of Trustees is Irma Ramos
- 4.2 **CONFERENCE WITH LABOR NEGOTIATOR** – California School Employees Association (CSEA). The chief negotiator representing the Board of Trustees is Irma Ramos
- 4.3 **CONFERENCE WITH LABOR NEGOTIATOR** – Communications Workers of America (CWA). The chief negotiator representing the Board of Trustees is Irma Ramos

4.4 **CONFERENCE WITH LABOR NEGOTIATOR** – Unrepresented employee.
Superintendent/President

4.5 **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**
1 Case

4.6 **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
RIC 10005925

5.0 **CONSENT AGENDA**

5.1 **HUMAN RESOURCES**

- 2010/11-153 Academic Temporary Appointments 7
The Academic Temporary Appointments have been made pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.
- 2010/11-154 Academic Appointment 8
The Academic Appointment has been made pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.
- 2010/11-155 Academic Equivalency 9
Requests for equivalency come under the domain of the Academic Senate. The Senate has reviewed and is recommending approval of the equivalency to local hiring criteria and minimum qualifications. The Administration recommends approval.
- 2010/11-156 Renewal of Administrative Contracts 10
Administrators in the District are employed pursuant to EC 72411 and 72411.5 under the terms and conditions of an individually executed employment contract. The Administration recommends approval.
- 2010/11-157 New Classified Appointments 11
Classified Appointments are made pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.
- 2010/11-158 New Associate Faculty – Spring 2011 12
The New Associate Faculty appointments have been made Pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.
- 2010/11-159 Non-Credit Instructors – Spring 2011 13
Non-credit instructor appointments have been made pursuant to Board Policy Manual Chapter 7, BP7110 – Delegations. The Administration recommends approval.
- 2010/11-160 Short-Term Assignment 14
Short-term Assignments are made pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.

2010/11-161	<u>Substitute Assignments</u> Substitute assignments are made pursuant to Board Policy Manual Chapter 7, BP7110-Delegations. The Administration recommends approval.	15
2010/11-162	<u>Stipends</u> Payment for extra duties performed outside the realm of regular teaching assignments. The Administration recommends approval.	16
2010/11-163	<u>Leave of Absence Without Compensation</u> This leave is being requested per CSEA contract article XI, section 11.12. The Administration recommends approval.	17
2010/11-164	<u>Separations</u> Notification including the name, assignment and effective date for employees that are leaving the District. The Administration recommends approval.	18
2010/11-165	<u>Volunteers</u> Volunteers play an invaluable role in the operation of the college. The Administration recommends the Board acknowledge the contribution of the volunteers.	19
5.2 BUSINESS SERVICES		
2010/11-166	<u>Approval of Payroll, Purchase Orders, Contracts, and Commercial Warrants</u> The Board of Trustees must authorize and approve all expenditures of the District to comply with applicable education and public contract codes. The Administration recommends approval.	20
2010/11-167	<u>Transfers of Appropriations</u> Authorization to make necessary accounting adjustments to the adopted budget. The Administration recommends approval.	21
2010/11-168	<u>Contract Agreements</u> The Administration recommends that the Board of Trustees provide authorization to execute the District contract agreements.	22
2010/11-169	<u>2010/2011 Budget Modification #4</u> The adoption of this resolution will increase the Restricted General Fund (Fund 12) by \$27,519.19. The Administration recommends that these funds be appropriated according to the attached schedule.	23
2010/11-170	<u>Quarterly Financial Status Report District/Auxiliary Quarterly Financial Reports</u> The Administration recommends that the Board of Trustees receive the quarterly report of the financial condition of the District and in accordance with Education Code section 84043, orders the report filed with the County Superintendent of Schools and the Chancellor's Office.	24
2010/11-171	<u>Notice of Completion for the San Jacinto Campus Library ESL Remodel</u> The Administration recommends the Board approve the execution of the Notice of Completion for the Project (under Civic Code Section 3093 – Public Works) and authorizes the Vice President of Business Services to execute the Notice.	25

6.0 OPEN AGENDA

6.1 HUMAN RESOURCES

2010/11-172 Golden Handshake - STRS 26

The District has determined that pursuant to Ed Code Section 22714 that because of impending curtailment of, or changes in the manner of performing services, the best interests of the District would be served by encouraging eligible certificated employees or academic employees to retire for service and that the retirement will result in a net savings to the District. The Administration recommends approval.

2010/11-173 Golden Handshake - PERS 28

The District has determined that because of impending curtailment of, or changes in the manner of performing services, it is in the best interests of the District to encourage retirement of eligible employees for service under Government Code Section 20904. The Administration recommends approval.

6.2 SUPERINTENDENT/PRESIDENT

2010/11-174 Rescheduling of Election Cycle 30

Elections for the MSJC Board of Trustees are currently held every 2 years in odd numbered years. The District has been informed there would be a cost savings to the District as a result of aligning the District's elections with the statewide general elections held in even years. Elections Code 1302 (b) establishes a procedure whereby the District may change the election date for its Trustees by adopting a resolution no later than March 1, 2011 and submitting the resolution to the County Board of Supervisors for consideration. The Administration recommends approval.

6.3 BOARD OF TRUSTEES

2010/11-175 Consideration/Approval Superintendent/President Employment Contract 31

This action will extend the Superintendent/President's employment contract effective July 1, 2011 through June 30, 2014.

7.0 COMMENTS OF INDIVIDUAL, GROUPS, DELEGATIONS

Public comments may address any item of interest to the public, other than agenda items, that are within the subject matter jurisdiction of the college. Comments shall be limited to five (5) minutes per speaker and twenty (20) minutes per subject unless further time is granted by the Board of Trustees.

8.0 INFORMATION AGENDA

8.1 INSTRUCTION

A. Faculty Recognition 32

Vice President of Instruction, Dr. Dennis Anderson will recognize Dr. Michelle Stewart. Upon recommendation of the Academic Rank Committee, Dr. Stewart will advance from the rank of Associate Professor of English to that of Professor of English.

B. Changes to General Education Requirements for Students in the Associate Degree Nursing Program 33

Dean of Nursing and Allied Health, Dr. Kathleen Winston will introduce changes to the general education requirements for student with baccalaureate degrees and enrolled in the MSJC Associate Degree Nursing Program as outlined in SB 1292.

8.2	HUMAN RESOURCES	
A.	<u>CTA Bargaining Proposal for Academic Year 2010-2011</u>	34
	Pursuant to GC 3547, the California Teachers Association (CTA) proposal to open negotiations for academic year 2010-2011 is being sun-shined. Public comment on this proposal will be taken at the Board's next regularly scheduled meeting to be held in March 2011.	
8.3	BUSINESS SERVICES	
A.	<u>Maintaining Fiscal Stability Priorities</u>	35
	At the January 20, 2011 Board of Trustees Meeting, Vice President of Business Services, Becky Elam provided information on the Governor's Proposed Budget that included the Budget Development Committee's Maintaining Fiscal Stability priorities. At the request of the Trustees, these priorities are presented for further discussion.	
8.4	SUPERINTENDENT/PRESIDENT	
A.	<u>Mt. San Jacinto College ACCJC Substantive Change</u>	36
	In accordance with the ACCJC's Substantive Change Policy, Mt. San Jacinto College will submit three Substantive Change Proposal Approval Requests. Associate Dean of Planning/Institutional Effectiveness/Grants, Rebecca Teague will speak to the changes that are being submitted through the collaboration of the administration and faculty.	
8.5	ACADEMIC SENATE REPORT	
8.6	CLASSIFIED SENATE REPORT	
8.7	STUDENT GOVERNMENT ASSOCIATION	
9.0	ADJOURNMENT	

The next meeting of the Board of Trustees is scheduled for March 10, 2011 at 3:30 p.m., San Jacinto Campus, Room #200.

Board of Trustee meetings are LINKED to room #851 on the Menifee Valley Campus.

Agenda-Related documents which qualify as public records under Section 54957.5 Subdivision (a) and (b) of The Ralph M. Brown Act (Government Code Section, 54950 et seq.) are available for public -- inspection and/or distribution in the President's Office, Room 204, Mt. San Jacinto College, 1499 N. State St., San Jacinto, and CA. 92583.

Additional information or available background material regarding any item on the agenda may be obtained by contacting the Administration Office at 951-487-3001 prior to the meeting.

*Any member of the public who wishes to speak before the Board must complete a Public Participation form and return it to the Board Chair prior to the meeting. Late arrivals will not be permitted to speak. (Forms are available at the speaker's table)

MSJC Board of Trustee meetings are taped and video recorded per Government Code Sections 54953.5 and 54953.6 and Education Code Section 72121(a). Recordings shall be subject to inspection by members of the public in accordance with the California Public Records Act, Government Code Sections 6250.

Any person with a disability may request this agenda be made available in an appropriate alternative format. A request for a disability-related modification or accommodation may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meeting to:

Kathy Donnell
Executive Assistant to the Superintendent/President
1499 N. State St
San Jacinto, CA 92583-2399
951-487-3002
Office hours: 8:00 a.m. to 5:00 p.m.

Request must be received at least 48 hours prior to the meeting.

Mt. San Jacinto College, a California Community College, offers accessible, innovative, comprehensive and quality educational programs and services to diverse, dynamic, and growing communities both within and beyond traditional geographic boundaries. We support life-long learning and student success by utilizing proven educational methodologies as determined by collaborative institutional planning and assessment. To meet economic and workforce development needs, MSJC provides students with basic skills, general and career education that lead to transfer, associate degrees and certificates. Our commitment to student learning empowers students with the skills and knowledge needed to effect positive change and enhance the world in which we live.



