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SAP Number

Real Estate Services Department

Department Contract Representative Terry W. Thompson, Director **Telephone Number** (909) 387-5252 Contractor Sam DeKruyf and Dot DeKruyf, **Trustees of the DeKruyf Family** Trust dated June 21, 1993, Peter H. Bouma, Trustee of the Peter **Bouma Community Property** Trust dated 5/29/2019 and Dana Bouma, Trustee of the Dana **Bouma Community Property** Trust, dated 5/29/2019 **Contractor Representative Telephone Number** (909) 930-9390 **Contract Term** Five years, commencing upon the first day of month following full execution **Original Contract Amount** \$348,000.00 **Amendment Amount** \$0 **Total Contract Amount** \$348,000.00 **Cost Center** 7801152734 GRC/PROJ/JOB No. 87004090

Briefly describe the general nature of the contract: This Lease is for a period of five years, with one two-year option to extend the term of the lease, for real property comprising approximately 39.26 acres of County-owned dairy farm land improved with an approximately 1,080 square foot single-family residence located at 13905 Bon View Avenue in Ontario, CA. County will receive revenue in the amount of \$5,800.00 per month during the term of the lease.

| FOR COUNTY USE ONLY | | | |
|---|----------------------------------|---|--|
| Approved as to Legal Form | Reviewed for Contract Compliance | Reviewed/Approved by Department | |
| ► See Signature Page Agnes Cheng, Deputy County Counsel | <u> </u> | Jim Miller, Real Property Manager, RESD | |
| Date | Date | Date | |

Internal Order No.

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LEASE AGREEMENT

- 1. **PARTIES:** The Lease Agreement ("Lease") is made by and between San Bernardino County, hereinafter referred to as **COUNTY**, as landlord, and Peter H. Bouma, Trustee of the Peter Bouma Community Property Trust dated 5/29/2019, Dana Bouma, Trustee of the Dana Bouma Community Property Trust dated 5/29/2019 and Sam DeKruyf and Dot DeKruyf, Trustees of the DeKruyf Family Trust dated 6/21/1993, hereinafter jointly and severally referred to collectively as **TENANT**, as tenant. For and in consideration of the mutual covenants, conditions, and obligations herein contained and to be kept and performed by the respective parties hereto, the parties agree as follows:
- 2. **PREMISES:** COUNTY, as landlord, does hereby lease and let unto **TENANT**, as tenant, and **TENANT**, does hereby lease from **COUNTY**, the real property and improvements located at 13905 Bon View Avenue in Ontario, CA in the condition existing at the commencement date of this Lease, consisting of the following real property:

Comprising approximately thirty-nine point two six (39.26) acres, as said real property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference, and the improvements thereon, including but not limited to an approximate

- 1,080 square foot single-family residence along with COUNTY-owned machinery (excluding the milking machinery located in the dairy barn), equipment, structures (excluding the dairy barn, but including the electrical service room in said barn), fixtures, fencing appurtenances on the real property as more specifically and particularly described in Exhibit "B" attached hereto and incorporated herein by reference (said real property and improvements are collectively hereinafter referred to as the "Premises"), which are leased subject to all reservations, restrictions, easements, and rights-of-way of record now and in the future.
- 3. <u>TERM:</u> This Lease shall be for an initial term of five (5) years, commencing on the first day of the month following the date the last of the Parties executes this Lease ("the Commencement Date") and ending on the day immediately preceding the fifth (5th) anniversary of the Commencement Date unless earlier terminated in accordance with the terms of this Lease ("Initial Term"). The Initial Term, together with the extended term, if any, shall be referred to as the "Term".
- RENT: TENANT shall pay to COUNTY as rental for use of the Premises the total sum of Three Hundred Forty-Eight Thousand and 00/100 Dollars (\$348,000.00) for the Term of the Lease, payable in equal monthly installments of Five Thousand Eight Hundred and 00/100 Dollars (\$5,800.00) in advance of the first day of each and every month of the Initial Term. Said payments shall be made payable to San Bernardino County, and delivered in person or via United States First Class Mail to Real Estate Services Department, 385 N. Arrowhead Avenue, San Bernardino, California 92415-0180. Rent for any partial month shall be prorated on the actual number of days in the month. "Rent" shall mean all monetary obligations of TENANT to COUNTY under the terms of the Lease, except the security deposit. If any payment of Rent is returned for non-sufficient funds ("NSF") or because **TENANT** stops payment, then, after that, (i) **COUNTY** may, in writing, require TENANT to pay Rent in cash for three (3) months, and (ii) all future Rent shall be paid by cashier's check. Rent payments received by COUNTY shall be applied to the earliest amount(s) due or past due. If TENANT has not paid all amounts then due, (a) **TENANT** has no right to possession or keys to the Premises and; (b) this Lease may be terminated at the option of the COUNTY three (3) calendar days after giving TENANT a Notice to Pay. Notice may be delivered to **TENANT** in accordance with Paragraph 36, provided that **COUNTY** may also provide notice to **TENANT** at **TENANT's** last known address. If **COUNTY** elects to void this Lease, **COUNTY** shall refund to **TENANT** all unearned rent and security deposit paid less any applicable deductions. All monetary obligations of TENANT under the Lease, including but not limited to the monthly rent and any other monetary obligations due from Tenant shall be deemed rent.
- 5. **LATE PAYMENT: TENANT** acknowledges that late payment by **TENANT** to **COUNTY** of rent or any other sums due under this Lease will cause **COUNTY** to incur costs not contemplated by this Lease, the exact

amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing, accounting, and interest charges. Therefore, if any installment of rent or other sums due from TENANT is not received by the tenth day after the due date, **TENANT** shall pay to **COUNTY** an additional Two Hundred and 00/100 Dollars (\$200.00) per occurrence as an administrative processing charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that **COUNTY** will incur by reason of late payment by **TENANT**. Acceptance of any late charge including partial payments shall not constitute a waiver of TENANT's default with respect to the overdue amount, or prevent COUNTY from exercising any of the other rights and remedies available to COUNTY. Rent not paid when due shall further bear simple interest from the due date until paid at the rate of one half of one percent (.005%) per day.

