

EARLY TERMINATION OF LEASE
AT FRESNO YOSEMITE INTERNATIONAL AIRPORT

Issued By

CITY OF FRESNO, CALIFORNIA
A Municipal Corporation

To

AIR LAND AND STORAGE INVESTORS,
A Limited Partnership

This Early Termination of Ground Lease Agreement (Termination), is made and entered into as of the 1st day of November 2024, by the City of Fresno, California, a municipal corporation (City), and Air Land and Storage Investors, a Limited Partnership, (Air Land and Storage or Lessee).

RECITALS

WHEREAS, City owns and operates Fresno Yosemite International Airport, (FAT) which is located in the City of Fresno, County of Fresno, State of California (Airport); and

WHEREAS, Lessee and City (each a Party; collectively the Parties) entered into a ground lease dated August 1, 2007 (Lease) for real property described as Lots 16 and 17 of Tract No. 2553, Air-Fresno Business & Industrial Park, in the City of Fresno, Fresno County, California, according to the map thereof recorded on Volume 29 of Plats at page 1, Fresno County Records (Property); and

WHEREAS, Lessee has not made any improvements on or to the Property; and

WHEREAS, the Lease matures on December 31, 2044; and

WHEREAS, on or around November 30, 2023, the Lessee notified City of the death of the managing member of Lessee and its intent to dissolve the partnership entity; and

WHEREAS, on November 30, 2023, Lessee notified City that it desires to terminate the Lease early; and

WHEREAS, as of December 30, 2023, Lessee was delinquent \$21,452.73 in quarterly rent payments; and

WHEREAS, the Parties desire and agree to terminate the Lease early and settle the delinquent rents.;

NOW, THEREFORE, for and in consideration of the foregoing, the mutual covenants and promises hereinafter set forth and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties intending to be legally bound, hereby agree as follows:

1. The above Recitals form a material part of this Agreement and are incorporated herein by reference as though set forth in full herein.
2. The City accepts Lessee's request to terminate the Lease early, before the December 31, 2044, maturity date. A true and correct copy of the Lease is attached hereto as **Exhibit A**.
3. The City agrees to stop accrual of rents on December 30, 2023.

4. On or about June 15, 2024, Lessee paid past due rents in the amount of \$21,452.73 pursuant to the terms of the Payment Arrangement entered into on December 21, 2023, attached hereto and incorporated herein as **Exhibit B**.
5. The Parties agree that in exchange for the June 15, 2024, payment of the past due rents, the Lease shall terminate early, effective on the last date of the final signature of all Parties to this Agreement.
6. This document is the complete agreement regarding early termination of the original Ground Lease. Any other promises made by Lessee or City, oral or written, with regard to the termination of the Lease are replaced by this Agreement.

[Signature on following page]

IN WITNESS WHEREOF, Lessee has caused this Early Termination of Lease to be executed by its duly authorized officer, and City has caused the same to be executed by its duly authorized person(s)/officer(s), all as of the day and year first above written.

CITY OF FRESNO, CALIFORNIA
A Municipal Corporation

By: _____
Henry Thompson, A.A.E., C.A.E.,
IAP
Director of Aviation

APPROVED AS TO FORM:

ANDREW JANZ
City Attorney

Signed by: _____ 11/15/2024
Kelsey D. Seib
1CFC5444CAA64DB... Collet Date
Assistant City Attorney

ATTEST:
TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

Address for Notice:
City of Fresno
Airports Department
4995 E. Clinton Way
Fresno, CA 93727

AIR LAND AND STORAGE INVESTORS, LP

A California Limited Partnership

Signed by: _____
Peter Goode11
061F4DD3DE0C49B...
Name: Peter Goode11 for Goode11 Investments LLC

Title: _____
Managing General Partner
(Managing General Partner)

By: _____

Name: _____

Title: _____
(CFO, Treasurer, Secretary or
Assistant Secretary)

Address for Notice:

Air Land and Storage Investors, LP
425 Las Palmas Drive
Santa Barbara, CA 93110

Attachments:

- Exhibit A – Original Ground Lease
- Exhibit B – Parcel Map
- Exhibit C – Fully Executed Payment Arrangement

EXHIBIT "A"

LEASE

between

CITY OF FRESNO

and

Air Land and Storage Investors

THIS LEASE is made and entered into this 1 day of August, 2007, by and between the CITY OF FRESNO, a municipal corporation ("LANDLORD"), and Air Land and Storage Investors "TENANT."

This Lease replaces TENANT's sublease or partial assignment under that Industrial Land Lease and Agreement executed by and between the City of Fresno and ATWOOD GROVE CONSTRUCTION COMPANY, INC., which was recorded August 1, 1974, as document number 57749 in Book 6330 at page 220 in the office of the County Recorder of the County of Fresno. Said Industrial Land Lease and Agreement was amended by Amendment to Industrial Land Lease and Agreement dated March 25, 1977, recorded March 29, 1977, as document number 30743 in Book 6765 at page 859 in the office of the County Recorder of the County of Fresno. Said Industrial Land Lease and Agreement was further revised and amended in its entirety dated May 30, 1978, and recorded June 23, 1978, as document number 68144 in Book 7059 at page 869 in said Revised and Amended Industrial Land Lease and Agreement dated May 30, 1978, and recorded on June 23, 1978, ~~and is attached, marked Exhibit "A," and by this reference incorporated herein,~~ and is hereinafter referred to as "MASTER LEASE", in that all right, title and interest existing as of the date hereof in the MASTER LEASE has been assigned and conveyed to the LANDLORD. Tenant acknowledges that it has no other claim, right or entitlement to the leased premises except under and pursuant to the terms of this Lease.

new

ARTICLE I

DESCRIPTION OF LEASED PREMISES

LANDLORD hereby leases to TENANT and TENANT hereby hires from LANDLORD that certain parcel of land situated in the City of Fresno, County of Fresno, State of California, more particularly described as follows:

Portions of lots 16 and 17 - see attached Exhibit A

ARTICLE II

TERM

1. The term of the Lease shall be for a period commencing on September 1, 2006, and ending December 31, 2044, unless sooner terminated as herein provided (hereinafter referred to as "the basic term"). The LANDLORD reserves the right to terminate this Lease at any time on or after December 31, 2037, if LANDLORD determines, in its sole and complete discretion, that the leased premises is needed for Airport purposes. If LANDLORD exercises its rights under this Article II to terminate the Lease, it shall give TENANT 6 months written notice.