Board of Trustees

MT. SAN JACINTO COMMUNITY COLLEGE DISTRICT
1499 North State Street, San Jacinto, CA 92583 (951) 487-6752

INFORMATION

Section: Superintendent/President	Subject: Mt. San Jacinto College ACCJC Substantive Change	Date: 02/10/11
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The Accrediting Commission of Community and Junior College (ACCJC) expects accredited institutions to undertake change responsibly and to continue to meet the Eligibility Requirements, Accreditation Standards and Commission policies even as they make changes. To provide assurance of institutional quality to the public and to maintain Title IV financial aid funds for students of the institution, a **Substantive Change Proposal** must be reviewed and acted upon by the Commission's Committee on Substantive Change, or the Commission as a whole.

A substantive change is a change which alters: the mission, scope, or name of the institution; the nature of the constituency served; the location or geographical area served; the control of the institution; the content of courses or programs to an extent which represents a significant departure from current curricula or the mode of delivery of a program so that the courses constitute 50% and/or more of a program and/or are offered at a distance or through electronic delivery; or the credit awarded to courses or programs.

Since 2005, Mt. San Jacinto College has experienced tremendous growth and as a result, the institution has developed new programs/certificates and degrees to meet the growing demands of our region, local industry needs, and constituents; we have created new off-campus sites to provide better access to higher education opportunities; and expanded our offerings in distance education.

In accordance with the ACCJC's Substantive Change Policy, Mt. San Jacinto College will submit three Substantive Change Proposal Approval Requests focused on following changes in:

- 1) Location or geographical area served by MSJC – to account for the Temecula Education Complex, which offers at least 50% of an educational program
- 2) Addition of courses that constitute 50% or more of a program offered through a mode of distance education or electronic delivery
- 3) Addition of a new degree or vocational certificate program that represents a significant departure from an institution's current programs

The three Substantive Change Proposals are in draft format and are still being finalized through collaboration with administration and faculty. The drafts are being presented to the Board of Trustees as an information item. A formal action item will be placed on the following Board of Trustee meeting agenda scheduled for March 10, 2011 for formal approval.

**EXHIBIT 4: DELEGATION OF AUTHORITY TO SUPERINTENDENT/PRESIDENT BOARD POLICY
2430**



BP 2430

Approved by Board: August 9, 2001

Page 1 of 1

Revisions:

BP 2430 Delegation of Authority to Superintendent/President

Reference:

***Education Code Sections 70902(d), 72400;
Accreditation Standard 10.A.3***

The Board delegates to the Superintendent/President the executive responsibility for administering the policies adopted by the Board and executing all decisions of the Board requiring administrative action.

The Superintendent/President may delegate any powers and duties entrusted to him or her by the Board, including the administration of colleges and centers, but will be specifically responsible to the Board for the execution of such delegated powers and duties.

The Superintendent/President is empowered to reasonably interpret board policy. In situations where there is no board policy direction, the Superintendent/ President shall have the power to act, but such decisions shall be subject to review by the Board. It is the duty of the Superintendent/President to inform the Board of such action and to recommend written Board policy if one is required.

The Superintendent/President is expected to perform the duties contained in the Superintendent/President job description and fulfill other responsibilities as may be determined in annual goal-setting or evaluation sessions. The Board in consultation with the Superintendent/President shall develop the job description and goals and objectives for performance.

The Superintendent/President shall ensure that all relevant laws and regulations are complied with, and that required reports are submitted in timely fashion.

The Superintendent/President shall make available any information or give any report requested by the Board as a whole. Individual trustee requests for information shall be met if, in the opinion of the Superintendent/President, they are not unduly burdensome or disruptive to District operations. Information provided to any trustee shall be available to all trustees.

The Superintendent/President shall act as the professional advisor to the Board in policy formation.

EXHIBIT 5: SAMPLE OF MT. SAN JACINTO COLLEGE CLASS SCHEDULE PAGE INDICATING ADDRESS AND CLASSES OFFERED AT THE TEMECULA EDUCATION COMPLEX

Books for Menifee and Area (Sec# 3000 and above): <http://eagleshop.msic.edu/msjcmc>

Books for San Jacinto and Area (Sec# 2999 and below): <http://eagleshop.msic.edu/msjcc>

SECT#	DAY	TIME	BLDG/RM	INSTRUCTOR
ANTH-102H Honors Cultural Anthropology				
San Jacinto				
1004	MW	9:30 AM-10:50 AM	1200/1202	P Ford
Menifee				
3316	MW	12:30 PM-1:50 PM	500M/504	E Ozolins
ANTH-103A North American Indians (formerly Native North Americans)				
Beaumont/Banning				
1005	TH	9:00 AM-11:50 AM	SGP/TBA	P Ford
ANTH-115 Introduction to Archaeology				
Menifee				
3309	MW	2:00 PM-3:20 PM	500M/504	M Yacubic
ANTH-121 California Indians				
Menifee				
3314	TTH	11:00 AM-12:20 PM	500M/504	F Standley
ANTH-125 Magic, Witchcraft and Religion				
Menifee				
3311	TTH	9:30 AM-10:50 AM	500M/504	E Ozolins
ANTH-145 Introduction to Language and Linguistics (formerly ENGL-245)				
San Jacinto				
1006	F	9:00 AM-11:55 AM	1200/1202	P Ford
ANTH-145H Honors Introduction to Language and Linguistics (formerly ENGL-245H)				
San Jacinto				
1011	F	9:00 AM-11:55 AM	1200/1202	P Ford
ANTH-201 Introduction to Forensic Anthropology				
Menifee				
3301	MW	11:00 AM-12:20 PM	500M/504	E Ozolins
ANTH-215 Archaeological Survey				
San Jacinto				
1008	T	9:00 AM-9:45 AM	WEST/ARCHAE	K Sorensen
	T	9:55 AM-12:20 PM	WEST/ARCHAE	K Sorensen
	TH	9:00 AM-12:20 PM	WEST/ARCHAE	K Sorensen
ART				
ART-093 Graphic Design Practicum 1 unit				
Menifee				
3318	W	1:00 PM-3:50 PM	900M/930	J Bader
ART-095 Typography Practicum 1 unit				
Menifee				
3319	W	9:00 AM-11:50 AM	900M/930	J Bader
ART-100 Art Appreciation 3 units				
Online				
3629	ONLINE			P Pendleton
3630	ONLINE			P Pendleton
3631	ONLINE			P Pendleton
3632	ONLINE			J Seed
3633	ONLINE			J Seed
San Jacinto				
1285	F	9:00 AM-11:50 AM	1200/1212	B Dillaway
1286	TH	7:00 PM-9:50 PM	1200/1202	B Dillaway
Menifee				
3320	MW	8:00 AM-9:20 AM	600M/600	M Eastridge
Temecula				
5013	TTH	2:00 PM-3:20 PM	TEC/203	J Farned
ART-101 Art History: Prehistoric Through Medieval Art 3 units				
Menifee				
3321	TTH	8:00 AM-9:20 AM	600M/600	J Barron
ART-102 Art History: Renaissance to 20th Century Art 3 units				
San Jacinto				
1287	T	7:00 PM-9:50 PM	1200/1202	C Goux
Menifee				
3322	W	1:30 PM-4:20 PM	600M/600	K Dillon
3323	TTH	11:00 AM-12:20 PM	600M/600	J Seed
ART-103 Introduction to Modernism 3 units				
Temecula				
5014	TTH	9:00 AM-10:20 AM	TEC/211	J Seed
ART-103H Honors Introduction to Modernism 3 units				
Temecula				
5113	TTH	9:00 AM-10:20 AM	TEC/211	J Seed
ART-105 History of Graphic Design 3 units				
Online				
3634	ONLINE			J Bader
NOTE: #3634 is an ONLINE, SHORT-TERM class which meets online Jan 18-Mar 11.				
ART-108 Beginning Drawing 3 units				
San Jacinto				
1288	MW	10:00 AM-10:50 AM	1400/1405	M Gronek
	MW	11:00 AM-12:20 PM	1400/1405	M Gronek
1290	MW	1:00 PM-1:50 PM	1400/1405	M Gronek
	MW	2:00 PM-3:20 PM	1400/1405	M Gronek
1292	TTH	10:00 AM-10:50 AM	1400/1405	E Doktorski-Marzullo
	TTH	11:00 AM-12:20 PM	1400/1405	E Doktorski-Marzullo

