

OPTION TO LEASE

This Option to Lease made and entered into as of this _____ day of _____, 2006 between PETER MARKS, as "Owner", and the COUNTY OF MARIN, a political subdivision of the State of California, acting by and through the Marin County Free Library, as "County".

RECITALS

WHEREAS, Owner owns certain real property and improvements commonly known as the "Creamery Building", located at 11435 State Route 1, Point Reyes Station, Marin County, California ("the Property"); and

WHEREAS, County has the right, by that certain "Lease", dated December 3, 1996 for Suites 6 & 7 at the Property, to expand the leased premises to include Suite 3B; and

WHEREAS, the Property has been inspected on behalf of the County for Federal Americans with Disabilities Act ("ADA") and California Title 24 code compliance and requires certain modifications as specified in the "Access Compliance Survey Report" by Sally Swanson Architects, Inc. attached hereto as Exhibit "A"; and

WHEREAS, County desires to acquire the exclusive right to lease Suite 3B, comprising approximately 825 square feet at the Property, without becoming obligated to lease until the option is exercised in accordance with this Option to Lease, at an agreed monthly rent under specified terms and conditions;

NOW, THEREFORE, it is agreed as follows:

1. **GRANT OF OPTION.** Owner grants to County the exclusive right to lease Suite 3B at the Property under the terms and conditions set forth herein.
2. **TERM OF OPTION.** The term of this option shall commence as of June 1, 2006 and shall terminate either on December 31, 2006 or upon approval of a Lease for Suite 3B by both parties, whichever occurs first.
3. **CONSIDERATION.** As consideration for the right to lease Suite 3B, County shall pay Owner during the term of this option ONE THOUSAND DOLLARS (\$1,000.00) per month, payable on the 1st day of each month until such time the option expires, is terminated or a lease is approved by both parties. In the event that the option is terminated or a lease is approved by both parties on a date other than

the 1st day of the month the consideration to be paid for the partial month shall be prorated on a daily basis.

4. **EXTENSIONS OF THE OPTION TERM.** County may extend the term of the option in one (1) month increments as necessary and upon payment of consideration as stated in Section 3, until such time that the ADA modifications are complete and Suite 3B is delivered to County for occupancy. Any extension of the option term by County may occur by giving five (5) days written notice, as provided for in Section 11. Notices, prior to expiration of the term from the Marin County Department of Public Works – Real Estate Division.
5. **TERMINATION OF OPTION.** County shall have the right to terminate this option to lease at any time during the term of this option upon fifteen (15) days prior written notice to Owner. Any consideration paid up until termination is not refundable to County.
6. **ACTIONS TO BE PERFORMED BY OWNER.** The intent of this option to lease is to provide time for the Owner to retain architects, engineers, contractors and other professionals to address the necessary modifications set forth in the ADA report attached as Exhibit A. The following actions shall be diligently carried out by the Owner during the term of the option:
 - a. Retain those consultants necessary to prepare plans for construction of the required modifications.
 - b. Submit draft plans for ADA modifications to the County for review no later than August 15, 2006.
 - c. Upon receipt of reviewed draft plans from County, revise as necessary and resubmit for approval no later than thirty (30) days after date of receipt.
 - d. Within thirty (30) days of receipt of approved plans from County, retain contractor(s) and apply for necessary building permits.
 - e. Commence construction of required modifications within fifteen (15) days of receipt of applicable building permits.
 - f. Complete construction within sixty (60) days of commencement of construction.
7. **EXERCISE OF OPTION.** County may exercise the option to lease Suite 3B by approval of an amendment to the existing Lease for the Property, attached hereto as Exhibit “B” or by entering into a new Lease.
8. **RENT.** Rent for Suite 3B subject to approval of the Lease Amendment will be ONE THOUSAND TWO HUNDRED FORTY DOLLARS (\$1,240.00) per month payable as provided for in said Lease.

9. TERM. The term of the Lease for Suite 3B, subject to approval of the Lease Amendment, shall be ten (10) years commencing no earlier than the date of delivery of Suite 3B to the County for occupancy.
10. NOTICES. Notices for this option shall be given as set forth in Section 9 of said Lease excepting the following revisions:

Lessor/Owner: Peter Marks
1327 Solano Avenue
Albany, CA 94706

Telephone: 510-528-3838
Email: pmarks@psship.com

Lessee/County: Marin County Free Library
Attn: Gail Haar
3501 Civic Center Drive, Room 414
San Rafael, CA 94903

Telephone: 415-499-6051
Email: ghaar@co.marin.ca.us

and to:

Marin County Public Works Dept. – Real Estate Division
P.O. Box 4186
San Rafael, CA 94913

Telephone: 415-499-6578
Email: elueder@co.marin.ca.us

11. TIME IS OF THE ESSENCE. Time is of the essence of this Option to Lease and is a material term of this Option to Lease. If the option is not exercised as required by the Option Agreement before the expiration of the term or any extension thereof, as provided herein, the option and all rights of the County shall automatically terminate without further notice, and County shall have no rights to Suite 3B, whatsoever.
12. ATTORNEY FEES. In the event of any action at law or inequity between the parties arising from or in connection with this Option to Lease, the prevailing party shall recover reasonable attorney fees and other reasonable costs incurred in that action in addition to any other relief, and such attorney fees and costs shall be included in and as part of any judgment in such action.
13. ENTIRE AGREEMENT. This Option to Lease contains the entire agreement between the parties pertaining to the subject matter in it

and supersedes all prior and contemporaneous agreements, representations, and understandings of the parties. No supplement, modification, or amendment of this option shall be binding unless provided for herein or executed in writing by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Option to Lease as of the date first written above.

COUNTY OF MARIN

Susan L. Adams, President
Board of Supervisors

Approved as to form.

Attest:

Chief Deputy County Counsel

Deputy Clerk

OWNER

Peter Marks

Date: _____

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08/10/2006