ARTICLE III

RENT

1. TENANT shall pay the rent ~~monthly~~ in advance, at the initial rate of nineteen (19) cents per square foot per year, payable in quarterly installments, due on January 1, April 1, July 1 and October 1 of each year. TENANT's first payment shall be paid concurrent with the execution of this LEASE and include rent at the above-referenced rate retroactive to August 23, 2006. *new*

2. The Annual Rental will be adjusted effective each January 1 during the term hereof by the average percentage increase, if any, of the following two indices:

(i) Average Hourly Earnings of Manufacturing Production or Non Supervisory Workers on Private Nonfarm Payrolls, as published by the United States Department of Labor, Bureau of Labor Statistics (USDLBLS), in the publication "Establishment Data, Historical Hours and Earnings"; and

(ii) Producer Price Index for All Commodities, as published by the United States Department of Labor, Bureau of Labor Statistics (USDLBLS), in the publication "Producer Price Indexes".

No one, annual rental adjustment shall result in a change in the Annual Rental greater than ten percent (10%) compared to the then existing rental; however any excesses over the ten percent (10%) maximum annual adjustments shall be merely deferred to the next annual adjustment when it may be imposed without exceeding the ten percent (10%) maximum annual adjustment. An example of the format and methodology used in the Rental Adjustment Procedure are attached as Exhibit "B" hereto and incorporated herein by reference.

ARTICLE IV

UTILITIES

TENANT shall pay for water, gas, electricity and other utilities supplied to and used on the leased premises, and shall pay for sewerage, solid waste disposal and other utility services to the leased premises.

ARTICLE V

TAXES AND ASSESSMENTS

1. TENANT shall pay, when due and as the same become due and payable, but not later than fifteen (15) days prior to the delinquency date thereof, all taxes and general and special assessments of every description which during the term of this Lease may be levied upon or assessed against the

leased premises, any interest therein and improvements or other property thereon, or possessory interest pertaining thereto, belonging to LANDLORD or its successors. Any interest in real property which exists as a result of possession, exclusive use, or a right to possession or exclusive use of land owned by the City of Fresno, and any improvements thereon, is a taxable interest unless the possessor is exempt from taxation. TENANT agrees to protect and hold harmless the LANDLORD, the leased land, and all interests therein and improvements thereof from any and all such taxes and assessments, including any interest, penalties and other expenses which may be thereby imposed, and from any lien thereon or sale or other proceedings to enforce payment thereof. Notwithstanding anything to the contrary herein contained, LANDLORD shall have the right to pay such tax (if payment is required to avoid or terminate proceedings to enforce collection of such tax) and to recover the same plus interest at ten (10%) percent per annum from TENANT.

ARTICLE VI

INDEMNITY AND INSURANCE

1. LANDLORD shall be liable for any loss, damage, or injury of any kind whatsoever to the person or property of TENANT, or any of TENANT's employees, guests or invitees or of any other person whomsoever, caused by any use of the leased premises, or by any defect in any building, structure, or other improvement constructed thereon, or arising from any accident on said premises or any fire or other casualty thereon, or occasioned by the failure on the part of TENANT to maintain said premises in safe condition, or by any nuisance made or suffered on said premises, or by any act or omission of TENANT, or of TENANT's employees, guests, or invitees, or arising from any cause whatsoever; and TENANT hereby waives on its behalf all claims and demands against LANDLORD for any such loss, damage, or injury of TENANT, and hereby agrees to indemnify and save LANDLORD free and harmless from liability for any such loss, damage, or injury of other persons, and from all costs, expenses and other charges arising therefrom and in connection therewith.

2. TENANT agrees to acquire, within ten (10) days after the execution of this Lease, and to keep in force during the term of this Lease and any extensions thereof, at TENANT's expense, public liability insurance to protect against any liability to the public incidental to the use of the leased premises or resulting from any accident occurring in or about the leased premises.

3. The liability under such insurance shall be not less than \$1,000,000 combined single limit.

4. In the policy or policies providing such insurance, LANDLORD shall be named as an additional insured, and said policy or policies shall contain a standard cross-liability endorsement. Such

insurance, as is afforded LANDLORD under the policy or policies, shall be the primary coverage whether or not LANDLORD shall have other insurance against any loss covered by said policy or policies.

5. The term of said policy or policies shall be for such period as designed by TENANT; provided, however, that not less than thirty (30) days prior to the expiration of the term of any such policy or policies, TENANT shall procure another policy or policies or a renewal of the same policy or policies of said insurance so that throughout the entire basic term and any extensions thereof, TENANT and LANDLORD shall be the named insureds under a policy of comprehensive liability insurance as provided in this article.

6. TENANT shall furnish LANDLORD with a certificate of insurance for each such policy, showing such insurance to be in full force and effect, stating that the insurance provided is prior to any carried by the LANDLORD, and providing a minimum of ten (10) days written notice to LANDLORD in the event of cancellation or material change in the terms of the policy.

7. TENANT agrees to reimburse LANDLORD for any increase in LANDLORD's property insurance premiums resulting directly from TENANT's occupancy of the leased premises. LANDLORD's property insurance policies will include a waiver of subrogation clause with respect to TENANT to the extent LANDLORD's property insurance covers and applies to the leased premises.

8. If TENANT does not keep the required insurance in full force and effect during the term of this lease, LANDLORD may take out the necessary insurance and pay the premium therefore; and TENANT shall, upon demand, pay LANDLORD, the amount of such premium plus interest at the rate of ten (10%) percent per annum as additional rent due and payable to LANDLORD.

ARTICLE VII

USE OF LEASED PREMISES

1. TENANT shall use the leased premises for purposes and such uses as are permissible under the zoning ordinances of the City of Fresno. TENANT shall not use or permit any person to use the leased premises in such manner as to constitute any nuisance or to violate any law, ordinance or regulation from time to time applicable thereto. At the time of execution of this agreement, the leased premises is zoned M1-P.

