

## First Amendment to Lease

Health Services Department –  
Women, Infants, and Children Program  
2731 Systron Drive, Suite 200  
Concord, California

This first amendment is dated January 1, 2023, and is between SYSTRON BUSINESS CENTER, LLC, a California limited liability company (the “**Lessor**”) and the COUNTY OF CONTRA COSTA, a political subdivision of the State of California (the “**County**”).

### Recitals

- A. Lessor is the owner of real property located in Concord, California that has been improved with three adjoining buildings located at 2727 Systron Drive, 2729 Systron Drive, and 2731 Systron Drive (together, the buildings are the “**Complex**”).
- B. Lessor and the County are parties to two separate leases, both dated August 9, 2022. Under each of the two leases, Lessor is leasing to the County a portion of the building located at 2731 Systron (the “**Building**”). Under one lease, the County is leasing a portion of the Building known as Suite 200 (“**Lease 200**”). Under the other lease, the County is leasing a portion of the Building known as Suite 250 (“**Lease 250**”).
- C. At the time the parties entered into Lease 200 and Lease 250, they shared a good faith belief that (i) the Complex consisted of approximately 94,322 square feet of space, and (ii) Suite 200 consisted of approximately 8,741 square feet of space. During the construction of planned tenant improvements, the parties discovered that (i) portions of the Building thought to be subject to Lease 200 and/or Lease 250, specifically “Tech Room 116B,” “Elec Closet 142,” “Electrical 122,” and a portion of the “Lobby,” each as shown on the attached floorplan labeled Modified Exhibit A (together, the “**Excluded Space**”), are used for purposes that result in those spaces not being available for exclusive use by the County, and (ii) the Complex actually consists of approximately 91,179 square feet.
- D. Because the size of the Complex and the size of Suite 200 affect the calculation of the Proportionate Share and the County’s share of the Operating Expenses under Lease 200, the parties desire to correct Lease 200 accordingly. In addition, the parties desire to make it clear that “Tech Room 116B,” “Elec Closet 142,” and “Electrical 122,” are only accessible by Lessor by appointment during normal business hours.

The parties therefore amend Lease 200 as follows:

## Agreement

1. Defined terms used but not defined in this first amendment have the meanings ascribed to them in Lease 200.
2. The Complex is comprised of approximately 91,179 square feet of space.
3. The Building consists of approximately 31,806 square feet of space, which is 34.88% of the total square footage of the Complex.
4. The definitions of Suite 200 and the Premises are changed to read as follows: Under this lease, the County is leasing a portion of the Building that is comprised of approximately 8,688 square feet of space (“**Suite 200**,” or the “**Premises**”).
5. The Premises comprises 9.53% of the total square footage of the Complex and, therefore, the County’s Proportionate Share of the Complex is 9.53%.
6. Section 3., Rent, is deleted in its entirety and replaced with the following:

3. Rent. County shall pay rent to Lessor monthly in advance beginning on the Commencement Date. Rent is payable on the first day of each month during the Initial Term and, if applicable, the Renewal Term in the amounts set forth below:

- a. Initial Term.

<u>Months</u>	<u>Monthly Rent</u>
1-12	\$20,851.20
13-24	\$21,476.74
25-36	\$22,121.04
37-48	\$22,784.67
49-60	\$23,468.21
61-72	\$24,172.26
73-84	\$24,897.42
85-96	\$25,644.35
97-108	\$26,413.68
109-120	\$27,206.09

- b. Renewal Term. Rent during the Renewal Term will be at the then-fair market rental value of the Premises. The fair market rental value of the Premises will be established by the mutual agreement of the parties. The parties shall use good faith efforts to establish the fair market value of the rent for the Renewal Term not less than twenty months prior to the commencement of the Renewal Period. If the parties fail to agree on the fair market rental value of the Premises by the date that is eighteen months prior to the commencement of the Renewal Period, the

parties will engage a real estate appraiser with knowledge of the commercial real estate market in the area to determine the fair market value of the Premises. The parties shall each bear one-half the cost of the appraiser.

- c. Rent for any fractional month will be prorated and computed on a daily basis with each day's rent equal to one-thirtieth of the monthly Rent.

- 7. Section 16., Inspection, is deleted in its entirety and replaced with the following:

16. Inspection; Access. Lessor, or its proper representative or contractor, may enter the Premises by prior appointment between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted, to (i) determine that the Premises is being reasonably cared for, that no waste is being made, that all actions affecting the Premises are done in the manner best calculated to preserve the Premises, and that the County is in compliance with the terms and conditions of this lease, and (ii) gain access to the "Tech Room 116B," "Elec Closet 142," and "Electrical 122," as shown on Modified Exhibit A.

- 8. Section 29., Real Estate Commission, is deleted in its entirety and replaced with the following:

29. Real Estate Commission. In negotiating this lease, Lessor is represented by Newmark Knight Frank, and the County represents itself. Lessor shall pay a real estate commission to Newmark Knight Frank pursuant to a separate written agreement. Lessor recognizes and acknowledges that the County is entitled to a real estate commission when it represents itself. The County warrants to Lessor that County's contact with Lessor in connection with this lease has been directly with Newmark Knight Frank.

Lessor shall pay to the County a real estate commission of 2.5% of the amount of the first five years of the Initial Term (\$33,210.56), and 1.25% of the amount of the second five years of the Initial Term (\$19,250.07), for a total commission amount of \$52,460.62 (the "**County Commission**"). At execution of the lease, Lessor paid one-half of the County Commission of \$52,780.65 calculated in the original lease, or \$26,390.33. The remainder of the County Commission, \$26,070.29, is due on the Commencement Date.

