

**County of Ventura
Department of Airports
Third Amendment to Lease
Airport Properties Limited, LLC**

This Third Amendment to Lease (“Third Amendment”) is entered into by and between the County of Ventura, acting by and through its Department of Airports (“County”) and Airport Properties Limited, LLC, a California limited liability company (“Tenant”) and is made effective July 1, 2023 (the “Effective Date”). County and Tenant are sometimes referred to herein collectively as the “Parties” and each individually is a “Party.”

RECITALS

- A. County and Tenant entered into: (i) a Lease dated June 19, 2001 (the “Original Lease”) for Tenant’s lease of the Initial Premises (as defined in the Original Lease) and Option Properties (as defined and particularly described in the First Amendment); (ii) a First Amendment to the Original Lease dated February 3, 2015 (the “First Amendment”); and (iii) a Second Amendment to the Original Lease dated July 25, 2017 (the “Second Amendment”). The Original Lease, First Amendment, and Second Amendment are referred to collectively herein as the “Lease.”
- B. Tenant has exercised its option to lease Option Properties 1, 2, and 7, on April 5, 2016, September 17, 2018, and August 22, 2017, respectively. Tenant also, on June 12, 2019, exercised its option to lease Option Properties 3 and 4, under protest. On September 28, 2021, County allowed Tenant to rescind its exercise of the option to lease Option Property 4.
- C. By this Third Amendment, the Parties desire to better define the Premises; to rescind Tenant’s exercise of the option to lease Option Property 3; to agree that no rent will be refunded for Tenant’s temporary lease of Option Property 4; to modify the Lease’s exhibits; to define Tenant’s right to access and use various areas adjoining the Premises; to modify the boundaries of Option Properties for which Tenant has not yet exercised its options; to modify various terms, methods, and restrictions relating to Tenant’s future exercise of options; and to amend certain other provisions of the Lease, as set forth below.

AGREEMENT

In consideration of the foregoing recitals, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. **Rescission of Exercise of Option on Option Property 3.** As part of the consideration for the amendments to the Lease provided in this Third Amendment, upon the Effective Date of this Third Amendment, Tenant’s exercise of its option on Option Property 3 is hereby rescinded, Option Property 3 is removed from the Premises, and all Tenant’s rights and

duties with regard to Option Property 3, with the exception of Tenant's rights to exercise the option to lease Option Property 3 in the future, are terminated. Tenant's duty to pay rent on Option Property 3 is terminated effective on the first day of the month of the Effective Date of this Third Amendment. Tenant is not entitled to, and County need not pay to Tenant, any refund of rent or other consideration paid to County up to and including the Effective Date of this Third Amendment. Tenant's continuing option rights with regard to Option Property 3 are as described elsewhere in this Third Amendment.

2. **Rent Paid on Option Property 4.** Due to the rescission of Tenant's exercise of the option on Option Property 4, the Parties agree that Tenant is not entitled to, and County need not pay to Tenant, any refund of rent or other consideration paid to County up to and including the Effective Date of this Third Amendment. Tenant's continuing option rights with regard to Option Property 4 are as described elsewhere in this Third Amendment.
3. **Exhibits Modified.** Exhibits A-1 and A-2 to the First Amendment are deleted in their entirety and replaced with Exhibit A, attached hereto and incorporated by this reference.
4. **Amendment of Paragraph 1 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 1 of the Lease is deleted and replaced in its entirety with the following:

1. **PROPERTY LEASED.** County hereby leases to Tenant the Premises, located at the Camarillo Airport ("Airport").

"Premises" means and includes the Initial Premises and any Option Property for which Tenant has duly exercised an option, as further described below and as depicted in Exhibit A.

- a. "Initial Premises" means and includes only those areas depicted on Exhibit A as "ABC Lease Area" and "DEF Lease Area" and encompasses Hangar Buildings A, B, C, D, E, and F.
- b. ABC Lease Area encompasses Hangar Buildings A, B, and C; its area is 113,118 square feet; and its western boundary follows the building edge of Hangar Buildings A, B, and C as of the Effective Date of this Third Amendment.
- c. DEF Lease Area encompasses Hangar Buildings D, E, and F; its area is 110,261 square feet; its western boundary follows the west building edge of Hangar Building D as of the Effective Date of this Third Amendment; its northern boundary is 25 feet to the north of the northernmost end of Hangar Buildings D, E, and F as of the Effective Date of this Third Amendment.
- d. The "Northern Boundary Premises" includes that area depicted on Exhibit A as extending 25 feet to the north of the northernmost end of Hangar Buildings D, E, and F and extends eastward as described below.
- e. "Option Property 1" means and includes only that area depicted on Exhibit A as "Option Property 1"; it encompasses Hangar Building G; its area is 74,393 square feet; it includes the area that is the eastward extension of the Northern Boundary Premises.