ARTICLE VIII

IMPROVEMENTS

1. Upon obtaining the approval of the Board of Architectural Review pursuant to the provisions of Article XXVII hereof, TENANT may, at any time during the term of this Lease, construct upon the leased premises all improvements and buildings as approved, with all necessary fixtures and

customary appurtenances. When the construction of any building or other structure on said premises, or any addition thereto or alteration thereof as approved, is commenced, the same shall be prosecuted with reasonable diligence until completed, and shall conform to all laws, ordinances and regulations applicable thereto, and shall be constructed and completed at the sole cost and expense of TENANT and without any cost, expense or liability to the LANDLORD whatsoever.

2. Nothing in this article shall restrict the respective obligations and right of TENANT and LANDLORD as provided for in Article XI and Article XIV herein.

ARTICLE IX

MAINTENANCE OF LEASED PREMISES

1. LANDLORD shall not be obligated to make any repairs, alterations, additions, or improvements in or to or upon or adjoining the leased premises or any structure or other improvement that thereafter may be constructed or installed thereon. TENANT shall, at all times during the full term of this Lease and at its sole cost and expense, keep and maintain all buildings, structures, and other improvements on said premises in good order and repair, whether placed thereon by LANDLORD or TENANT, and TENANT shall, at its sole cost and expense, keep and maintain the whole of said premises free of weeds and rubbish and in a clean, sanitary and neat condition.

2. TENANT shall construct, maintain and repair all facilities and other improvements which may be required at any time by law, upon or adjoining or in connection with or for the use of said premises or any part thereof, and TENANT shall make any and all additions to or alterations in any buildings and structures on said premises which may be required by law and shall otherwise observe and comply with any and all laws, ordinances, regulations, and orders of competent governmental authority applicable to said premises.

3. TENANT agrees to indemnify LANDLORD against any liability that may arise out of TENANT's failure to keep and maintain the leased premises and any buildings or other improvements thereon as required by this article.

ARTICLE X

RESTORATION OF PREMISES

1. If, during the term of this Lease, any improvements constructed by TENANT on the leased premises, or any part thereof, shall be damaged or destroyed by fire or other casualty, TENANT shall, at its cost and expense either (a) repair or restore said improvements, or (b) tear down and remove same from said premises. If TENANT shall elect to repair or restore said improvements, the work thereon

shall commence within one hundred fifty (150) days after the damage occurs and shall be completed with due diligence.

2. If TENANT shall elect not to repair or restore said improvements, TENANT shall, within one hundred fifty (150) days after said damage occurs, tear down and remove all parts thereof remaining and the debris resulting from said fire or other casualty and otherwise clean up said premises as hereinafter provided in Article XVI and any failure by TENANT to do so shall constitute a breach of the covenants and conditions of this Lease.

3. Regardless of any such damage or destruction, this Lease shall continue in force and effect until terminated as elsewhere provided in this Lease.

4. This article does not exempt the TENANT from the requirements of the State of California Dangerous Building Ordinance or any other ordinance, law or regulation that may be applicable.

ARTICLE XI

LIENS AND CLAIMS

1. TENANT shall not suffer or permit to be enforced against the title to the LANDLORD's leased premises, or any part thereof, or against the LANDLORD's interest in the leased premises, or any part thereof, any lien, claim or demand arising from any work of construction, repair, restoration, maintenance or removal as herein provided or otherwise arising (except liens, claims or demands suffered by arising from the actions of LANDLORD).

2. TENANT shall pay all such liens, claims and demands before any action is brought to enforce the same against said land; and TENANT agrees to hold LANDLORD free and harmless from all liability for any and all such liens, claims or demands, together with all costs and expenses in connection therewith.

3. LANDLORD shall have the right at any time to post and maintain on said premises such notices as may be necessary to protect LANDLORD against liability for all such liens and otherwise.

4. Should TENANT fail or refuse to pay any tax assessment or other charge upon the leased premises when due and payable as provided herein, or any lien or claim arising out of the construction, repairs, restoration, maintenance and use of said premises and the building and improvements thereon, or any other claim, charge or demand which TENANT has agreed to pay under the covenants of this Lease, and if after thirty (30) days written notice from LANDLORD to TENANT and to his authorized encumbrance, if any, TENANT or his said encumbrancer shall fail or refuse to pay and discharge the same, then LANDLORD may, at its option, either treat such failure or refusal as a breach of or default under this Lease, or may pay any such tax assessment, lien, claim, charge or demand, or settle or

discharge any action therefore or judgment thereon, and all costs, expenses and other sums incurred or paid by LANDLORD in connection therewith shall be repaid to LANDLORD, by TENANT upon written demand, together with interest thereon at the rate of ten (10%) percent per annum from the date of payment until repaid, and any default in such repayment shall constitute a breach of the covenants of this Lease.

ARTICLE XII

RIGHT TO ASSIGN AND SUBLET

1. TENANT may ^{NOT} encumber, sublease, assign or otherwise transfer this Lease, or any right or interest herein, without the prior written consent of LANDLORD.

2. Any and all sublessees, assignees or transferees shall first covenant in writing, with copies thereof to be furnished to LANDLORD to keep, perform and be bound by each and all of the covenants and conditions of this Lease herein provided to be kept and performed by TENANT, and to assume any obligations hereunder previously accrued with respect to the leased premises.

3. Should TENANT attempt to make, or suffer to be made, any such sublease, assignment or transfer without such prior written covenant by any and all sublessees, assignees, or transferees, as specified in Section 2 of this Article, or should any right or interest of TENANT hereunder be transferred or sold by or under Court or legal process, or otherwise, then any of the foregoing events shall be deemed a breach of the conditions and restrictions of this lease and thereupon LANDLORD may, at their option, terminate this Lease forthwith by written notice thereof to TENANT, or exercise other rights provided by law, or in this Lease, to be exercisable by LANDLORD in the event of any default or breach under this Lease.

