LEASE AGREEMENT
COUNTY OF TRINITY AND
TRINDEL INSURANCE FUND , LESSEE

THIS LEASE AGREEMENT ("Lease") is made and entered into effective as of _____ ("Effective Date"), by and between the COUNTY OF TRINITY ("County") a political subdivision of the State of California and Trindel Insurance Fund ("Lessee").

ARTICLE 1
PREMISES

Effective as of the "Effective Date" first set forth above, which is defined as the date this Lease shall be approved by the Board of Supervisors of the County of Trinity, County hereby leases to Lessee the premises ("Premises") described as [*describe Premises fully here on Exhibit A*], and Lessee hereby leases the Premises from County, on and subject to the terms, covenants and conditions set forth herein. The Premises include the rights granted to use facilities and equipment on the property within which the Premises are located which are provided and designated by County from time to time for the general use, benefit or convenience of Lessee or other tenants of such property.

ARTICLE 2
TERM

2.1 Term. The term ("Term") of this Lease shall be 360 months, commencing upon approval of this Lease by Trinity County Board of Supervisors and terminating thereafter.

2.2 Holding Over. If Lessee holds over in occupancy of the Premises, or any portion thereof, after the expiration of the Term without County's consent, Lessee shall become a tenant from month-to-month and subject to a agreed upon rent amount. Any holdover shall be subject to the terms and conditions specified in this Lease, so far as applicable. Trindel Insurance Fund would have the first right to further lease after the 360 month period.

ARTICLE 3
RENT

Lessee shall tear down and reconstruct an office building with the same foot print of existing storage building and with a similar look as adjacent County building. During and upon the completion of the term of this agreement the County retains and title and ownership of building and property.

ARTICLE 4
USE OF PREMISES

The Premises shall be used for office building; provided, however, that Lessee reserves the right to use the Premises for any other comparable use permitted by applicable zoning laws or ordinances, subject to County's reasonable prior written approval thereof.

ARTICLE 5
QUIET ENJOYMENT

Upon Lessee paying rent and performing its other obligations hereunder, Lessee shall peacefully and quietly have, hold and enjoy the Premises throughout the Term and any extensions thereof, without hindrance, ejection or molestation by County, or its agents or employees.

ARTICLE 6
MAINTENANCE AND REPAIR OBLIGATIONS
[Use where services to be provided by Lessee only]

6.1 Custodial Services Furnished by Lessee. Lessee shall, at its sole expense, furnish to the Premises all custodial and trash removal services which may be required by Lessee's occupancy and use of the Premises. Such services shall be provided at the level necessary to maintain the Premises in a clean or orderly condition.

6.2 Repairs and Maintenance.

(a) Subject to the provisions of this Lease pertaining to damage or destruction of the Premises, Lessee shall, at all times and at its sole expense keep the Premises in good order, condition and repair, such that the same are at all times in good and tenantable condition.

(b) Lessee's obligations under this section shall include performing repair and maintenance services necessitated by negligent or intentional acts or omissions of Lessee or its agents, employees or invitees. Where work is necessary to cure an emergency situation, County may perform such work immediately upon County's discovery thereof and may then seek reimbursement from Lessee without having obtained Lessee's prior written approval of such work.

6.3 Lessee's Failure to Provide Services and Repairs. Should Lessee fail to perform any act or provide any services required hereunder and not cure such failure, or commence and continue to diligently pursue to completion such curing, within five (5) days following written notice thereof by County (or immediately if the nature of the problem presents a hazard or emergency), County shall have the right, but not the obligation, to remedy such situation by making the relevant repairs or obtaining the

relevant service. County's cost in so doing shall be reimbursed to County by Lessee within 30 days of delivery of the invoices evidencing such work.

ARTICLE 7
UTILITIES AND TAXES

Lessee shall furnish to the Premises, and pay for at all times during the Term, all utilities necessary for the use and enjoyment by Lessee of the Premises for Lessee's intended use. Such utility services shall include, but not necessarily be limited to, gas, water, electricity, hearing, ventilation and air conditioning, and telephone.

ARTICLE 8
INSURANCE

8.1 Insurance to be Carried by County. County agrees, at its own expense, during the entire term of this lease, to maintain property insurance with extended coverage on all improvements on the leased premises for their full insurable value. In the event of loss or damage by fire or other cause, County shall apply the proceeds from said insurance to repair or reconstruct the improvements on the leased premises, provided such repairs can be made within ninety (90) days, but County shall not be required to expend more than the proceeds from any such insurance for the repair or reconstruction of said improvements.