Lessor warrants that no other broker or finder, other than Newmark Knight Frank and the County, can properly claim a right to a leasing commission or a finder's fee based upon contacts with the County with respect to the Building. Lessor and County shall indemnify, defend, protect, and hold each other harmless from and against any loss, cost, or expense, including, but not limited to, attorneys' fees and costs, or the

payment of a real estate commission to any party, other than Newmark Knight Frank and County, resulting from any claim for a fee or commission by any broker or finder, in connection with the Building and this lease.

9. All other terms of the lease remain unchanged.

The parties are executing this first amendment as of the date set forth in the introductory paragraph.

COUNTY OF CONTRA COSTA, a  
LLC, a political subdivision of the  
State of California

SYSTRON BUSINESS CENTER,  
California limited liability company

By: \_\_\_\_\_  
Brian M. Balbas  
Director of Public Works

By: \_\_\_\_\_  
Jeff Wilcox  
Managing Director

RECOMMENDED FOR APPROVAL:

By: \_\_\_\_\_  
Jessica L. Dillingham  
Principal Real Property Agent

By: \_\_\_\_\_  
Margaret J. Eychner  
Senior Real Property Agent

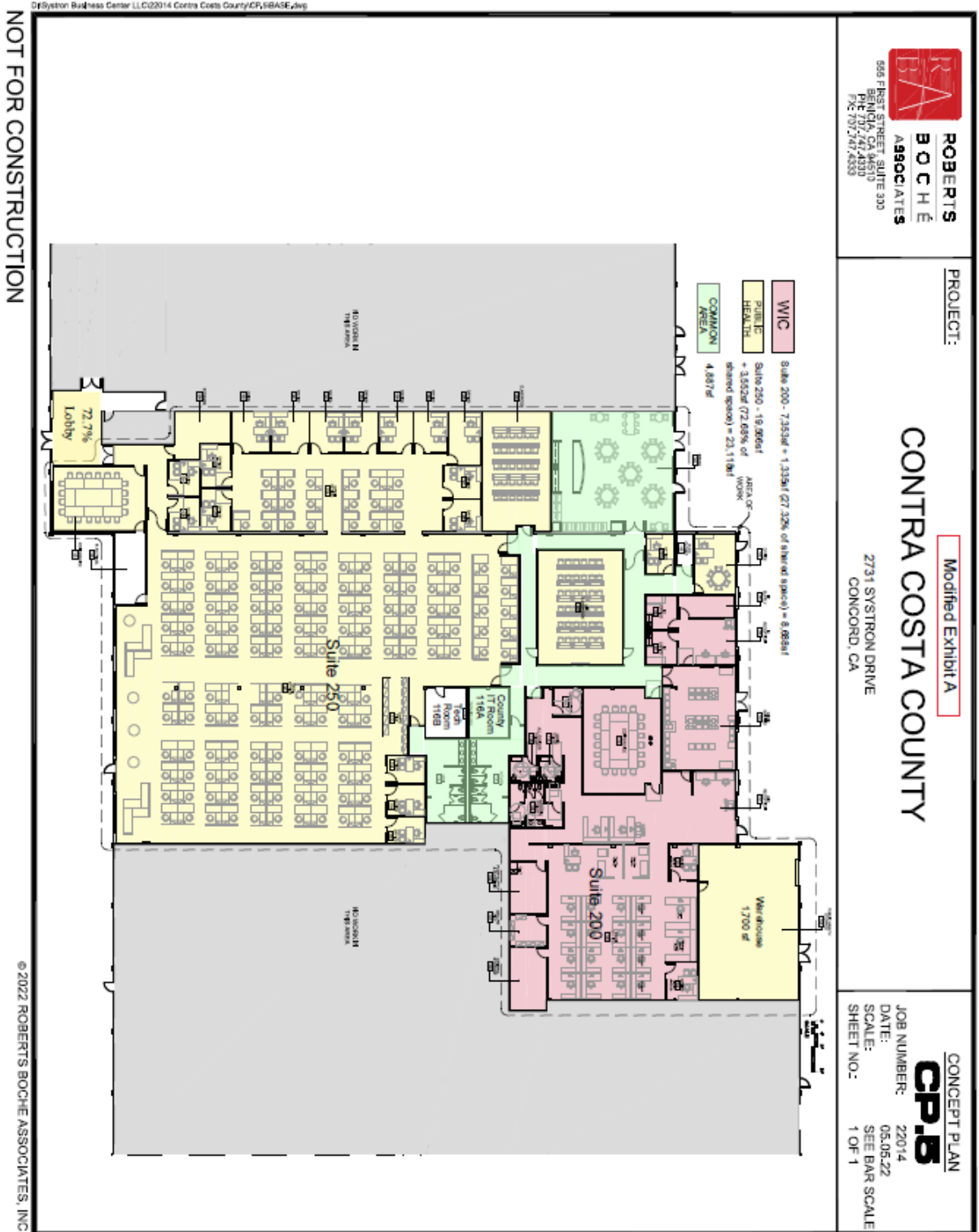
APPROVED AS TO FORM  
THOMAS L. GEIGER, CHIEF ASSISTANT  
COUNTY COUNSEL

By: \_\_\_\_\_  
Kathleen M. Andrus  
Deputy County Counsel

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**Modified Exhibit A**



NOT FOR CONSTRUCTION