4. TENANT shall not encumber, assign, sublet or otherwise transfer this Lease, or any right or interest herein, if TENANT is in default at such time in any respect.

ARTICLE XIII

RIGHT TO ENCUMBER LEASEHOLD INTEREST

1. Notwithstanding anything to the contrary hereinabove contained in Article XII, TENANT shall have the right at any time and from time to time to subject the leasehold estate to a deed or deeds of trust; PROVIDED THAT the note for which the deed of trust has been given as security will be discharged prior to the expiration of the basic term of this Lease.

Any such deed of trust shall, nevertheless, be subject to the following covenants and conditions, each and all of which shall be binding upon and inure to the benefit of the encumbrance and its transferee(s), to-wit:

a) Except as herein otherwise provided, the trust deed, and all rights acquired there under, shall be subject to each and all of the covenants, conditions and restrictions set forth in this Lease and to all rights and interests of LANDLORD hereunder;

b) Should there be any conflict between the provisions of this Lease and the provisions of the trust deed, the former shall control;

c) Should this Lease be encumbered for the purpose of construction, TENANT may:

1) obtain a construction loan for the purpose of erecting a building and other improvements;

2) obtain a long term loan for the purpose of paying off the construction loan;

3) obtain a loan from a bonafide lending institution;

4) TENANT shall provide such security, bond or other guarantee as such lender may require for the encumbrances hereinabove enumerated;

5) in the event such construction, subject to this section (1)(c) of this Article XIII, once commenced is not completed, and no other party shall be found to be responsible for completing or removing same, TENANT shall at the written request of LANDLORD be responsible for completing said construction or, at TENANT's option, removing the partially completed improvements at such time as TENANT shall have the lawful ability to do so. TENANT shall exercise due diligence in securing the legal right to enter upon the premises for this purpose.

d) If the leasehold estate of TENANT shall be transferred at foreclosure sale under the trust deed, such transfer shall not require the prior written consent of LANDLORD or be subject to the payment of any transfer fee, but the purchaser at such sale shall pay or cure any prior defaults or breaches to prevent exercise by the LANDLORD of the rights given by this Lease or by law to the LANDLORD in the event of default or breach. Any further and subsequent transfer or assignment of this Lease shall be subject to the provisions of Article XII.

e) LANDLORD agrees that it will not terminate this Lease because of any default of the TENANT if the holder of the trust deed, within ninety (90) days after service of written notice of LANDLORD's intention to terminate this Lease for such default or breach, shall:

1) cure such default or breach by the payment or expenditure of money, or, if such default or breach is not so curable, commence foreclosure proceedings within said ninety (90) day period and thereafter diligently pursue such proceedings to completion pursuant to the trust deed; and

2) keep and perform all of the covenants and conditions of said Lease requiring expenditure of money by the TENANT until such time as said leasehold shall be sold upon foreclosure pursuant to the trust deed or shall be released or reconveyed there under; provided, however, that if the holder of the trust deed shall fail or refuse to comply with any and all of the conditions of this subdivision, then and thereupon LANDLORD shall be released from the covenant of forbearance herein contained; and any notice to the encumbrancer provided for in this subdivision may be given concurrently with or after LANDLORD's notice of default to TENANT as hereinafter provided in Article XIV.

f) Upon recording the trust deed, TENANT, at its expense, shall cause to be recorded in the office of the County Recorder of Fresno County, California, a written request executed and acknowledged by LANDLORD and for a copy of any notice of default and of any notice of sale under the trust deed as provided by the statutes of the State of California relating thereto.

g) TENANT shall furnish to LANDLORD and a complete copy of the trust deed and note secured thereby, together with the name and address of the encumbrancer.

2. TENANT's sublessees may encumber their interests by trust deed if permitted by TENANT, and the holders of any such trust deeds shall have the rights of the sublessees, upon foreclosure, as provided in Section 5 of Article XII and in Section 5 of Article XIV.

ARTICLE XIV

DEFAULT

1. Should TENANT default in the performance of, or breach any covenant, condition, or restriction of the Lease, and should such default or breach continue uncured for a period of ninety (90) days from and after written notice thereof given by LANDLORD to TENANT, then LANDLORD shall have the following rights, without additional demand and without prejudice to any other right or remedy of LANDLORD.

a) LANDLORD may terminate the Lease by giving TENANT written notice thereof or by re-entering upon and taking possession of the leased premises and all building and improvements thereon and removing all persons claiming under sublessee (subject to the provisions of Section 5 of Article XII), and all personal property, from the leased premises, and such personal property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of TENANT; or

b) LANDLORD may continue this Lease in effect for so long as the LANDLORD does not terminate the TENANT's right to possession, and the LANDLORD may enforce all its rights and remedies under this Lease. For the purpose of this election, the following do not constitute a termination of the TENANT's right to possession:

- 1) Acts of maintenance or preservation or efforts to relet the property;
- 2) The appointment of a receiver upon initiative of the LANDLORD to protect the LANDLORD's interest under the Lease.

2. Except as otherwise provided in subdivision (b) of Section 1 of this Article XIV, if the TENANT breaches this Lease and abandons the leased premises before the end of the term or if the TENANT's right of possession is terminated by the LANDLORD because of a breach of this Lease, the Lease, other than the payment of rent, terminates.

3. Nothing in Section 1 of this article affects the right of LANDLORD to equitable relief where such relief is appropriate.

4. (a) Nothing in this article affects the provisions of Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the California Code of Civil Procedure, relating to actions for unlawful detainer, forcible entry, and forcible detainer.

(b) The bringing of an action under the provisions of Chapter 4 (commencing with Section 1159) of Title 3, Part 3 of the California Code of Civil Procedures does not affect the LANDLORD's right to bring a separate action for relief under provisions of this article, but no damages shall be recovered in the subsequent action for any detriment for which a claim for damages was made and determined on the merits in the previous action.

5. Notwithstanding the provisions of paragraph 1 and 2 of this article, any sublease of TENANT hereunder shall continue in effect so long as the sublessees of TENANT hereunder complies with the obligations of such TENANT under the provisions of its sublease with TENANT hereunder.

