

FIRST AMENDMENT TO INDUSTRIAL LEASE

(Extension of Term)

THIS FIRST AMENDMENT TO INDUSTRIAL LEASE (this “**Amendment**”) is made and entered into as of August 22, 2018, by and between THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY, a Wisconsin corporation (“**Landlord**”), dba Sparks Industrial, and TRUCKEE MEADOWS FIRE PROTECTION DISTRICT, a governmental agency (“**Tenant**”).

RECITALS

A. Landlord and Tenant entered into that certain Industrial Lease dated as of November 10, 2015 (the “**Lease**”), pursuant to which Tenant leases from Landlord certain premises consisting of approximately 9,600 square feet designated as Suite 105 (the “**Premises**”) in the building known as Building “E” located at 1315 Greg Street, Sparks, Nevada, which is part of that industrial park commonly known as Greg Park, as more particularly described in the Lease.

B. The Lease is scheduled to expire on December 31, 2018.

C. Landlord and Tenant presently desire to amend the Lease in order to, among other things, extend the Term of the Lease, all as more fully set forth below.

D. Capitalized terms used but not otherwise defined herein shall have the respective meanings given to them in the Lease.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual covenants, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **Extension of Term.** The Term of the Lease shall be extended for a period of thirty six (36) months, commencing on January 1, 2019 and expiring on December 31, 2021 (the “**Extension Term**”), unless sooner terminated in accordance with the terms of the Lease, as amended hereby. Throughout the Extension Term, Tenant shall only use the Premises for the Permitted Use set forth in the Lease. Tenant has no right to extend the Term beyond the Extension Term.

2. **Base Rent; Basic Operating Cost.** Commencing on January 1, 2019 and continuing throughout the Extension Term, the Base Rent shall be as follows:

<u>Months</u>	<u>Per Square Foot Rental Rate</u>	<u>Monthly Base Rent</u>
1/1/19 – 12/31/19	\$0.620	\$5,952.00
1/1/20 – 12/31/20	\$0.639	\$6,134.40
1/1/21 – 12/31/21	\$0.658	\$6,316.80

3. **Basic Operating Cost.** Tenant shall continue to pay Tenant's Proportionate Share (i.e., 10.97%) of Basic Operating Costs as more particularly provided in the Lease, as amended hereby. Estimated Basic Operating Costs during calendar year 2018 is approximately \$0.15 per square foot (i.e., \$1,440.00 per month).

4. **Security Deposit.** The parties hereto acknowledge that Landlord is holding a Security Deposit in the amount of \$6,431.00 which amount shall be held by Landlord in accordance with the terms of the Lease, as amended hereby, throughout the Extension Term.

5. **Condition of Premises.** Tenant shall accept the Premises on the first day of the Extension Term in its "AS IS," "WHERE IS" condition on such date. Tenant acknowledges that Landlord shall have no obligation to provide or to fund any improvements to the Premises as part of this leasing transaction.

6. **Notices.** Effective immediately, the addresses for Landlord and Tenant for notice purposes shall be as follows:

To Landlord: Advisors Commercial Real Estate
50 East Greg Street, Suite 100
Sparks, NV 89431
Attention: Property Manager

With a copy to: The Northwestern Mutual Life Insurance Company
Post Montgomery Center
One Montgomery Street, Suite 3230
San Francisco, CA 94104
Attention: Ryan Lancer
Director - Asset Management

To Tenant: Truckee Meadows Fire Protection District
1001 E. 9th Street, Building D
Reno, NV 89512
Attention: Administration

With a copy to: Truckee Meadows Fire Protection District
P.O. Box 11130
Reno, NV 89520

7. **Brokers.** Landlord and Tenant each warrants that it has had no dealings with any broker or agent in connection with the negotiation or execution of this Amendment other than Kidder Mathews representing Landlord, and Colliers International representing Tenant. Landlord shall pay a commission to such brokers pursuant to a separate written agreement. Landlord and Tenant each agrees to indemnify, defend and hold the other harmless from and against any claims by any other broker, agent or other person claiming a commission or other form of compensation by virtue of having dealt with such party with regard to this leasing transaction.

8. **Ratification.** This Amendment contains the entire understanding between the parties with respect to the matters contained herein. Except as modified by this Amendment, the Lease and all the terms, covenants, conditions and agreements thereof are hereby in all respects ratified, confirmed and approved. No representations, warranties, covenants or agreements have been made concerning or affecting the subject matter of this Amendment, except as are contained herein and in the Lease. Tenant hereby affirms that on the date hereof no breach or default by either Landlord or Tenant has occurred, and that the Lease, and all of its terms, conditions, covenants, agreements and provisions, except as hereby modified, are in full force and effect with no defenses or offsets thereto.

9. **Release.** Tenant hereby releases Landlord of and from all liabilities, claims, controversies, causes of action and other matters of every nature which, through the date hereof, have arisen out of or in any way in connection with the Lease and/or the Premises demised thereunder. Tenant hereby waives and relinquishes every right or benefit it may have under applicable law with respect to any such claim it may have against Landlord to the full extent that it may lawfully do so.

10. **Authority.** Tenant hereby represents and warrants to Landlord that (a) Tenant is in good standing under the laws of the State of Nevada, (b) Tenant has full power and authority to enter into this Amendment and to perform all of the "Tenant's" obligations under the Lease, as amended by this Amendment, and (c) the individual signing this Amendment on behalf of Tenant is duly and validly authorized to do so.

11. **Successors and Assigns.** This Amendment, and each and every provision hereof, shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

12. **Governing Law.** This Amendment shall be construed, interpreted and enforced, and the rights and obligations of the parties hereto determined, in accordance with the laws of the State of Nevada.

13. **Headings and Captions.** The headings and captions of the paragraphs of this Amendment are for convenience and reference only and in no way define, describe or limit the scope or intent of this Amendment or any of the provisions hereof.

14. **Counterparts.** This Amendment may be executed in any number of identical counterparts each of which shall be deemed to be an original and all, when taken together, shall constitute one and the same instrument.

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15. **No Offer.** Submission of this instrument for examination and signature by Tenant does not constitute an offer to lease or a reservation of or option for lease, and this instrument is not effective as a lease amendment or otherwise until executed and delivered by each of Landlord and Tenant.

IN WITNESS WHEREOF, the parties hereto have executed this instrument effective as of the day and year first above written.

LANDLORD:

THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY,
a Wisconsin corporation

By: Northwestern Mutual Investment Management
Company, LLC, a Delaware limited liability
company, its wholly-owned affiliate

By: _____
Ryan Lancer
Director-Asset Management

Date of Execution: _____, 2018

TENANT:

TRUCKEE MEADOWS FIRE PROTECTION
DISTRICT, a governmental agency

By: _____
Name: Marsha Berkbigler
Title: Chair

Date of Execution: _____, 2018