

FIFTH AMENDMENT TO SATICOY REGIONAL GOLF COURSE LEASE

This Fifth Amendment to the Saticoy Regional Golf Course Lease (Lease) is entered into by the County of Ventura (County) and American Golf Corporation (American Golf or Lessee) and shall take effect on August 1, 2021.

RECITALS

Whereas, County originally leased the Saticoy Golf Course to the V-9 Corporation on January 22, 1986, for a term of 30 years;

Whereas, in 2002, following various assignments of the Lease, American Golf Corporation was assigned the Lease and is the current lessee and operator of the Saticoy Golf Course;

Whereas, the parties have previously entered into four amendments to the Lease;

Whereas, the parties now wish to enter into a fifth amendment to the Lease;

AGREEMENT

Now, therefore, the parties agree to amend the Lease as follows:

I. SPECIAL CONDITIONS

1. Article III is amended to read as follows: "The term of this Lease shall expire on September 30, 2024."
2. Article VII B is reinstated and amended to read as follows:

Beginning July 1, 2021, Lessee shall commence keeping sales data and other financial reporting information in accordance with Special Conditions Article VII and General Conditions Article XV of this Lease which relate to the payment of percentage rent.

Lessee shall pay County additional rent (percentage rent) equal to nine percent (9%) of the amount of gross receipts received on and after July 1, 2021 that exceed the total minimum rent payable for each calendar quarter. Said additional rent shall be paid on a quarterly basis for quarters ending December 31, March 31, June 30 and September 30. For purposes of this section, quarterly minimum rent is equal to minimum annual rent (which is paid in equal monthly installments) divided by twelve (12) and multiplied by three (3).

3. Article X is amended to read as follows:

Within thirty (30) days after the close of each calendar quarter, beginning November 1, 1990, Lessee shall furnish a Replacement Deposit in the amount of five percent (5%) of the gross receipts from greens' fees, rental of golf carts and clubs, and driving range income for the preceding quarter. Lessee shall furnish the Replacement Deposit throughout the required term. Failure to do so shall be deemed a default, and shall be grounds for termination of this Lease according to the provisions of this Lease. The Replacement Deposit is separate from and in addition to all rent provided by this Lease. Said Replacement Deposit Reserve

shall take one of the forms described hereinafter, and shall be expended only as provided in this Article:

A. Cash.

B. The assignment to County of a savings deposit held in a financial institution in Ventura County acceptable to County. Such assignment shall consist of delivery to County of the original passbook for such savings deposit, and execution and delivery of a written assignment of the deposit to County on a form approved by County.

C. A renewable Time Certificate of Deposit from a financial institution in Ventura County wherein the principal sum is made payable to County or order. Both the financial institution and the form of the certificate must be approved by County. Should Lessee elect to assign a savings deposit to County or provide a Time Certificate of Deposit to fulfill the Replacement Deposit requirement of this Lease, the assignment or certificate shall have the effect of releasing the depository or issuer therein from liability on account of the payment of any or all of the principal sum to County or order upon demand by County. The agreement entered into by Lessee with a financial institution to establish the deposit necessary to permit assignment or issuance of a certificate as provided above may allow the payment to Lessee or order of interest accruing on account of the deposit.

Lessee may change the form of Replacement Deposit Reserve (A. through C. inclusive above) only within thirty (30) days after any anniversary of the Lease term. Regardless of the form in which Lessee elects to make the Replacement Deposit, all or any portion of the principal sum shall be used only for the replacement of existing golf course capital improvements as approved by County.

The Replacement Deposit Reserve Fund shall be used only for the replacement of golf course capital improvements, not including replacement of golf course capital improvements, not including replacement of a clubhouse, restaurant, pro shop or any similar structure. Furthermore, the Replacement Fund shall not be used for the maintenance and repair golf course improvements, except Deposit Reserve may be used for replacement of fence material and labor, cost of removal of dead trees, and cost of planting new trees.

Lessee may recommend the replacement of or construction of golf course new capital improvements, and if approved by the Director, the cost thereof shall be paid from the Replacement Deposit Reserve Fund. County shall release from the Replacement Deposit Reserve Fund. County shall release from the Replacement Deposit Reserve Fund only the actual cost of the approved golf course improvement (s). Any balance in the Replacement Deposit Reserve Fund shall be released to County or order at the end of the lease term.

During the first calendar quarter of each year after November 1, 1990, Lessee shall submit a list of proposed golf course capital improvements, and an estimated time table for completion to the Director for approval, which will not be unreasonably withheld. The cost of a defined golf course improvement project

must be not less than \$1,000, and have a life expectancy of not less than three (3) years.

II. GENERAL CONDITIONS

1. Article XXX is deleted in its entirety.


III. Except as amended herein, all existing terms and conditions of the Lease, including as previously amended by the parties, shall remain in effect.

LESSEE: AMERICAN GOLF CORPORATION

By: 

Mike Nichols
Chief Financial Officer


Dated: July 27, 2021

By: 

Nicholas M. Foley
Secretary

Dated: July 29, 2021

COUNTY OF VENTURA

By:  FOR

David J. Sasek
Director, General Services Agency

Dated: 8/2/21