ARTICLE XV

EMINENT DOMAIN

1. In the event of any taking of all or any part of the leased premises or any interest therein by reason of any exercise of the power of eminent domain, or any transfer of all or any part of the leased premises or any interest therein made in avoidance of any exercise of the power of eminent domain (all of the foregoing being hereinafter referred to as "taking"), prior to or during the term of this Lease, the rights and obligations of LANDLORD and TENANT with respect to such taking shall be as provided in this article.

2. In the event of a taking of all of the leased premises, this Lease shall terminate as of the date of the taking. However, the LANDLORD hereby agrees to use the income approach to determine the fair market value of the leasehold interest. Furthermore, LANDLORD and TENANT agree that a 5.25 capitalization rate shall be applied to the income approach.

3. In the event of a taking of less than all of the leased premises, this Lease shall continue in full force and effect except as provided in this section. The leased premises shall be reduced by the area of any land taken. Rent shall be reduced, but all other obligations of TENANT shall terminate as to any land taken. The leased premises shall not be reduced by any taking except a taking of land. But in case of any taking, TENANT shall keep the amount of just compensation, including severance damages, plus interest, costs of court, and any other amounts that may be paid for taking any interest of TENANT, provided that just compensation shall not exceed the proportion that TENANT's interest bears to the value of the undivided fee. If the taking shall substantially impair the use of the leased premises by TENANT, then in such case, TENANT shall have the right to terminate this Lease. Any such termination shall be made by written notice from TENANT to LANDLORD on or before thirty (30) days after the date of the taking and shall be effective as of the date of the taking; and all future obligations of the TENANT, other than rent, shall terminate.

4. Notwithstanding any provision of this Lease to the contrary, in the event that a taking of all or any part of the leased premises shall affect only the interest of TENANT, the entire award made with respect to the taking shall be paid to TENANT and this Lease shall continue in full force and effect subject to the taking.

5. The "date of the taking," as used in this article, means the date the governmental entity has a right to possession or the date of action possession, whichever is earlier.

6. Any compensation which would otherwise be payable under this paragraph to TENANT shall be paid directly to any encumbrancer of the leasehold interest, to the extent of such encumbrance.

ARTICLE XVI

REMOVAL

1. Upon the expiration or termination of this Lease, LANDLORD shall have the right, at TENANT's sole cost and expense, to require TENANT to remove from the leased premises all buildings and other improvements placed thereon by TENANT, except subdivision improvements, within one hundred and eighty (180) days prior to the expiration or termination of this Lease, and TENANT shall fill all excavations and remove all foundations, debris and other parts of said buildings remaining after same are removed and shall surrender possession of said premises to LANDLORD in a clean and orderly condition. No buildings or improvements shall be removed at any other time without the prior written

consent of LANDLORD. In the event LANDLORD does not exercise such right, TENANT, with the written consent of LANDLORD shall have the same right, but only upon the condition that TENANT shall not then be in default under any of the covenants and conditions hereof, and not otherwise.

2. In the event any buildings and other improvements shall not be removed as provided in Section 1, the same shall become and thereafter remain a part of the land leased and shall belong to without the payment of any consideration therefore.

3. Upon the expiration of the term hereof, or any sooner termination of this Lease, TENANT shall execute, acknowledge and deliver to LANDLORD a prior instrument in writing releasing and quitclaiming to LANDLORD all right, title and interest of TENANT in and to the leased premises by virtue of this Lease or otherwise.

ARTICLE XVII

HOLDING OVER

1. This Lease shall terminate and become null and void without further notice upon the expiration of the term herein specified, and any holding over by the TENANT after the expiration of said term shall not constitute a renewal hereof or give TENANT any rights hereunder or in or to the leased premises, except as otherwise provided in Article XVI hereof. Any such holding over shall be deemed solely a tenancy from month to month, subject to all the terms and conditions of this Lease, with rental payable at the then current rate, in advance on the first day of each and every calendar month during the period of such holding over, provided that this requirement shall not pertain to the removal permitted by Article XVI, if the same is done entirely in accordance with the said Article XVI.

ARTICLE XVIII

INTERFERENCE WITH AIRPORT OPERATIONS

1. LANDLORD owns and operates the Fresno Yosemite International Airport on the property nearby.

2. There is reserved to the LANDLORD, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises herein conveyed, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace for landing at, taking off from, or operating on the Fresno Air Terminal.

3. TENANT, his successors and assigns, shall not erect nor permit the erection of any structures, or permit the growth of any trees on the leased premises which would be an airport hazard

within the standards established by Part 77 of the Federal Aviation Regulations as now existing or s may hereafter be modified.

4. TENANT, his successors and assigns, shall not engage in or conduct or permit the conduct of any activity of any kind on the leased premises which will interfere in any manner with the operation of the Fresno Yosemite International Airport as an airport or with aircraft operations or related operations conducted on the airport by LANDLORD, and shall not make use of said leased premises in any manner which might interfere with the landing and taking off of aircraft from said Fresno Air Terminal, or otherwise constitute an airport hazard.

5. TENANT, in the operations to be conducted pursuant to the terms of this Agreement, and otherwise upon the leased premises, shall not, on the grounds of race, color, sex or national origin, discriminate or permit the discrimination against any person or persons in any manner prohibited by the Civil Rights Act of 1964 or amendments thereto, or violate any other rules or regulations enacted by agencies having control over the leased premises.

6. TENANT acknowledges that the leased premises may be subject to current and possible future requirements and/or directives of the Federal Aviation Administration and/or the Transportation Security Administration, and any successor of either. TENANT agrees to abide by and keep any and all such requirements and/or directives.

ARTICLE XIX

REPRESENTATIONS

1. TENANT covenants and agrees that it has examined the leased premises and that the same is delivered to it in good order and condition and that the same is delivered to it good order and condition and that no representations as to said premises have been made by LANDLORD or by any person or agent acting for LANDLORD and it is agreed that this document contains the entire agreement between the parties hereto and that there are no verbal agreements, representations, warranties or other understandings affecting the same.

