

SECOND AMENDMENT TO THE REAL PROPERTY AGREEMENT BETWEEN THE COUNTY OF SHASTA AND SHASTIQUE HOLDINGS, LLC

This Second Amendment is entered into between the County of Shasta ("County"), a political subdivision of the State of California, and SHASTIQUE HOLDINGS, LLC ("Lessor"), a California limited liability company; collectively referred to as "Parties" and individually as "Party"

RECITALS

WHEREAS, County and Lessor have previously entered into a lease agreement for a five-year (5) term with five options to extend for one-year which commenced on October 1, 2016 to lease real property at 1810 Market Street, Redding, California ("Original Agreement"); and

WHEREAS, County and SHASTIQUE HOLDING, LLC was amended on June 29, 2021 to extend the term of the agreement and options to extend the term, update monthly rent payments, add Section 21. COUNTERPARTS/ELECTRONIC, FACSIMILE, AND PDF SIGNATURES and incorporate Alterations Requested by County attached hereto and incorporated herein as Attachment "A" by ("First Amendment"); and

WHEREAS, the County and Consultant desire to amend the Agreement to revise Section 2 and Section 3 ("Second Amendment"); and

WHEREAS, the Original Agreement, First Amendment and the Second Amendment are collectively referred to as the "Agreement."

NOW, THEREFORE, the Agreement is amended as follows:

I. Section 2 is amended in its entirety to read as follows:

2.1 Initial Term. The premises are leased for an initial term commencing October 1, 2016, and ending September 30, 2021, or such earlier date as this lease may terminate as provided in this lease, except that if the termination date falls on a Sunday or a holiday, then this lease shall end at 12:00 o'clock noon on the business day next preceding that day.

2.2 Second Term. The premises are leased for the second term commencing on October 1, 2021, and ending September 30, 2026, or such earlier date as this lease falls on a Sunday or a holiday, then the Agreement shall end at 12:00 o'clock noon on the business day next preceding that day.

2.3 Options to Extend Second Term. At the expiration of the second term of this lease, if County is not in default, County shall have five options to extend the lease for five additional one-year periods on the same terms and conditions as the second term except as provided in section 3 of this lease. The exercise of any options shall be by written notice to Lessor 60 days prior to the end date of this lease or any option period. The written notice

to Lessor for this purpose may be signed by the County Executive Officer or his/her designee.

2.4 Holding Over. Any holding over shall be on a month-to-month tenancy at the then rental price, and all other provisions of this lease shall remain in full force and effect on a month-to-month tenancy unless and until either party gives 30 days written notice to the other, and County's tenancy shall terminate 30 days following the last day of the month in which such notice is given.

2.5 Fiscal Termination. County is a public entity. Lessor acknowledges and agrees that the obligation of County to pay rent under this lease is contingent upon the availability of County funds which are appropriated or allocated by County's Board of Supervisors for the payment of rent. Should the funding for the intended use of the premises cease, be materially decreased, or otherwise not available or not be appropriated or allocated by the Board of Supervisors during the term of this lease, County may terminate this lease by furnishing at least 30 days written notice of its intention to vacate. In no event shall Lessor be entitled to a remedy of acceleration of the total rent payments due over the term of this lease. The parties acknowledge and agree that the power to terminate described in this section is required by Article 16, section 18 of the California Constitution, and that that constitutional provision supersedes any law, rule, regulation or statute which conflicts with the provisions of this subsection.

2.6 Termination Due to Contamination. Notwithstanding any other provision of this lease, County shall have the right to terminate this lease should problems with asbestos, lead, mold, fungus, or other contamination arise which would cause County to expend funds to eliminate the problems in order to continue its tenancy. County shall have no liability for any repairs occasioned by asbestos, lead, mold fungus, or other contamination problems, and has the option to terminate this lease should County reasonably determine that any such problem exists.

