

## **FIRST AMENDMENT TO COMMERCIAL LEASE**

### **Showcase**

This First Amendment to Commercial Lease ("First Amendment"), is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2020, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("Landlord"), and RIVERSIDE GAME LAB LLC, a California limited liability company ("Tenant"), with respect to the following facts:

### **RECITALS**

A. On May 16, 2019, Landlord and Tenant's predecessor in interest, RIVERSIDE FOOD HALL, LP, entered into a Commercial Lease ("Lease") for certain space within the building located at 3633 Market Street, Riverside, California, known as the Showcase.

B. On August 5, 2019, Landlord consented to Tenant's Assignment and Assumption of the Lease.

C. The Parties desire to amend the Lease to change the Effective Lease Date and Rent Commencement Date, amend the Base Rent and Additional Rent, and revise the Utilities.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, Landlord and Tenant agree as follows:

1. Basic Lease Information, Section 16, Rent Abatement, is hereby amended in its entirety and replaced with the following: "From September 1, 2020, to February 28, 2021."

2. Basic Lease Information, Section 17, Rent Commencement Date, is hereby amended in its entirety as follows: "September 1, 2020."

3. Paragraph 1.1, Parties, is hereby amended in its entirety to read as follows:

"1.1a. This Lease ("Lease") dated May 16, 2019, and effective as of June 4, 2019 ("Effective Lease Date"), is made by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("Landlord"), and RIVERSIDE GAME LAB, LLC, a California limited liability company ("Tenant"). Collectively, the Landlord and Tenant are referred to as "Parties," or individually as "Party"."

4. Section 2.1.1, Rent Commencement Date, is hereby amended in its entirety to read as follows:

"2.1.1 Rent Commencement Date. The Rent Commencement Date shall be September 1, 2020."

5. Section 3.2, Payment of Rent, is hereby amended to include the following:

“Landlord shall grant to Tenant a deferral equal to six (6) months’ rent, without fee or penalty, commencing September 1, 2020, and terminating February 28, 2021, subject to Tenant providing a written request for such deferral prior to September 1, 2020. The terms and conditions of the deferral, including Tenant’s repayment of all deferred rental amounts, shall be the same as standardly offered to Landlord’s other Tenants and shall be evidenced by a written deferral agreement executed by Tenant on the Landlord’s standard form.”

6. Section 3.3, Base Rent, is hereby amended in its entirety to read as follows:

“3.3. Base Rent. For months 6 through 24 of the Original Term, the monthly Base Rent shall be \$3,500 per month. For months 25 through 36 of the Original Term, the monthly Base Rent shall be \$5,000 per month. Beginning in month 37, the monthly Base Rent shall be increased three percent (3%) annually, including the three (3) five (5) year options to extend, if exercised by Tenant.”

7. Section 3.4, Additional Rent, is hereby amended in its entirety to read as follows:

“3.4 Additional Rent. Beginning in the twenty-fourth (24<sup>th</sup>) month of the Original Term, along with the Base Rent, Tenant shall pay Landlord additional rent in the amount of four percent (4%) of gross sales (not including sales tax) (“Additional Rent”). This Additional Rent shall continue through the end of the Original Term and continue with any Lease Extensions. Tenant shall pay the Additional Rent quarterly. Said Additional Rent shall be due within five (5) business days at the close of each quarter. All Additional Rent calculations shall be subject to review and audit by Landlord. The Additional Rent shall be calculated on the natural break-even point of \$1,525,000 annual gross sales. Once Tenant’s Annual Gross Sales exceed \$1,525,000, Tenant shall pay Landlord four percent (4%) as Additional Rent.”

8. Section 6.4.1, Utilities, is hereby amended in its entirety to read as follows:

“6.4.1 Utilities. For all utilities and services supplied to the Premises, including but not limited to electricity, gas and cleaning of the Common Area, together with any taxes thereon, Tenant shall pay to Landlord a flat rate amount of \$795.00 per month subject to an annual three percent (3%) increase for all water, gas, power, electric, light, heat and other utilities used by Tenant on the Premises during the Term, including taxes thereon. Tenant shall pay for their own internet and telephone service. Landlord shall invoice Tenant monthly for the utilities. Tenant shall pay the utility invoice within fifteen (15) days of receipt of the same.”

9. All terms and conditions of the Lease that are not inconsistent with this First Amendment shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

**[SIGNATURES ON FOLLOWING PAGE.]**

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be duly executed on the day and year first above written.

CITY OF RIVERSIDE, a California  
charter city and municipal corporation

RIVERSIDE GAME LAB LLC,  
a California limited liability company

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
Name: Geraod V. Tessier  
Its: Manager

ATTEST:

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By: [Signature]  
Chief Assistant City Attorney