ARTICLE XX

BANKRUPTCY OR INSOLVENCY

1. If at any time TENANT files bankruptcy, or a petition for reorganization or arrangement, under any of the laws of the United States relating to bankruptcy, shall be filed by TENANT, or shall be filed against TENANT, and shall not be dismissed within thirty (30) days from the date of such filing, or if the assets of TENANT or the business conducted by TENANT on the premises shall be assumed by any trustee or other person, pursuant to any judicial proceedings, or if TENANT becomes insolvent, or

fails in business, or makes an assignment for the benefit of creditors, or if the same is seized pursuant to any writ of attachment or execution, or proceedings whereby a lien is placed upon any of the assets of TENANT and the same is not dismissed within thirty (30) days therefrom the occurrence of any such event may, at LANDLORD's option, be construed as a material breach of this Lease, and any breach hereunder may be cured by TENANT or any other interested third party.

ARTICLE XXI

UNDERTAKINGS OF TENANT WHICH ARE CONSIDERATIONS HEREIN

1. TENANT shall comply with the covenants and restrictions applicable to the leased premises and referred to a "Tract Restrictions" designated as ~~Exhibit B~~ attached hereto and made a part hereof.

new

ARTICLE XXII

WAIVER OF BREACH OF COVENANTS

1. The waiver by LANDLORD of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition herein contained. The exercise of any right or option or privilege hereunder by LANDLORD shall not exclude LANDLORD from exercising any and all other rights, privileges, and options hereunder, and LANDLORD's failure to exercise any right, option or privilege hereunder shall not be deemed a waiver of said right, option or privilege, nor shall it relieve TENANT from TENANT's obligation to perform each and every covenant and condition on TENANT's part to be performed hereunder, nor from damages or other remedy for failure to perform or meet the obligations of this Lease.

ARTICLE XXIII

VENUE AND LITIGATION

1. Exclusive venue in any and all actions arising under this Lease shall be Fresno County, California.

ARTICLE XXIV

NOTICES

1. All notices or demand of any kind which LANDLORD may be required to serve on TENANT under the terms of this Lease may be served upon TENANT (as an alternative to personal

service upon TENANT) by mailing a copy thereof by registered or certified mail, return receipt requested, addressed to TENANT:

Or at such other place as TENANT may designate to LANDLORD in writing.

2. All notices or demands of any kind which TENANT may be required or may desire to serve upon LANDLORD under the terms of this Lease may be served upon LANDLORD (as an alternative to personal service upon LANDLORD) by mailing a copy thereof by registered or certified mail, return receipt requested, addressed to LANDLORD:

City of Fresno - Department of Airports
4995 East Clinton Way
Fresno, CA 93727
Attn: Director

Or at such other place as LANDLORD may designate to TENANT in writing.

3. In the event of any service by mail, as aforesaid, service shall be deemed to be complete upon execution of the return receipt.

ARTICLE XXV

CONSTRUCTION AND EFFECT

1. Each and all of the obligations, covenants, conditions and restrictions of this Lease shall be deemed as running with the land and shall inure to the benefit of and be binding upon and enforceable against, as the case may require, the successors and assigns of LANDLORD, and subject to the restrictions of Article XII hereof, the heirs, executors, legal representatives, encumbrances, assignees, successors and subtenants of TENANT.

2. If TENANT consists of more than one person, the covenants and obligations of TENANT hereunder shall be the joint and several covenants and obligations of such persons. In this Lease, the masculine gender includes the feminine neuter, and the singular number includes the plural, whenever the context so requires.

3. The headings contained herein are used only for the purpose of convenience and shall not be deemed to limit the subject of the articles hereof or to be considered in the construction thereof. The principal divisions of this Lease are designated as "articles" and are identified consecutively by Roman numerals. The principal divisions of articles are designated as "sections" and are identified consecutively by Arabic numerals not in parenthesis. The principal divisions of sections are designated as "subdivisions" and are identified consecutively by lower case letters in parenthesis. Divisions of subdivisions are designated as "paragraphs" and are identified consecutively by Arabic numerals in

parenthesis. References to codified California statutes include amendments and any superseding statutes which may be in effect at the time the rights of any party arise there under.

ARTICLE XXVI

BOARD OF ARCHITECTURAL REVIEW

1. No improvements, except subdivision improvements, shall be erected on the leased premises until plans and specifications indicating structural design, conformity and harmony with neighboring properties and a positive impact on the Fresno Air Terminal and environment are submitted in sufficient detail to provide for an in-depth review by a Board of Architectural Review. Said Board of Architectural Review shall be comprised of the Transportation Director of LANDLORD (or his successor in function), a representative of ^{Tenant} LANDLORD, and a responsible private citizen to be appointed by the aforementioned representatives of LANDLORD and TENANT.

new

2. No construction shall commence on any leased premises until such plans and specifications have been approved in writing by said Board of Architectural Review.

3. Approval by the Board of Architectural Review shall not be in lieu of a Conditional Use Permit, Site Plan Special Permit, or any other entitlement required by police power regulation.

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

CITY OF FRESNO, a Municipal Corporation

By *Russell C. Widmar*

Title LANDLORD Russell C. Widmar AAE
Director of Aviation

Dexter Goodell

By Dexter Goodell

General Partner

Title General Partner, Air Land and Storage Investors

ATTEST:

Rebecca E. Klisch, City Clerk

Sherril L. Baderbocker

Deputy

8/30/07

Date

APPROVED AS TO FORM:

James C. Sanchez, City Attorney

R

Robert Coyle, Deputy

8-30-07

Date

Exhibit A

Lots 16 and 17 of Tract No. 2553, Air-Fresno Business & Industrial Park, in the City of Fresno, Fresno County, California, according to the map thereof recorded on Volume 29 of Plats at page 1, Fresno County Records.

Excepting there from the southerly 50.00 feet of said Lot 16, and the easterly and southeasterly 15.00 feet of said Lots 16 and 17.