- 6. <u>SECURITY DEPOSIT:</u> COUNTY and TENANT each acknowledge and agree that TENANT has previously paid to COUNTY a security deposit for Agreement No. 11-87 in the amount of Nine Thousand and 00/100 Dollars (\$9,000.00), which COUNTY has retained for the faithful performance by TENANT of the terms of this Lease. TENANT agrees to increase the security deposit by an additional Two Thousand Eight Hundred and 00/100 Dollars (\$2,800.00) for a total security deposit of Eleven Thousand Eight Hundred and 00/100 (\$11,800.00) and shall pay such increase to COUNTY upon TENANT's execution of this Lease.
- A. Said security deposit is held by **COUNTY** and may be used by **COUNTY** for any lawful purpose including, but not limited to, the compensation of **COUNTY** for **TENANT's** default in the payment of rent, the repair of damages to the leased Premises and improvements located thereon caused by **TENANT**, and in **COUNTY's** performance of **TENANT's** repair and/or maintenance obligations and any other TENANT obligations under this Lease. **SECURITY DEPOSIT SHALL NOT BE USED BY TENANT IN LIEU OF PAYMENT OF LAST MONTH'S RENT.** If the security deposit used by **COUNTY** toward rent, repair, maintenance, damages, or any permitted or lawful purpose during the Term, **TENANT** agrees to reinstate said total security deposit to the amount stated in this Paragraph 6 upon five (5) days written notice delivered to **TENANT** in accordance with this Lease.
- B. If the security deposit is used by **COUNTY** toward repair, maintenance, or damages, or other permitted or lawful purpose during the Term, actual costs plus a twenty percent (20%) management overhead fee will be utilized by **COUNTY** in **COUNTY's** performance of **TENANT's** obligations. **COUNTY** may maintain the security deposit separate and apart from **COUNTY's** rent revenue accounts or may commingle the security deposit with **COUNTY's** rent revenue funds. **COUNTY** shall not be required to pay **TENANT** interest on security deposit. Payment of said security deposit shall not in any manner affect **TENANT's** obligation to timely pay in full any rent due pursuant to this Lease, including timely payment of the last months' rent. Payment of said security deposit shall not affect **TENANT's** obligations relative to any other provision of this Lease.
- C. Upon expiration of this Lease, **COUNTY** shall refund said security deposit to **TENANT** minus any outstanding obligations of **TENANT** due **COUNTY** at the time. Any costs incurred by the **COUNTY** to restore the Premises to rental condition (including any unpaid rent and damages) shall be withheld and any refund of **TENANT's** security deposit shall be made in the amount and manner established by Section 1950.5 of the California Civil Code.
- 7. **OPTION TO EXTEND TERM: COUNTY** gives **TENANT** the option to extend the term of the Lease on the same provisions and conditions for one (1) two-year period ("extended term") following the expiration of the Initial Term, by **TENANT** giving written notice of its intention to exercise the option to **COUNTY** at least one (1) year prior to the expiration of the Initial Term. The Initial Term and the extended term, if exercised, shall be referred to as the "Term."
- 8. <u>LIENS:</u> **TENANT** agrees to keep the Premises free and clear of all liens or claims of lien for all labor, machinery, equipment, materials, services, supplies, or any other items supplied or furnished at the request of the **TENANT** and used or consumed in connection with any operation on or off the Premises by the **TENANT**. Any liens on the Premises shall be removed by **TENANT**, at **TENANT's** cost, within thirty (30) days of notice from **COUNTY**. Should **COUNTY** desire to post notice of non-responsibility upon the Premises, **TENANT**

agrees to allow the same to be posted and to keep said notices posted thereon, all in accordance with the requirements of the laws of the State of California.

- 9. **PURPOSE OF LEASE: COUNTY** leases the Premises to **TENANT** for the sole purpose of production of dairy commodities, livestock feed, including housing of dairy heifers. Neither the Premises nor any portion thereof shall be used for any other purpose by **TENANT** without the prior written consent of **COUNTY**. The maximum number of animals (heifers, and calves) shall not exceed the number allowed by any law, rule, or regulation applicable to or governing the **TENANT**'s permitted use of the Premises, whichever number of total animal units is less.
- 10. <u>ABANDONMENT OF PREMISES:</u> This Lease shall be considered terminated with or without notice if the Premises are abandoned by **TENANT** prior to the expiration of the Term. The parties agree that abandonment shall occur when **TENANT** ceases to reside on and oversee the permitted operations of the Premises. In the event of abandonment by **TENANT**, pre-paid rents will not be refunded or prorated. In the event of abandonment by **TENANT**, this Lease shall be considered terminated and **COUNTY** may pursue its remedies under this Lease or available at law or in equity.
- 11. <u>INDEMNIFICATION:</u> The **TENANT** agrees to indemnify, defend (with counsel reasonably approved by COUNTY), and hold harmless the COUNTY and its authorized officers, employees, agents, and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this contract from any cause whatsoever, including the acts, errors, or omissions of any person and for any costs or expenses incurred by the COUNTY on account of any claim, except where such indemnification is prohibited by law. This indemnification provision shall apply regardless of the existence or degree of fault of indemnitees. The **TENANT's** indemnification obligation applies to the COUNTY's "active" as well as "passive" negligence but does not apply to the COUNTY's "sole negligence" or "willful misconduct" within the meaning of Civil Code Section 2782. The provision of the Lease shall survive the expiration or earlier termination of the Lease.
- 12. <u>NON-LIABILITY:</u> In addition to **TENANT's** duties and obligations in this Lease, **TENANT** further covenants and agrees that the **COUNTY** shall not be responsible to **TENANT** or to any other persons for any injury or damage that may result to persons or property by reason of the use of the Premises by **TENANT** or by reason of any latent or patent defect in the construction or condition, or any future lack of repair to said Premises. **TENANT**, as a material part of the consideration to be rendered to **COUNTY**, hereby also waives all claims against **COUNTY** for damage to goods, or feed and for injuries to anyone in or about said Premises, from any cause arising at any time.

13. **INSURANCE REQUIREMENTS AND SPECIFICATIONS:**

- A. **COUNTY** is a self-insured public entity.
- B. Without in anyway affecting the indemnity herein provided and in addition thereto, **TENANT** shall secure and maintain throughout the Lease the following types of insurance with limits as shown.
- (1) COMMERCIAL PROPERTY INSURANCE providing all risk coverage for the leased Premises, building, fixtures, equipment, and all property constituting a part of the Premises. Coverage shall be sufficient to insure 100% of the replacement cost.

or

(2) FIRE INSURANCE – Standard fire and extended peril coverage insurance adequate to cover **TENANT**'s personal property and improvements located on the leased premises.

and/or

- (3) LEGAL LIABILITY INSURANCE Adequate to cover the full replacement cost value of the County's structures and property. (This coverage can be provided in the Commercial General Liability policy (CGL).
- (4) COMPREHENSIVE GENERAL LIABILITY INSURANCE covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury, Livestock Liability, Premises Operations Liability, Contractual Liability with a combined single limit of not less than One Million and 00/100 Dollars (\$1,000,000.00) per occurrence with a Two Million and 00/100 Dollars (\$2,000,000) aggregate;
- (5) COMPREHENSIVE AUTO, TRUCK, AND EQUIPMENT LIABILITY INSURANCE endorsed for all owned, hired, and non-owned vehicles and equipment with a combined single limits of at least One Million and 00/100 Dollars (\$1,000,000.00) per occurrence;
- (6) WORKERS COMPENSATION INSURANCE: A program of workers' compensation insurance or a state-approved self-insurance program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability Insurance with Two Hundred Fifty Thousand and 00/100 Dollars (\$250,000.00) limits, covering all persons providing services on behalf of **TENANT** and all risks to such persons under this Agreement.

Additional Named Insured - All policies, except for Worker's Compensation, shall contain additional endorsements naming **COUNTY** and its officers, employees, agents and volunteers as additional named insureds with respect to liabilities arising out of the performance of services hereunder. The additional insured endorsements shall not limit the scope of coverage for the COUNTY to vicarious liability but shall allow coverage for the COUNTY to the full extent provided by the policy. Such additional insured coverage shall be at least as broad as Additional Insured (Form B) endorsement form ISO, CG 2010.11 85.

TENANTS or employees in possession of County-owned residential properties are required to provide property insurance with coverage against all risk of loss to TENANT's improvements and betterments at full replacement cost and legal liability coverage for bodily injury and property damage including the rented premises.