- f. “Option Property 2” means and includes only that area depicted on Exhibit A as “Option Property 2”; it encompasses Hangar Building H; its area is 75,637 square feet; it includes the area that is the eastward extension of the Northern Boundary Premises.
- g. “Option Property 3” means and includes only that area depicted on Exhibit A as “Option Property 3”; when developed, it will encompass Hangar Building I; its area is 75,668 square feet; it includes the area that is the eastward extension of the Northern Boundary Premises.
- h. “Option Property 4” means and includes only that area depicted on Exhibit A as “Option Property 4”; when developed, it will encompass Hangar Building J; its area is 72,098 square feet; it includes the area that is the eastward extension of the Northern Boundary Premises.
- i. There is no Option Property 5.
- j. “Option Property 6” means and includes only that area depicted on Exhibit A as “Option Property 6”; when developed, it will encompass Hangar Building K; its area is 28,612 square feet; it includes the area that is the eastward extension of the Northern Boundary Premises.
- k. “Option Property 7” means and includes only that area depicted on Exhibit A as “Option Property 7”; it encompasses Hangar Building M; its area is 24720 square feet.
- l. “Option Property 8” means and includes only that area depicted on Exhibit A as “Option Property 8”; when developed, it will encompass Hangar Building L; its area is 29,662 square feet.
- m. Option Properties 3, 4, 6, and 8 together comprise the “New Option Properties” and Option Properties 1, 2, and 7 comprise the “Original Option Properties.”
- n. “Loading and Refueling Area” means that area depicted on Exhibit A as extending 25 feet to the north of the northernmost edge of the Northern Boundary Premises on every Option Property on which Tenant has exercised its option. The Premises do not include, but Tenant has the nonexclusive right to use, the Loading and Refueling Area for the temporary loading and refueling of aircraft, provided Tenant’s use does not unreasonably interfere with County’s or other Airport users’ ability to also use such area.
- o. “Western Boundary Area” means that area depicted on Exhibit A as extending 25 feet west from the westernmost boundary of the Initial Premises. The Premises do not include, but Tenant has the nonexclusive right to use, the Western Boundary Area for vehicle access, ingress, egress, and maintenance of Tenant’s facilities and utilities within or adjoining the Western Boundary Area, provided Tenant’s use does not unreasonably interfere with County’s or other Airport users’ ability to also use such area.
- p. “Alert Taxiway Area” means that area depicted on Exhibit A as lying generally north and east of the ABC Lease Area, south of the DEF Lease Area, and east of Option Property 7, excluding any area on which a County or third-party hangar exists as of the Effective Date of the Third Amendment. The Premises do not include, but Tenant has the nonexclusive right to use, the Alert Taxiway Area for vehicle (including aircraft) access, ingress, and egress; temporary loading and refueling of aircraft; and maintenance of Tenant’s facilities and utilities within or adjoining the Alert Taxiway

Area, provided Tenant's use does not unreasonably interfere with County's or other Airport users' ability to also use either such area or a County or third-party hangar adjacent to such area.

5. **Amendment of Paragraph 2 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 2 of the Lease is deleted and replaced in its entirety with the following:

2. **TERM.** The term of this Agreement, for the Initial Premises only, is 30 years, commencing on July 1, 2001, and terminating on June 30, 2031 (the "Initial Premises Initial Term").

The initial term for each of the Original Option Properties is approximately 31 years, as further specified in this Paragraph 2 (the "Original Option Property Initial Term"). The Original Option Property Initial Term for Option Property 1 commenced on June 4, 2016, and terminates on June 4, 2046. The Original Option Property Initial Term for Option Property 2 commenced on November 16, 2018, and terminates on September 30, 2049. The Original Option Property Initial Term for Option Property 7 commenced on October 21, 2017, and terminates on August 31, 2048.

The term for every New Option Property is 40 years, commencing immediately on the date Tenant exercises its option on that New Option Property (the "New Option Property Term").

