

THIRD AMENDMENT TO LEASE AGREEMENT

PARTIES: The Town of Mammoth Lakes (“Lessee”) and Minaret Village Shopping Center, LLC (“Lessor”) (collectively, the “Parties”) hereby enter into this Third Amendment (“Third Amendment”) to the Standard Form Shopping Center Lease between the Parties dated September 14, 2001 (“Lease”) as set forth below. This Third Amendment shall be effective as of October 1, 2022 (the “Effective Date”).

TERM: The Lease, as it has previously been amended by the “Lease Renewal Amendment” dated September 3, 2009, and the “Second Lease Amendment” dated April 1, 2019, is hereby amended to extend the term through September 30, 2025.

OPTION TO EXTEND: Lessee shall have two options to extend the Lease for a period of one year. The first option, ending not later than September 30, 2026. Lessee shall provide notice to Lessor of its exercise of such option not later than December 31, 2024. The second option, ending no later than September 30, 2027. Lessee shall provide notice to Lessor of its exercise of such option not later than December 31, 2025. If Lessee fails to provide such notice, Lessee shall be deemed to have declined its option.

PAYMENTS: Effective on October 1, 2022, and continuing through December 31, 2022, Lessee shall pay monthly rent of \$27,246.80, consisting of \$1.40 per square foot occupied by Lessee. The current square footage is described in Exhibit A, attached hereto and incorporated herein by reference. Rent shall thereafter increase annually as set forth in Section 4.2 of the Lease. In addition to the foregoing rent, Lessee shall pay initial Common Area Maintenance (CAM) charges of \$10,120.24 per month which is based on \$.52 per sf of leased space. As leased space is reduced as set forth herein, actual charges for CAM costs shall reflect the reduced sf of occupancy and therefore the amount of total CAM paid by Lessee will be reduced accordingly. Lessor shall provide Lessee with an annual reconciliation of actual CAM costs and any additional funds, or rebates due from or to Lessee.

Effective January 1, 2023, Lessee shall vacate the space known as Suite 288, thereby reducing the square footage occupied by Lessee by 2,030 sf to 17,432 sf and monthly rent shall be adjusted to \$24,405.43. Lessee shall have the option to vacate the space known as Suite 270 effective at any time between June 30, 2023 and December 31, 2023, provided that Lessee shall first provide not less than 90 days’ written notice to Lessor of Lessee’s intent to vacate the space and the effective date of the vacation. If Lessee exercises its option to vacate Suite 270, the leased space occupied by Lessee will be reduced by 2,299 sf to 15,133 sf and monthly rent shall be adjusted to \$21,186.20.

TENANT IMPROVEMENTS: Lessee may, in its discretion, undertake repairs and/or improvements to the Leased Premises, provided that no such repairs or improvements harm or diminish the structural integrity of the Leased Premises or the Property, and that all such repairs and improvements shall comply with applicable building codes. Lessee shall receive a credit against its rent obligations for the entire cost of improvements (but not normal repairs) which extend the useful life of the Leased Premises or improve the condition of the Leased Premises or the Property, including without limitation replacement of carpet, painting, replacement of exterior or interior windows, odor mitigation, and installation of energy-efficient lighting systems. Lessee shall provide Lessor with an itemized statement reflecting the costs of any such improvement, and Lessor shall apply such costs as a credit against Lessee’s Rent obligations divided evenly over the following 12 months. The maximum aggregate amount of any credits provided to Lessee hereunder shall not exceed \$10,000.

INCORPORATION OF THIRD AMENDMENT. From and after the Effective Date of this Third Amendment, wherever the term “Lease” appears in the Lease, it shall be read and understood to mean the Agreement as amended by this Third Amendment, as well as the previous Lease Renewal Amendment, the Second Lease Amendment, and Third Lease Amendment. Except as modified by this Third Amendment and the previous amendments, the Lease remains binding on the Parties according to its terms.

COUNTERPARTS. This Third Amendment may be executed in counterparts, each of which shall constitute an original and all of which together shall constitute one fully executed Third Amendment.

IN WITNESS WHEREOF, the said Parties hereto have caused this Third Amendment to be executed on the Effective Date.

LESSEE (TOWN OF MAMMOTH LAKES)

**LESSOR
(MINARET VILLAGE SHOPPING CENTER,
LLC)**

By: _____
Dan Holler
Town Manager

By: _____

Attest: _____
Jamie Gray
Town Clerk

Exhibit A
Units Included in the Lease Agreement

Suite Information	Unit SF	Hallway SF add	Total SF
1 Suite 230 - Town of Mammoth Lakes Main Offices	9,094	959	10,053
2 Suite 250 - The Parcel Meeting Room	346	36	382
3 Suite 270 - Town Parks & Recreation Department Town removing this Suite 6/30/2023 - Tenant shall have the right to vacate space between 6/30/2023 and 12/31/2023 upon no less than 90 days advance written notice to landlord	2,080	219	2,299
4 Suite 288 - Town Emergency Operations Center Town removing this Suite 12/31/2022 - Accepted by Management	1,836	194	2,030
5 Suite 292 - Town Council Chambers	4,250	448	4,698
	17,606	1,856	19,462

Square Footage of Lease Space

Leased Space from 10/1/2022 - 12/31/2022	19,462	
Removal of Suite 288 as of 12/31/2022	(2,030)	-10.4%
Leased Space from 1/1/2023 - 6/30/2023	17,432	
Removal of Suite 270 as of 6/30/2023 - If option exercised	(2,299)	-11.8%
Leased Space from 7/1/2023 - 9/30/2025 - If option exercised	15,133	