- C. Waiver of Subrogation Rights **TENANT** shall require the carriers of required coverages to waive all rights of subrogation against the **COUNTY**, their officers, employees, agents, volunteers, contractors and subcontractors. All general or auto liability insurance coverage provided shall not prohibit **TENANT** and **TENANT**'s employees or agents from waiving the right of subrogation prior to a loss or claim. **TENANT** hereby waives all rights of subrogation against the **COUNTY**.
- D. Policies Primary and Non-Contributory All policies required herein are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the **COUNTY**.
- E. Severability of Interests **TENANT** agrees to ensure that coverage provided to meet these requirements is applicable separately to each insured and there will be no cross liability exclusions that preclude coverage for suits between the **TENANT** and the **COUNTY** or between the **COUNTY** and any other insured or additional insured under the policy.
- F. Proof of Coverage: **TENANT** shall furnish certificates of insurance to San Bernardino County Real Estate Services Department (RESD) administering this Lease, evidencing the insurance coverage, including endorsements, as required prior to commencement of this Lease, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to RESD, and **TENANT** shall maintain such insurance from the time **TENANT** commences use under this Lease hereunder until the termination of the period of the Lease and any holdover period. Within fifteen (15) days of the commencement of this Lease, the **TENANT** shall furnish a copy of the Declaration page for all applicable policies and will provide complete certified copies of the policies and endorsements immediately upon request.

- G. Insurance Review Insurance requirements are subject to periodic review by the **COUNTY**. The **COUNTY**'s Director of Risk Management or designee is authorized, but not required, to reduce, waive or suspend any insurance requirements whenever the **COUNTY**'s Department of Risk Management determines that any of the required insurance is not available, is unreasonably priced, or is not needed to protect the interests of the **COUNTY**. In addition, the **COUNTY**'s Director of Risk Management or designee is authorized, but not required, to change the above insurance requirements to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the **COUNTY**, inflation, or any other item reasonably related to the **COUNTY**'s risk. Any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this lease. **TENANT** agrees to execute any such amendment within thirty (30) days of receipt. Any failure, actual or alleged, on the part of RESD or **COUNTY** to monitor or enforce compliance with any of the insurance and indemnification requirements will not be deemed as a waiver of any rights on the part of the **COUNTY**.
- H. Acceptability of Insurance Carrier Unless otherwise approved by the **COUNTY**'s Department of Risk Management, insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best" Insurance Guide rating of "A-VII"
- I. <u>Failure to Have Insurance</u>: All insurance required must be maintained in force at all times by **TENANT**. Failure to maintain said insurance, due to expiration, cancellation, etc., shall be cause for the **COUNTY** to give notice to immediately suspend **TENANT**'s use of the Premises. Failure to reinstate said insurance within the (10) days of notice to do so shall be cause for termination and for forfeiture of this agreement, and/or **COUNTY**, at its discretion, may procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by **COUNTY** shall be repaid by **TENANT** to **COUNTY** upon demand but only for the pro rata period of non-compliance.
- J. **COUNTY** shall have no liability for any premiums charged for such coverage(s). The inclusion of **COUNTY** as additional named insured is not intended to and shall not make it a partner or joint venturer with **TENANT**.
- K. The **TENANT** agrees to require all parties or subcontractors, or others it hires or contracts with related to the use of this Lease to provide insurance covering such use with the basic requirements and naming the **COUNTY** as additional insured. **TENANT** agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided as required herein.
- 14. **TAXES, ASSESSMENTS AND LICENSES: TENANT** shall pay before delinquency any and all property taxes and other taxes, assessments, and fees due or charges, including but not limited to, possessory interest taxes, which may be levied or assessed upon or against any personal property, fixtures, improvements, or equipment placed upon the Premises or resulting from **TENANT's** occupancy or operations at the Premises. **TENANT** shall also pay all license or permit fees necessary or required by law.
- 15. **POSSESSORY INTEREST TAXES: TENANT** recognizes and understands that this Lease may create a possessory interest subject to property taxation and **TENANT** may be subject to the payment of property taxes levied on such interest. If such possessory interest tax is levied on **TENANT**, **COUNTY** agrees to issue a rent credit in the amount equal to the amount of such tax, providing that **TENANT** provides **COUNTY** a copy of any tax bill for possessory interest tax within sixty (60) days of receipt of such tax bill by **TENANT** and **TENANT** provides acceptable proof of payment of such possessory tax to **COUNTY**.
- 16. <u>WASTE WATER MANAGEMENT:</u> The parties hereto acknowledge that the Regional Water Quality Control Board requires an Engineered Waste Management Plan (EWMP) on the Premises including improvements specified in said EWMP; the Regional Water Quality Control Board requires the **TENANT** to obtain a permit and maintain such permit in effect for the duration of the Term of this Lease. The parties hereto acknowledge that the Regional Water Quality Control Board on November 1, 2002 accepted the EWMP dated

August 23, 2002 and as amended on June 14, 2005, prepared by Associated Engineers; said EWMP relative to premises operations was certified as in compliance on June 1, 2004. **TENANT** hereby agrees, at the sole expense of **TENANT**, to maintain the waste and storm water improvements specified in the EWMP and to abide by all current and future requirements of the Regional Water Quality Control Board for livestock storage and limited farming operations within the Santa Ana region. Nothing in this provision shall relieve **TENANT** from **TENANT's** responsibility of proper control of storm and waste water based on premises systems in place at the inception of this Lease Agreement.

17. MAINTENANCE OF PREMISES:

- TENANT's obligation: Except for COUNTY's obligations in Paragraph 17.C., TENANT agrees, at its sole cost and expense, to maintain and repair all interior and exterior portions and all components of the Premises, including (without limitation) the land, the residence, the portions of the domestic and irrigation water wells, pressure tanks, and piping that are located on and above the ground surface, and all other improvements thereon in a neat, clean, sanitary, orderly, and good operational condition. TENANT understands and acknowledges that the domestic well at the Premises to be maintained by TENANT pursuant to this Paragraph serves the residence and dairy barn at the Premises as well as the residence and improvements located on the adjacent County-owned property located at 13839 Bon View Avenue (being a portion of APN 1053-181-01). Maintenance, repair, and preventative maintenance of the Premises by TENANT pursuant to this paragraph and this Lease includes, but is not limited to, all constructed improvements, well water pumping equipment, piping, fuel tank systems, motors, gauges, electrical systems, fixtures, waste water systems, corral water systems, machinery, stanchions, gates, fencing, landscaping, irrigation systems, water distribution piping, and open ground. TENANT shall maintain the landscaping, including the lawn, in a "green" condition. If required by law, statute, or ordinance or upon COUNTY's request, **TENANT** shall, at its sole cost, convert the landscaping, including the lawn, to drought tolerant landscaping to the satisfaction of the COUNTY. TENANT shall not destroy, deface, damage, impair, or remove any part of the Premises including the improvements, landscaping, equipment, or appurtenances thereon, nor permit any person on the Premises to commit such acts. Any and all damage to the Premises whether intentional or accidental shall be repaired or corrected by TENANT at the sole cost of TENANT to the satisfaction of COUNTY. TENANT shall dispose of all rubbish, trash, garbage, livestock feces, and other waste in a clean and sanitary manner and in accordance with any applicable law, ordinance, or regulation. TENANT shall immediately notify COUNTY, in writing, of any problem, malfunction or damage with any item including carbon monoxide detector(s) and smoke alarms at the residence on the Premises.
- B. Manure and dirt filling: **TENANT** hereby agrees that it will, at the sole expense of **TENANT**, maintain said corrals in a level condition and filled with dirt to a height equal to the level as delivered to it on the date of possession. It is further understood and agreed that **TENANT** shall remove all manure from the Premises a minimum of twice a year during the term of this agreement; **TENANT** shall scrape, level, and dirt fill all corrals a minimum of once a year and upon expiration of this Lease. **TENANT** shall dredge or by other means, remove solids from the deep lagoon a minimum of once a year prior to November 1st of each year following the Commencement Date.
- C. **COUNTY's** obligation: **COUNTY** agrees to repair and correct the failure of the residential septic system, residential roof, residential heating and air conditioning system, and those portions of the domestic and irrigation wells, pressure tanks, and piping that are located below the ground surface, unless the cause of the failure is due to the acts or omissions of **TENANT** or its employees, contractors, or invitees. All other maintenance of the residence and the remainder of the Premises, including, but not limited to maintenance of the lawn and all mowing, shall be the responsibility of TENANT at its cost.
- 18. <u>INITIAL CONDITION OF PREMISES:</u> TENANT agrees to and is obligated to make all repairs and corrections in accordance with the instructions of the Regional Water Quality Control Board (RWQCB) inspections or any local code inspections at the sole expense of TENANT. Said repairs and corrections shall be made by TENANT to the satisfaction of **COUNTY** or RWQCB inspector.

