

L-312-P
Manco-Abbott/Kerman/DSS/5610/Perm

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (AGT 17-256/L-312P) ("FIRST AMENDMENT") is made and entered into this 5th day of June, 2018 ("Effective Date"), by and between KERMAN SHOPPING PLAZA, LLC, 990 Highland Dr., Suite #200, Solana Beach, CA 92075 ("LESSOR") and the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac Way, Clovis, CA 93612, ("LESSEE"). LESSOR and LESSEE may, hereinafter, be referred to collectively as "Parties" or individually as "Party".

WITNESSETH:

WHEREAS, LESSOR and LESSEE are Parties to that certain Lease Agreement #17-256/L-312P, dated June 6, 2017 ("Lease Agreement") for lease of office space at 15160-15188 W. Whitesbridge Road, Kerman, CA 93630 (the "Premises");

WHEREAS, the Parties desire to enter into this First Amendment in order to clarify the rentable square footage of the Premises and to provide a substantial completion date for the Premises; and

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

- 1. Section 1. LEASED PREMISES, located on page one (1), lines 8 through 10 is deleted and replaced with the following:
 - 1. "LEASED PREMISES – LESSOR hereby leases to LESSEE approximately 10,566 rentable square feet of office space at the location commonly known as 15160-15188 W. Whitesbridge Road, Kerman, CA 93630 (the "Premises")."
- 2. That certain portion of Section 3. RENT, located on page two (2) lines 5 through 11 is deleted and replaced with the following:

Rent Period	Rent/Month
Year One	\$ 13,207.50
Year Two	\$ 13,471.65
Year Three	\$ 13,741.08
Year Four	\$ 14,015.90

Year Five	\$ 14,296.22
Year Six	\$ 14,582.15
Year Seven	\$ 14,873.79
Year Eight	\$ 15,171.27
Year Nine	\$ 15,778.12
Year Ten	\$ 16,093.68

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The total maximum base rent for the full ten (10) year term shall be \$3,103,643, which includes base rents (\$1,742,777) and tenant improvement costs (\$1,360,866).

3. Section 4. ADDITIONAL RENTS, Located on Page two (2), lines 12 through 25 is deleted and replaced with the following:

“In addition to the Base Rent, LESSEE shall pay an amount equal to its pro-rata share of Common Area Maintenance, which includes Property Taxes and Insurance, calculated as follows: LESSEE’S proportionate share of such costs shall be equal to the ratio of its ground floor square footage (10,566 square feet) of the leased premises to the total square footage of all building leasable space in the shopping center. LESSOR shall estimate such costs during each year of the Lease and LESSEE shall pay one-twelfth of such annual estimate each month, and at the same time as the payment of the Base Rent. After the expiration of each lease year, LESSOR shall advise LESSEE of the actual amount spent and if LESSEE’S proportionate share of the actual costs is greater than the amount paid from the estimated amounts, then LESSEE shall promptly pay LESSOR such extra amount. Conversely, if the actual amount is less than LESSEE had paid due to such estimate, then LESSOR shall credit LESSEE with such excess amount against LESSEE’S next payments due for such items, except at the expiration of the Lease in which event LESSOR shall promptly pay LESSEE such excess amount in cash.”

4. That certain portion of Section 10, LESSEE IMPROVEMENTS TO PREMISES/PAYMENT TERMS, located on page five (5), paragraph two (2), lines 2

1 through 13 is deleted and replaced with the following:

2 "LESSOR and LESSEE agree that the total cost for the Tenant Improvements
3 shall not exceed the sum of \$1,161,249.00. LESSOR shall contribute
4 \$158,490.00 toward the total cost. LESSEE shall pay to LESSOR the
5 remaining principal amount not to exceed \$1,002,759.00, as follows:
6 LESSEE'S cost for the Tenant Improvements (the "TI Rent") shall be
7 amortized over eight (8) years and shall accrue interest at 8% per year as
8 described in Exhibit "C", attached and incorporated by reference; provided,
9 however, that LESSOR and LESSEE agree that Exhibit "C" is intended as a
10 hypothetical amortization schedule and upon determination of LESSEE'S
11 actual shared cost of the Tenant Improvements, the hypothetical amortization
12 schedule will be replaced with an amortization schedule reflecting the actual
13 cost and payment terms, but not to exceed \$1,002,759.00, of the Tenant
14 Improvements. LESSEE shall make monthly payments to LESSOR for
15 LESSEE'S share of the Tenant Improvements, which shall be in addition to
16 the Base Rent."

17 5. Exhibit C to the Lease Agreement is deleted in its entirety and replaced with the new
18 attached Exhibit C-1, which is attached and incorporated by reference.

19 Lessor represents to Lessee that Lessor expects the Tenants Improvements referenced in
20 Section 2. TERM, and Section 10. LESSEE IMPROVEMENTS TO PREMISES/PAYMENT
21 TERMS, of the Lease, to be substantially complete on or about December 31, 2018.

22 The Parties agree that this FIRST AMENDMENT is sufficient to amend the LEASE
23 AGREEMENT. The LEASE AGREEMENT is hereby amended, ratified and continued. It is the
24 intent of the Parties that all other provisions of the LEASE AGREEMENT not herein amended
25 shall remain unchanged. The Parties agree that, upon execution of this FIRST AMENDMENT,
26 the LEASE AGREEMENT, and this FIRST AMENDMENT shall together be considered the
27 LEASE AGREEMENT.

28 ///

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

EXECUTED as of the date first herein specified.

LESSOR:
KERMAN SHOPPING PLAZA, LLC

By: *M&S GUARDIAN PROPERTIES LLC*
ITS: *MANAGER*

By *Matthew C. Strauss*
Matthew C. Strauss, Manager

ITS: *Chief Executive Officer*

LESSEE:
COUNTY OF FRESNO

By *Sal Quintero*
Sal Quintero, Chairperson of the Board
of Supervisors of the County of Fresno

ATTEST: Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

By *Rose Cuy*
Deputy

Fund No. 0001
Subclass 10000
Org. No. 5610
Acct. No. 7340

Kerman/L-312-P Manco-Abbott/DSS

Tenant Improvements Amortization Schedule

Year	Monthly	Annual
Year One	\$ 14,175.68	\$ 170,108.19
Year Two	\$ 14,175.68	\$ 170,108.19
Year Three	\$ 14,175.68	\$ 170,108.19
Year Four	\$ 14,175.68	\$ 170,108.19
Year Five	\$ 14,175.68	\$ 170,108.19
Year Six	\$ 14,175.68	\$ 170,108.19
Year Seven	\$ 14,175.68	\$ 170,108.19
Year Eight	\$ 14,175.68	\$ 170,108.19