II. Section 3 is amended in its entirety to read as follows:

3.1 Rent, Initial Term.

The monthly rent to be paid by County for the initial term and any extensions of this lease shall be as follows:

October 1, 2016 through September 30, 2017	\$7,483.51
October 1, 2017 through September 30, 2018	\$7,708.02
October 1, 2018 through September 30, 2019	\$7,939.26
October 1, 2019 through September 30, 2020	\$8,177.44
October 1, 2020 through September 30, 2021	\$8,422.76

3.2 Rent, Second Term.

(a) The monthly rent to be paid by County for the initial term and any extensions of the Agreement shall be as follows:

October 1, 2021 through October 31, 2021	\$0.00
November 1, 2021 through November 30, 2021	\$0.00
December 1, 2021 through December 31, 2021	\$1,004.27
January 1, 2022 through September 30, 2022	\$8,668.09
October 1, 2022 through September 30, 2023	\$8,920.59
October 1, 2023 through September 30, 2024	\$9,180.45
October 1, 2024 through September 30, 2025	\$9,448.15
October 1, 2025 through September 30, 2026	\$9,723.66

(b) Optional Year One Extension if Exercised by County: County shall pay the monthly rent of \$9,723.66 plus an increase or decrease pursuant to the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose (adjustment) for year ending June 2026, not to exceed three percent.

(c) Optional Year Two Extension if Exercised by County: County shall pay the monthly rent provided for in subsection 3.1(b) plus an adjustment equal to the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose for year ending June 2027, not to exceed three percent.

(d) Optional Year Three Extension if Exercised by County: County shall pay the monthly rent provided for in subsection 3.1(c) plus an adjustment equal to the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose for year ending June 2028, not to exceed three percent.

(e) Optional Year Four Extension if Exercised by County: County shall pay the monthly rent provided for in subsection 3.1(d) plus an adjustment equal to the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose for year ending June 2028, not to exceed three percent.

(f) Optional Year Five Extension if Exercised by County: County shall pay the monthly rent provided for in subsection 3.1(e) plus an adjustment equal to the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI) for All Urban Consumers for San Francisco-Oakland-San Jose for year ending June 2030, not to exceed three percent.

(g) Rent shall be paid in advance on the first County business day of each month of the term and any extensions of the Agreement. For purposes of the Agreement, rent shall be considered paid if: (1) deposited in the United States mail, postage prepaid, and addressed to the Lessor at the address specified for notices in the Agreement on the first County business day of the month; or (2) executing a transfer of the rent via automated clearing house ("ACH") on the first County business day of the month in accordance with the provisions of a validly executed ACH Direct Deposit Authorization form that has been delivered to County's Auditor-Controller.

3.3 **Prorated Rent.** If the term begins (or ends) on other than the first (or last) day of the calendar month, the rent payment for the partial month shall be prorated on a per diem basis based upon the number of days of occupancy during the month.

VI. **REAFFIRMATION**

In all other respects, the Agreement, as amended, and any attachments, remains in full force and effect.

VII. **ENTIRE AGREEMENT**

The Agreement, as amended, and any attachments, constitute the entire understanding between County and Lessor.

VIII. **EFFECTIVE DATE**

Unless otherwise provided, this Second Amendment shall be deemed effective as of the last date it is signed by both Parties.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment to the Original Agreement. By their signatures below, each signatory represents that he/she has the authority to execute this Second Amendment and to bind the Party on whose behalf his/her execution is made.

COUNTY OF SHASTA

Date: _____

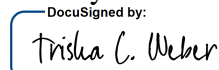
LEONARD MOTY, CHAIR
Board of Supervisors
County of Shasta
State of California

ATTEST:

MATTHEW P. PONTES
Clerk of the Board of Supervisors


By: _____
Deputy

Approved as to form:
RUBIN E. CRUSE, JR
County Counsel

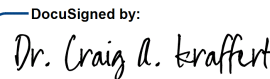
DocuSigned by:

875BDB3E230D42B
By: Trisha C. Weber 01/07/2022 | 12:56 PM PST
Deputy County Counsel III

Date: 01/07/2022 | 1:26 PM PST

RISK MANAGEMENT APPROVAL

DocuSigned by:

By: 0DBC25FD751A456...
James Johnson 01/07/2022 | 12:41 PM PST
Risk Management Analyst III

CONSULTANT

DocuSigned by:

By: D974F984299F489...
Dr. Craig A. Kraffert, M.D., Manager
Shastique Holdings, LLC

Tax I.D.#: On-File