TENANT has fully examined and inspected the Premises and every part thereof, including the improvements thereon. **TENANT** agrees to lease the Premises "AS IS" and "WITH ALL FAULTS" and acknowledges that, as of the commencement date of the Initial Term, the same are in good, clean, operational working order, condition and repair, except for any damages noted on Exhibit "C" of this Lease, attached hereto and incorporated herein by reference, which exhibit shall be acknowledged by the parties within thirty (30) days of the payment of the first months' rent.

Except as otherwise required by law, **COUNTY** makes no warranty of any nature, whatsoever, whether expressed, implied in fact, or implied in law relating to the fitness or suitability of the Premises or any part thereof for any purpose or use intended by TENANT or permitted under this Lease.

19. MAJOR DESTRUCTION: Should major portions of the Premises be destroyed by fire, earthquake, or acts of God so that the Premises cannot reasonably be utilized for its intended purpose, this Lease, at the option of COUNTY, may be terminated. In the event of termination due to major destruction through no-fault or negligence of TENANT, COUNTY will prorate rent paid by TENANT and refund that portion of prepaid rent which would be applicable to the post-termination period. In the event of termination due to major destruction, COUNTY will refund the unused balance of the security deposit referred to in Paragraph 6. SECURITY DEPOSIT, of this Lease. It is expressly agreed by the parties that any destruction which shall prevent safe living conditions for humans in the residence on the Premises per applicable laws shall be deemed major destruction within the context and meaning of this paragraph.

20. **GENERAL COVENANTS AND AGREEMENTS:**

- A. **TENANT** agrees not to use the Premises or any part thereof for any purpose which causes injury to any neighboring property, or for any purpose in violation of laws or ordinances. **TENANT** shall make no use of the Premises which will constitute a nuisance;
- B. **TENANT** may not disturb, annoy, endanger, or interfere with occupants or operations or neighboring properties;
- C. In the event the Premises are used for any purpose which constitutes a nuisance, this Lease may be terminated by **COUNTY** immediately upon written notice unless **TENANT** shall abate such nuisance within five (5) **COUNTY** working days after **COUNTY** has served upon **TENANT** written notice requiring such abatement:
 - D. **TENANT** agrees to make reasonable efforts to prevent trespassers from entering the Premises.

21. SPECIAL COVENANTS AND AGREEMENTS:

- A. **COUNTY** and **COUNTY's** designated agents, employees, and contractors reserve the right to enter, and use the Premises at any time for purposes including but not limited to improving the utility or image of the Premises, placing owner and/or program identification signage, conducting soils test, surveying, environmental studies, appraisals, and to conduct such other developmental work as may be desired by **COUNTY**. Said right to enter and use the premises shall require reasonable notice of not less than twenty-four (24) hours from **COUNTY** to **TENANT**. **COUNTY**, in any event, shall be entitled to inspect the Premises at any time by giving **TENANT** not less than twenty-four (24) hours advance notice. In case of emergency or **TENANT's** abandonment or surrender of the Premises, **COUNTY** or its agent may enter the Premises at any time without securing **TENANT's** prior permission;
- B. **TENANT** shall not construct or demolish any structure or improvements on the Premises without prior written consent of **COUNTY**;

Upon the acceptance or the possession and occupancy of the Premises by **TENANT**, the same shall conclusively be deemed to be fit and proper for the purposes for which the same is hereby let and to be used;

- C. Upon termination of this Lease and the faithful performance of each and all of the covenants thereof, **TENANT** shall have the right to remove from the Premises any and all personal property owned by **TENANT** including rolling stock, such as feed trucks, backhoes, skip loaders, articulated front end loaders. Improvements, equipment and machinery replacements made by **TENANT** to the Premises during the Term of the Lease shall become the property of **COUNTY** without compensation to TENANT and shall not be removed by **TENANT** upon termination of this Lease. If **TENANT** does not remove its personal property within ninety-six (96) hours of said termination, then said property, at the option of **COUNTY**, shall become the property of **COUNTY** without compensation to **TENANT**. Any such personal property which **COUNTY** does not elect to become **COUNTY** property may be removed, stored and sold by **COUNTY** at **TENANT**'s expense. Upon termination of the Lease, **TENANT** shall return the Premises to COUNTY in as good working order, condition and repair as when received, ordinary wear and tear and damages noted on Exhibit "C", Existing Condition Acknowledgement excepted, and free of all of TENANT's personal property, trash and debris. Burns, stains, holes or tears of any size or kind in the carpeting, draperies, or wall, among other types of damage to the residence, do not constitute ordinary wear and tear;
- D. **TENANT** shall not make any alterations to the Premises without prior written consent of **COUNTY**.
- E. Right to Pre-Move-Out Inspection and Repairs. (i) **TENANT** has the right to request that an inspection of the Premises take place prior to expiration or earlier termination of the Lease. If **TENANT** requests such an inspection, **TENANT** shall be given an opportunity to remedy identified deficiencies prior to expiration or earlier termination of the Lease, consistent with the terms of this Lease. (ii) Any repairs made to the Premises as a result of this inspection (collectively, "Surrender Repairs") shall be made at TENANT's expense. Surrender Repairs may be performed by **TENANT** or through others, who have adequate insurance and licenses and are approved by COUNTY. The Surrender Repair work shall comply with applicable law, including governmental permit, inspection and approval requirements. Surrender Repairs shall be performed in a good, skillful manner with materials of quality and appearance comparable to existing materials to restore the Premises to as good as condition existing as of the commencement of the Term, excluding ordinary wear and tear and damages noted on Exhibit "C", Existing Condition Acknowledgement.. (iii) TENANT shall (a) obtain receipts for the Surrender Repairs performed by others; (b) prepare a written statement indicating the Surrender Repairs performed by TENANT and the date of such Surrender Repairs; and (c) provide copies of receipts and statements to COUNTY prior to the expiration or earlier termination. This paragraph 21.F. does not apply when the Lease is terminated pursuant to California Code of Civil Procedure § 1161(2), (3), or (4).
- F. If **TENANT** re-keys existing locks or opening devices at the Premises, **TENANT** shall immediately deliver copies of all keys to **COUNTY**. **TENANT** shall pay all costs and charges related to loss of any keys or opening devices. **TENANT** may not remove locks, even if installed by **TENANT**.
- G. <u>Statutory Disclosures: The following relate only to the residence on the Premises, and as used</u> below, references to premises or property in this subsection shall mean the residence at the Premises:
 - (1) LEAD-BASED PAINT (If checked): Premises were constructed prior to 1978. In accordance with federal law, COUNTY gives and TENANT acknowledges receipt of disclosures on the attached form ([lead-paint disclosure form i.e., C.A.R. Form FLD]) and a federally approved lead pamphlet.