SECT#	DAY	TIME	BLDG/RM	INSTRUCTOR
Menifee				
3324	MW	8:00 AM-8:50 AM	600M/656	W Rodgers
	MW	9:00 AM-10:20 AM	600M/656	W Rodgers
3325	TTH	8:00 AM-8:50 AM	600M/656	L Davis
	TTH	9:00 AM-10:20 AM	600M/656	L Davis
3326	TTH	6:00 PM-6:50 PM	600M/656	J Scahill
	TTH	7:00 PM-8:20 PM	600M/656	J Scahill
3327	F	9:00 AM-10:50 AM	600M/656	N Jones
	F	11:00 AM-2:05 PM	600M/656	N Jones
3328	S	9:00 AM-10:50 AM	600M/656	N Jones
	S	11:00 AM-2:05 PM	600M/656	N Jones
ART-109 Intermediate Drawing 3 units				
San Jacinto				
1289	MW	10:00 AM-10:50 AM	1400/1405	M Gronek
	MW	11:00 AM-12:20 PM	1400/1405	M Gronek
1291	MW	1:00 PM-1:50 PM	1400/1405	M Gronek
	MW	2:00 PM-3:20 PM	1400/1405	M Gronek
1293	TTH	10:00 AM-10:50 AM	1400/1405	E Doktorski-Marzullo
	TTH	11:00 AM-12:20 PM	1400/1405	E Doktorski-Marzullo
ART-112 Life Drawing 3 units				
Menifee				
3329	W	10:30 AM-12:20 PM	600M/659	W Rodgers
	W	12:30 PM-3:20 PM	600M/659	W Rodgers
ART-115 Painting I 3 units				
San Jacinto				
1294	M	5:00 PM-6:50 PM	1400/1405	S Sudmeier
	M	7:00 PM-10:05 PM	1400/1405	S Sudmeier
Menifee				
3330	F	9:00 AM-10:50 AM	600M/659	J Seed
	F	11:00 AM-2:05 PM	600M/659	J Seed
3332	S	9:00 AM-10:50 AM	600M/659	J Scahill
	S	11:00 AM-2:05 PM	600M/659	J Scahill
ART-116 Painting II 3 units				
San Jacinto				
1295	M	5:00 PM-6:50 PM	1400/1405	S Sudmeier
	M	7:00 PM-10:05 PM	1400/1405	S Sudmeier
Menifee				
3331	F	9:00 AM-10:50 AM	600M/659	J Seed
	F	11:00 AM-2:05 PM	600M/659	J Seed
3333	S	9:00 AM-10:50 AM	600M/659	J Scahill
	S	11:00 AM-2:05 PM	600M/659	J Scahill
ART-120 2D Design 3 units				
Menifee				
3334	MW	3:00 PM-3:50 PM	600M/656	V Madrid
	MW	4:00 PM-5:20 PM	600M/656	V Madrid
3335	MW	6:00 PM-6:50 PM	600M/656	V Madrid
	MW	7:00 PM-8:20 PM	600M/656	V Madrid
3336	TTH	10:30 AM-11:20 AM	600M/656	J Csotsits
	TTH	11:30 AM-12:50 PM	600M/656	J Csotsits
3337	TTH	2:00 PM-2:50 PM	600M/656	J Csotsits
	TTH	3:00 PM-4:20 PM	600M/656	J Csotsits
ART-122 3D Design 3 units				
San Jacinto				
1296	TTH	1:00 PM-1:50 PM	1400/1405	E Doktorski-Marzullo
	TTH	2:00 PM-3:20 PM	1400/1405	E Doktorski-Marzullo
Menifee				
3338	TTH	8:00 AM-8:50 AM	600M/607	P Mitten
	TTH	9:00 AM-10:20 AM	600M/607	P Mitten
ART-123 Graphic Design I 3 units				
Menifee				
3339	M	1:00 PM-3:55 PM	900M/930	J Bader
ONLINE				
NOTE: #3339 is a HYBRID, FULL-TERM class which meets online Jan 18-May 25. Classes meet on campus every Tuesday.				
ART-124 Time Based Media 3 units				
Menifee				
4041	F	9:30 AM-11:45 AM	900M/931	D Smith
	F	1:00 PM-3:50 PM	900M/931	D Smith
ART-125 Typography I 3 units				
Menifee				
3341	M	9:00 AM-11:55 AM	900M/930	J Bader
ONLINE				
NOTE: #3341 is a HYBRID, FULL-TERM class which meets online Jan 18-May 25. Classes meet on campus every Tuesday.				
ART-130A Digital Art - Imaging (formerly ART-130 Digital Art I) 2 units				
Menifee				
3342	TTH	9:00 AM-9:50 AM	900M/930	C Glaze
	TTH	10:00 AM-12:50 PM	900M/930	C Glaze
NOTE: #3342 is a SHORT-TERM class which meets Jan 18-Mar 10.				
3343	MW	4:00 PM-4:50 PM	900M/930	C Glaze
	MW	5:00 PM-7:50 PM	900M/930	C Glaze
NOTE: #3343 is a SHORT-TERM class which meets Jan 18-Mar 10.				

ANTHROPOLOGY - ART

For Information on Learning Communities please see a counselor or visit the website: www.msic.edu/LearningCommunities

FOR FULL CLASS DESCRIPTIONS, PREREQUISITE REQUIREMENTS & ADDITIONAL INFORMATION GO TO: WWW.MSJC.EDU

EXHIBIT 6: OPERATIONAL BUDGET AND ANALYSIS OF SUBSTANTIVE CHANGE FINANCIAL RESOURCES AS THEY RELATE TO THE COLLEGE BUDGET

View Financial Summary

DISTRICT 03 - MT SAN JACINTO COMMUNITY COLLEGE

Begin Date: 07/01/2005 / End Date: 06/30/2010

NOTE: Generated from Galaxy screen on 12/17/2010 12:53 PM

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
41	345	3614	0	7100	0	4320	0	90,840.72	187,265.69	0	-96,424.97
41	345	3614	0	7100	0	4510	0	0	93.23	0	-93.23
41	345	3614	0	7100	0	4520	0	0	646.59	0	-646.59
41	345	3614	0	7100	0	4550	0	27,359.11	27,358.39	0	0.72
41	345	3614	0	7100	0	4570	0	0	1,095.94	0	-1,095.94
41	345	3614	0	7100	0	4590	0	0	234.9	0	-234.9
41	345	3614	0	7100	0	5635	0	0	431.96	0	-431.96
41	345	3614	0	7100	0	5890	0	783.9	908.9	0	-125
41	345	3614	0	7100	0	6220	454,336.00	111,879.50	137,842.67	0	-25,963.17
41	345	3614	0	7100	0	6229	0	47,621.00	55,727.67	0	-8,106.67
41	345	3614	0	7100	0	6491	0	4,262.87	4,262.87	0	0
41	345	3614	0	7100	0	6492	0	48,133.88	88,984.13	0	-40,850.25
41	345	3614	0	7100	0	6495	0	8,449.33	8,449.33	0	0
41	345	3614	0	7100	0	6496	52,077.00	167,082.69	219,435.81	0	-52,353.12
41	345	3614	7	7100	0	6220	0	0	0	0	0
							506,413.00	506,413.00	732,738.08	0.00	(226,325.08)

2010-2011 Budget

DISTRICT 03 - MT SAN JACINTO COMMUNITY COLLEGE

Begin Date: 07/01/2010 / End Date: 12/17/2010

NOTE: Generated from Galaxy screen on 12/17/2010 1:02 PM

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	321	0	0	6010	0	1430	21,250.00	15,250.00	0	0	15,250.00
11	321	0	0	6010	0	1470	18,000.00	24,000.00	8,540.00	0	15,460.00
11	321	0	0	6010	0	3130	3,238.00	3,238.00	704.55	0	2,533.45
11	321	0	0	6010	0	3335	569	569	123.83	0	445.17
11	321	0	0	6010	0	3530	283	283	61.48	0	221.52
11	321	0	0	6010	0	3630	769	769	169.95	0	599.05
11	321	0	0	6010	0	5630	10,000.00	10,000.00	0	0	10,000.00
11	321	0	0	6010	99	5691	0	0	0	4,354.00	-4,354.00
11	321	0	0	6010	99	6495	0	0	0	20,094.69	-20,094.69
11	323	0	0	1002	0	1330	0	0	140.61	0	-140.61
11	323	0	0	1002	0	1331	0	0	2,080.39	0	-2,080.39
11	323	0	0	1002	0	3110	0	0	183.24	0	-183.24
11	323	0	0	1002	0	3315	0	0	32.2	0	-32.2
11	323	0	0	1002	0	3510	0	0	15.99	0	-15.99
11	323	0	0	1002	0	3610	0	0	43.47	0	-43.47
11	323	0	0	1002	18	1338	0	0	1,819.90	0	-1,819.90
11	323	0	0	1002	18	3110	0	0	150.14	0	-150.14
11	323	0	0	1002	18	3315	0	0	26.39	0	-26.39
11	323	0	0	1002	18	3510	0	0	13.1	0	-13.1
11	323	0	0	1002	18	3610	0	0	32.52	0	-32.52
11	323	0	0	1007	0	1331	0	0	1,916.82	0	-1,916.82
11	323	0	0	1007	0	3110	0	0	133.83	0	-133.83
11	323	0	0	1007	0	3315	0	0	27.8	0	-27.8
11	323	0	0	1007	0	3360	0	0	11.05	0	-11.05
11	323	0	0	1007	0	3510	0	0	13.79	0	-13.79
11	323	0	0	1007	0	3610	0	0	37.55	0	-37.55

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	323	0	0	1101	0	1330	0	0	444.44	0	-444.44
11	323	0	0	1101	0	1331	0	0	30,975.12	0	-30,975.12
11	323	0	0	1101	0	3110	0	0	2,343.83	0	-2,343.83
11	323	0	0	1101	0	3315	0	0	455.6	0	-455.6
11	323	0	0	1101	0	3360	0	0	112.85	0	-112.85
11	323	0	0	1101	0	3410	0	0	5.6	0	-5.6
11	323	0	0	1101	0	3510	0	0	226.26	0	-226.26
11	323	0	0	1101	0	3610	0	0	614.51	0	-614.51
11	323	0	0	1101	18	1338	0	0	2,939.55	0	-2,939.55
11	323	0	0	1101	18	3110	0	0	242.51	0	-242.51
11	323	0	0	1101	18	3315	0	0	42.62	0	-42.62
11	323	0	0	1101	18	3510	0	0	21.16	0	-21.16
11	323	0	0	1101	18	3610	0	0	52.53	0	-52.53
11	323	0	0	1501	0	1330	0	0	286.95	0	-286.95
11	323	0	0	1501	0	1331	0	0	20,595.34	0	-20,595.34
11	323	0	0	1501	0	1340	0	0	747.93	0	-747.93
11	323	0	0	1501	0	3110	0	0	800.79	0	-800.79
11	323	0	0	1501	0	3315	0	0	312.79	0	-312.79
11	323	0	0	1501	0	3360	0	0	447.14	0	-447.14
11	323	0	0	1501	0	3410	0	0	16.8	16.8	-33.6
11	323	0	0	1501	0	3510	0	0	155.75	0	-155.75
11	323	0	0	1501	0	3610	0	0	423.48	0	-423.48
11	323	0	0	1501	18	1338	0	0	7,975.79	0	-7,975.79
11	323	0	0	1501	18	3110	0	0	509.04	0	-509.04
11	323	0	0	1501	18	3315	0	0	115.64	0	-115.64
11	323	0	0	1501	18	3360	0	0	67.71	0	-67.71
11	323	0	0	1501	18	3510	0	0	57.42	0	-57.42
11	323	0	0	1501	18	3610	0	0	142.53	0	-142.53
11	323	0	0	1506	0	1331	0	0	15,393.85	0	-15,393.85
11	323	0	0	1506	0	3110	0	0	1,270.00	0	-1,270.00
11	323	0	0	1506	0	3315	0	0	223.19	0	-223.19
11	323	0	0	1506	0	3510	0	0	110.85	0	-110.85