ANNUAL RENTAL ADJUSTMENT COMPUTATION FOR THE PERIOD: JANUARY 1, 2008 THROUGH DECEMBER 31, 2008

NAME OF LESSEE: AIR LAND AND STORAGE INVESTORS
 AIRPORT CONCERNED: FRESNO YOSEMITE INTERNATIONAL AIRPORT

RE: LEASE DATED: AUGUST 1, 2007
 PREMISES: LOTS 16 & 17 OF TRACT 2553

U.S. DEPT. OF LABOR, BUREAU OF LABOR STATISTICS DATA USED IN THIS COMPUTATION

INDEX	BASE YEAR [2006]	LAST ADJUSTMENT YEAR []	CURRENT ADJUSTMENT YEAR []	DIFFERENCE BETWEEN LAST AND CURRENT ADJ. YR. INDEX	PERCENT INCR./DECR. LAST VS. CURR ADJ. YR. INDEX
_1/ PPI	157.3	157.30	164.80	7.5000	4.7680%
_2/ AHE	16.56	16.56	16.80	0.2400	1.4493%
TOTAL: (PPI PERCENT INCREASE/DECREASE +/- AHE PERCENT INCREASE/DECREASE):					6.2172%
AVERAGE PERCENTAGE INCREASE/DECREASE (i.e., 1/2 of above "TOTAL"):					3.1086%

DATE COMPUTATION COMPLETED: 8/22/07 1:55 PM

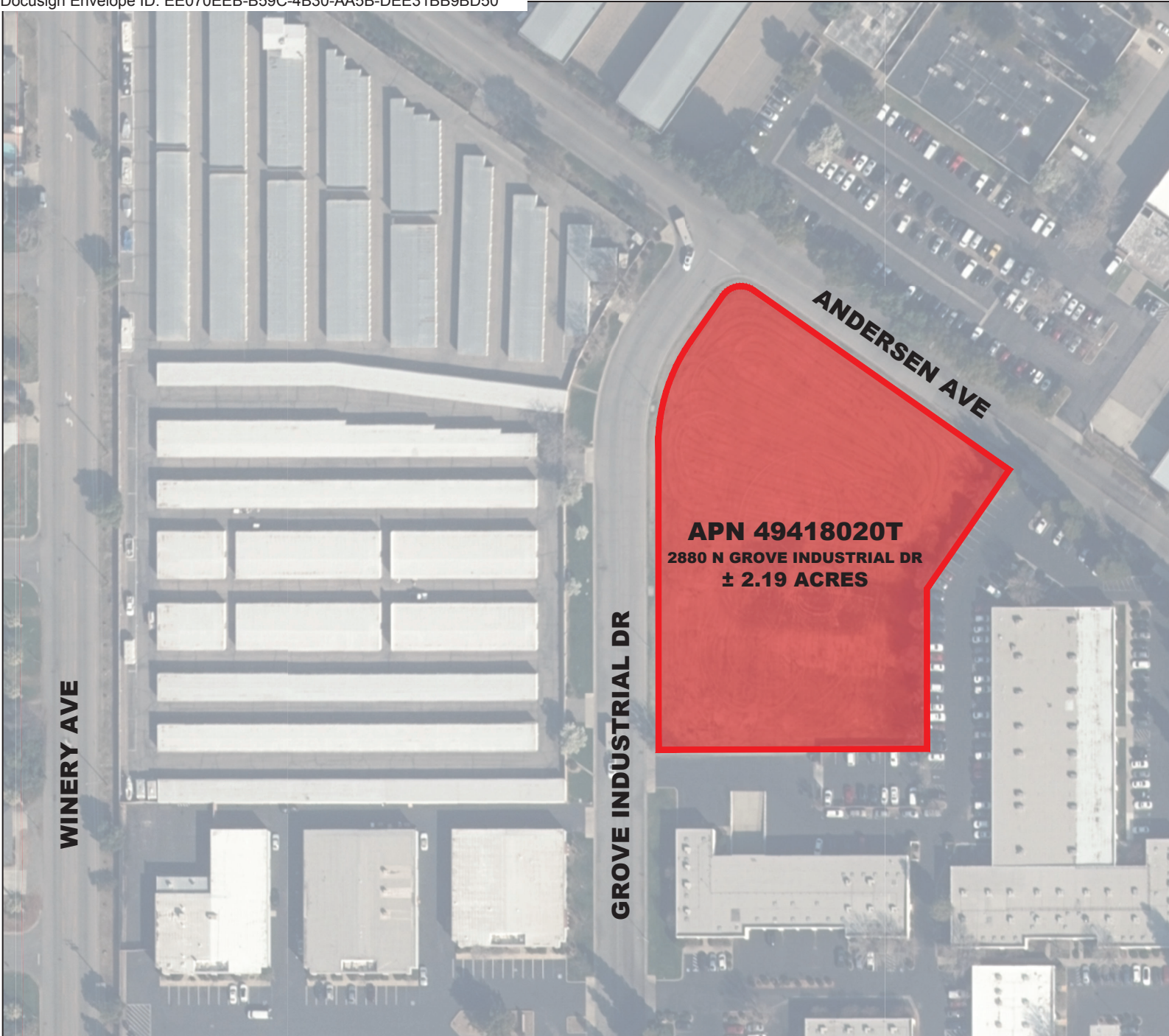
COMPUTATION COMPLETED BY: CITY OF FRESNO-AIR
 4995 E. Clinton Way
 FRESNO, CA 93727
 TELEPHONE: (559) 6

	PER SQUARE FOOT RATES			COMPUTED ANNUAL RENT:	
	BASE RATE	EXISTING RATE	NEW RATE	BASED ON THE NEW	BASED ON 10% MAX. ALLOWED
EFFECTIVE DATE OF RATE SHOWN:	January 1, 2007	January 1, 2007	January 1, 2008	PER SQ. FT. RATE SHOWN	CHANGE IN SQ. FT. RATE

PREMISES	SQUARE FEET	QUARTERLY RENTAL:	ANNUAL RENTAL:	PERCENT INCREASE/DECREASE	NEW PER SQ. FT. RATE
LAND & IMPROVEMENTS	95,044.00	\$0.190000	\$0.195906	3.1084%	\$18,619.69
EFFECTIVE DATE:	January 1, 2008	QUARTERLY RENTAL:	ANNUAL RENTAL:		NEW PER SQ. FT. RATE
		\$4,654.92	\$18,619.69		

- (1) Producer Price (1982=100%).
- (2) Average Hourly Supervisory Workers (Manufacturing).
- (3) Pursuant to the IN NO EVENT SHALL BE GREATER THAN TEN PERCENT OF THE PRIOR YEAR.
- (4) As a result of "rental" to be paid by Lessee m Rental."