- (2) PERIODIC PEST CONTROL (CHECK IF EITHER APPLIES):
 - (a) COUNTY has entered into a contract for periodic pest control treatment of the Premises and shall give TENANT a copy of the notice originally given to COUNTY by the pest control company.
 - **(b)** Premises is a house. TENANT is responsible for periodic pest control treatment.
- (3) **METHAMPHETAMINE CONTAMINATION:** Prior to signing this Lease, COUNTY has given TENANT a notice that a health official has issued an order prohibiting occupancy of the property because of methamphetamine contamination. A copy of the notice and order are attached.
- (4) **BED BUGS:** COUNTY has no knowledge of any infestation of the Premises by bed bugs. See attached Bed Bug Disclosure (C.A.R. Form BBD) for further information. TENANT shall report suspected bed bug infestation to COUNTY or, if applicable, property manager and cooperate with any inspection for and treatment of bed bugs.
- (5) MEGAN'S LAW DATABASE DISCLOSURE: Notice: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Website maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. (COUNTY is not required to check this website. If TENANT wants further information, TENANT should obtain information directly from this website.)
- (6) RESIDENTIAL ENVIRONMENTAL HAZARDS BOOKLET: TENANT acknowledges receipt of the residential environmental hazards booklet.
- (7) **MILITARY ORDNANCE DISCLOSURE:** Premises are located within one mile of an area once used for military training, and may contain potentially explosive munitions.
- (9) **TENANT PROTECTION ACT OF 2019 NOTICE**: This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by Section 856 of the Internal Revenue Code; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation.

22. COUNTY'S ENTRY ONTO PROPERTY:

A. **TENANT** shall make Premises available to **COUNTY** or **COUNTY**'s representative for the purpose of entering to determine if the Premises are in good condition and in compliance with the Lease, to make necessary or agreed repairs (including, but not limited to, installing, repairing, testing, and maintaining smoke detectors and carbon monoxide devices, and bracing, anchoring or strapping water heaters, or repairing dilapidation relating to the presence of mold); providing decorations, alterations, or improvements, or supplying necessary or agreed services; posting any notices required by law, posting for lease or for sale signs; or showing the Premises to prospective or actual purchasers, tenants, mortgagees, lenders, appraisers,

contractors and others (collectively, "Interested Persons"). **TENANT** agrees that **COUNTY** and Interested Persons may take photographs of the Premises.

- B. **COUNTY** and **TENANT** agree that 24-hour written notice shall be reasonable and sufficient notice, except as follows: (1) 48-hour written notice is required to conduct an inspection of the Premises prior to the **TENANT** moving out, unless the **TENANT** waives the right to such notice. (2) If **COUNTY** has in writing informed **TENANT** that the Premises are for sale, **TENANT** will be notified orally to show the Premises to actual or prospective purchasers. (3) No written notice is required if **COUNTY** and **TENANT** orally agree to an entry for agreed services or repairs if the date and time of entry are within one week of the oral agreement. (4) No notice is required: (i) to enter in case of an emergency; (ii) if the **TENANT** is present and consents at the time or entry; or (iii) if the **TENANT** has abandoned or surrendered the Premises.
- 23. **COMPLIANCE WITH LAWS: TENANT** shall faithfully observe and obey all laws, ordinances, rules, and regulations made by public authorities and the legislative bodies of the State of California, County of San Bernardino, the United States of America, or by any other governmental body having jurisdiction over the same. **TENANT** shall comply with all ordinances, laws, rules, regulations, now and hereafter made affecting their operations on the Premises.
- 24. <u>UTILITIES</u>: **TENANT** hereby covenants and agrees to promptly pay for all utilities and related taxes, including but not limited to electricity, gas, and water services, including city recycled water service, if any, to and upon the Premises. COUNTY shall be responsible for installing and maintaining one usable telephone jack and one telephone line to residence at the Premises.
- 25. **ASSIGNMENT AND SUBLETTING: TENANT** shall neither assign the Lease nor sublet all or any portion of the Premises nor hypothecate this Lease or any interest herein.
- 26. **JOINT & SEVERAL OBLIGATIONS; SUCCESSORS:** All obligations of each individual named as **TENANT** under this Lease are joint and several and may not be waived or apportioned except by written consent of the COUNTY. COUNTY may recover monies due or remedies available from any one or all individuals named as **TENANT** under this Lease at County's sole option. This Lease shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.
- 27. **RELOCATION ASSISTANCE:** Upon expiration or earlier termination of the Lease, **TENANT** shall not be entitled to any relocation assistance. Execution of this Lease is voluntary on the part of **TENANT** and termination by any provision of this Lease shall not be construed as a "taking" by **COUNTY**.
- 28. **PROHIBITED ACTIVITY:** No vehicle of any kind shall be parked on the lawn area of the Premises at any time. Inoperable vehicles shall not be stored on the Premises. Vehicle repair of any kind is not permitted anywhere on or within the Premises. **TENANT** is prohibited from storing, releasing, or disposing of hazardous substances in, on or about the Premises and **TENANT** shall be responsible for any damage to the Premises, including without limitation, any hazardous substances contamination and remediation.
- 29. **NON-WAIVER:** The failure or omission of **COUNTY** to terminate this Lease for any breach of the terms, covenants, or conditions shall not be deemed to be a consent by **COUNTY** to such or any subsequent breach or a waiver of any of the rights of **COUNTY** hereunder and shall in no manner thereafter stop or prevent **COUNTY** from terminating this Lease for any subsequent breach of any term, covenant, or condition hereof. Waiver by either party of a breach of any covenant of this Lease will not be construed to be a continuing waiver of any subsequent breach. **COUNTY's** receipt of lease fees does not waive its right to enforce any covenant of this Lease. No waiver by either party of a provision of this Lease will be considered to have been made unless expressed in writing and signed by all parties.
- 30. **BREACH OF COVENANTS AND CONDITIONS:** All provisions, whether covenants or conditions, on the part of either party, shall be deemed to be both covenants and conditions.