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	323	0	0	1506	0	3610	0	0	301.03	0	-301.03
11	323	0	0	1506	18	1338	0	0	1,141.09	0	-1,141.09
11	323	0	0	1506	18	3315	0	0	16.55	0	-16.55
11	323	0	0	1506	18	3360	0	0	42.79	0	-42.79
11	323	0	0	1506	18	3510	0	0	8.22	0	-8.22
11	323	0	0	1506	18	3610	0	0	20.39	0	-20.39
11	323	0	0	2001	0	1331	0	0	8,636.56	0	-8,636.56
11	323	0	0	2001	0	3110	0	0	186.22	0	-186.22
11	323	0	0	2001	0	3315	0	0	125.22	0	-125.22
11	323	0	0	2001	0	3360	0	0	239.22	0	-239.22
11	323	0	0	2001	0	3510	0	0	62.2	0	-62.2
11	323	0	0	2001	0	3610	0	0	169.02	0	-169.02
11	323	0	0	2001	18	1338	0	0	1,291.28	0	-1,291.28
11	323	0	0	2001	18	3315	0	0	18.72	0	-18.72
11	323	0	0	2001	18	3360	0	0	48.42	0	-48.42
11	323	0	0	2001	18	3510	0	0	9.3	0	-9.3
11	323	0	0	2001	18	3610	0	0	23.07	0	-23.07
11	323	0	0	2202	0	1330	0	0	137.93	0	-137.93
11	323	0	0	2202	0	1331	0	0	4,213.28	0	-4,213.28
11	323	0	0	2202	0	3110	0	0	358.98	0	-358.98
11	323	0	0	2202	0	3315	0	0	63.09	0	-63.09
11	323	0	0	2202	0	3510	0	0	31.33	0	-31.33
11	323	0	0	2202	0	3610	0	0	85.06	0	-85.06
11	323	0	0	2205	0	1331	0	0	2,519.61	0	-2,519.61
11	323	0	0	2205	0	3315	0	0	36.53	0	-36.53
11	323	0	0	2205	0	3360	0	0	94.49	0	-94.49
11	323	0	0	2205	0	3410	0	0	11.2	16.8	-28
11	323	0	0	2205	0	3510	0	0	18.15	0	-18.15
11	323	0	0	2205	0	3610	0	0	49.19	0	-49.19
11	323	0	0	2207	0	1330	0	0	143.48	0	-143.48
11	323	0	0	2207	0	1331	0	0	4,160.79	0	-4,160.79
11	323	0	0	2207	0	3110	0	0	177.55	0	-177.55

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	323	0	0	2207	0	3315	0	0	62.4	0	-62.4
11	323	0	0	2207	0	3360	0	0	80.7	0	-80.7
11	323	0	0	2207	0	3510	0	0	31	0	-31
11	323	0	0	2207	0	3610	0	0	83.92	0	-83.92
11	323	0	0	2208	0	1331	0	0	9,028.45	0	-9,028.45
11	323	0	0	2208	0	3110	0	0	558.64	0	-558.64
11	323	0	0	2208	0	3315	0	0	130.92	0	-130.92
11	323	0	0	2208	0	3360	0	0	84.64	0	-84.64
11	323	0	0	2208	0	3510	0	0	65.02	0	-65.02
11	323	0	0	2208	0	3610	0	0	176.63	0	-176.63
11	323	0	0	2208	18	1338	0	0	1,738.98	0	-1,738.98
11	323	0	0	2208	18	3315	0	0	25.22	0	-25.22
11	323	0	0	2208	18	3360	0	0	65.21	0	-65.21
11	323	0	0	2208	18	3510	0	0	12.52	0	-12.52
11	323	0	0	2208	18	3610	0	0	31.08	0	-31.08
11	324	0	0	6111	0	2210	33,895.00	33,895.00	13,914.20	19,980.79	0.01
11	324	0	0	6111	0	2340	0	0	798.74	0	-798.74
11	324	0	0	6111	0	3210	3,629.00	3,629.00	1,489.80	2,139.34	-0.14
11	324	0	0	6111	0	3310	2,101.00	2,101.00	862.69	1,238.81	-0.5
11	324	0	0	6111	0	3315	491	491	200.59	289.72	0.69
11	324	0	0	6111	0	3320	0	0	49.52	0	-49.52
11	324	0	0	6111	0	3325	0	0	11.57	0	-11.57
11	324	0	0	6111	0	3410	3,140.00	3,140.00	1,570.08	1,570.11	-0.19
11	324	0	0	6111	0	3510	244	244	100.19	143.86	-0.05
11	324	0	0	6111	0	3520	0	0	5.75	0	-5.75
11	324	0	0	6111	0	3610	664	664	261.55	397.62	4.83
11	324	0	0	6111	0	3620	0	0	13.42	0	-13.42
11	325	0	0	104	0	1331	0	0	6,392.29	0	-6,392.29
11	325	0	0	104	0	3110	0	0	177.56	0	-177.56
11	325	0	0	104	0	3315	0	0	92.7	0	-92.7
11	325	0	0	104	0	3360	0	0	159	0	-159
11	325	0	0	104	0	3510	0	0	46.01	0	-46.01

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	325	0	0	104	0	3610	0	0	125.26	0	-125.26
11	325	0	0	514	0	1330	0	0	472.43	0	-472.43
11	325	0	0	514	0	1331	0	0	13,954.86	0	-13,954.86
11	325	0	0	514	0	1360	0	0	320.65	0	-320.65
11	325	0	0	514	0	3110	0	0	921.45	0	-921.45
11	325	0	0	514	0	3315	0	0	211.67	0	-211.67
11	325	0	0	514	0	3360	0	0	134.22	0	-134.22
11	325	0	0	514	0	3410	0	0	36.26	44.52	-80.78
11	325	0	0	514	0	3510	0	0	106.16	0	-106.16
11	325	0	0	514	0	3610	0	0	288.48	0	-288.48
11	325	0	0	701	0	1331	0	0	11,201.64	0	-11,201.64
11	325	0	0	701	0	3110	0	0	571.64	0	-571.64
11	325	0	0	701	0	3315	0	0	162.43	0	-162.43
11	325	0	0	701	0	3360	0	0	160.23	0	-160.23
11	325	0	0	701	0	3510	0	0	80.66	0	-80.66
11	325	0	0	701	0	3610	0	0	218.74	0	-218.74
11	325	0	0	958	0	1331	0	0	8,092.31	0	-8,092.31
11	325	0	0	958	0	3110	0	0	116.93	0	-116.93
11	325	0	0	958	0	3315	0	0	117.34	0	-117.34
11	325	0	0	958	0	3360	0	0	250.31	0	-250.31
11	325	0	0	958	0	3510	0	0	58.26	0	-58.26
11	325	0	0	958	0	3610	0	0	158.88	0	-158.88
11	325	0	0	1305	0	1331	0	0	4,461.76	0	-4,461.76
11	325	0	0	1305	0	1370	50	50	0	0	50
11	325	0	0	1305	0	3110	4	4	368.1	0	-364.1
11	325	0	0	1305	0	3315	1	1	64.69	0	-63.69
11	325	0	0	1305	0	3510	0	0	32.12	0	-32.12
11	325	0	0	1305	0	3610	1	1	87.23	0	-86.23
11	325	0	0	1402	0	1330	0	0	156.49	0	-156.49
11	325	0	0	1402	0	1331	0	0	4,409.26	0	-4,409.26
11	325	0	0	1402	0	3110	0	0	199.13	0	-199.13
11	325	0	0	1402	0	3315	0	0	66.2	0	-66.2

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	325	0	0	1402	0	3360	0	0	80.7	0	-80.7
11	325	0	0	1402	0	3510	0	0	32.88	0	-32.88
11	325	0	0	1402	0	3610	0	0	89.38	0	-89.38
11	325	0	0	2133	0	1331	0	0	5,032.19	0	-5,032.19
11	325	0	0	2133	0	3110	0	0	415.16	0	-415.16
11	325	0	0	2133	0	3315	0	0	72.98	0	-72.98
11	325	0	0	2133	0	3410	0	0	8.4	16.8	-25.2
11	325	0	0	2133	0	3510	0	0	36.23	0	-36.23
11	325	0	0	2133	0	3610	0	0	99.23	0	-99.23
11	325	0	0	2204	0	1331	0	0	4,304.26	0	-4,304.26
11	325	0	0	2204	0	3315	0	0	62.41	0	-62.41
11	325	0	0	2204	0	3360	0	0	161.4	0	-161.4
11	325	0	0	2204	0	3510	0	0	31	0	-31
11	325	0	0	2204	0	3610	0	0	84.19	0	-84.19
11	325	0	0	4930	8001	2330	24,966.00	24,966.00	0	0	24,966.00
11	325	0	0	4930	8001	3325	0	0	0	0	0
11	325	0	0	4930	8001	3520	180	180	0	0	180
11	325	0	0	4930	8001	3620	489	489	0	0	489
11	325	0	0	6820	0	1470	0	0	0	0	0
11	325	0	0	6820	0	3130	0	0	0	0	0
11	325	0	0	6820	0	3335	0	0	0	0	0
11	325	0	0	6820	0	3530	0	0	0	0	0
11	325	0	0	6820	0	3630	0	0	0	0	0
11	325	40	0	6820	0	1470	840	840	2,320.00	0	-1,480.00
11	325	40	0	6820	0	3130	69	69	191.4	0	-122.4
11	325	40	0	6820	0	3335	12	12	33.64	0	-21.64
11	325	40	0	6820	0	3530	6	6	16.71	0	-10.71
11	325	40	0	6820	0	3630	16	16	44.39	0	-28.39
11	325	40	0	6820	0	3930	1	1	0	0	1
11	326	0	0	4999	58	4320	2,000.00	1,155.00	1,105.99	0	49.01
11	326	0	0	4999	58	6495	11,000.00	11,000.00	0	0	11,000.00
11	326	0	0	6010	0	1218	128,396.00	128,396.00	53,498.25	74,897.55	0.2