6. **Amendment of Paragraph 4 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 4 of the Lease is deleted and replaced in its entirety as follows:

4. **REVERSION OF IMPROVEMENTS.** Ownership of all real property improvements and fixtures located on the Initial Premises will revert to County upon the expiration of the Initial Premises Initial Term, unless Tenant exercises a Ten Year Option (as defined below), in which case ownership of all real property improvements and fixtures located on the Initial Premises will revert to County upon the expiration of the Ten Year Option Period.

Ownership of all real property improvements and fixtures located on each Original Option Property will revert to County upon the expiration of the applicable Original Option Property Initial Term unless Tenant exercises a Nine Year Option (as defined below), in which case ownership of all real property improvements and fixtures located on the applicable Original Option Property will revert to County upon the expiration of the Nine Year Option Period.

Ownership of all real property improvements and fixtures located on each New Option Property will revert to County upon the expiration of the applicable New Option Property Term.

7. **Amendment of Paragraph 5 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 5 of the Lease is amended as follows:

Paragraph 5.A of the Lease is deleted and replaced in its entirety as follows:

- A. Option to Lease Additional Property.** County grants to Tenant an option to lease seven additional areas of real property owned by County, each designated as an “Option Property” and collectively the “Option Properties,” as described elsewhere in this Agreement and depicted on Exhibit A as Option Properties 1, 2, 3, 4, 6, 7, and 8. Tenant may, in its sole discretion, determine the order in which Tenant exercises its options on the New Option Properties, except that Tenant may not exercise its option on Option Property 4 unless Tenant has also, either at the same time or previously, exercised its option on Option Property 8. On each Option Property for which Tenant duly exercises its option, Tenant must construct an individual Hangar Building and the associated taxilane/taxiway and ramp within the area of such Option Property as depicted in Exhibit A. No north-facing hangar door on either Option Property 3 or Option Property 4 may exceed 80 feet in width, in the east-west axis. No north-facing hangar door on Option Property 6 may exceed 100 feet in width, in the east-west axis. The size and configuration of Hangar Buildings to be built on a New Option Property are subject to County’s written approval, which will not be unreasonably delayed or denied. Tenant may not occupy or improve an Option Property, in any manner, until Tenant has duly exercised the option on that Option Property.

Paragraph 5.B.4 of the Lease is deleted and replaced in its entirety as follows:

4. Tenant must exercise its option on all New Option Properties within seven years of the Effective Date of this Third Amendment (the “Option Exercise Deadline”). The Option Exercise Deadline applies to every New Option Property. If Tenant fails to exercise its option on a New Option Property, in the manner provided in this Agreement, before the Option Exercise Deadline, Tenant forfeits all rights and privileges with regard to that option for that New Option Property, and that option terminates automatically and immediately, without further notice or action by County, as of the Option Exercise Deadline.

Paragraph 5.B.5 is added to the Lease, immediately after Paragraph 5.B.4, as follows:

5. On every New Option Property on which Tenant has exercised its option, Tenant must complete construction within 30 months after the date Tenant exercised the option on that New Option Property (the “Construction Deadline Date”). The Construction Deadline Date will be extended as provided by Paragraph 61 of the Lease, regarding Force Majeure. If Tenant fails to complete construction on a New Option Property by the Construction Deadline Date, as the sole remedy of County for such failure to complete construction as of the Construction Deadline Date, Tenant must either: (a) commence payment of full rent for that New Option Property, as provided in Paragraph 10 of this Agreement, on the first day of the calendar month immediately following the Construction Deadline Date (and Tenant may thereafter continue to complete

construction); or (b) within 90 calendar days after the Construction Deadline Date, permanently and irrevocably terminate all leasehold and option rights for that New Option Property, and at Tenant's own expense remove all improvements built to date and restore the New Option Property to its condition at the time Tenant exercised its option on that New Option Property, in which case that New Option Property will be removed from the Premises; Tenant will have no further rights or duties with respect to that New Option Property; and Tenant will not be entitled to refund of, and County need not pay to Tenant, any rent or other consideration Tenant paid before the Construction Deadline Date. For each New Option Property on which Tenant has exercised its option but on which Tenant does not complete construction by the Construction Deadline Date, Tenant must select either option (a) or option (b) in the previous sentence, by written notice to County no later than 90 calendar days after the Construction Deadline Date. In the event Tenant fails to select either option (a) or option (b) as provided herein: (i) all of Tenant's leasehold and option rights for that New Option Property will terminate automatically and immediately, without further notice or action by County, as of the 91st calendar day after the Construction Deadline Date; (ii) Tenant must, at its own expense, remove all improvements built to date on that New Option Property and restore that New Option Property to its condition at the time Tenant exercised its option on that New Option Property; and (iii) Tenant is not entitled to, and County need not pay to Tenant, any refund of rent or other consideration paid to County up to and including the Construction Deadline Date.

