



ORIGINAL

Contract Number  
02-328 A-3

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>	Rancho Tech, LLC
<b>Contractor Representative</b>	Jian Torkan
<b>Telephone Number</b>	(323) 932-7777
<b>Contract Term</b>	1/1/03 – 5/31/2025
<b>Original Contract Amount</b>	\$10,496,512.00
<b>Amendment Amount</b>	\$ 2,978,317.00
<b>Total Contract Amount</b>	\$13,474,829.00
<b>Cost Center</b>	5715352260
<b>GRC/PROJ/JOB No.</b>	61001682
<b>Internal Order No.</b>	

### IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, Rancho Tech, LLC (“LANDLORD”) as landlord and the County of San Bernardino (“COUNTY”) as tenant have entered into a Lease Agreement, Contract No. 02-328 dated May 7, 2002, as amended by a First Amendment dated May 6, 2014, and a Second Amendment dated July 28, 2015 (collectively the “Lease”) wherein LANDLORD leases certain premises comprising approximately 24,162 square feet at 9650 E. Ninth Street, Rancho Cucamonga, California, as more specifically set forth in the Lease, to the COUNTY for a term that expired on April 30, 2019 and has continued on a permitted month-to-month holdover; and,

WHEREAS the COUNTY and LANDLORD desire to amend the Lease to: reflect a thirteen month hold-over period from May 1, 2019 through May 31, 2020, with the LANDLORD’s consent, exercise the COUNTY’s final five-year option period following the permitted holdover to extend the lease term from June 1, 2020 through May 31, 2025, adjust the rent schedule, and amend certain other provisions as more specifically set forth in this amendment (“Third Amendment”); and,

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

1. Pursuant to **Paragraph 8., HOLDING OVER**, the COUNTY shall, with LANDLORD’s express consent granted herein, occupy the Premises on a month-to-month tenancy for the period of May 1, 2019 through May 31, 2020, at a rental amount of \$37,693.00 per month.

2. Effective June 1, 2020, DELETE Paragraph 2., PREMISES LEASED, and SUBSTITUTE therefore the following as a new Paragraph 2., PREMISES LEASED, which shall read as follows and ADD a new Exhibit A-1, Premises Depiction – Site Plan, which is attached to this Third Amendment:

“2. **PREMISES LEASED:** LANDLORD leases to COUNTY and COUNTY leases from LANDLORD approximately 24,162 square feet of office space (“Premises”) situated within a building of approximately 147,670 square feet (“Building”) located at the real property (“Property”) with an address of 9650 Ninth Street, Rancho Cucamonga, CA, as the Premises is more particularly outlined in yellow on Exhibit A-1, Premises Depiction and Site Plan, pages 1 & 2 attached hereto and made a part hereof. Along with the lease of the Premises, COUNTY shall, at no additional cost, have the exclusive use of thirty-one (31) parking spaces located south of the Building, as shown in shaded green on Exhibit A-1, and the non-exclusive use of one hundred sixty-three (163) parking spaces located west of the Building, which includes the non-exclusive use of six (6) handicapped parking spaces, for a total of one hundred ninety-two (192) total parking spaces at the Property.”

3. Effective June 1, 2020, pursuant to COUNTY’s exercise of its option under **Paragraph 6, OPTION TO EXTEND TERM**, DELETE in its entirety the existing **Paragraph 3., TERM**, and SUBSTITUTE therefore a new **Paragraph 3., TERM**, which shall read as follows:

“3. **TERM:** The term of the Lease shall be extended for five (5) years, commencing on June 1, 2020 and expiring on May 31, 2025 (the “Second Extended Term”).”

4. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 4., RENT**, and SUBSTITUTE therefore a new **Paragraph 4., RENT**, which shall read as follows:

“4. **RENT:**

a. COUNTY shall pay to LANDLORD the following monthly rental payments in arrears on the last day of each month, commencing on the last day of the month when the Second Extended Term commences, and continuing during the Second Extended Term as follows:

June 1, 2020 through May 31, 2021 – monthly payments of \$38,925.00  
June 1, 2021 through May 31, 2022 – monthly payments of \$40,109.00  
June 1, 2022 through May 31, 2023 – monthly payments of \$41,317.00  
June 1, 2023 through May 31, 2024 – monthly payments of \$42,525.00  
June 1, 2024 through May 31, 2025 – monthly payments of \$43,733.00

b. Rent for any partial month shall be prorated based on the actual number of days of the month. All rent shall be paid to LANDLORD at the address to which notices to LANDLORD are given.”

5. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 6., OPTION TO EXTEND TERM**, and SUBSTITUTE therefore a new **Paragraph 6., OPTION TO EXTEND TERM**, which shall read as follows:

“6. **OPTION TO EXTEND TERM:** LANDLORD gives COUNTY the option to extend the term of the Lease on the same provisions and conditions for one (1) two-year period (“extended term”) following expiration of the Second Extended Term, by COUNTY giving notice of its intention to exercise the option to LANDLORD on or prior to the expiration of the Second Extended Term or during any holding over pursuant to **Paragraph 8, HOLDING OVER**. The rent for the extended term shall be adjusted by good faith negotiations of the parties to the fair market rental rate then prevailing based upon the rental rates of comparable leased property in San Bernardino County.

