

THIRD AMENDMENT TO LEASE

This Third Amendment to Lease ("Third Amendment"), dated as of _____, 2021 ("Effective Date") is by and between **NORTH BAY REALTY HOLDINGS, LLC**, a California limited liability company, 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).

R E C I T A L S

WHEREAS, Landlord and Tenant entered into that certain Lease dated August 20, 2013 ("Original Lease") for premises located at 141 Stony Circle, Santa Rosa, California ("Premises"); and

WHEREAS, Landlord and Tenant entered into that certain First Amendment to Lease dated November 14, 2014 ("First Amendment"); and

WHEREAS, Landlord and Tenant entered into that certain Second Amendment to lease dated November 1, 2017 ("Second Amendment"); and

WHEREAS, by certified letter dated May 13, 2020, Tenant exercised its fourth option to extend the term for an additional year through October 6, 2021 ("May 2020 Option Notice"), and there are no remaining options to extend the term of the Lease; and

WHEREAS, by certified letter dated September 11, 2020 ("September 2020 Letter"), Tenant terminated its lease for Suites 110 and 120, comprised of 5,286 rentable square feet of the Premises ("Cancelled Premises") effective December 10, 2020; and Tenant continues to lease Suite 130, comprised of 1,747 rentable square feet ("Revised Premises"); and

WHEREAS, the Original Lease as modified by the First Amendment, Second Amendment, May 2020 Option Notice, and September 2020 Letter is hereafter referred to as the Lease; and

WHEREAS, Landlord and Tenant desire to amend the Lease in order to: (i) extend the Lease Term and provide for one, 1-year option to further extend the Lease term; (ii) lease Room 14, comprised of one hundred one (101) rentable sq. ft.; (iii) provide for additional work of improvement; (iv) specify rental payments; and (iv) provide for certain 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:

A G R E E M E N T

1. The foregoing Recitals are true and correct.
2. Effective as of the Effective Date of this Third Amendment, the Lease is modified as follows:

A. Section 1.1 of the Lease is hereby deleted in its entirety and replaced with the following section:

"1.1 Lease of Premises. Subject to Section 1.5 relating to Tenant's right to expand and contract the Premises, Landlord leases to Tenant and Tenant leases from Landlord those certain premises as depicted in **Exhibit A-4**, which includes Suite 130 comprised of one thousand seven hundred forty-seven (1,747) rentable sq. ft. and Room 14 comprised of one hundred and one (101) rentable sq. ft., for a total of one thousand eight hundred forty-eight (1,848) rentable sq. ft., hereinafter collectively referred to as the "Premises", which Premises are situated in that certain office building commonly known as 141 Stony Circle (the "Building"), located in the City of Santa Rosa, County of Sonoma, State of California. The Building, the areas servicing the Building, and the land on which the Building and those are located (as shown on the site plan attached to this Lease as **Exhibit B**) are sometimes collectively referred to as the "Real Property"."

C. The following section is hereby added to the Lease as Section 1.3.2:

"1.3.2 Work of Improvement. Landlord, at Landlord's sole cost and expense, shall remove the door knob from Suite 110/120 side and replace it with a door hole cover plate to secure Room 14, for Tenant's sole use. In the event that Tenant leases more than fifty percent (50%) of the Building, and Landlord contracts for the construction of any portion of these improvements, Landlord shall comply with the applicable provisions of California Labor Code Sections 1720.2 and 1770 et seq., regarding general prevailing wages."

D. Section 1.5 is hereby deleted, and replaced with the following section:

"1.5 Expansion of Office Space. Provided that Tenant is not in default under the Lease at the time, and subject to any renewal and extension rights of any existing tenants and subject to any other already existing rights of existing tenants, Landlord hereby grants Tenant the option to expand the Premises by including Suite 110 and/or Suite 120, comprised of one thousand eight hundred ninety-nine (1,899) and three thousand three hundred eighty-seven (3,387) rentable square feet, respectively, as depicted in **Exhibit A-5** (collectively the "Option Space") to the Premises. Landlord shall provide Tenant with written notice ("First Offer Notice") when Landlord determines that the Option Space(s) will be available for lease as long as no holder of a superior right desires to lease the space. If Tenant wishes to exercise its first right of offer with respect

to all or a portion of the Option Space, Tenant shall, within thirty (30) days after Landlord's delivery of the First Offer Notice, deliver notice to Landlord of Tenant's intention to exercise its first right of offer with respect to all or a portion of the Option Space. If Tenant does not exercise its first right of offer within the 30-day period specified above, it will be deemed that Tenant has waived its first right of offer to expand the Premises. Rent for the subject Option Space shall be equivalent to the base Rent in effect under this Lease for the Premises immediately prior to Tenant's exercise of its first right of offer. Upon Tenant's exercise of the option and occupancy of all or a portion of the Option Space, the Option Space or part of it shall be included within the Premises and leased to Tenant pursuant to the provisions of this Lease, including, without limitation, the provisions relating to the rights and obligations of the parties with respect to alterations. The rent payable under this Lease shall be increased by the amount of rent attributable to the Option Space or part of it that is leased by Tenant. The parties shall execute an amendment to this Lease stating the addition of all or a portion of the Option Space to the Premises. Landlord and Tenant acknowledge that execution of an amendment pursuant to this Section will require approval by the Board of Supervisors.

E. Section 2.1 of the Lease is hereby deleted in its entirety and replaced with the following section:

"2.1 Term. The term of this lease ("Lease Term") shall commence on October 7, 2013 ("Commencement Date"), and shall expire on October 6, 2022 ("Lease Expiration Date"), subject to any option, renewal or extension rights of Tenant as provided for in this Lease. Tenant is provided with one, 1-year option to extend the term through October 6, 2023."

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

"2.5.2 The monthly rent payable by Tenant shall be as follows:

a) For the period of October 7, 2020 through December 10, 2020, the sum of \$12,413.21 (\$1.76 per rentable sq. ft.);

b) For the period of December 11, 2020 through October 6, 2021, the sum of \$3,261.71 per (\$1.76 per rentable sq. ft.);

c) For the period of October 7, 2021 through October 6, 2022, the sum of \$3,359.56 (\$1.82 per rentable sq. ft.);

d) For the period of October 7, 2022 through October 6, 2023, the sum of \$3,460.35 (\$1.87 per rentable sq. ft.)."

G. **Exhibits A-4 and A-5** are hereby deemed attached to the Lease.

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 Third 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 Third Amendment or for the breach thereof shall be brought and tried in the County of Sonoma.

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

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

"LANDLORD":

NORTH BAY REALTY HOLDINGS, LLC, a
California limited liability company

By:_____

Print Name:_____

Title:_____

"TENANT":

COUNTY OF SONOMA, a political
subdivision of the State of California

By:_____

Caroline Judy, Director
General Services Department

The General Services Director is authorized to sign this Third Amendment pursuant to Board of Supervisors' Summary Action dated_____, 2021.

APPROVED AS TO FORM FOR TENANT:

Elizabeth Coleman
Deputy County Counsel

APPROVED AS TO CONTENT FOR TENANT:

Sheba Person-Whitley, Executive Director
Economic Development Board

Keith Lew, Deputy Director
General Services Department

CERTIFICATE OF INSURANCE
ON FILE WITH DEPARTMENT:

Reviewed by:_____Date:_____

EXHIBIT A-4

[Depiction of Premises]

EXHIBIT A-5

Depiction of Option Space