



ORIGINAL

Contract Number  
94-1244 A9

SAP Number

## Real Estate Services Department

<b>Department Contract Representative</b>	Terry W. Thompson, Director
<b>Telephone Number</b>	(909) 387-5252
<b>Contractor</b>	ADURS Investments, LLC
<b>Contractor Representative</b>	John Chappell
<b>Telephone Number</b>	(909) 476-6012
<b>Contract Term</b>	9/15/94 – 10/31/24
<b>Original Contract Amount</b>	\$1,430,327.24
<b>Amendment Amount</b>	\$ 538,736.00
<b>Total Contract Amount</b>	\$1,969,063.24
<b>Cost Center</b>	7810001000
<b>GRC/PROJ/JOB No.</b>	59001154
<b>Internal Order No.</b>	

### IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, the County of San Bernardino ("COUNTY"), as tenant, and ADURS Investments, LLC ("LANDLORD"), as landlord, have previously entered into a Lease Agreement, Contract No. 94-1244 dated December 13, 1994, as amended by the First Amendment dated December 7, 1997, the Second Amendment dated July 11, 2000, the Third Amendment dated December 16, 2003, the Fourth Amendment dated September 26, 2006, the Fifth Amendment dated October 20, 2009, the Sixth Amendment dated November 27, 2012, the Seventh Amendment dated January 26, 2016 and the Eighth Amendment dated September 12, 2017, (collectively the "Lease") wherein LANDLORD agreed to lease certain real property to the COUNTY, which Lease expired on September 30, 2018, and has continued on a permitted holdover; and,

WHEREAS the COUNTY and LANDLORD now desire to amend the Lease to reflect a permitted month-to-month holdover for the period from October 1, 2018 through October 31, 2019 and a negotiated extension of the term of the Lease for the period of November 1, 2019 through October 31, 2024 and to amend certain other provisions of the Lease as more specifically set forth in this amendment ("Ninth Amendment").

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

1. Pursuant to Paragraph 7, HOLDING OVER of the Lease, COUNTY shall, with LANDLORD's express consent granted herein, occupy the Premises on a holdover tenancy for the period from October 1, 2018 through October 31, 2019 at a monthly rental amount of \$6,512.00 per month.

2. Effective November 1, 2019, EXTEND the term of the Lease in Paragraph 3, TERM from November 1, 2019 through October 31, 2024 ("Eighth Extended Term").
3. Effective November 1, 2019, DELETE in its entirety Paragraph 4.a., RENT, and SUBSTITUTE THEREFORE A NEW Paragraph 4.a., RENT, which shall read as follows:

"4.a. COUNTY shall pay to LANDLORD the following monthly rental payments for the approximately 4,400 square feet of office and classroom space in arrears on or before the last day of each month during the Eighth Extended Term as set forth below. In addition to the monthly rental payments, the parties agree that the office and classroom space and LANDLORD provided maintenance have an in-kind value as referenced in Paragraph 41.c., IN KIND AND COST SHARING REPORTING.

November 1, 2019 – October 31, 2020 – monthly payments of \$7,128.00

November 1, 2020 – October 31, 2021 – monthly payments of \$7,348.00

November 1, 2021 – October 31, 2022 – monthly payments of \$7,568.00

November 1, 2022 – October 31, 2023 – monthly payments of \$7,788.00

November 1, 2023 – October 31, 2024 – monthly payments of \$8,008.00

In lieu of rent for COUNTY's use of approximately 2,900 square feet of playground and parking space, the parties agree to exchange in-kind services, the value of which is referenced in Paragraph 41.c., IN KIND AND COST SHARING REPORTING."

4. Effective November 1, 2019, ADD a new Paragraph 4.c., which shall read as follows:

"c. If any monthly rent is not paid within five days after it is due, LANDLORD shall provide the COUNTY with written notice of such overdue payment. If COUNTY does not pay such overdue monthly rent within five (5) days after COUNTY's receipt of said notice, COUNTY shall pay to LANDLORD a late fee of Fifty and 00/100 Dollars (\$50.00) for each overdue monthly rent"

5. Effective November 1, 2019, DELETE in its entirety Paragraph 5., OPTION TO EXTEND TERM, and SUBSTITUTE therefore a new Paragraph 4., OPTION TO EXTEND TERM, which shall read as follows:

"5. **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 three-year period and one (1) two-year period (each an "extended term"), which options may be exercised by COUNTY in any order, following expiration of the Eighth Extended Term by COUNTY giving notice of its intention to exercise the option to LANDLORD prior to the expiration of the preceding term or during any holding over pursuant to **Paragraph 7, "HOLDING OVER."** The monthly rent for each extended term shall be adjusted by good faith negotiation of the parties to the fair market rental then prevailing based upon the rental rates of comparable leased property in San Bernardino County."

6. Effective November 1, 2019, DELETE in its entirety, the existing Paragraph 37., COUNTY'S RIGHT TO TERMINATE LEASE, and SUBSTITUTE therefore the following as a new Paragraph 37., COUNTY'S RIGHT TO TERMINATE LEASE, which shall read as follows:

"37. **COUNTY'S RIGHT TO TERMINATE LEASE:** The COUNTY shall have the right to terminate this Lease at any time whenever COUNTY, in its sole discretion, determines it would be in the COUNTY's best interests to terminate this Lease. The COUNTY's Director of the Real



Estate Services Department (RESD) shall have the authority on behalf of the COUNTY to give LANDLORD written notice of any termination pursuant to this paragraph at least one hundred eighty days (180) prior to the date of termination, except in the event of loss of funding to COUNTY, COUNTY shall give LANDLORD written notice of termination at least ninety (90) days prior to the date of termination. In the event COUNTY terminates this Lease pursuant to this paragraph, the LANDLORD shall have the right to receive from COUNTY only the rent which will have been earned under the Lease through the effective termination date."

7. 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 Ninth Amendment, the terms and conditions of this Ninth Amendment shall control.

#### END OF NINTH AMENDMENT

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#### COUNTY OF SAN BERNARDINO

►  
Curt Hagman, Chairman, Board of Supervisors

Dated: \_\_\_\_\_  
SIGNED AND CERTIFIED THAT A COPY OF THIS  
DOCUMENT HAS BEEN DELIVERED TO THE  
CHAIRMAN OF THE BOARD

Laura H. Welch  
Clerk of the Board of Supervisors  
of the County of San Bernardino

By \_\_\_\_\_  
Deputy

#### ADURS Investments, LLC

(Print or type name of corporation, company, contractor, etc.)

By Richard C. Smith  
(Authorized signature - sign in blue ink)

Name: Richard C. Smith  
(Print or type name of person signing contract)

Title Managing Member

Dated: 8-1-19

Address 3635 Classic Drive S.  
Memphis, TN 38125

Approved as to Legal Form

►  
Agnes Cheng, Deputy County Counsel

Date 7/26/19

Reviewed for Contract Compliance

►  
Date \_\_\_\_\_

Reviewed/Approved by Department

►  
Jim Miller, Real Property Manager, RESD

Date 8-6-19