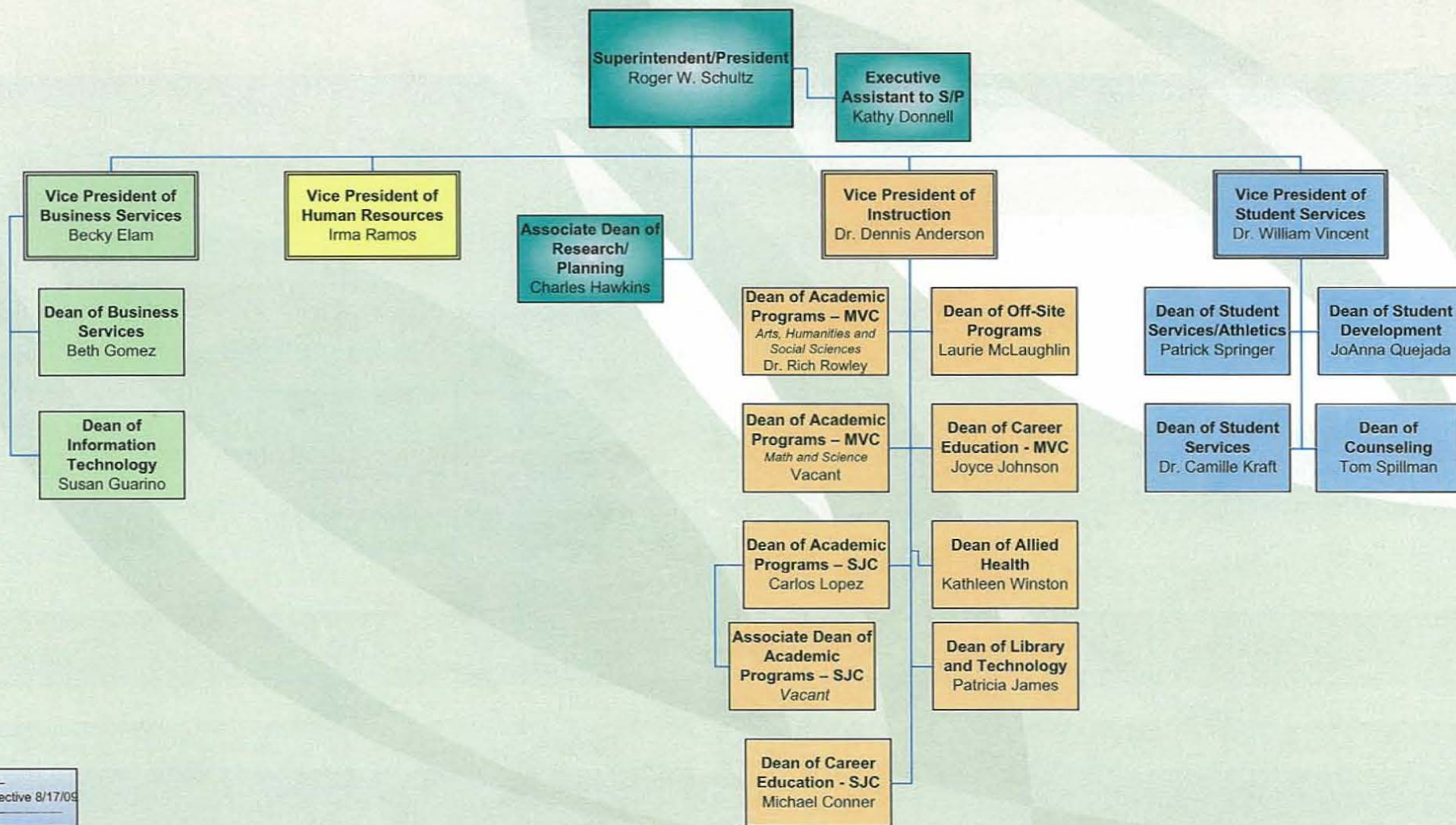
Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	326	0	0	6010	0	2112	44,537.00	44,537.00	18,327.90	26,208.93	0.17
11	326	0	0	6010	0	3130	10,593.00	10,593.00	4,440.40	6,216.59	-63.99
11	326	0	0	6010	0	3220	4,769.00	4,769.00	1,962.35	2,806.19	0.46
11	326	0	0	6010	0	3320	2,761.00	2,761.00	1,098.45	1,624.95	37.6
11	326	0	0	6010	0	3325	646	646	256.9	380.03	9.07
11	326	0	0	6010	0	3335	1,862.00	1,862.00	751.86	1,092.61	17.53
11	326	0	0	6010	0	3420	8,182.00	8,182.00	4,193.98	4,091.16	-103.14
11	326	0	0	6010	0	3430	8,182.00	8,182.00	4,211.12	4,091.16	-120.28
11	326	0	0	6010	0	3520	321	321	131.95	188.7	0.35
11	326	0	0	6010	0	3530	924	924	387.55	542.54	-6.09
11	326	0	0	6010	0	3620	873	873	349.85	521.56	1.59
11	326	0	0	6010	0	3630	2,517.00	2,517.00	1,027.38	1,499.52	-9.9
11	326	0	0	6010	0	3930	0	0	0	455	-455
11	326	0	0	6010	0	4320	3,420.00	3,420.00	1,415.16	178.52	1,826.32
11	326	0	0	6010	0	4550	492	492	215.47	0	276.53
11	326	0	0	6010	0	5199	1,130.00	1,130.00	0	0	1,130.00
11	326	0	0	6010	0	5203	4,020.00	4,020.00	3,000.00	0	1,020.00
11	326	0	0	6010	0	5210	1,200.00	1,200.00	51	0	1,149.00
11	326	0	0	6010	0	5221	542	542	485	0	57
11	326	0	0	6010	0	5541	780	780	325	0	455
11	327	0	0	302	0	1331	0	0	2,152.13	0	-2,152.13
11	327	0	0	302	0	3315	0	0	31.2	0	-31.2
11	327	0	0	302	0	3360	0	0	80.7	0	-80.7
11	327	0	0	302	0	3510	0	0	15.5	0	-15.5
11	327	0	0	302	0	3610	0	0	42.25	0	-42.25
11	327	0	0	401	0	1331	0	0	4,179.73	0	-4,179.73
11	327	0	0	401	0	3315	0	0	60.6	0	-60.6
11	327	0	0	401	0	3360	0	0	156.75	0	-156.75
11	327	0	0	401	0	3510	0	0	30.09	0	-30.09
11	327	0	0	401	0	3610	0	0	81.83	0	-81.83
11	327	0	0	837	0	1331	0	0	2,519.61	0	-2,519.61
11	327	0	0	837	0	1340	0	0	1,584.57	0	-1,584.57

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	327	0	0	837	0	3110	0	0	130.74	0	-130.74
11	327	0	0	837	0	3315	0	0	58.49	0	-58.49
11	327	0	0	837	0	3510	0	0	29.55	0	-29.55
11	327	0	0	837	0	3610	0	0	80.72	0	-80.72
11	327	0	0	1306	0	1331	0	0	2,407.58	0	-2,407.58
11	327	0	0	1306	0	3110	0	0	198.62	0	-198.62
11	327	0	0	1306	0	3315	0	0	34.91	0	-34.91
11	327	0	0	1306	0	3510	0	0	17.33	0	-17.33
11	327	0	0	1306	0	3610	0	0	46.37	0	-46.37
11	327	0	0	1701	0	1330	0	0	314.95	0	-314.95
11	327	0	0	1701	0	1331	0	0	26,742.29	0	-26,742.29
11	327	0	0	1701	0	1340	0	0	771.45	0	-771.45
11	327	0	0	1701	0	3110	0	0	1,990.73	0	-1,990.73
11	327	0	0	1701	0	3315	0	0	403.55	0	-403.55
11	327	0	0	1701	0	3360	0	0	138.68	0	-138.68
11	327	0	0	1701	0	3410	0	0	22.4	16.8	-39.2
11	327	0	0	1701	0	3510	0	0	200.36	0	-200.36
11	327	0	0	1701	0	3610	0	0	543.46	0	-543.46
11	327	0	0	1701	18	1338	0	0	4,059.73	0	-4,059.73
11	327	0	0	1701	18	3110	0	0	334.93	0	-334.93
11	327	0	0	1701	18	3315	0	0	58.87	0	-58.87
11	327	0	0	1701	18	3510	0	0	29.23	0	-29.23
11	327	0	0	1701	18	3610	0	0	72.55	0	-72.55
11	327	0	0	2206	0	1331	0	0	2,010.33	0	-2,010.33
11	327	0	0	2206	0	3110	0	0	165.85	0	-165.85
11	327	0	0	2206	0	3315	0	0	29.15	0	-29.15
11	327	0	0	2206	0	3510	0	0	14.47	0	-14.47
11	327	0	0	2206	0	3610	0	0	39.37	0	-39.37
11	332	0	0	6311	0	1210	142,643.00	142,643.00	53,371.05	89,271.75	0.2
11	332	0	0	6311	0	3130	11,768.00	11,768.00	4,403.15	7,364.92	-0.07
11	332	0	0	6311	0	3335	410	410	171	239.4	-0.4
11	332	0	0	6311	0	3430	10,559.00	10,559.00	5,515.23	5,150.13	-106.36

