

## **Contract Number**

14-333 A-2

SAP Number

# **Real Estate Services Department**

Department Contract Representative	Terry W. Thompson, Director	
Telephone Number	(909) 387-5252	
Contractor	Civic Center Investors, LLC	
Contractor Representative	Jose Luis Andreu,	
	Managing Member	
Telephone Number	619-661-5325	
Contract Term	7/1/2014 - 6/30/2024	
Original Contract Amount	\$275,304.00	
Amendment Amount	\$133,296.00	
<b>Total Contract Amount</b>	\$408,600.00	
Cost Center	7810001000	
GRC/PROJ/JOB No.	72003307	
Internal Order No.		

## IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the County of San Bernardino ("COUNTY"), as tenant, and Civic Center Investors, LLC, ("LANDLORD"), as landlord have entered into a Lease Agreement, Contract No. 14-333 dated May 20, 2014, as amended by the First Amendment dated June 25, 2019, (collectively the "Lease"), wherein LANDLORD leases certain premises comprising approximately 1,569 square feet located on the first floor at 14334 Cajon Street in Victorville, CA to the COUNTY, which Lease is scheduled to expire on June 30, 2021; and,

WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease to reflect the parties' agreement to extend the term of the Lease for three (3) years for the period of July 1, 2021 through June 30, 2024, add one (1) three-year option to extend the term of the Lease, adjust the rental rate schedule, and amend certain other terms of the Lease as more specifically set forth in this amendment ("Second Amendment").

NOW, THEREFORE, in consideration of mutual covenants and conditions, the parties hereto agree the Lease, is amended as follows:

- 1. Effective July 1, 2021, EXTEND the term of the Lease as provided in **Paragraph 3, TERM**, for three (3) years from July 1, 2021 through June 30, 2024 (the "Second Extended Term").
- 2. Effective July 1, 2021, DELETE in its entirety the existing **Paragraph 4.A., RENT**, and SUBSTITUTE therefore the following as a new **Paragraph 4.A., RENT**:

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#### 4. **RENT:**

A. COUNTY shall pay to LANDLORD the following monthly rental payments in arrears on or before the last day of each month, commencing when the Second Extended Term commences and continuing during the Second Extended Term, subject to an approximate two percent (2%) annual increase, as more specifically reflected and included in the amounts set forth below:

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July 1, 2021 to June 30, 2022 – monthly rental amount of $3,624.00 July 1, 2022 to June 30, 2023 – monthly rental amount of $3,703.00 July 1, 2023 to June 30, 2024 – monthly rental amount of $3,781.00
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- 3. Effective July 1, 2021, DELETE in its entirety the existing **Paragraph 6, OPTION TO EXTEND TERM**, and SUBSTITUTE therefore the following as a new **Paragraph 6, OPTION TO EXTEND TERM**:
- 6. **OPTION TO EXTEND TERM:** LANDLORD gives COUNTY the option to extend the term of the Lease on the same provisions and conditions, except for the monthly rent for one (1) three-year period ("extended term") following expiration of the then current term, by COUNTY giving notice to exercise the option to LANDLORD on or prior to the expiration of the then current term or at any time during any holding over pursuant to Paragraph 8, HOLDING OVER. The rent for the extended term shall be adjusted by good faith negotiation of the parties to the fair market rental rate then prevailing based upon the rental rates of comparable leased premises in the County of San Bernardino. If the parties have been unable to agree on the fair market rental rate within five (5) months of COUNTY's exercise of its option, said fair market rental rate shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. During the period between the expiration of the then current term of the Lease and the determination of the fair market rental rate for the Premises by arbitration, COUNTY shall continue to pay the monthly rent for the Premises in effect for the month immediately preceding the expiration of the then current term of the Lease. If the fair market rental rate is determined by arbitration, and COUNTY does not, for any reason, agree with such determination, COUNTY shall have the right to terminate the Lease by providing LANDLORD with written notice not later than thirty (30) days after COUNTY's receipt of the arbitrationdetermined fair market rental rate. In the event COUNTY does not so terminate the Lease, COUNTY shall commence paying the arbitration-determined fair market rental rate for the month immediately following COUNTY's receipt of the arbitration-determined fair market rental rate and for the duration of the extended term. The parties agree to equally split the cost of the arbitration filing, hearing, and arbitrator fee; all other costs for the arbitration, including, but not limited to, any attorneys' fees shall be the sole responsibility of each party.
- 4. Effective July 1, 2021, DELETE in its entirety the existing **Paragraph 8, HOLDING OVER**, and SUBSTITUTE therefore the following as a new **Paragraph 8, HOLDING OVER**:
- 8. HOLDING OVER: In the event the COUNTY shall hold over and continue to occupy the Premises after the expiration or earlier termination of this Lease with the consent of the LANDLORD, expressed or implied, the tenancy shall be deemed to be a tenancy from month-to-month upon the same terms and conditions of this Lease, including but not limited to the Rent (but excluding any amounts paid to LANDLORD for any amortized improvements) as existed and prevailed at the time of the expiration of the term or the earlier termination of this Lease. Notwithstanding anything to the contrary in Paragraph 40, COUNTY'S RIGHT TO TERMINATE LEASE, either party shall have the right to terminate the Lease with not less than ninety (90) days prior written notice to the other party during any holdover tenancy.
- 5. Effective July 1, 2021, DELETE in its entirety the existing **Paragraph 25, NOTICES**, and SUBSTITUTE therefore the following as a new **Paragraph 25, NOTICES**:

#### 25. **NOTICES**:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party, including but not limited to notices required under the California unlawful detainer statutes or any other person, shall be in writing and either served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, first-class United States mail,

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certified or registered, return receipt requested. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be addressed to the other party at the addresses set forth below. Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered; (ii) the date of delivery if such notice is delivered by a reputable overnight courier service; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage prepaid, first-class United States mail, certified or registered, return receipt requested. Any notices received after 5 pm local time on a business shall be deemed delivered on the following business day.

LANDLORD's Notice Address: Civic Center Investors, LLC

9923 Avenida de la Amistad, Suite 106

San Diego, CA 92154

COUNTY'S Notice Address: County of San Bernardino

Real Estate Services Department 385 N. Arrowhead Avenue, Third Floor San Bernardino, CA 92415-0180

B. If LANDLORD intends to transfer its ownership interest (whether controlling or non-controlling) in the Premises to a third party, LANDLORD shall notify COUNTY of such transfer at least fifteen (15) COUNTY working days prior to completion of such transfer. In the event of a transfer of controlling interest in the Premises, LANDLORD and the new owner of the Premises shall provide COUNTY with documentation evidencing the of completion of said transfer; in which case, the new owner, as the successor landlord, and COUNTY shall enter into a written amendment to reflect the new owner as the successor landlord under this Lease. In addition, the new owner, as the successor landlord, shall, within five (5) days of acquiring the Premises, provide COUNTY with documentation evidencing that it has obtained insurance in compliance with **Paragraph 17, INDEMNIFICATION and Paragraph 18, INSURANCE REQUIREMENTS AND SPECIFICATIONS**. The COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute a COUNTY standard amendment to this Lease with each new owner solely for the purposes of reflecting the new owner as the successor landlord and updating its notice address under this Lease. The new owner, as the successor landlord, acknowledges and agrees its execution of such COUNTY standard amendment is a pre-requisite for Rents under this Lease to be paid to the new owner as the successor landlord.

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6. All other provisions and terms of the Lease shall remain the same and are hereby incorporated by reference. In the event of any conflict between the Lease and this Second Amendment, the provisions and terms of this Second Amendment shall control.

# **END OF SECOND AMENDMENT.**

COUNTY OF SAN BERNARDINO		CIVIC CENTER INVESTORS, LLC		
		Ву 🕨	Authorized signature - sign in blue ink)	
Curt Hagman, Chairman, Board of S	Supervisors	()	Authorized signature - sign in blue ink)	
Dated: SIGNED AND CERTIFIED THAT A	COPY OF THIS	Name <u>Jos</u>	se Luis Andreu	
of the County of	ard of Supervisors f San Bernardino	Title <u>Ma</u>	naging Member	
By		Dated:		
Берику		Address _	9923 Avenida de la Amistad, Suite 106	
		_	San Diego, CA 92154	
Approved as to Legal Form	Reviewed for Contract C	ompliance	Reviewed/Approved by Department	
<u> </u>			<u> </u>	
Agnes Cheng, Deputy County Counsel			Jim Miller, Real Property Manager, RESD	
Date	Date		Date	

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