Paragraph 5.C of the Lease is deleted and replaced in its entirety as follows:

C. Options to Extend. Tenant has separate options (each a "Ten Year Option") to extend the Initial Premises Initial Term for one period of 10 years (the "Ten Year Option Period"). The Ten Year Option Period for the Initial Premises will commence upon the expiration of the Initial Premises Initial Term. To exercise a Ten Year Option, Tenant must give County written notice of such exercise no less than 12 months before the expiration of the Initial Premises Initial Term or the applicable Original Option Property Initial Term, as applicable. During the Ten Year Option Period on the Initial Premises, if exercised by Tenant, Tenant must continue to repair and maintain the Initial Premises as required under Paragraph 26 of the Lease, and upon expiration of that Ten Year Option Period, Tenant must deliver to County the Initial Premises in the condition required by Paragraph 47 of the Lease.

Tenant has separate options (each a "Nine Year Option") to extend each Original Option Property Initial Term for one period of nine years (the "Nine Year Option Period"). The Nine Year Option Period for the Original Option Properties will commence upon the expiration of the Original Option Properties Initial Term. During the Nine Year Option Period on an Original Option Property, Tenant must continue to repair and maintain only the Hangar Buildings and associated above-ground structures in their entirety as required under Paragraph 26 of the Lease and, upon expiration of that applicable Nine Year Option Period of an Original Option Property, Tenant must deliver to County the Hangar Buildings and associated above-ground structures in their entirety, in the condition required under Paragraph 47 of the Lease.

Tenant does not have an option to extend the New Option Property Term on any New Option Property.

Paragraph 5.D of the Lease is deleted and replaced in its entirety as follows:

D. Conditions to Ten Year Options and Nine Year Options. The following conditions shall apply to Tenant's exercise of any Ten Year Option or Nine Year Option, as applicable:

1. Tenant shall be in full compliance with all the material terms and conditions of this Agreement and shall have made all rent payments as of the date of the applicable option exercise.
2. Rent payments for each Ten Year Option Period and each Nine Year Option Period will be determined pursuant to the provisions of Paragraph 10 of this Agreement.

8. **Amendment of Paragraph 8.D of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 8.D of the Lease is deleted and replaced in its entirety with the following:

D. Commercial Services. Tenant is hereby granted the nonexclusive privilege to engage in, and Tenant agrees to engage in, the business of providing (including constructing, leasing, and renting) aircraft storage hangars as a single service Aeronautical Service Provider ("ASP"), as further defined in the Airport Minimum Standards.

Tenant is also granted the nonexclusive privilege, on only those New Option Properties on which Tenant has exercised its option, to operate as a Limited Service ASP, as further defined in the Airport Minimum Standards, at Tenant's option and upon County approval, which will not be unreasonably delayed or denied. If Tenant elects to operate as a Limited Service ASP on any New Option Property, Tenant, (including via any duly authorized subtenant), must comply with all provisions of the Airport Minimum Standards applicable to a Limited Service ASP, including, but not limited to, the provision requiring Tenant to provide at least two but no more than three aeronautical activities. Tenant must, before providing any commercial service via a subtenant, obtain prior written approval from County, including prior written consent for the sublease, which must identify the commercial service or services to be provided by that subtenant. Tenant must also obtain County's prior written approval before modifying, adding, or subtracting any commercial service to be provided by either Tenant or a duly authorized subtenant.

Before Tenant may develop one of its New Option Properties with the intent of offering services as a Limited Service ASP, Tenant must first receive all proper permits, environmental reviews, and County reviews and approvals for such commercial use required by law, regulation, standard, or policy (provided the standard or policy is

generally applicable to commercial tenants situated similarly to Tenant), which will not be unreasonably delayed or denied.

Tenant acknowledges that no right or privilege has been granted which would operate to prevent or inhibit any other person, firm, or corporation from providing any of the commercial services authorized by this Agreement, and County agrees that it will not take any action which would prevent or inhibit Tenant's (including its subtenants') ability to provide all of the commercial services authorized by this Agreement.

Tenant must provide adequate facilities, to include restrooms, and parking for its customers, to the extent required by any applicable law or regulation.

