

AMENDMENT NO. 3 TO THE COMMERCIAL LEASE AGREEMENT BETWEEN 9 MILLER  
COURT PROPERTIES AND THE COUNTY OF NEVADA

This Amendment is executed on this 23<sup>th</sup> day of July 2019 by and between 9 Miller Court LLC and Brighton Greens Ventures LLC dba 9 Miller Court Properties (herein "Landlord" or "Lessor") and the County of Nevada, a political subdivision of the State of California (herein "Lessee"). Said Amendment will amend the prior agreement between the parties entitled Lease Agreement made and entered into December 2, 2014.

WHEREAS, the parties wish to amend the Lease to acknowledge the simplification of the payment of Taxes, Insurance and Common Area Maintenance Expenses, commonly and collectively referred to as Triple Nets ("NNN's"); and

WHEREAS, Lessor will bill Lessee the estimated pro rata shares and Lessee will pay Lessor their estimated pro rata shares, in accordance with the new methods and definitions in Sections 4.2.1 and 4.2.2, below.

WHEREAS, this Amendment shall be effective with no lapse in the existing lease.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment is effective as of July 1, 2019
2. Section 4.2(d) of the Lease Agreement shall be struck entirely and replaced as follows:
  - d. Lessee's Share of common Area Operating Expenses is payable per Addendum 4.2.2
3. Section 4.2.1 and 4.2.2 of the Addendum to Standard Industrial/Commercial Multi-Tenant Lease shall be struck entirely and replaced as follows:

**SECTION 4.2.1 Common Area Operating Expenses, Taxes and Insurance ("NNN's"):** For purposes of calculating Lessee's payment of NNN's a standard Calendar Year will be used. Lessee shall pay its share Pro Rata of all NNN's in accordance with paragraphs 1.6 and 4.2 of The Lease.

**SECTION 4.2.2 Payment of NNN's.** Beginning with once on July 1, 2019, and then annually, each January thereafter, but in no event later than February 28th, Landlord shall notify Tenant in writing of the estimated NNN's for the forthcoming calendar year including a calculation of Tenant's Pro Rata Share, divided into twelve (12) equal monthly installments. Tenant shall pay monthly, along with any Base Rent that may be due, Tenant's Pro Rata Share of all NNN's as estimated by Landlord.

- (a) **Year End Reconciliation:** Within ninety (90) days following the end of each calendar year, Landlord shall furnish Tenant with a statement in reasonable detail (the "Reconciliation" or "Recon"), certified as correct by a Certified Public Accountant or an officer of Landlord, showing the total actual NNN's cost for the calendar year just expired, the amount of Tenant's Pro Rata Share of such NNN's and payments made by Tenant to date on account thereof. If Tenant's share of such Common Area Costs for such calendar year exceeds Tenant's payments as shown on such statement, then Tenant shall within thirty (30) days' pay the difference to Landlord. If the statement indicates an overpayment by Tenant, then Tenant shall be entitled to offset such excess against the next payments becoming due under this Paragraph or any other payment under this Lease.
- (b) **Audit Rights:** The NNN's shall be subject to audit by Tenant, and Landlord shall use its best effort to minimize such costs of operation and maintenance in a manner consistent with good shopping center practices. Tenant shall have the right to audit such records once per year, at any point during the Lease Term and for any previous lease period within one (1) year of the current

lease period. Landlord shall cooperate with Tenant in providing Tenant reasonable access to its books and records during normal business hours for this purpose. If the reasonable results of the audit show an overcharge to Tenant, then Landlord shall credit or refund to Tenant any overcharge of such items as discovered by the audit within thirty (30) days of completion of such audit. In the event such audit discloses an undercharge of such items as billed to Tenant, Tenant shall pay Landlord the amount of such undercharge within thirty (30) days of completion of such audit. Notwithstanding the foregoing, Landlord shall have the right to have a 3rd party Certified Public Accountant, of its own choosing, verify or contradict the results of such audit.

(c) Effective as of the Commencement Date, Lessor shall use its best efforts to provide Lessee with 120 days written notice of any significant additional Common Area Operating Expenses, except in the case of an emergency.

4. That in all other respects the prior agreement of the parties as previously amended shall remain in full force and effect except as amended herein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of this day and year first above written.

**Landlord**

9 Miller Court LLC and Brighton Greens Ventures LLC  
dba 9 Miller Court Properties

By: \_\_\_\_\_

Name: Marilyn M. Scholl

Its: Managing Partner

Date: \_\_\_\_\_

**Tenant**

County of Nevada

By: \_\_\_\_\_

Honorable Richard Anderson, Chair of the Board of Supervisors

Date: \_\_\_\_\_