8.2 Insurance to be Carried by Lessee. Lessee shall maintain commercial general liability insurance policy with coverage of not less that $1,000,000. Said policy shall remain in force during the term of the lease and shall be payable on a "per occurrence" basis. The County shall be named as an additional insured on the policy and Lessee shall provide the County with a certificate of insurance and endorsements signed by the insured evidencing such insurance prior to taking possession of the premises. The certificate and endorsement shall provide for thirty (30) days advance notice to County of any termination or reduction in coverage. Trindel Insurance Fund may also carry a personal property insurance policy.

ARTICLE 9
INDEMNITY

9.1 County's Indemnity. County shall indemnify and defend Lessee and hold it harmless from and against any damages, losses or liabilities (collectively, a "Claim"), to the extent arising from (i) any breach or default by County of its obligations under this Lease, or (ii) the negligence or willful misconduct of County or County's agents, invitees, employees or contractors.

9.2 Lessee's Indemnity. Lessee shall indemnify, defend and hold County harmless from and against any Claim incurred by County to the extent arising from (i) any breach or default by Lessee or its obligations under this lease, or (ii) the negligence or willful misconduct of Lessee, Lessee's employees, agents, contractors, or invitees.

ARTICLE 10
ASSIGNMENT AND SUBLETTING

Lessee shall not sublet the whole or any part of the Premises, nor to assign this Lease, without in each case first securing the prior written consent thereto of County.

ARTICLE 11
COMPLIANCE WITH LAWS; SAFETY REQUIREMENTS

(a) County warrants that, as of the Effective date of this Lease, there are no violations of any laws or ordinances, or of rules or regulations of insurance-rating organizations, which would materially affect Lessee's use or occupancy of the Premises, and that Lessee's Intended Use of the Premises is in compliance withal existing laws and insurance policies affecting the Premises.

(b) If Lessee's Intended Use of the Premises shall be prohibited at any time during the Term or any extensions thereof by any federal, state or local statute, ordinance or regulations, the Term shall automatically terminate as of the effective day of such prohibition and the County shall be responsible take over monthly payments to Trindel Insurance Fund per the amortization table provided in exhibit B; provided, however, that Lessee may elect to continue as the tenant on the Premises in the event that such prohibition of Lessee's Intended Use does not also prohibit another comparable use permitted by applicable zoning laws or ordinances, subject to County's reasonable written approval thereof.

(c) Lessee shall maintain the Premises as a "safe place of employment," as such term is used in the California Occupational Safety and Health Act, insofar as such statute may be applicable to County's Intended Use of the Premises.

(d) The required test procedures for fire extinguishing systems set forth in Division III, Fire Protection Systems, Appendix III-A to the Uniform Fire Code (1985) shall be the responsibility of Lessee.

(e) In the event Lessee neglects, fails or refuses to maintain the Premises as provided herein, County may, without prejudice to any other remedies provided in the Lease, exercise on of the following options:

(1) terminate this Lease and take over monthly payments to Trindel Insurance Fund per the amortization table provided in exhibit B; or

(2) cure Lessee's default by performance of any act, including payment of money.

ARTICLE 12
IMPROVEMENTS AND ALTERATIONS

Neither County nor Lessee shall make any alterations, improvements or additions in or about the Premises without the prior written consent of the other party.

ARTICLE 13
COUNTY'S ACCESS TO PREMISES

County shall have access to the Premises for the purpose or inspection at reasonable times on reasonable prior written notice to Lessee (except in the case of an emergency, when notice shall be commensurate with the circumstances). County shall use all reasonable efforts in connection with such access to minimize interference with Lessee's use and enjoyment of the Premises.

ARTICLE 14
GENERAL PROVISIONS

14.1 Authority. Both parties represent and warrant that they have full power and authority to execute and fully perform their obligations under this Lease pursuant to their governing instruments, without the need for any further action, and that the person(s) executing this Lease on behalf of each party are the duly designated agents of each party and are authorized to do so.

14.2 Captions. The captions and headings appearing in this Lease are inserted for convenience only and in no way define, limit, construe, or describe the scope or intent of the provisions of this Lease.

14.3 County Approval. Except where stated herein to the contrary, the phrases "County's approval," and "County's written approval" or such similar phrases shall mean approval of County or County's representative as authorized by said administrator in writing.

