

Third ADDENDUM TO GROUND LEASE

THIS THIRD ADDENDUM is to that Ground Lease entered into on **August 10, 1999** and as amended on **September 28, 1999 and February 8, 2002** by and between the County of Siskiyou ("Lessor") and **DG Airparts, Inc.** ("Lessee") and is entered into on the date when it has been both approved by the Board and signed by all other parties to it.

WHEREAS, the Base Rent and County Adjustment Factor for all Airport Leases was modified, passed and adopted by the Board of Supervisors on May 16, 2023; and

WHEREAS, the Lessor and Lessee desire to incorporate the adopted changes into the current lease; and

WHEREAS, an Exhibit "C" needs to be added to the Lease to amend the new Base Rent and County Adjustment Factor.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

Paragraph 1 of the Lease, shall be deleted and replaced in its entirety with, "For and in consideration of the mutual covenants and agreements herein contained, Lessor hereby leases to Lessee and Lessee hereby hires from Lessor a lot in the approximate size of 80 feet x 130 feet located within the County owned property at the Siskiyou County Airport more particularly described on Exhibit "A" hereto and make a part hereof."

Paragraph 1, Exhibit "A" of the Lease shall be deleted and replaced in it's entirety with the new Exhibit "A" attached hereto.

Paragraph 4 of the Lease, Base Rent, shall be deleted and replaced in its entirety with "Base Rent. On the Commencement Date, Lessee shall pay County an annual base rental in the amount of **Two Thousand Eighty Dollars and NO/100 (\$2,080)** per year ("Base Rent"). Rent is to be paid in full on the Commencement Date and thereafter on each yearly anniversary of the Commencement Date."

Paragraph 4 of the Lease, Annual Base Rent Increase, shall be deleted and replaced in its entirety with "On the first anniversary of the Commencement Date, and each anniversary thereafter, the Base Rent shall be increased by the current County Adjustment Factor. This will determine the new "Base Rent" for the new year. The County "Adjustment Factor" shall be a percentage calculated as follows: Beginning January 1, 2023, and every three (3) year period thereafter, the annual rent increase shall be determined by calculating the average annual California Consumer Price Index for all areas and all consumers as reported by the State of California, Department of Industrial Relations ("CPI"), for the preceding three (3) years, with the resulting adjusted CPI applied for that year and the two (2) years that follow as set forth in Exhibit "C" attached hereto. However, the Adjustment Factor shall not be less than one percent (1%) nor more than six percent (6%)."

Paragraph 4 of the Lease shall be amended to Add an Exhibit "C", attached hereto and hereby incorporated by reference.

All other terms and conditions of the Lease shall remain in full force and effect.

(SIGNATURES ON FOLLOWING PAGE)

IN WITNESS WHEREOF, Lessor and Lessee have executed this Third Addendum on the dates set forth below, each signatory represents that they have the authority to execute this agreement and to bind the Party on whose behalf their execution is made.

LESSOR: COUNTY OF SISKIYOU

Date: _____

ED VALENZUELA, CHAIR
Board of Supervisors
County of Siskiyou
State of California

ATTEST:
LAURA BYNUM
Clerk, Board of Supervisors

By: _____
Deputy

LESSEE: DG Airparts, Inc.

Date: 8/25/23

Dean Gradwell
Dean Gradwell, President

Date: 8/25/2023

DocuSigned by:
Scott Gradwell
Scott Gradwell, Vice President

SIY South

<p>Hangar 211 7,740 SF</p>	<p>Hangar 213 742 SF</p>	<p>Hangar 215 1,554 SF</p>	<p>Hangar 217 3,696 SF</p>	<p>Hangar 219 3,696 SF</p>	
<p>4 non hangar agreements & the old empty CCC building</p>					
<p>Hangar A1 2,303 SF</p>		<p>Hangar A2 4,200 SF</p>	<p>Hangar A3 10,400 SF DG AIRPARTS</p>	<p>Hangar A4 10,400 SF SOLD</p>	

Exhibit C - Base Rent

Tenant: DG Airparts SC1041A Total Square Footage: 10,400.00
 Hanger A3 Ground Lease

Year of Lease	Lease Date July-June	Monthly Rent		Total Rent Amount Per Year	Adjustment Factor
		Initial Rate	Payment		
1st Year	23/24	\$ 0.200	\$ 173.333	\$ 2,080.00	4.414%
2nd Year	24/25	\$ 0.209	\$ 180.984	\$ 2,171.81	4.414%
3rd Year	25/26	\$ 0.218	\$ 188.973	\$ 2,267.67	4.414%
4th Year		TBD	TBD	TBD	TBD
5th Year					
6th Year					
7th Year					
8th Year					
9th Year					
10th Year					