Fund	School	Resource	PY	Goal	Function	Object	Adopted Budget	Revised Budget	Rev/Exp Net of Abatements	Encumbrances	Uncommitted / Unrealized
11	332	0	0	6311	0	3530	1,027.00	1,027.00	384.26	642.75	-0.01
11	332	0	0	6311	0	3630	2,796.00	2,796.00	1,031.42	1,776.50	-11.92
11	332	0	0	6311	0	4550	383	383	305.17	0	77.83
11	332	0	0	6311	0	5221	300	300	0	0	300
11	332	13	9	6311	0	6497	321	321	0	0	321
11	333	0	0	6420	58	4550	0	845	0	844.07	0.93
11	334	0	0	6200	0	2111	47,008.00	47,008.00	19,586.85	27,421.59	-0.44
11	334	0	0	6200	0	2330	6,100.00	6,100.00	3,445.90	0	2,654.10
11	334	0	0	6200	0	2360	4,100.00	4,100.00	621.43	0	3,478.57
11	334	0	0	6200	0	3220	5,033.00	5,033.00	2,097.15	2,936.03	-0.18
11	334	0	0	6200	0	3320	3,547.00	3,547.00	1,428.05	1,700.14	418.81
11	334	0	0	6200	0	3325	830	830	342.97	397.61	89.42
11	334	0	0	6200	0	3361	0	0	14.59	0	-14.59
11	334	0	0	6200	0	3420	6,197.00	6,197.00	3,845.07	3,098.64	-746.71
11	334	0	0	6200	0	3440	0	0	0	1,570.98	-1,570.98
11	334	0	0	6200	0	3520	412	412	170.32	197.44	44.24
11	334	0	0	6200	0	3620	1,121.00	1,121.00	450.05	545.69	125.26
11	334	0	0	6200	0	4550	465	465	152.2	34	278.8
11	334	13	7	6200	0	6497	360	360	0	0	360
11	342	401	0	6570	0	5540	50,000.00	50,000.00	0	0	50,000.00
11	343	0	0	6570	0	5540	9,922.00	9,922.00	16,363.64	43,186.36	-49,628.00
11	345	0	0	6530	0	5890	28,390.00	28,390.00	12,449.86	18,577.45	-2,637.31
11	345	0	0	6570	0	5520	40,000.00	40,000.00	25,470.10	27,399.38	-12,869.48
11	345	0	0	6570	0	5540	0	0	-1,068.37	0	1,068.37
11	345	0	0	6570	0	5890	5,000.00	5,000.00	287.99	363	4,349.01
11	345	0	0	7100	0	5630	633,418.00	633,418.00	316,708.86	316,708.14	1
11	345	101	0	7100	0	5630	0	0	0	0	0
							1,376,165.00	1,376,165.00	844,556.58	724,541.64	-192,933.22

EXHIBIT 7: ORGANIZATIONAL CHART SHOWING MANAGEMENT STRUCTURE FOR MT. SAN JACINTO COLLEGE AND TEMECULA EDUCATION COMPLEX

Management Leadership Team



Effective 8/17/09

EXHIBIT 8: MATRIX SHOWING STUDENT ACCESS TO STUDENT SUPPORT SERVICES AND LEARNING RESOURCES APPROPRIATE TO THE PROGRAMS OFFERED ONLINE, OFF-SITE, AND ON-SITE

Substantive Change

Student Access to support services and learning resources appropriate to the programs offered at the location.								
	<u>Completed Online Off Campus</u>	<u>Completed on Campus</u>	<u>Time needed to Complete</u>	<u>San Jacinto Campus</u>	<u>Menifee Campus</u>	<u>Temecula</u>	<u>Banning</u>	<u>Notes</u>
Application	Yes	Yes	20-30 mins.	Yes	Yes	Yes	Yes	After students complete the application for admissions, it takes about 20-30 minutes for the application to upload in the system. At that time the system will create a student ID # for the student.
Orientation	Yes	Yes	30-45 mins.	Yes	Yes	Yes	Yes	It may take up to 24 hours after a student completes their application before they will be able to access their my.msjc.edu account to complete orientation.
Assessment	No	Yes	1-2 hours	Yes	Yes	Yes	Yes	Students can take an assessment preview prior to taking the actual placement test. The assessment is for placement in Math and English. Check the msjc.edu website for the most current testing hours for each campus.
Financial Aid	Yes	Yes	25-35 mins.	Yes	Yes	Yes (No Financial Aid Dept. onsite)	Yes (No Financial Aid Dept. onsite)	Students can get assistance with completing their FAFSA in the EAC. They will need to bring their income tax information from the prior year to complete FAFSA. Students can print Financial Aid Forms @.10 per copy. School code: 001246
Student Email	Yes	Yes	5 mins.	Yes	Yes	Yes	Yes	It may take up to 24 hrs after a student completes their application before they will be able to access their my.msjc.edu account to set up their student email. It is very important for students to complete this step as this is how the school communicates with students.
Registration Appointment	Yes	Yes	5 mins.	Yes	Yes	Yes	Yes	If a student does not have an appointment to register, the student can speak to the clerk at the counter in the EAC to obtain a date to register.

Substantive Change

Student Access to support services and learning resources appropriate to the programs offered at the location.

	<u>Completed Online Off Campus</u>	<u>Completed on Campus</u>	<u>Time needed to Complete</u>	<u>San Jacinto Campus</u>	<u>Menifee Campus</u>	<u>Temecula</u>	<u>Banning</u>	<u>Notes</u>
Register for Classes	Yes	Yes	5 mins. - 1 hour	Yes	Yes	Yes	Yes	We are not allowed to advise students on which classes to take or with which instructors. If a student is not sure of which classes to register for, we need to direct them to counseling for guidance.
Counseling	N/A	N/A	5 - 30 mins.	Yes	Yes	Yes	Yes	Students can make appointment or walk-in onsite. Students can also submit a question via the online advisor (http://www1.msjc.edu/formscripts/counseling/onlineadvisor/contact.asp) for a counselor to answer general questions.
Tutoring	N/A	N/A	Walk-in	Yes	Yes	Yes?? (See comment section)	No	Currently, tutoring is only offered at SJC and MVC. There is discussion to implement tutoring in Temecula in spring (but only on a limited basis)