9. **Amendment of Paragraph 10 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 10 of the Lease is amended as follows:

The final paragraph of Paragraph 10 (beginning with "Ground Rent" and ending with "improvements") is deleted and replaced in its entirety with the following:

Rent for any New Option Property for which Tenant has exercised its option will commence on the first day of the month following Tenant's exercise of the option and will be fixed at \$1,000 per month ("Construction Period Rent") until full rent, as determined by the then-current Rent and Fee Schedule, becomes due. Full rent for each New Option Property for which Tenant has exercised its option will commence on the earlier of the following: (i) the first day of the calendar month the issuance by the appropriate authority of a notice to occupy ("NTO") that New Option Property; or (ii) the first day of the calendar month following the Construction Deadline Date, unless Tenant terminates and vacates that New Option Property as provided by Paragraph 5.B.5. Rent for any of the Original Option Properties for which the Nine Year Option has been exercised shall be equal to the then-current rental rate for County Owned Hangars and improvements for office, ramp, hangar and storage, and adjusted according to the period (currently every five (5) years) as established by the Ventura County Board of Supervisors for County Owned Hangars.

10. **Amendment of Paragraph 34 of the Lease.** Upon the Effective Date of this Third Amendment, Paragraph 34 of the Lease is amended as follows:

The following paragraph is added to the end of Paragraph 34:

C. In addition to any other of Tenant's rights and duties that Tenant is authorized to assign or sublet under the Lease, Tenant may also assign or sublet all or a portion of Tenant's rights under Paragraphs 1(n), (o), and (p), Paragraph 8, and Paragraph 9 of the Lease, as amended by this Third Amendment, provided Tenant first obtains County's prior written consent, which will not be unreasonably withheld or delayed.

- 11. Tenant’s Right to Apply for and Obtain Permits Prior to Option Exercise; County Assistance.** Tenant shall have the right to apply for, submit, and seek approval of any and all environmental, grading, utilities, and building permits (collectively the “Permits”) reasonably required for Tenant to construct Hangar Buildings, taxiways, paving, and other improvements on any New Option Properties, prior to the Tenant’s exercise of any option for the applicable New Option Property. County’s Department of Airports (and no other County of Ventura entity or agency) agrees to execute and provide to Tenant any and all authorizations and assignments of rights, and to provide to Tenant reasonably responsive assistance and information, which Tenant may require to apply for and obtain such Permits from any governmental agency other than the Department of Airports. County’s Department of Airports must provide written conceptual design approval, which will not be unreasonably delayed or denied, of all plans for construction before the plans are submitted for approval to any other government agency. Upon Tenant’s submittal of any construction plans to the County’s Department of Airports (and no other County of Ventura entity or Agency), the Department of Airports will respond in writing with either conceptual design approval or reasonable comments to such plans within 60 days after their submittal to the Department of Airports by Tenant. Regardless of the issuance or existence of any Permit, any County authorization or assignment of rights, or any assistance referred to in this paragraph, nothing in this paragraph gives Tenant any right to occupy or improve any New Option Property, in any manner, before Tenant has duly exercised the option on that New Option Property.
- 12. Release of Tenant from any Pre-Effective-Date Rent Obligations.** County agrees that, as part of the consideration to Tenant for executing this Third Amendment, Tenant is released by County from any and all obligation to pay any allegedly unpaid Rent or any other payment obligations arising under the Lease prior to the Effective Date of this Third Amendment. Tenant hereby waives and releases County from: (a) any obligation to pay Tenant any refund of rent or other consideration paid by Tenant for Option Property 3 or Option Property 4 up to and including the Effective Date of this Third Amendment; and (b) all claims alleged in, related to, or arising from the same facts alleged in, the complaint filed by Tenant in Ventura County Superior Court case number 56-2023-00576290-CU-CO-VTA.
- 13. Incorporation of Recitals; Original Lease Definitions.** The recitals set forth above are hereby incorporated into the body of this Agreement. Any capitalized terms used but not otherwise defined herein have the same meaning as set forth in the Lease.
- 14. Lease Remains in Force; Conflicts.** Except as specifically amended and modified herein, all of the terms, conditions, rights, duties, and obligations of the Lease remain in full force and effect. In the event of a conflict between the terms of the Lease and the terms of this Third Amendment, the terms of this Third Amendment govern and control.
- 15. Counterparts; E-mail Transmission.** This Third Amendment may be executed in several counterparts, each of which will be deemed an original. Digital signatures or scanned

executed agreements in PDF format sent by email transmission are as valid and binding as original signatures.