EXHIBIT "B"



WINERY AVE

GROVE INDUSTRIAL DR

ANDERSEN AVE

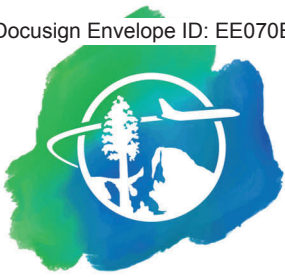
APN 49418020T
2880 N GROVE INDUSTRIAL DR
± 2.19 ACRES

FRESNO YOSEMITE INTERNATIONAL AIRPORT

PARCEL LEASE

SITE MAP

EXHIBIT "C"



FRESNO YOSEMITE International Airport

City of Fresno Airports Department

4995 E Clinton Way, Fresno, California 93727-1525

(559) 621-4500 • flyfresno.com

December 21, 2023

Peter Goodell
Air Land & Storage Investors, LP
425 Las Palmas Drive
Santa Barbara, CA 93110
E-mail: ulittijoe@ftr.com

RE: EARLY TERMINATION OF LEASE

Dear Mr. Goodell:

Thank you for your active communication with our department regarding the lease held by Air Land & Storage Investors, LP. Per our discussions, you have indicated an interest in surrendering your complete right, title and interest in the lease dated August 1, 2007, between Air Land & Storage Investors, LP and the City of Fresno covering undeveloped land located at the corner of Anderson Avenue and North Grove Industrial Avenue, just south of Fresno Yosemite International Airport (Lease).

In this request to terminate the Lease early, I assume you would also like a complete release of any and all liabilities that may have arisen under the Lease from its inception to the present day.

The Airports Department of the City is agreeable to accepting such surrender and to providing such release, provided that the City Council authorizes same. Additionally, in order for the lease to be terminated, effective June 30, 2024, all past due rents must be paid in full no later than June 15, 2024. If Air Land & Storage fails to make the payments, the agreement will not be terminated and term will continue to run and all back rents, both unpaid and from January 2024 forward will be reinstated.

A draft of the Payment Plan is enclosed for your review and acceptance.

If you wish to proceed with the early termination, please countersign a copy of this letter in the space provided AND obtain the counter signatures of any and all other persons who may have any legally enforceable interest in the Lease and return that copy to me.

Immediately after receiving the countersigned letter, I will draft an appropriate item for consideration by the City Council at the next available meeting of the Council. I will make June 30, 2024, the effective date of the surrender.



FRESNO YOSEMITE International Airport

City of Fresno Airports Department

4995 E Clinton Way, Fresno, California 93727-1525

(559) 621-4500 • flyfresno.com

Except as specifically mentioned herein, the Agreement shall be and remain in full force and effect.

This Side Letter will be effective upon signature of all parties.

Please note that nothing in this notice waives or limits City's rights and remedies in this matter.

Sincerely,

Melissa Garza-Perry
Airports Properties Manager
City of Fresno – Airports Department

The City of Fresno, California

By: DocuSigned by:

B0806E6EB460488...

Henry Thompson, A.A.E., C.A.E., IAP
Director of Aviation

Date: 2/26/2024

ACCEPTED:
Air Land & Storage Investors, LP

By: DocuSigned by:

061F4DD3DE0C49B...

Name: _____
for Goodell Investments, LLC, Managing G.P.

Title: _____

Date: 1/8/2024

Enclosure: Payment Plan

cc: Henry Thompson, A.A.E., CAE, IAP, Director of Aviation
Francisco Partida, C.M., USAP, Assistant Director of Aviation
Brittney Verros, Airports Property Supervisor
Russell G. Smith, Property Management – via email only

Fresno Yosemite International Airport Customer Trial Balance - December, 2023

Item Number	Type	Trans Date	Due Date	Accounting Period	Activity Period	Description	Orig.Amount
Air Land & Storage Investors							
AIR-60605	BLIN	03/14/2023	04/01/2023	April, 2023	April, 2023	Quarterly Rent - Lots 16 & 17 of Tract 2553	\$6,309.63
AIR-61813	BLIN	07/13/2023	08/12/2023	July, 2023	January, 2023	Quarterly Rent - Lots 16 & 17 of Tract 2553 Less January 2023 rent previously billed on AIR-59803	\$630.96
AIR-61822	BLIN	07/13/2023	08/12/2023	July, 2023	April, 2023	Quarterly Rent - Lots 16 & 17 of Tract 2553 Less April 2023 rent previously billed on AIR-60605	\$630.96
AIR-61831	BLIN	07/13/2023	08/12/2023	July, 2023	July, 2023	Quarterly Rent - Lots 16 & 17 of Tract 2553	\$6,940.59
AIR-62294	BLIN	09/08/2023	10/01/2023	October, 2023	October, 2023	Quarterly Rent - Lots 16 & 17 of Tract 2553	\$6,940.59
Air Land & Storage Investors Total:							
Report Total:							

	15-Jan-24	15-Feb-24	15-Mar-24	15-Apr-24	15-May-24	15-Jun-24	
	Payment 1	Payment 2	Payment 3	Payment 4	Payment 5	Payment 6	Inv Bal
\$6,309.63	\$3,575.45	\$2,734.18					\$0.00
\$630.96		\$630.96					\$0.00
\$630.96		\$210.31	\$420.65				\$0.00
\$6,940.59			\$3,154.80	\$1,273.65	\$2,512.14		\$0.00
\$6,940.59			\$2,301.80	\$1,063.31	\$3,575.48		\$0.00
\$21,452.73	\$3,575.45	\$3,575.45	\$3,575.45	\$3,575.45	\$3,575.45	\$3,575.48	\$0.00
\$21,452.73							