

## FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") is made and entered into to be effective as of the 10th day of Jan, 2020 ("First Amendment Date"), by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("Lessor"), and HELPING HEARTS HULEN, LLC, a California limited liability company ("Lessee"). Hereinafter, Lessor and Lessee may be referred to individually as a "Party," or jointly as the "Parties."

### RECITALS

WHEREAS, the Parties entered into that certain Lease Agreement dated May 13, 2020 ("Original Lease"), pursuant to which Lessee has agreed to lease certain premises in the City of Riverside, County of Riverside, State of California, with a common address of 2801 Hulen Place, as more particularly described in the Lease ("Premises");

WHEREAS, the Parties wish to amend certain matters set forth in the Lease, and accordingly execute this First Amendment; and

WHEREAS, except as otherwise set forth in this First Amendment, all capitalized terms will have the same meanings as are attributed to those terms in the Original Lease. In addition, all references to the "Lease" in this First Amendment shall be deemed to be references to the Original Lease, as amended by this First Amendment.

### OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the foregoing Recitals, which Recitals are incorporated herein by this reference, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the mutual covenants contained herein, the Parties hereto agree as follows:

1. Lessee's Improvements. The Parties agree that the period for completion of the improvements, as provided in Section 5.1(b) of the Original Lease, is extended to December 31, 2021.
2. Lessee Financing Commitments. Lessor acknowledges that Lessee has submitted satisfactory evidence that Lessee has obtained or will obtain sufficient commitments for financing the completion of the Lessee Improvements, as required by Section 5.1(b)(2) of the Original Lease.
3. Budget. Attached hereto as **Exhibit "A"** and incorporated herein by reference, is the Budget, as required by Section 5.1(c) of the Original Lease. Lessor acknowledges that such submission satisfies Lessee's obligation to submit a budget under Section 5.1(c) of the Original Lease.

4. Proof of Insurance. Recognizing that the insurance requirements in Section 6.1 of the Original Lease are continuing requirements, Lessor acknowledges that Lessee has submitted to Lessor initial proof of satisfactory insurance, as required by Section 6.1 of the Original Lease.

5. Worker's Compensation Insurance Certificate. Recognizing that the insurance requirements in Section 6.5 of the Original Lease are continuing requirements, Lessor acknowledges that Lessee has signed and filed with Lessor the initial workers' compensation certification, as required by Section 6.5 of the Original Lease.

6. Amendment. In the event of any inconsistency between the provisions of this First Amendment and the terms of the Original Lease, the provisions of this First Amendment shall control. Except as specifically amended herein, however, all of the terms and conditions of the Original Lease shall continue in full force and effect.

7. California Law. This First Amendment shall be governed by and construed in accordance with the laws of the State of California.

8. Counterparts; Facsimile Signatures. This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. In order to expedite the transaction contemplated herein, facsimile or electronic signatures may be used in place of original signatures on this First Amendment. The Parties hereto intend to be bound by the signatures on the facsimile or electronic document, and hereby waive any defenses to the enforcement of the terms of this First Amendment based on the use of a facsimile or electronic signature; provided, however, that the Parties hereby agree to execute and provide to each other original signatures, upon the request made by either Party to the other.

*[Signatures Follow on Next Page]*

IN WITNESS WHEREOF, the Parties have executed this First Amendment to be effective as of the First Amendment Date.

**LESSOR**

THE CITY OF RIVERSIDE, a  
California charter city and municipal  
corporation

By: \_\_\_\_\_  
Al Zelinka  
City Manager

Dated: \_\_\_\_\_

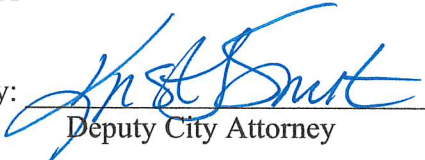
Attested to:

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

**Address:**

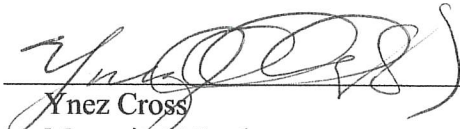
3900 Main Street  
Office of Homeless Solutions  
Attn: Moises Lopez  
Riverside, CA 92522

Approved as to form:

By:  \_\_\_\_\_  
Deputy City Attorney

**LESSEE**

HELPING HEARTS HULEN, LLC,  
a California limited liability company

By:  \_\_\_\_\_  
Ynez Cross  
Managing Member

Dated: January 6, 2021

**Address:**

1845 Business Center Drive, Ste 130  
San Bernardino, CA 92408

**EXHIBIT "A"**  
**BUDGET**

| 2801 HULEN PLACE  |    |            |
|-------------------|----|------------|
| CITY OF RIVERSIDE |    |            |
| BUDGET SUMMARY    |    |            |
|                   |    |            |
| Building Costs    | \$ | 521,500.00 |
| Site Costs        | \$ | 62,000.00  |
| Indirect Costs    | \$ | 210,000.00 |
| FF&E              | \$ | 25,000.00  |
| Total             | \$ | 818,500.00 |

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Budget line items are subject to change and line item budget surpluses may be applied to offset line item budget deficits.

| 2801 HULEN PLACE<br>BUILDING COSTS    |                      |
|---------------------------------------|----------------------|
| DESCRIPTION                           | COST                 |
| Temporary Power System                | \$ 3,000.00          |
| Existing Improvement Demolition       | \$ 12,000.00         |
| Concrete Saw Cutting & Replacement    | \$ 7,500.00          |
| Concrete Coring                       | \$ 2,500.00          |
| Plumbing*                             | \$ 40,000.00         |
| Fire Sprinklers                       | \$ 30,000.00         |
| HVAC System                           | \$ 45,000.00         |
| Electrical                            | \$ 45,000.00         |
| Low Voltage Wiring                    | \$ 10,000.00         |
| Framing - Material and Labor          | \$ 55,000.00         |
| Insulation Repair at Building Ceiling | \$ 1,500.00          |
| Insulation for New Improvements       | \$ 10,000.00         |
| Drywall                               | \$ 45,000.00         |
| Fiberglass Showers                    | \$ 4,000.00          |
| Windows**                             | \$ 4,000.00          |
| Roofing Sheet Metal                   | \$ 3,000.00          |
| New Mechanical Unit Platforms         | \$ 4,000.00          |
| Roofing                               | \$ 27,500.00         |
| Cabinets                              | \$ 15,000.00         |
| Interior Doors                        | \$ 15,000.00         |
| Painting                              | \$ 15,000.00         |
| Countertops                           | \$ 7,500.00          |
| Mirrors                               | \$ 1,000.00          |
| Appliances                            | \$ 20,000.00         |
| Restroom Partitions & Grab bars       | \$ 5,000.00          |
| T-Bar Ceilings                        | \$ 20,000.00         |
| Finish Hardware                       | \$ 4,000.00          |
| Flooring                              | \$ 20,000.00         |
| Rough Clean Up                        | \$ 7,500.00          |
| Finish Clean Up                       | \$ 2,500.00          |
| Contingency                           | \$ 40,000.00         |
|                                       |                      |
| <b>BUILDING COSTS</b>                 | <b>\$ 521,500.00</b> |

\*Includes interior propane system

\*\* Includes removal of existing roll up door

Budget line items are subject to change and line item budget surpluses may be applied to offset line item budget deficits.

| 2801 HULEN PLACE<br>SITE COSTS           |                     |
|--|---------------------|
| DESCRIPTION                              | COST                |
| Exterior Propane System                  | \$ 10,000.00        |
| Fire Sprinkler Water Service - In Street | \$ 13,500.00        |
| Fire Sprinkler Water Service - On Site   | \$ 2,500.00         |
| AC Pavement Repair & Seal Coat           | \$ 7,500.00         |
| Repaint Exterior of Building             | \$ 4,000.00         |
| Repair Parking Area Lighting             | \$ 2,500.00         |
| Repair Trash Enclosure                   | \$ 2,000.00         |
| Parking Bumpers & Restriping             | \$ 2,500.00         |
| Clean Up                                 | \$ 2,500.00         |
| Contingency                              | \$ 15,000.00        |
|  |                     |
| <b>Site Costs</b>                        | <b>\$ 62,000.00</b> |

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| 2801 HULEN PLACE<br>INDIRECT COSTS                                     |                      |
|--|----------------------|
| DESCRIPTION  | COST                 |
| Architectural Plans & Engineering                                      | \$ 30,000.00         |
| Building Permits & Fees  |                      |
| Fire Sprinkler Permits   | \$ 5,000.00          |
| Developer Overhead & General Conditions                                | \$ 30,000.00         |
| Project Management Fee *   | \$ 35,000.00         |
| General Contractors Supervision, Overhead, & General Conditions at 8 % | \$ 40,000.00         |
| General Contractors Profit at 5 %                                      | \$ 25,000.00         |
| Contingency  | \$ 15,000.00         |
| Legal & Insurance  | \$ 30,000.00         |
| <b>Indirect Costs</b>  | <b>\$ 210,000.00</b> |

\* Based on five months at 100 hours per month

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