- A. Covenants and conditions are material and reasonable. The parties consider each and every term, condition, covenant, and provision of this Lease to be material and reasonable.
- B. Except where another time limit is specifically provided, **TENANT** shall be in default of this Lease if **TENANT** fails or refuses to perform any material provisions of this Lease and such failure or refusal to perform is not cured within ten (10) days following **TENANT**'s receipt of written notice of default from COUNTY. If the default is of a nature that it cannot reasonably be cured within ten (10) days, **TENANT** shall not be in default of this Lease if **TENANT** commences to cure the default within ten (10) days, and diligently and in good faith continues to cure the default to completion.
- C. In the event of a default of this Lease by **TENANT**, with or without further notice or demand, and without limiting COUNTY in the exercise of any right or remedy which COUNTY may have by reason of such default, COUNTY may:
 - (1) Exercise its rights set forth in Paragraph 4 for failure to timely pay Rent.
- (2) If **COUNTY** at any time, by reason of **TENANT's** default, pay any sum or does any action that requires the payment of any sum (including charges for **COUNTY's** employees and equipment), the sum paid by **COUNTY** shall be due from **TENANT** to **COUNTY** within five (5) days of notice of such sum, and if paid at a later date shall bear interest at the maximum rate the **COUNTY** is permitted by law to charge from the date the sum was paid by **COUNTY** until **COUNTY** is reimbursed to **TENANT**
- Terminate **TENANT**'s right to possession of the Premises by any lawful means, in which case this Lease and the Term hereof shall terminate and TENANT shall immediately surrender possession of the Premises to COUNTY. In such event COUNTY shall be entitled to recover from TENANT (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the TENANT proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the Term after the time of award exceeds the amount of such rental loss that the TENANT proves could be reasonably avoided; and (iv) any other amount necessary to compensate COUNTY for all the detriment proximately caused by the TENANT's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including, but not limited to, the cost of recovering possession of the Premises, expenses of re-letting, including necessary renovation and alteration of the Premises, and that portion of any leasing commission paid by **COUNTY** in connection with this Lease and applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). COUNTY's attempt to mitigate damages caused by TENANT's default of this Lease shall not waive COUNTY's right to recover damages under this Paragraph. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, COUNTY shall have the right to recover in such proceeding the unpaid rent and damages are recoverable therein, or **COUNTY** may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages.
- (4) Continue the Lease and **TENANT**'s right to possession in effect under California Civil Code Section 1951.4 after **TENANT**'s default and recover the rent as it becomes due, provided **TENANT** has the right to sublet or assign, subject only to reasonable limitations. COUNTY and **TENANT** agree that the limitations on assignment and subletting in this Lease are reasonable. COUNTY's maintenance of the Premises or efforts to re-let the Premises, or the appointment of a receiver to protect the COUNTY's interest under this Lease, shall not constitute a termination of the **TENANT**'s right to possession.

- (5) Pursue any other remedy now or hereafter available to COUNTY under the laws or judicial decisions of the State of California.
- 31. HOLDING OVER: In the event that the TENANT shall hold over and continue to occupy the Premises with the express written consent of the COUNTY, the tenancy shall be deemed to be a tenancy from month-to-month upon the same terms and conditions, as existed and prevailed at the time of the expiration, except that rent shall during the period of the holdover be increased to one hundred fifty percent (150%) of the monthly rent payable immediately prior to termination of this Lease. Either party shall have the right to terminate the Lease during a permitted holdover by providing not less than thirty (30) days prior written notice to the other party. If TENANT remains in possession of the Premises upon expiration or earlier termination of the Lease and does so without the express written consent of the COUNTY and after the COUNTY has requested TENANT vacate the Premises, COUNTY may recover damages permitted by law. Nothing contained in this Lease shall be construed as a waiving of any of COUNTY's rights under the laws of the State of California.
- 32. <u>MISREPRESENTATIONS:</u> If during the course of the administration of this Lease, the COUNTY determines that the **TENANT** has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, this Lease may be immediately terminated. If this Lease is terminated according to this provision, the COUNTY is entitled to pursue any available legal remedies.
- 33. **HEADINGS OR CAPTIONS:** The paragraph or captions in this Lease are for convenience only and shall not be construed in any way to affect the meaning of the clause or provision they identify.
- 34. **<u>DEFINITION</u>**: In this Lease, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.
- 35. **SEVERANCE:** If any provision of this Lease is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Lease and all such other provisions shall remain in full force and effect. It is the intention of the parties hereto that if any provision of this Lease is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- 36. NOTICES: Any notice, demand, request, consent, approval, or communication that either Party desires or is required to give to the other Party or any other person shall be in writing and either served personally, delivered by reputable overnight courier service, or sent by United States, postage prepaid, first-class mail, 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 address set forth below. Either Party may change its address by notifying the other Party of the change of address. Notice shall be deemed delivered and effective upon the earlier of: (i) actual receipt; or (ii) the date of delivery or refusal of the addressee to accept delivery if such notice is delivered by reputable overnight courier service or sent by postage pre-paid, United States first-class mail, certified or registered, return receipt requested. Any notices received after 5:00 pm local time shall be deemed received on the next business day.

COUNTY's address: San Bernardino County

Real Estate Services Department

385 North Arrowhead Avenue, Third Floor

San Bernardino, CA 92415-0180

TENANT's address: Peter H. Bouma,

Trustee of the Peter Bouma Community Property Trust

dated 5/29/2019

1500 S. Haven Avenue, Suite 200

Ontario, CA 91761

and: Dana Bouma,

Trustee of the Dana Bouma Community Property Trust

dated 5/29/2019

1500 S. Haven Avenue, Suite 200

Ontario, CA 91761

and: Sam DeKruyf,

Trustee of the DeKruyf Family Trust dated June 21, 1993

1500 S. Haven Avenue, Suite 200

Ontario, CA 91761

and: Dot DeKruyf,

Trustee of the DeKruyf Family Trust dated June 21, 1993

1500 S. Haven Avenue, Suite 200

Ontario, CA 91761

- 37. **TIME IS OF THE ESSENCE:** Except as otherwise specifically provided, time is of the essence of each provision of this Lease which specifies a time within which performance is to occur. In the absence of any specified time for performance, performance may be made within a reasonable time.
- 38. **ENTIRE AGREEMENT:** This Lease supersedes any and all other agreements, either oral or written, between the parties with respect to the subject matter herein. Each party to this Lease acknowledges that no representations by any party which are not embodied herein, and that no other agreement, statement, or promise not contained in this Lease shall be valid and binding. Any modification of this Lease will be effective only if it is in writing and signed by the parties.
- 39. **CONSENT:** Whenever consent or approval of either party is required, that party shall not unreasonably withhold such consent or approval unless otherwise specified in the relevant paragraph.
- 40. <u>COUNTY'S RIGHT OF EARLY TERMINATION:</u> The COUNTY, in its sole discretion, and when COUNTY determines it would be in its best interests, shall have the right to terminate this Lease at any time on or after the third anniversary of the Commencement Date of the Initial Term, including during any extended term and for any or no reason in accordance with this Paragraph 40. COUNTY shall give written notice to TENANT, pursuant to **Paragraph 36., NOTICES**, of any termination pursuant to this paragraph at least one hundred eighty (180) days prior to the date of termination. The Director of the Real Estate Services Department (RESD) shall have the right, on behalf of the COUNTY, to give notice of any termination pursuant to this paragraph. In the COUNTY terminates this Lease pursuant to this **Paragraph 40**, COUNTY shall have the right to receive from **TENANT** the rent pursuant to **Paragraph 4** which will have been earned under the Lease through the effective termination date.
- 41. **EXHIBITS:** All exhibits referred to are attached to this Lease and incorporated by reference.
- 42. **LAW:** This Lease shall be construed and interpreted in accordance with the laws of the State of California.
- 43. **ATTORNEY'S FEES AND COSTS:** If any legal action is instituted to enforce or declare any party's rights hereunder, each party, including the prevailing party, must bear its own costs and attorneys' fees. This paragraph shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a party hereto and payable under **Paragraph 11, INDEMNIFICATION.**
- 44. <u>VENUE:</u> The parties acknowledge and agree that this Lease was entered into and intended to be performed in San Bernardino County, California. The parties agree that the venue for any action or claim