If the parties have been unable to agree upon the said fair market rental rate for the Premises within five (5) months of the COUNTY’s notice to exercise an option for an extended term, said

fair market rental rate shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. If the fair market rental rate is determined by arbitration, the COUNTY has the right to terminate the Lease by giving termination notice to the LANDLORD within thirty (30) days of being notified of the new fair market rental rate.”

6. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 23., LANDLORD’S REMEDIES ON COUNTY’S DEFAULT**, and SUBSTITUTE therefore a new **Paragraph 23., LANDLORD’S REMEDIES ON COUNTY’S DEFAULT**, which shall read as follows:

“23. **LANDLORD’S REMEDIES ON COUNTY’S DEFAULT:** LANDLORD may, at any time after COUNTY is in default beyond any applicable notice and cure period, exercise any and all remedies available pursuant to law or granted pursuant to the Lease; provided, however, that notwithstanding anything herein to the contrary, there shall be no right under any circumstances to accelerate the Monthly Rent or other sums due or otherwise declare any Monthly Rent or other sums due to be immediately payable. Each and every covenant hereof to be kept and performed by COUNTY is expressly made a condition and upon the default thereof LANDLORD may, at its option, terminate the Lease, provided that LANDLORD shall use reasonable efforts to mitigate its damages. In the event of such default beyond any applicable notice and cure period, COUNTY shall continue to remain liable for the payment of the Monthly Rent, other sums due, and/or damages for default of the Lease; in which case, such Monthly Rent, other sums, and/or damages shall be payable to LANDLORD only at the same time and in the same manner as provided for the payment of Monthly Rent.”

7. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 37., VENUE**, and SUBSTITUTE therefore a new **Paragraph 37., VENUE**, which shall read as follows:

“37. **VENUE:** The parties acknowledge and agree that the Lease was entered into and intended to be performed in the County of San Bernardino, California. The parties agree that the venue for any action or claim brought by any party to the Lease will be the Superior Court of California, County of San Bernardino. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394), or rule of court that would allow them to request or demand a change of venue. If any third party brings an action or claim concerning the Lease, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, County of San Bernardino.”

8. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 40., COUNTY’S RIGHT TO TERMINATE LEASE**, and SUBSTITUTE therefore a new **Paragraph 40., COUNTY’S RIGHT TO TERMINATE LEASE**, which shall read as follows:

“40. **COUNTY’S RIGHT TO TERMINATE LEASE:** If the term of the Lease is extended beyond the Second Extended Term, the COUNTY shall have the right to terminate this Lease at any time subsequent to the Second Extended Term or any extended terms thereafter whenever COUNTY, in its sole discretion, determines it would be in COUNTY’S best interests to terminate this Lease. The COUNTY’s Director of the Real Estate Services Department (RESD) shall give LANDLORD notice of any termination pursuant to this paragraph 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 the COUNTY the rent which will have been earned through the effective termination date and the COUNTY shall be discharged of all further obligations under the Lease as of the effective termination date.”

9. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 54., USE OF AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 FUNDS AND REQUIREMENTS**, and SUBSTITUTE therefore a new **Paragraph 54.**, which shall read as follows:

“54. **RESERVED:**”

10. Effective as of June 1, 2020, DELETE in its entirety the existing **Paragraph 55., SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS**, and SUBSTITUTE therefore a new **Paragraph 55.**, which shall read as follows:

“55. **RESERVED:**”

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

**END OF THIRD AMENDMENT**

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**COUNTY OF SAN BERNARDINO**

▶ Curt Hagman  
 Curt Hagman, Chairman, Board of Supervisors

Dated: MAY 19 2020

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

Lynna Monell  
 Clerk of the Board of Supervisors of the County of San Bernardino

By K.S.L.  
 Deputy



[Signature]  
**LANDLORD: RANCHO TECH, LLC**  
 (Print or type name of corporation, company, contractor, etc.)

✓ By [Signature]  
 (Authorized signature - sign in blue ink)

Name: Issac Moradi  
 (Print or type name of person signing contract)

Title Manager  
 (Print or Type)

✓ Dated: 04/03/20

Address: 9301 Wilshire Blvd. Suite 315  
Beverly Hills, CA 90210

**FOR COUNTY USE ONLY**

Approved as to Legal Form  
 ▶ [Signature]  
 Agnes Cheng, Deputy County Counsel  
 Date 2/11/2020

Reviewed for Contract Compliance  
 ▶ \_\_\_\_\_  
 Date \_\_\_\_\_

Reviewed/Approved by Department  
 ▶ [Signature]  
 Jim Miller, Real Property Manager, RESD  
 Date 4-13-2020