[SIGNATURES ONLY ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment effective as of the date first above written.

“COUNTY”

COUNTY OF VENTURA,
a political subdivision of the state of California

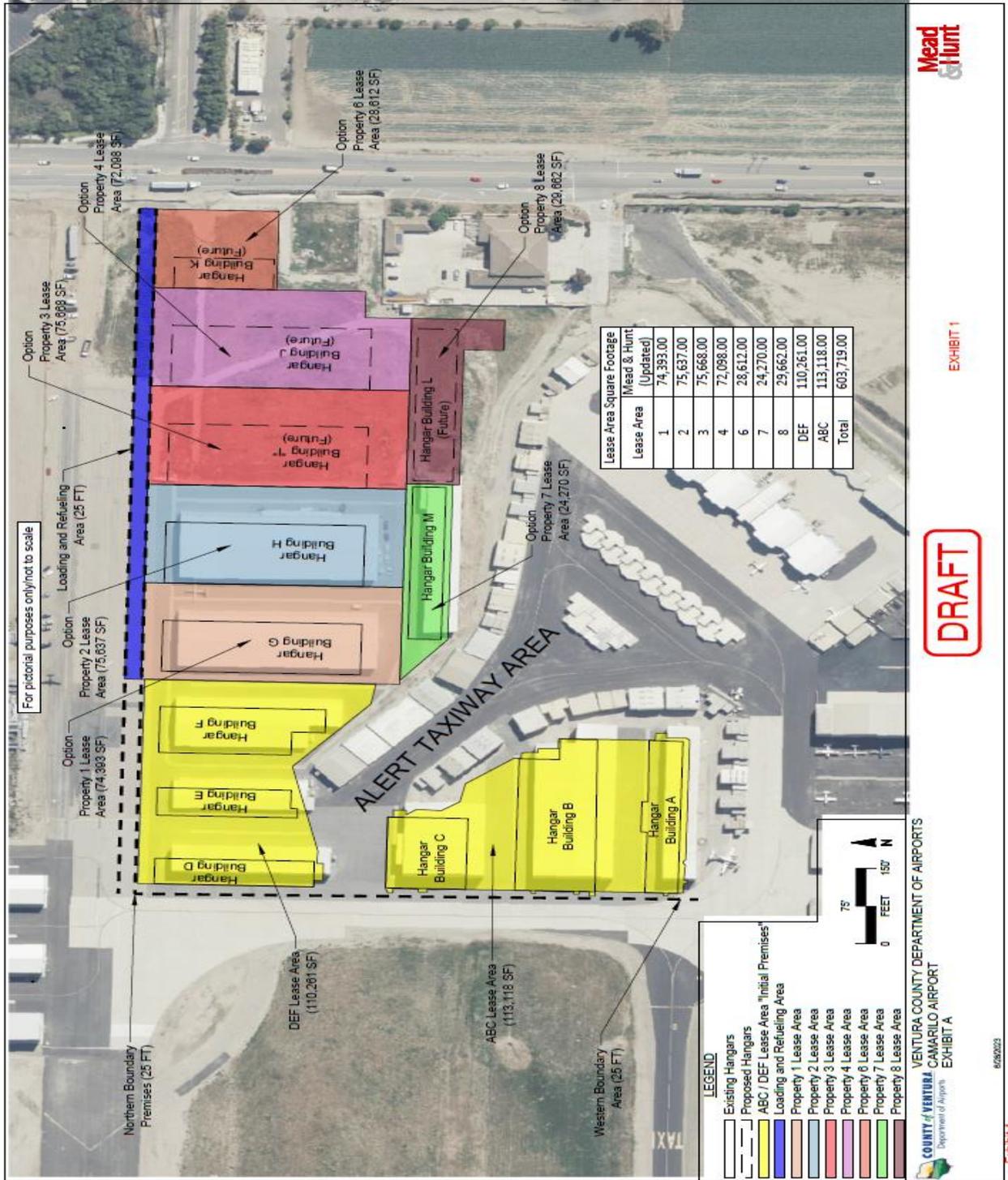
By: _____ Date: _____
Keith Freitas, Director

“TENANT”

AIRPORT PROPERTIES LIMITED, LLC,
A California limited liability company

By: _____ Date: _____
Gerald T. Alves, Manager

EXHIBIT A SITE PLAN



Mead & Hunt

EXHIBIT 1

DRAFT