brought by any party to this Lease will be the Superior Court of California, San Bernardino County. Each party hereby waives any law, statute (including but not limited to Code of Civil Procedure section 394) or rule of court which would allow them to request or demand a change of venue. If any action or claim concerning this Lease is brought by any third party, the parties hereto agree to use their best efforts to obtain a change of venue to the Superior Court of California, San Bernardino County.

- 45. **SURVIVAL:** The obligation of the parties, which by their nature continue beyond the term of this Lease, will survive the termination of this Lease.
- 46. **CONDEMNATION:** If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs.
- 47. FORMER COUNTY OFFICIALS: TENANT agrees to provide or has already provided information on former COUNTY administrative officials (as defined below) who are employed by or represent TENANT. The information provided includes a list of former COUNTY administrative officials who terminated COUNTY employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information should also include the employment and/or representative capacity and the dates these individuals began employment with or representation of TENANT. For purposes of this provision, "COUNTY administrative official" is defined as a member of the Board of Supervisors or such officer's staff, COUNTY Administrative Officer or member of such officer's staff, COUNTY department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit. (See Exhibit "D", List of Former County Officials.)
- 48. PUBLIC RECORDS DISCLOSURE: All information received by the COUNTY from any source concerning this Lease, including the Lease itself, may be treated by the COUNTY as public information subject to disclosure under the provisions of the California Public Records Act, Government Code section 6250 et seq. (the "Public Records Act"). TENANT understands that although all materials received by the COUNTY in connection with this Lease are intended for the exclusive use of the COUNTY, they are potentially subject to disclosure under the provisions of the Public Records Act. In the event a request for disclosure of any part or all of any information which a TENANT has reasonably requested COUNTY to hold in confidence is made to the COUNTY, the COUNTY shall notify the TENANT of the request and shall thereafter disclose the requested information unless the TENANT, within five (5) days of receiving notice of the disclosure request, requests nondisclosure, provides COUNTY a legally sound basis for the nondisclosure, and agrees to indemnify, defend, and hold the COUNTY harmless in any/all actions brought to require disclosure. TENANT waives any and all claims for damages, lost profits, or other injuries of any and all kinds in the event COUNTY fails to notify TENANT of any such disclosure request and/or releases any information concerning the contract received from the TENANT or any other source.
- 49. **INTERPRETATIONS:** As this Lease was jointly prepared by both parties, the language in all parts of this Lease shall be construed, in all cases, according to its fair meaning, and not for or against either party hereto.
- 50. **BROKER'S COMMISSIONS: TENANT** is solely responsible for the payment of any commissions to any broker who has negotiated or otherwise provided services in connection with this Lease.
- 51. <u>AMENDMENTS:</u> No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successor in interest, expressing by its terms an intention to modify this Lease.
- 52. <u>AMERICANS WITH DISABILITY ACT INSPECTION:</u> The Premises have not been inspected by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the Premises and determine whether the Premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the Premises, COUNTY may not prohibit the

TENANT from obtaining a CASp inspection of the Premises for the use or potential use of TENANT, if requested by TENANT. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Premises. Notwithstanding anything to the contrary in the foregoing, in the event TENANT requests that a CASp inspection be performed, the parties hereby acknowledge and agree that the cost of such inspection and any repairs necessary to correct such violations shall be at the sole cost and expense of TENANT.

THE REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

53. <u>AUTHORIZED SIGNATORS:</u> Both parties to this Lease represent that the signators executing this document are fully authorized to enter into this agreement.

| SAN BERNARDINO COUNTY | TENANT: Peter H. Bouma, Trustee of the Peter Bouma Community Property Trust dated 5/29/2019 |
|---|---|
| Ву: | By: |
| Curt Hagman, Chairman | |
| Board of Supervisors | Name: Peter H. Bouma, Trustee |
| Date: | Date: |
| SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIR OF THE BOARD | TENANT: Dana Bouma, Trustee of the Dana Bouma Community Property Trust dated 5/29/2019 |
| LYNNA MONELL, Clerk of the Board of Supervisors | Ву: |
| • | Name: Dana Bouma, Trustee |
| By: Deputy | Date: |
| · | |
| Date: | _ |
| | TENANT: Sam DeKruyf and Dot DeKruyf, Trustees of the DeKruyf Family Trust dated June 21, 1993 |
| | Ву: |
| Approved as to Legal Form: | Name - Com Dollmud Tweeton |
| MICHELLE D. BLAKEMORE, County Counsel | Name: Sam DeKruyf, Trustee |
| San Bernardino County, California | Date: |
| | Ву: |
| By: | Name - Dat Datkmint To 1 |
| Agnes Cheng, Deputy County Counsel | Name: Dot DeKruyf, Trustee |
| Date: | Date: |

EXHIBIT A

PREMISES - LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE STATE OF CALIFORNIA, COUNTY OF SAN BERNARDINO AND IS DESCRIBED AS FOLLOWS:

LOTS 5,6,11,21,22,27 AND 28, IN SECTION 20, TOWNSHIP 2 NORTH, RANGE 7 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE MAP OF SUBDIVISION OF RANCHO SANTA ANA DEL CHINO, AS PER PLAT RECORDED IN BOOK 6 OF MAPS, PAGE 15, RECORDS OF SAID COUNTY.

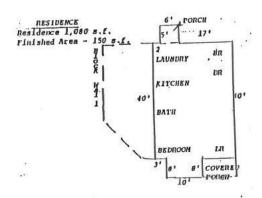
APN 1053-311-01, 1053-311-02, 1053-181-01, and 1053-131-02

EXHIBIT "B" Page 1 DESCRIPTION OF IMPROVEMENTS

Subject real property is improved as a dairy and includes substantial diary and one residential improvement. Nearly one-half of subject 39.26 acres of real property is utilized for diary improvements, including corrals, along with a residence and wells. The balance of the real property is utilized for waste water lagoons and pasture. Following is a description of the dairy, residential, and well improvements:

Residential Improvements

<u>Single Family Residence</u> –The approximately 1,080 square foot, two bedroom, one-bath home, with a loft room was completely rehabilitated in May 1995. All aluminum windows, new carpet throughout, new floor covering in bath and kitchen, new central heat and air conditioning, refinished kitchen cabinets, new kitchen drop panels, new shower door, new 30 gallon water heater, new 36" natural gas range and vent hood, new roof and fresh paint. The carpet has since been replaced in 2010. The north side yard area is enclosed with a block wall and redwood fence with a gate on the east side.