EXHIBIT 9: MAP SHOWING MT. SAN JACINTO COLLEGE SITE INCLUDING THE TEMECULA EDUCATION COMPLEX



MSJC District Area Map

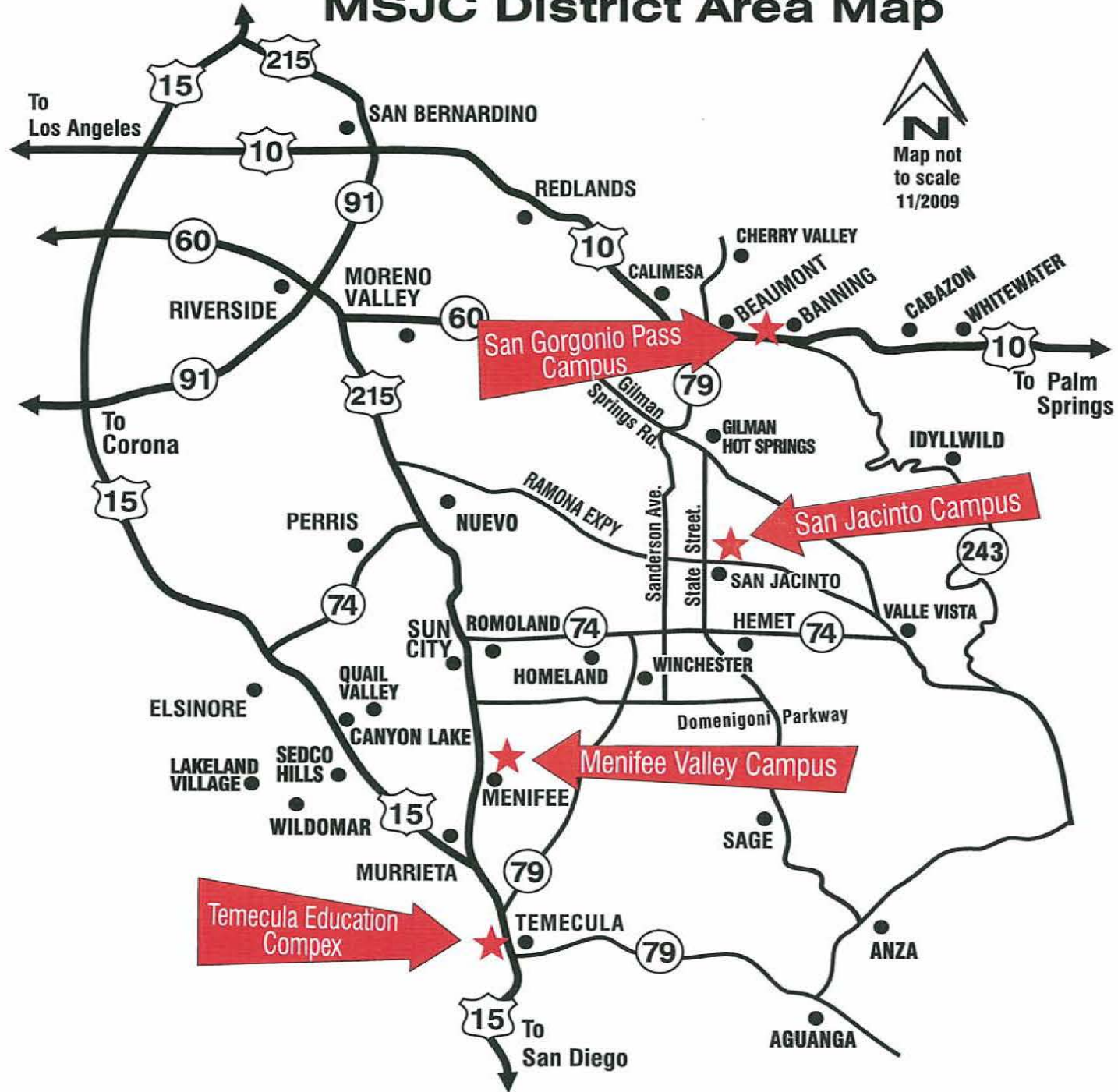
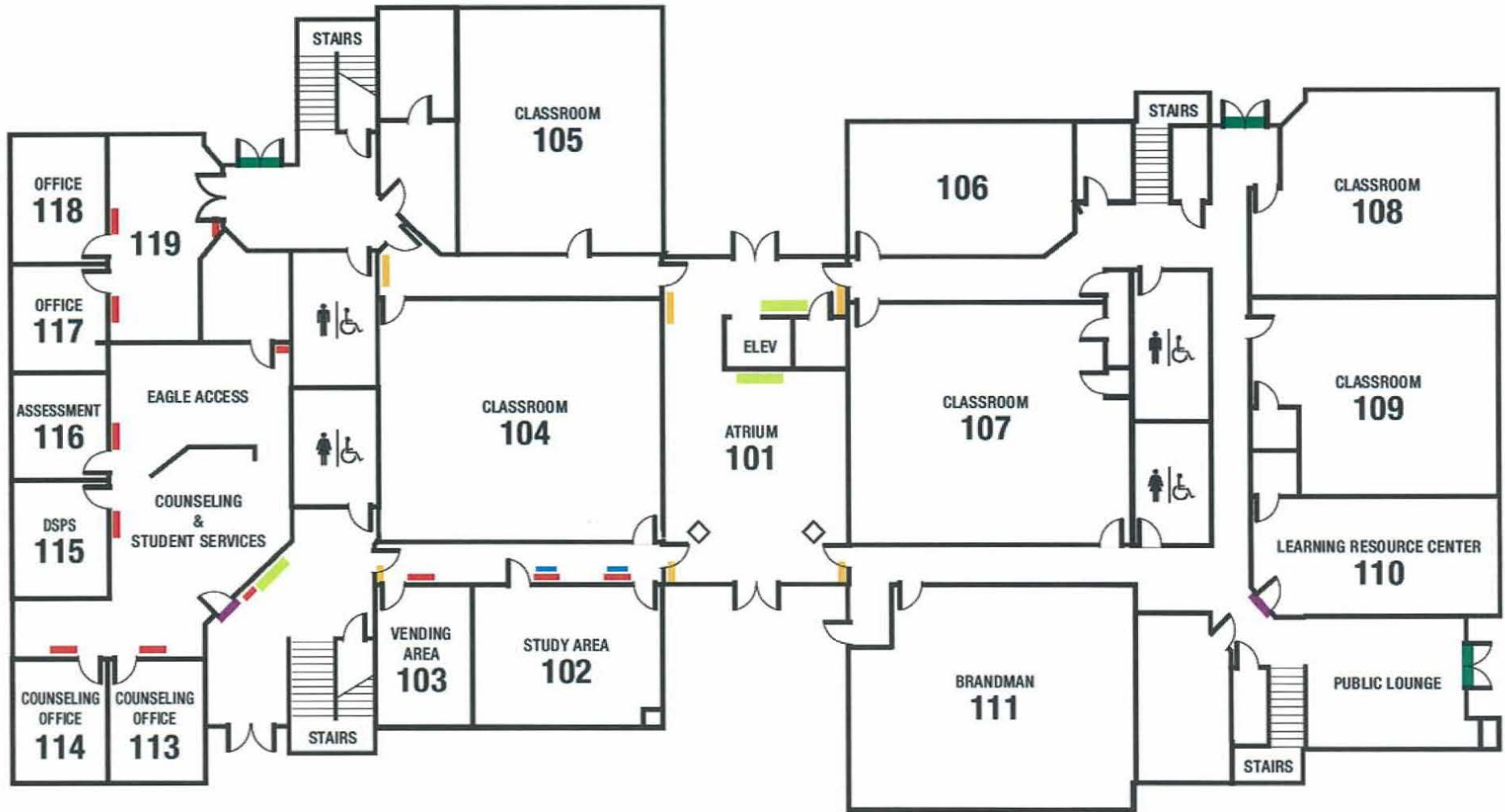


