

### **THIRD AMENDMENT TO PROPERTY LEASE**

This THIRD AMENDMENT TO PROPERTY LEASE ("Third Amendment") is made this \_\_\_\_ day of January, 2020 ("Effective Date"), by and between the RAVENSWOOD CITY SCHOOL DISTRICT ("District"), a political subdivision of the State of California, and THE PRIMARY SCHOOL, a California nonprofit corporation ("School") (collectively, the "Parties"), with reference to the following facts:

**WHEREAS**, in January 2016, the District and the School entered into a Lease to lease three classrooms and administrative space totaling approximately three thousand (3,000) square feet (the "Lease"), which are part of the Ravenswood Child Development Center property located at 951 O'Connor Street, East Palo Alto, California ("CDC"); and

**WHEREAS**, in June 2016, the District and the School entered into a Memorandum of Understanding and a Use, Operation, and Maintenance Agreement to develop the empty grass field located next to the CDC, where School arranged for and provided the funding, design and construction of six (6) new classrooms, in exchange for the use of the classrooms; and

**WHEREAS**, in February 2017 the Parties executed Amendment One to the Lease and to the Use, Operation, and Maintenance Agreement (collectively, the "First Amendment") to extend the term through July 31, 2019 for the classrooms in use and grant an option to extend the Lease for all the classrooms for one (1) additional year through 2019-2020; and

**WHEREAS**, in July 2018 the Parties executed Amendment Two (the "Second Amendment") to the Lease to specify the use of classrooms 1, 2, and 7 in 2018-2019, and the use of classroom 7 in 2019-2020, in addition to the previous other classrooms in use; and

**WHEREAS**, the Parties further wish to amend the Lease to permit School to use rooms 3, 7, 13-14 with the adjoining space, and 15-20, a total of ten (10) classrooms, in 2020-2021, with options to extend through 2021-2022; and

**NOW, THEREFORE**, in consideration of the foregoing Recitals, and mutual promises and covenants of the Parties contained in this Third Amendment, and in exchange for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereto agree as follows:

1. **Lease of Classrooms**

For the 2020-2021 school year, School hereby leases the following ten (10) classrooms from District: 3, 7, 13, 14, 15, 16, 17, 18, 19, 20. Classrooms 13 and 14 consist of the former multi-purpose room ("MPR") with associated adjacent kitchenette and office space. Classrooms 15-20 consist of the six (6) newer modular classrooms that were previously purchased and implemented by School.

## 2. Rent

- For rooms 3, 7, 13, and 14 rent shall be Ten Thousand Six Hundred Eighty dollars (\$10,680) per month, which is based on a cost per square foot market rate.
- For rooms 15 - 20, which were previously purchased and implemented by School, rent shall be Seven Thousand Seven Hundred Sixty dollars (\$7,760) per month, which reflects a 50% discount from the cost per square foot market rate.

## 3. Term

The Expiration Date of the Lease is hereby extended to June 30, 2021.

## 4. Option to Extend Term

School currently expects to move into its new campus in July 2021. In the case where the new campus completion is delayed, School shall have one (1) twelve-month option to extend the term of this Third Amendment through June 30, 2022 (the "Extension Term"). If School does not provide written notice to District that it does not wish to exercise the Extension Term prior to March 31, 2021 then the Term shall automatically extend through the Extension Term.

### Rent for Extension Term

- For rooms 3, 7, 13, and 14, rent shall increase by 3% from the previous year.
- For rooms 15 - 20, rent shall be:
  - Eleven Thousand Six Hundred Forty dollars (\$11,640) per month, which reflects a 25% discount from the cost per square foot market rate, for months 1 through 6 of the Extension Term; and
  - Fifteen Thousand Five Hundred Twenty dollars (\$15,520) per month, which reflects a full market rate rent with no discount applied, for months 7 through 12 of the Extension Term.

## 5. Janitorial Services

RCSD has provided full janitorial services to School since the inception of this Lease, which is included in the rental rate. For the term of this Third Amendment, School shall be solely responsible for covering the cost of janitorial services for the classrooms identified herein.

## 6. Permitted Uses

School will continue to use classrooms at the CDC to serve early childhood and lower elementary education programs and related purposes, as well as administrative, general office, and other legal uses, as approved by any applicable permits.

7. Continuing Effect

Except as specifically modified by this Third Amendment, all of the terms and conditions set forth in the Lease, Amendment One, and Amendment Two shall remain in full force and effect, and shall apply to the activities covered by this Third Amendment. In the event of a conflict between this Third Amendment and the Lease, the terms and conditions of this Third Amendment shall control.

8. Counterparts

This Amendment may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

9. Authority to Execute Amendment

The Parties each warrant that they have the authority to execute this Amendment and that all actions have occurred, and all necessary approvals or consents have been obtained to allow each party to enter into the Amendment.

10. Effective Date

This Amendment shall be approved by the Ravenswood City School District Board of Education prior to execution and shall be effective on the date of the last signature below.

IN WITNESS WHEREOF, the Parties hereto have executed this Third Amendment as of the Effective Date set forth above.

RAVENSWOOD CITY SCHOOL DISTRICT

By:

Name:

Title:

Date:

THE PRIMARY SCHOOL  
a California nonprofit corporation

By:

Name:

Title:

Date:

Courtney Garcia

Courtney Garcia

CEO

12/28/19