

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease ("Second Amendment"), dated as of _____, 2019 ("Effective Date") is by and between **3600 Westwind, LLC**, a Delaware limited liability corporation, and successor-in-interest to **Woodbay, Ltd.**, a British Virgin Islands corporation ("Landlord"), and the **County Of Sonoma**, a political subdivision of the State of California ("Tenant"). Landlord and Tenant are sometimes collectively referred to herein as the "parties" and singularly as "party". All capitalized terms used herein shall, unless otherwise defined, have the meaning ascribed to those terms in the Lease (as defined below).

RECITALS

WHEREAS, Landlord and Tenant entered into that certain Lease dated June 22, 2004 ("Lease"), for premises located at 3600 Westwind Boulevard in the unincorporated area of Sonoma County, California ("Premises"); and

WHEREAS, on April 17, 2014, Tenant properly exercised its first option to extend the term of the Lease for five (5) additional years; and

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease ("First Amendment") dated June 20, 2014 in order to: (i) acknowledge Tenant's exercise of its option pursuant to Section 2.5 of the Lease; (ii) specify rental payments during the option terms; and (iii) provide for certain other terms and conditions as hereafter set forth.

WHEREAS, Landlord and Tenant desire to further amend the Lease and First Amendment in order to: (i) extend the current Lease Term an additional seven (7) years, with the current Lease expiration date of January 31, 2020 to be changed to January 31, 2027 ("Extended Lease Term"); (ii) readjusting Rent to \$44,926 per month (\$1.75 per rentable square foot/month) for the period of February 1, 2020 through January 31, 2021, which shall be increased annually by three percent (3%); and (iii) provide for certain tenant improvements listed in **Exhibit A** to be completed by Landlord at Landlord's expense prior to July 31, 2019, subject to the exceptions provided herein; and (iv) provide for other terms and conditions as hereafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. As of the Effective Date, the Lease is modified as follows:

A. Current Lease Term shall be extended an additional seven (7) years, with the Lease expiration date to be January 31, 2027.

B. Section 4.1 of the Lease is hereby deleted in its entirety and replaced with the following section:

"4.1 Tenant shall pay to the Landlord rent ("Rent") in advance on or before the first day of every calendar month during the Lease Term, without any setoff or deduction except as provided in Section 5.1 and Section 20.2. Payment shall be made at the address set forth in Section 19.4 or at any other place that Landlord may from time to time designate in writing. The Rent payable by Tenant for the time period from February 1, 2020 through January 31, 2027 shall be as follows:

- a. For the period of February 1, 2020 through January 31, 2021, the sum of Forty-Four Thousand Nine Hundred Twenty-Six (\$44,926.00) per month (\$1.75 psf/moth);
- b. For the period of February 1, 2021 through January 31, 2022, the sum of Forty-Six Thousand Two Hundred Seventy-Three and 78/100 Dollars (\$46,273.78) per month (\$1.80 psf/month);
- c. For the period of February 1, 2022 through January 31, 2023, the sum of Forty-Seven Thousand Six Hundred Sixty-One and 99/100 Dollars (\$47,661.99) per month (\$1.86 psf/month);
- d. For the period of February 1, 2023 through January 31, 2024, the sum of Forty-Nine Thousand Ninety-One and 85/100 Dollars (\$49,091.85) per month (\$1.91 psf/month);
- e. For the period of February 1, 2024 through January 31, 2025, the sum of Fifty Thousand Five Hundred Sixty-Four and 61/100 Dollars (\$50,564.61) per month (\$1.97 psf/month);
- f. For the period of February 1, 2025 through January 31, 2026, the sum of Fifty-Two Thousand Eighty-One and 55/100 Dollars (\$52,081.55) per month (\$2.03 psf/month);
- g. For the period of February 1, 2026 through January 31, 2027, the sum of Fifty-Three Thousand Six Hundred Forty-Three and 99/100 Dollars (\$53,643.99) per month (\$2.09 psf/month);"

C. Landlord will use commercially reasonable efforts, at its sole cost and expense, to complete the tenant improvements listed in the attached **Exhibit A**, "3600 Westwind Boulevard - Improvements/Modifications to Premises". Notwithstanding the foregoing, Landlord shall not be responsible for any delay in completion of the tenant improvements caused by any governmental authority conducting plan checks, inspections or issuance of permits; delays caused by contractor or its subcontractors; or any strikes, acts of God, labor or material shortages, war, civil disturbance or other events beyond Landlord's control ("Force Majure").