<u>Dairy Improvements:</u> (Dairy Milk Barn/ Milk House are excluded from Premises and **Use is not permitted** under this Lease except as to the electrical service equipment room, which use is permitted under this Lease)

Dairy Milk Barn: The dairy milk barn consists of a total area of 6,087 square feet excluding the canopy and breezeway. The milk barn is designed as a double 12 herringbone milk parlor. The wash pen measures 57' x 45', excluding the two 3' wide return alleys. There are eighty hooded Rainbird sprinklers in the wash area and nine Rainbirds on each return alley. Each side of the loading pen totals 260 square feet in size. A Germania crowd gate is powered by a three-year old motor, air lines and filter system. Entry to the wash is controlled by a three-year old Booster pump with an automatic timing device.

The milk house was measured at 1,000 square feet. Rooms include the office milk electrical equipment room, refrigerator, and compressor room, and bathroom. There is an eight foot wide breezeway between the milk barn and the milk house. The milk house is constructed of tilt up concrete construction and stucco wall covering on the exterior. The roof is covered with compositions asphalt shingles. The overall condition of the dairy barn is considered average to good. A feeder/auger system is located in the milk barn. The total canopy area is 1,200 square feet. Use of the dairy barn improvements, is expressly prohibited even though said improvements are not segregated from the Premises. Notwithstanding the above, use of the dairy barn equipment room is provided under the provisions of this Lease, which contains the electric utility service panels that power the well adjacent to the milk barn.

<u>Wells</u>: There are two wells serving the premises. The main well is a submersible pump on the north side of the milk barn and is discharged into a 1,200 gallon pressure tank. This well serves this dairy as well as the

EXHIBIT "B" Page 2

residential property on the north side of the dairy at 13839 Bon View Ave., which was the main diary residence, but is now leased as a residence under a separate lease. The "back up" well is located on the parcel at 13839 Bon View Ave. in a 9' x 9' pump house and is an irrigation well. With a 25 horsepower General Electric pump motor. The wells are in good operating condition.

<u>Commodity Barns</u>: The two commodity barns combine for a total size of 9,200 square feet. The barns consist of two and six bays and are each three-sided. The condition of the commodity barns is considered average to good.

<u>Steel Post Fencing</u>: There is approximately 9,150 lineal feet of mostly sucker rod fencing, primarily surrounding the corrals. A minority portion of the overall fencing is comprised of metal posts and steel cables. The fencing is considered to be in good condition.

<u>Additional Fencing</u>: Surrounding a portion of the exterior of the property and the pasture area is T-bar fencing. The T-bar fencing is comprised of metal posts and five o-strand barbed wire. The T-bar fencing total approximately 10,000 lineal feet and is rated in good condition.

<u>Cattle Shades</u>: Six Cattle Shades totaling 8,000 square feet are located as follows: one in the holding corral east of the was pen, one in the close-up corral, and one in the calf corrals. Three newer corrals are located in the main corrals.

<u>Fabric Shades</u>: Six corral shades constructed of steel posts and heavy shade cloth are located in the corrals. The three shades on the North side are in very good condition. The remaining three are in average condition.

<u>Hay Barns</u>: Three large hay barns are located in the north feed alley and are constructed of steel posts, wood roof framing, and corrugated roofing.

<u>Concrete</u>: The total concrete area was measured at 118,000 square feet, including feed alleys, corrals, milk barn apron, and residential drives, walk ways, etc. The concrete is considered in average condition and is generally of finished quality.

<u>Asphalt Pavement</u>: There is approximately 56,000 square feet of average condition asphalt pavement on the subject property.

<u>Water Troughs</u>: Thirteen (13) large troughs with float valves exist in the corrals. Six small concrete troughs with float valves exist in the calf corrals and pasture area. All water troughs are in good working condition.

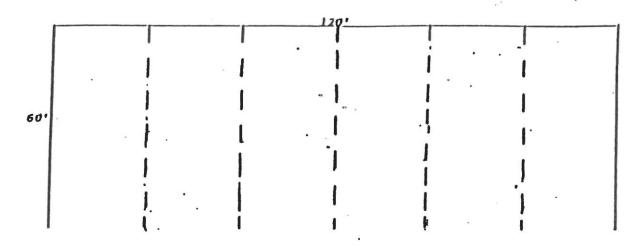
<u>Malt Pit</u>: There is a single 2,500 square foot concrete malt pit located next to the two-bay commodity barn. It is considered in average condition.

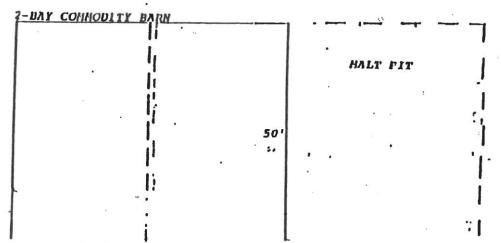
<u>Grain Tanks/Feeders</u>: One large grain tank with an auger system is locate on the north side of the milk barn and is in very good condition. A second grain storage tank is smaller and is located on the south side of the barn. The tank is on its side and not currently in use, but could be corrected and if anchored to a concrete slab is usable. The third grain tank is a self-feeder located in the northwest calf corral.

<u>Cattle Stanchions</u>: On the North side, 814 are self-locking and 124 are pull locking. In the close-up corral 48 stanchions are pull locking. On the South side 200 are self-locking and 200 are pull locking. The calf corrals have 207 pull locking stanchions for a total count of 1,593. In addition there are 251 Succor Rod holes in the calf corrals and pasture south of the residence. All stanchions are in average to good condition.

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6-BAY COMHODITY BARN





NOTICE: This is neither an architectural drawing nor an engineering survey. It is a sketch of reasonable accuracy, drawn from actual measurements made by the appraiser. It has been included for the express purpose of assisting the reader in visualizing the subject improvements.

Exhibit "C" Existing Condition Acknowledgement

The purpose of this Exhibit is for **TENANT** and **COUNTY** to document the condition of the Premises existing as of the commencement of the Term and identify any damage to the Premises, including any improvements and equipment located thereon existing as of such date, and for TENANT to acknowledge the improvements at the Premises listed in Exhibit "B". Within 30 days of the full execution of this Lease as evidenced by the date of execution of this Lease by the last party, any existing damage to the Premises, including any improvements and equipment thereon, shall be noted on this Exhibit and acknowledged by **TENANT** and **COUNTY**'s representative. Neither **COUNTY** nor **TENANT** shall be obligated to correct, repair, or replace any such damage noted herein, except as otherwise provided in the Lease. At the end of the lease term, the **TENANT** will not be obligated to repair or replace any damage noted herein in this Exhibit except to the extent TENANT has exacerbated such damage (ordinary wear and tear excluded).

Damage to the Premises, including any improvements and equipment thereon, observed by the parties are noted below:

| Acknowledgement: TENANT: | | |
|-----------------------------|-------|--|
| Ву: | Date: | |
| Ву: | Date: | |
| Ву: | | |
| County's Representative | | |
| By: | Date: | |

Exhibit "D" List of Former County Officials

INSTRUCTIONS: List the full name of the former COUNTY Administrative Official, the title/description of the Official's last position with the COUNTY, the date the Official terminated COUNTY employment, the Official's current employment and/or representative capacity with the TENANT, the date the Official entered TENANT's employment and/or representation.

OFFICIAL'S NAME: REQUIRED INFORMATION