

SECOND AMENDMENT TO LEASE

This Second Amendment to the Lease entered on January 14, 2003 by and between Kramer Properties, Inc., a California Corporation, hereinafter called KRAMER, and A&K Investments, LLC, an Alaska limited liability company, and the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called LESSEE, is entered into this 16 day of October, 2018.

WHEREAS, on January 14, 2003, KRAMER and LESSEE entered into a Lease (LEASE) for the use of the premises at 507 F Street, Eureka, for the purpose of Department of Health and Human Services, Administration offices; and

WHEREAS, on November 18, 2003, A&K Investments, LLC (hereinafter called LESSOR), KRAMER, and LESSEE entered into an Assignment and First Amendment (FIRST AMENDMENT) for the purpose of assigning the lease from KRAMER to LESSOR with the LESSEE'S approval, and to change the rentable square footage of the Lease Premises with a reduction of rent.

WHEREAS, on May 21, 2013, the Humboldt County Board of Supervisors approved exercising the first option to extend the LEASE for the term beginning on October 1, 2013 and ending on September 30, 2018.

WHEREAS, LESSEE desires to exercise the Second and Final Option to extend the LEASE for the term beginning on October 1, 2018 and ending on September 30, 2023, which will require an Amendment (SECOND AMENDMENT) to specify rent calculations.

NOW, THEREFORE, it is mutually agreed as follows:

AMENDMENT TO LEASE

1. Paragraph 2.5.2.2 of the LEASE is amended to read as follows:

2.5.5.2 Second Option Term. Commencing on the first day of Second Option Term and continuing each year thereafter of the Second Option Term, annual rent shall be adjusted by the percentage increase in the revised Consumer Price Index for all items (1967=100) U.S. City Average, West Cities Size B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the Index" in this SECOND AMENDMENT) for the prior calendar year. In calculating his percentage increase, the most current Index immediately preceding the date of annual adjustment during the extended term shall be used. In the event the Index is either unavailable, is no longer published, or is calculated on a significantly different basis following the date of this Second Amendment, the most comprehensive official Index published which most closely approximates the rate of inflation shall be substituted in place of the Index. July 2018 shall be the base month for this adjustment. On adjustment of the rent in accordance with this paragraph, LESSOR shall execute a letter stating the adjustment. In no event shall the rent be less than Forty Four Thousand Nine Hundred Eighty Six Dollars (\$44,986.00) per month. Regardless of the CPI percentage change, the increase or decrease for any one year will be no more than three percent (3%).

2. In all other respects the LEASE and FIRST AMENDMENT shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this SECOND AMENDMENT to the LEASE on the date indicated above.

(SEAL)

ATTEST:

CLERK OF THE BOARD

By



Ryan Sharp, Deputy

COUNTY OF HUMBOLDT

By




Chair, Board of Supervisors
County of Humboldt
State of California

LESSOR

A & K INVESTMENTS, LLC.

By:



Title:

GENERAL MANAGER

By:



Title:

CONTROLLER