14.4 Cumulative Remedies. In the event of a default under this Lease, each party's remedies shall be limited to those remedies set forth in this lead; any such remedies are cumulative and not exclusive of any other remedies under this Lease to which the non-defaulting party may be entitled.

14.5 Notice. All notices, demands, requests or other communication required or permitted to be given hereunder ("Notices") shall be in writing and (i) delivered in person to an officer or duly authorized representative of the other party, or (ii) sent by First Class United States Mail, postage prepaid to Lessee and County at the appropriate address set forth below, or to such other address as Lessee or County may hereafter designate by written notice to the other party. Any such Notice shall be deemed duly given upon receipt if delivered as set forth under (i) above, or, in case of (ii) above, forty-eight (48) hours from the time of mailing if mailed as provided in this section.

Lessee's Address for Notice:

Trindel Insurance Fund

PO BOX 2069
WEAVERVILLE CA 96093

County's Address for Notice:

14.9 Partial Invalidity. If any provision of this Lease is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease shall not be affected thereby. Each provision shall be valid and enforceable to the fullest extent permitted by law.

14.10 Successors & Assigns. This Lease shall be binding on and inure to the benefit of the parties and their successors and assigns, except as may otherwise be provided herein.

14.11 Time of Essence. Time is of the essence of each and every provision of this Lease.

14.12 Waiver. No provision of this Lease or the breach thereof shall be deemed waived, except by written consent of the party against whom the waiver is claimed.

IN WITNESS WHEREOF, County and Lessee have executed this Lease effective as of the date first written above.

COUNTY:

County of Trinity, a
Political subdivision of the
State of California

By_____
Chairman, Board of Supervisors

LESSEE:

By_____

_____
Title

Approved as to form.

_____

_____, County Counsel

ADDITIONAL CLAUSES IF NECESSARY

Option to Renew:

If not in default herein, lessees shall have the first right or option to lease the above premises for an additional period of years, except that the rent upon renewal shall be adjusted as hereinafter to provide rent. Should lessees so desire to lease said premises for a additional period, lessees shall give to lessors written notice of its intention to lease the premises at least sixty (60) days before the expiration of the initial term.

Exhibit A

Entity: 48 TRINITY COUNTY
Site: 20 WIC/HEAD START
Building:

NO. 3 AIRPORT ROAD
WEAVERVILLE, CA 96093

Members Location #: B0019
Year Built: 1965
Nbr. of Stories: 1
Square Footage: 2,480
Occupancy: OFFICE
Frame Type: S - ALL STEEL
ISO Class:
Fire Protection:
Distance to Hydrant:

GENERAL BUILDING CHARACTERISTICS

Exterior Walls: Wood

Roofing: Med, Metal

Foundation: Concrete Slab

Floor Finish: Concrete

Ceiling Finish: Plaster Smooth

Partitions: Drywall

EQ Retrofit:
Services:

Features:

Notes: This building was used as office space it is currently a vacant building.

VALUATION CONCLUSIONS

Replacement Cost New:	211,543
Exclusion Amount:	0
Replacement Cost Less Exclusions:	211,543

Copyright Alliant Insurance Services, Inc.

Exhibit B

Amortization

Inputs	
Loan principal amount	$401,760.00
Annual interest rate	0.000%
Loan period in years	30
Base year of loan	2014
Base month of loan	July

Key Figures	
Annual loan payments	$13,392.00
Monthly payments	$1,116.00
Interest in first calendar year	$0.00
Interest over term of loan	$0.00
Sum of all payments	$401,760.00

Payments in First 12 Months

Year	Month	Beginning Balance	Payment	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
	Jul	$401,760.00	$1,116.00	$1,116.00	$0.00	$1,116.00	$0.00	$400,644.00
	Aug	$400,644.00	$1,116.00	$1,116.00	$0.00	$2,232.00	$0.00	$399,528.00
	Sep	$399,528.00	$1,116.00	$1,116.00	$0.00	$3,348.00	$0.00	$398,412.00
	Oct	$398,412.00	$1,116.00	$1,116.00	$0.00	$4,464.00	$0.00	$397,296.00
	Nov	$397,296.00	$1,116.00	$1,116.00	$0.00	$5,580.00	$0.00	$396,180.00
	Dec	$396,180.00	$1,116.00	$1,116.00	$0.00	$6,696.00	$0.00	$395,064.00
2015	Jan	$395,064.00	$1,116.00	$1,116.00	$0.00	$7,812.00	$0.00	$393,948.00
	Feb	$393,948.00	$1,116.00	$1,116.00	$0.00	$8,928.00	$0.00	$392,832.00
	Mar	$392,832.00	$1,116.00	$1,116.00	$0.00	$10,044.00	$0.00	$391,716.00
	Apr	$391,716.00	$1,116.00	$1,116.00	$0.00	$11,160.00	$0.00	$390,600.00
	May	$390,600.00	$1,116.00	$1,116.00	$0.00	$12,276.00	$0.00	$389,484.00
	Jun	$389,484.00	$1,116.00	$1,116.00	$0.00	$13,392.00	$0.00	$388,368.00