D. Prior to October 31, 2019, Landlord shall, at its sole cost and expense, and at its sole discretion, replace or recoat the roof, which work shall include a ten (10) year warranty. Notwithstanding the foregoing, Landlord shall not be responsible for any delay in completion of the tenant improvements caused by any governmental authority conducting plan checks, inspections or

issuance of permits; delays caused by contractor or its subcontractors; or events of Force Majeure.

E. As of the date of execution of this Amendment, Tenant shall have two (2) successive options to extend the Lease Term ("Extension Options") available, each for a period of five (5) years ("Option Term"). Terms and conditions to exercise each Extension Option will remain as stated in **Section 2.5.1 Conditions of Option** of the existing Lease.

F. Section 2.5.2 of the Lease is hereby deleted in its entirety and replaced with the following section:

"2.5.2 Option Rent. The Rent payable by Tenant at the commencement of each Option Term will be 95% of the Fair Market Rental Value of the Premises as of the commencement of the Option Term, but in no event less than the Rent being paid for the previous 12-month period. Fair Market Value shall be the rental rate, including all escalations, at which tenants lease comparable space in Sonoma County as of the commencement of the Option Term. If Tenant properly exercises its second Extension Option, Landlord shall, at its sole cost and expense and if requested by Tenant, repaint the Premises and install new carpeting throughout the Premises, including moving Tenant's furniture, during non-business hours."

2. Except to the extent the Lease is specifically amended or supplemented hereby, the Lease, together with exhibits is, and shall continue to be, in full force and effect as originally executed, and nothing contained herein shall, or shall be constructed to modify, invalidate or otherwise affect any provision of the Lease or any right of Tenant or Landlord arising thereunder.

3. This Second Amendment shall be governed by and construed under the internal laws of the State of California, and any action to enforce the terms of this Second Amendment or for the breach thereof shall be brought and tried in the County of Sonoma.

4. Tenant hereby acknowledges and certifies that as of the date hereof, Landlord has fully performed all of its obligations under the Lease and is not in default under any term or provision of the Lease. In addition, Tenant further acknowledges that no circumstances exist under which Landlord may be deemed in default, and Tenant has no defenses, set-offs, or counterclaims to the payment of rent or other amount due from Tenant to Landlord under the Lease.

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS FIRST AMENDMENT AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS SECOND AMENDMENT, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the Effective Date.

"LANDLORD":

3600 Westwind, LLC, a Delaware limited liability company and successor-in-interest to **Woodbay, Ltd.**, a British Virgin Islands corporation

By: 

Print Name: Adam Wilkinson

Title: Manager

"TENANT":

County of Sonoma, a political subdivision of the State of California

By: _____
Caroline Judy, Director
General Services Department

The General Services Director, or General Services Deputy Director, is authorized to execute this Lease, pursuant to the Board of Supervisors' Summary Action dated _____, 2019.

APPROVED AS TO FORM FOR TENANT:

Elizabeth Coleman
Deputy County Counsel

APPROVED AS TO CONTENT FOR TENANT:

Karen Fies, Director
Human Services Department

Marc McDonald, Real Estate Manager
General Services Department

CERTIFICATE OF INSURANCE ON FILE WITH DEPARTMENT:

Reviewed by: _____ Date: _____

Exhibit A

3600 Westwind Boulevard – Improvements/Modifications to Premises

Paint

Common areas: restrooms, break room, conference rooms, hallways, copy rooms

Accent wall in lobby

Accent wall in Amelia Conference Room (Room 125)

Accent wall in fiscal/reception

Carpet or tile

New carpet throughout the premises, 4" rubber base will be replaced where accessible and replace damaged VCT tiles

Install

Replace flush valves on existing toilets with auto flush valves

Auto faucets

Cement slab for new picnic table(s)

Cement slab for a bicycle rack