TERMINATION OF COMMERCIAL LEASE AGREEMENT – FULL SERVICE GROSS MISSION SQUARE OFFICE BUILDING

DAVID D. L. HORTON, ESQ. AND ASSOCIATES, APC

THIS TERMINATION OF COMMERCIAL LEASE AGREEMENT – FULL SERVICE GROSS ("Agreement") is entered into this ____ day of ______, 2024, by and between THE CITY OF RIVERSIDE, a California charter city and municipal corporation ("Landlord") and DAVID D. L. HORTON, ESQ. AND ASSOCIATES, APC, a professional corporation ("Tenant").

WHEREAS, Landlord and Tenant are parties to a certain written commercial lease agreement dated October 7, 2019 ("Lease") for the lease of the premises located at of 3750 University Avenue (the "Property"), Suite 560, located in the City of Riverside, County of Riverside, State of California, 92501 ("Premises") to Tenant until September 30, 2025; and

WHEREAS, Landlord and Tenant now desire by this Agreement to terminate the Lease subject to the conditions and provisions hereinafter contained; and

WHEREAS, the Lease shall be terminated on April 1, 2024, and Tenant has surrendered the Premises on or about April 1, 2024.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth below, the Landlord and Tenant do hereby agree as follows:

- 1. The Lease shall be and is hereby terminated effective April 1, 2024 ("Effective Date"), and it is expressly understood and agreed between the parties that said termination is conditioned upon the occurrence on or before the Effective Date of all of the following:
- (a) Surrender of the Premises by Tenant to Landlord, in the condition required by the Lease, shall occur on or before April 1, 2024.
- (b) Tenant has removed certain trade fixtures, equipment, signs, and furniture in the Premises and Tenant relinquishes any title thereto, free of any liens, to any remaining trade fixtures, equipment, signs, and furniture.
- (c) Tenant and/or any occupants of the Premises shall cease business operations on April 1, 2024.
- (d) Tenant will leave the Premises in a neat, clean, and orderly condition, with no damage, on or before April 1, 2024.
- (e) Tenant or its authorized representative have met on or before April 1, 2024, with Landlord or its authorized representative, to inspect the Premises, for compliance with Lease provisions and the conditions contained herein.
- (f) On or before April 1, 2024, Tenant shall deliver to Landlord, or its authorized representative, keys to the Premises, including keys to all cabinets, utility rooms,

equipment devices, alarm codes, etc. At that time, Tenant shall not have any further access to the Premises.

- 2. In the event that any or all of the conditions of this Agreement are not satisfied on or before April 1, 2024, or waived in writing by Landlord, then the Lease shall not be deemed terminated and shall remain in full force and effect and remedies due under the Lease shall be applicable.
- 3. Tenant agrees to defend, indemnify, and hold Landlord harmless from any damage or liability of any kind arising out of any injury to or death of persons or damage to property of Tenant, Landlord or any other person or entity which occurred prior to the Effective Date, from any cause whatsoever, by reason of the use, occupancy and enjoyment of the Premises by the Tenant or any person thereon or holding under Tenant. Tenant further agrees to defend, indemnify, and hold Landlord harmless from all liability whatsoever, on account of any mechanics', or materialmen's liens, claims, or demands arising out of any labor performed or material supplied to or benefiting the Premises, or tax liens, prior to the Effective Date. This indemnification shall extend to the retention of legal counsel, payment of attorneys' fees, the expenditure of investigation costs and all other costs, expenses, and liabilities in defending and/or settling any such lien, claim, or demand.
- 4. Waiver and Release. Tenant hereby acknowledges that it has had the opportunity to speak with or have been advised by an attorney and is familiar with the provisions of California Civil Code section 1542, which provides as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

Tenant acknowledges that it may have sustained damage, loss, costs, or expenses which are presently unknown and unsuspected, and such damage, loss, costs, or expenses which may have been sustained, may give rise to additional damage, loss, costs, or expenses in the future. Nevertheless, Tenant hereby acknowledges that this Agreement has been negotiated and agreed upon in light of that situation, and hereby expressly waives any and all rights which it may have under California Civil Code Section 1542, or under any statute or common law or equitable principal of similar effect. This waiver shall not supersede any of the provisions of this Agreement or the rights of the parties hereto to enforce this Agreement in law or equity.

- 5. Landlord and Tenant acknowledge and agree that Tenant's Security Deposit in the amount of Five Thousand Three Hundred Forty-Five Dollars and Fifteen Cents (\$5,345.15) shall, as a result of Tenant's early termination of the Lease, be and hereby is forfeited and Tenant has no further claim to said money.
- 6. Landlord and Tenant agree that Tenant's delinquent rent is owed in the total amount of Thirty-Six Thousand Nine Hundred Seven Dollars and Eighty-Four Cents (\$36,907.84). The parties agree that the amount of the Security Deposited shall be credited against the unpaid rent, with a resulting balance of delinquent rent in the amount of Thirty-One

Thousand Five Hundred Sixty-Two Dollars and Sixty-Nine Cents (\$31,562.69). Tenant agrees to pay off the entire balance of the delinquent rent over a twenty-four (24) month period, in equal monthly payments of One Thousand Three Hundred Fifteen Dollars and Eleven Cents (\$1,315.11), commencing on April 1, 2024.

- 7. Except for the matters specifically set forth in this Agreement, Tenant hereby releases Landlord from all claims, rights, and causes of action which it has or may have now or in the future in regard to the Lease or the Premises or the Property.
- 8. The provisions of this Agreement shall bind and inure to the benefit of the heirs, representatives, successors, and assigns of the parties hereto. Tenant warrants to Landlord that it has not heretofore assigned, mortgaged, or otherwise transferred, amended, or encumbered, voluntarily or involuntarily, the Lease or its interest therein.
- 9. This Agreement may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 10. If any party to this Agreement commences an action against the other party arising out of or in connection with this Agreement, each party shall bear its own attorneys' fees incurred in connection therewith.
- 11. This Agreement contains all of the agreements of the parties hereto with respect to the matters contained herein, and no other agreement, arrangement, or understanding pertaining to any such matters shall be effective for any purpose.

[SIGNATURES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Agreement to be executed on the day and year first above written.

LANDLORD:	TENANT:
THE CITY OF RIVERSIDE, a California charter city and municipal corporation	DAVID D. L. HORTON, ESQ. AND ASSOCIATES, APC, a professional corporation By
City Manager	David D. L. Horton
Attested to:	
ByCity Clerk	
Approved as to Form:	
By Susan Ullas Assistant City Attorney	