EXHIBIT 10: TEMECULA EDUCATION COMPLEX FLOOR PLANS AND LEASE AGREEMENT



ADA

Missing

ROOM NAMES

Large

Small

DIRECTORY

Acrylic

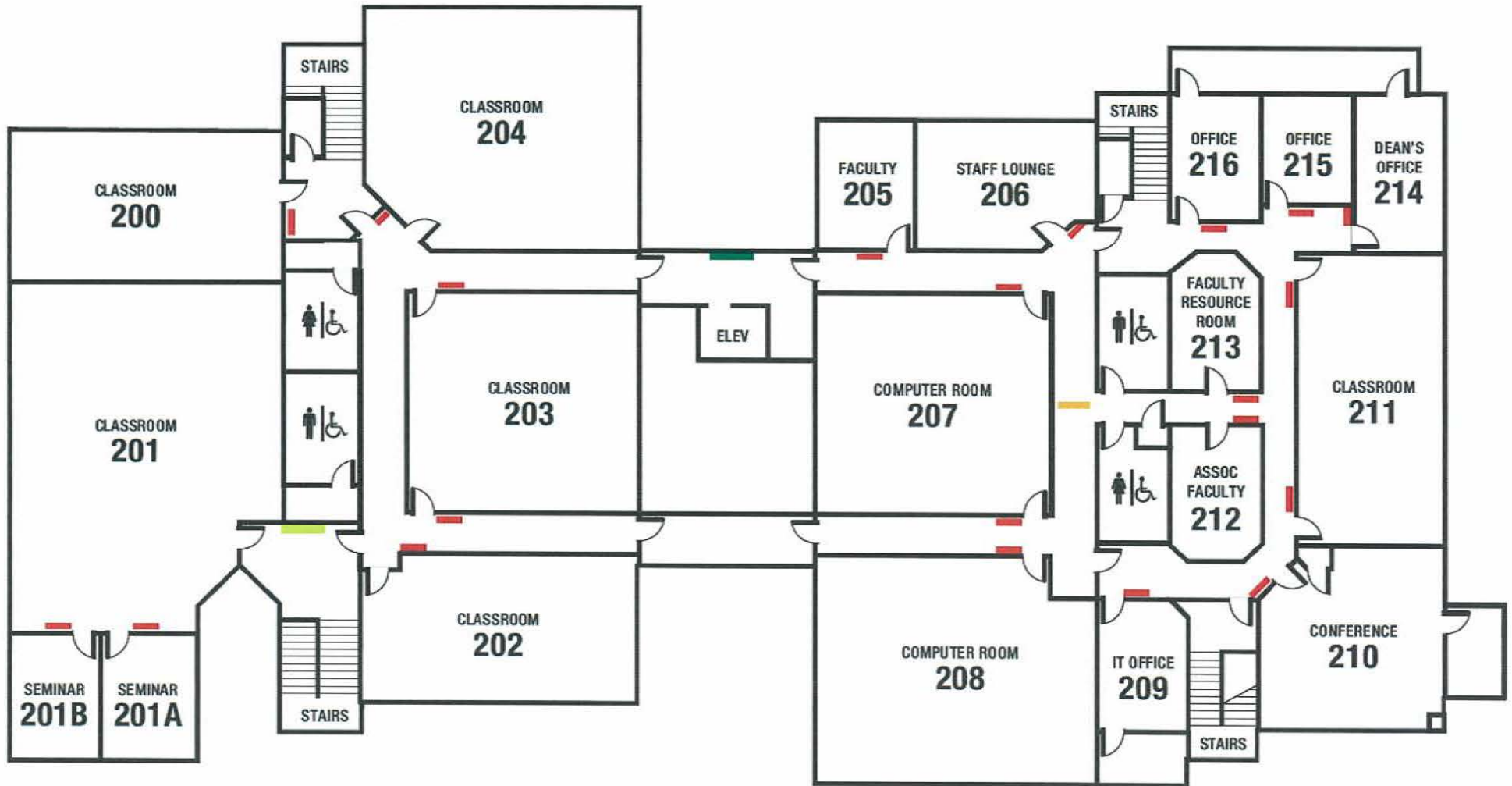
Window Vinyl

DIRECTIONAL

Directional

Second Floor

Sign Layout



ADA

Missing

ROOM NAMES

Large

Small

DIRECTORY

Acrylic

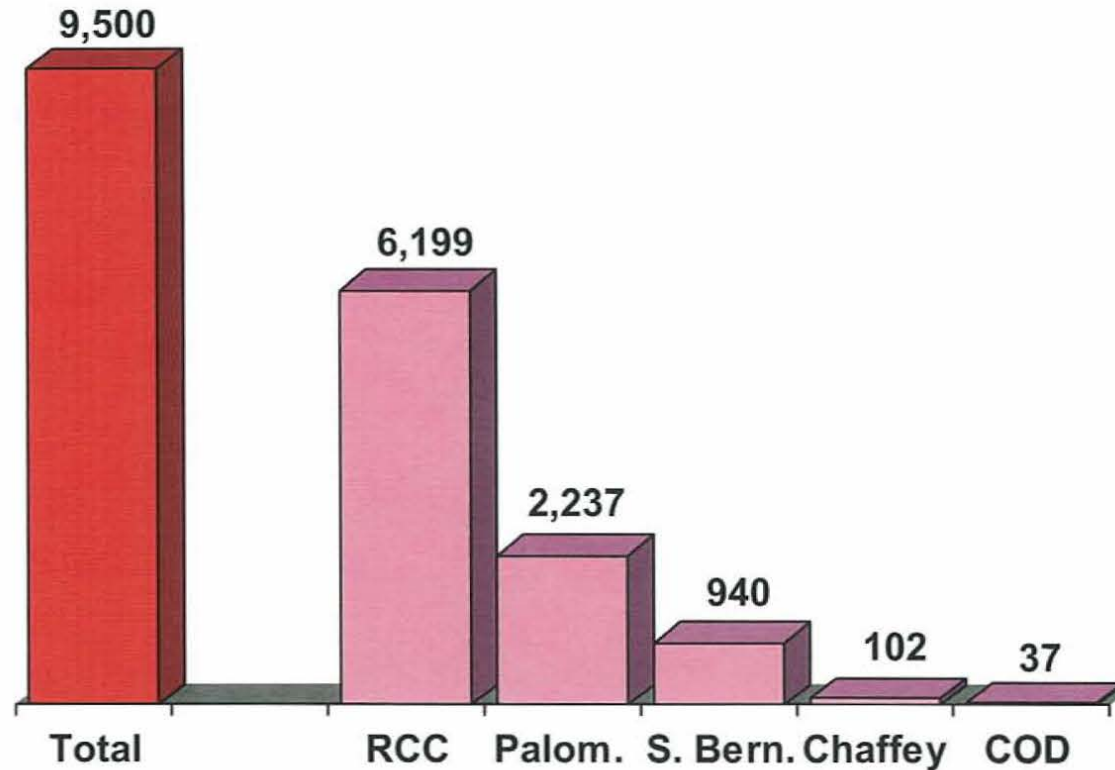
Window Vinyl

DIRECTIONAL

Directional

EXHIBIT 11: ESTIMATED NUMBER OF STUDENTS THAT LIVE IN MT. SAN JACINTO COLLEGE AND ATTEND NEIGHBORING CALIFORNIA COMMUNITY COLLEGES- JUSTIFICATION FOR DEVELOPING NEW SITE – TEMECULA EDUCATION COMPLEX

Estimated # of Students that live in MSJC & Attend Neighboring CCC

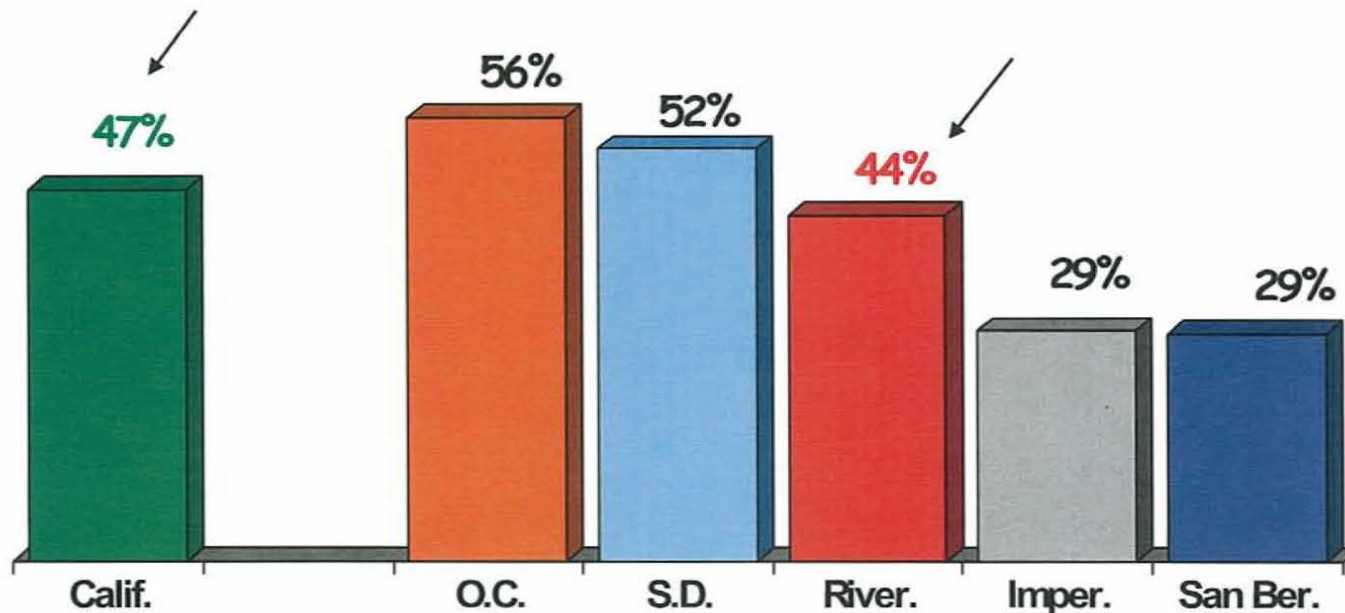


A significant # of students that live in our district attend other community colleges. It also should be noted approximately 5% (725-850) of MSJC students live outside the MSJC District.

EXHIBIT 12: CHART OF COLLEGE-GOING RATES FOR RIVERSIDE COUNTY AND MT. SAN JACINTO COLLEGE FEEDER HIGH SCHOOL DISTRICTS

Riverside County's California College-Going Rate **44%** is below the California state average of **47%**.

2008 California College-Going Rates*
by County

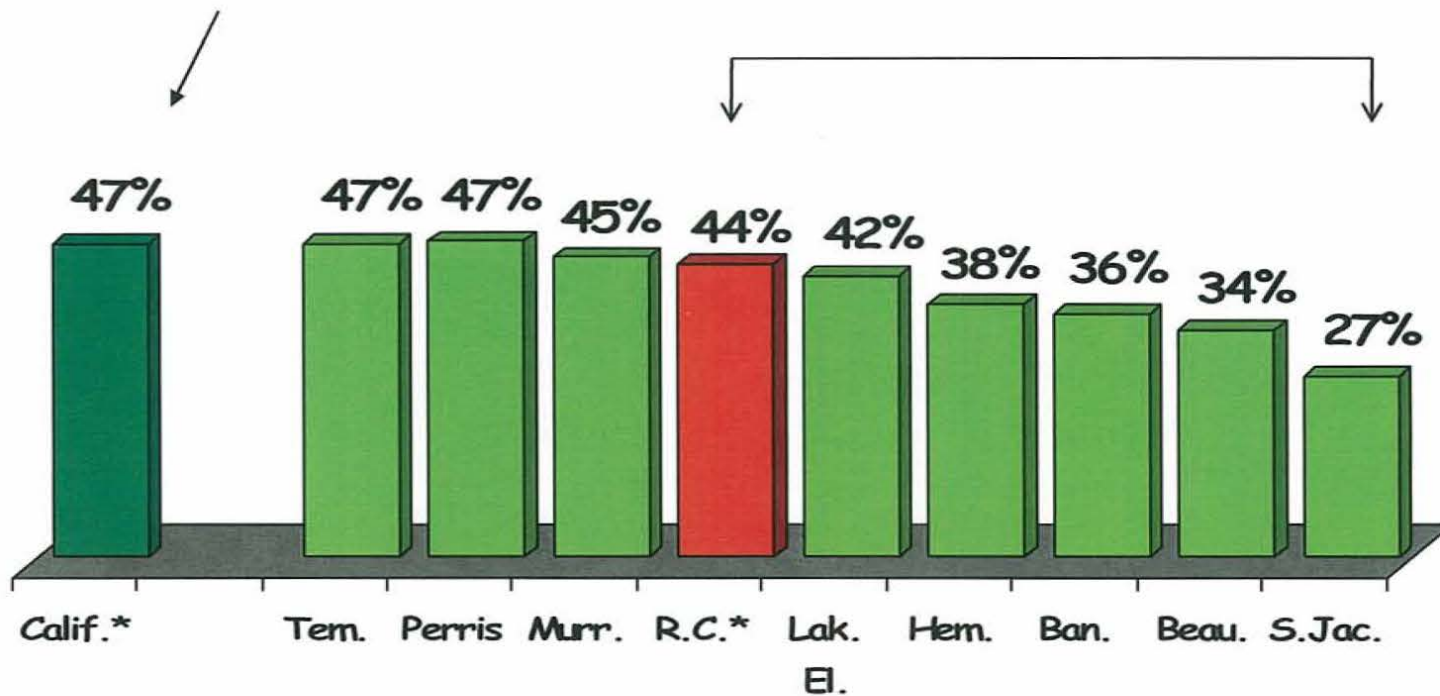


2007	48%		61%	56%	39%	62%	34%
2006	47%		57%	45%	38%	42%	36%
2005	44%		54%	38%	30%	51%	34%

* Public High Schools only

Riverside County & 5 of 8 **MSJC** feeder H.S. Districts are below state average.

2008 California College-Going Rate*
by Unified School District



48%	2007	51%	38%	45%	39%	40%	34%	27%	24%	27%
47%	2006	42%	25%	33%	38%	28%	17%	34%	36%	12%
44%	2005	32%	22%	36%	30%	27%	24%	33%	30%	13%

* State & county includes public H.S. only, District include public & private