Yearly Schedule of Balances and Payments

Year	Beginning Balance	Payment	Principal	Interest	Cumulative Principal	Cumulative Interest	Ending Balance
2015	$395,064.00	$13,392.00	$13,392.00	$0.00	$20,088.00	$0.00	$381,672.00
2016	$381,672.00	$13,392.00	$13,392.00	$0.00	$33,480.00	$0.00	$368,280.00
2017	$368,280.00	$13,392.00	$13,392.00	$0.00	$46,872.00	$0.00	$354,888.00
2018	$354,888.00	$13,392.00	$13,392.00	$0.00	$60,264.00	$0.00	$341,496.00
2019	$341,496.00	$13,392.00	$13,392.00	$0.00	$73,656.00	$0.00	$328,104.00
2020	$328,104.00	$13,392.00	$13,392.00	$0.00	$87,048.00	$0.00	$314,712.00
2021	$314,712.00	$13,392.00	$13,392.00	$0.00	$100,440.00	$0.00	$301,320.00
2022	$301,320.00	$13,392.00	$13,392.00	$0.00	$113,832.00	$0.00	$287,928.00
2023	$287,928.00	$13,392.00	$13,392.00	$0.00	$127,224.00	$0.00	$274,536.00
2024	$274,536.00	$13,392.00	$13,392.00	$0.00	$140,616.00	$0.00	$261,144.00
2025	$261,144.00	$13,392.00	$13,392.00	$0.00	$154,008.00	$0.00	$247,752.00
2026	$247,752.00	$13,392.00	$13,392.00	$0.00	$167,400.00	$0.00	$234,360.00
2027	$234,360.00	$13,392.00	$13,392.00	$0.00	$180,792.00	$0.00	$220,968.00
2028	$220,968.00	$13,392.00	$13,392.00	$0.00	$194,184.00	$0.00	$207,576.00
2029	$207,576.00	$13,392.00	$13,392.00	$0.00	$207,576.00	$0.00	$194,184.00
2030	$194,184.00	$13,392.00	$13,392.00	$0.00	$220,968.00	$0.00	$180,792.00
2031	$180,792.00	$13,392.00	$13,392.00	$0.00	$234,360.00	$0.00	$167,400.00
2032	$167,400.00	$13,392.00	$13,392.00	$0.00	$247,752.00	$0.00	$154,008.00
2033	$154,008.00	$13,392.00	$13,392.00	$0.00	$261,144.00	$0.00	$140,616.00
2034	$140,616.00	$13,392.00	$13,392.00	$0.00	$274,536.00	$0.00	$127,224.00
2035	$127,224.00	$13,392.00	$13,392.00	$0.00	$287,928.00	$0.00	$113,832.00
2036	$113,832.00	$13,392.00	$13,392.00	$0.00	$301,320.00	$0.00	$100,440.00
2037	$100,440.00	$13,392.00	$13,392.00	$0.00	$314,712.00	$0.00	$87,048.00
2038	$87,048.00	$13,392.00	$13,392.00	$0.00	$328,104.00	$0.00	$73,656.00
2039	$73,656.00	$13,392.00	$13,392.00	$0.00	$341,496.00	$0.00	$60,264.00
2040	$60,264.00	$13,392.00	$13,392.00	$0.00	$354,888.00	$0.00	$46,872.00
2041	$46,872.00	$13,392.00	$13,392.00	$0.00	$368,280.00	$0.00	$33,480.00
2042	$33,480.00	$13,392.00	$13,392.00	$0.00	$381,672.00	$0.00	$20,088.00
2043	$20,088.00	$13,392.00	$13,392.00	$0.00	$395,064.00	$0.00	$6,696.00
2044	$6,696.00	$6,696.00	$6,696.00	$0.00	$401,760.00	$0.00	$0.00