TO: **SOUTHERN NEVADA DISTRICT BOARD OF HEALTH** **DATE:** **November 19, 2026**

RE: *Approval of the Amendment to the contract between the Southern Nevada Health District and 10360 Ashton Properties, LLC.*

PETITION #09-27

That the Southern Nevada District Board of Health *approves the Amendment to the contract between the Southern Nevada Health District and 10360 Ashton Properties, LLC for warehouse space located at 3060 N Walnut Road. Suites 130, 140, and 150, Las Vegas, NV 89115.*

PETITIONERS:

Cassius Lockett, PhD, *District Health Officer*
Bob Kingston, *Chief Facilities Officer*

DISCUSSION:

Staff recommends approval of this lease to commence January 1, 2027, with 10360 Ashton Properties LLC located at 3060 N Walnut Road Suites 130, 140, and 150. The lease will be for a term of (5) years with the option to renew following.

FUNDING:

The Southern Nevada Health District will be using general funds for this lease. Rent and CAMS, for the course of the five (5) year term, for the space will be:

- $18,198.18 per month for year 2027,
- $23,087.79 per month for year 2028,
- $23,804.69 per month for year 2029,
- $24,521.59 per month for year 2030, and
- $25,293.63 per month for year 2031.

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease (the "Second Amendment") is entered into this _____ day of _____ 2026 (the "Effective Date") by and between 10360 Ashton Properties, LLC, a California limited liability company, 1224 Barrington Properties, LLC, a California limited liability company and 2620 S. Barrington Properties, LLC, a California limited liability company (collectively, "Lessor") and Southern Nevada Health District, a political subdivision of the State of Nevada ("Lessee").

RECITALS

A. CRP III Walnut LV, LLC a Delaware limited liability company, predecessor-in-interest to Lessor and Lessee entered into a Standard Industrial/Commercial Muti-Tenant Lease-Net dated April 7, 2021 ("Original Lease"), as amended by that certain First Amendment to Lease entered into by and between Lessor and Lessee dated August 24, 2026 ("First Amendment") (the Original Lease and the First Amendment shall collectively be referred to herein as the "Lease") pursuant to which Lessor leases to Lessee and Lessee leases from Lessor certain premises located at 3020 North Walnut Road, Suite 180, Las Vegas, Nevada 89115 containing approximately ± 5,862 square feet of space in a ± 94,809 square foot industrial project ("Existing Premises").

B. By mutual execution of this Second Amendment, and in consideration of the mutual covenants, promises and conditions hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee have agreed to amend the Lease as set forth below.

1. **Relocated Premises:** Lessor and Lessee hereby agree as of December 31, 2026, Lessee shall have vacated the Existing Premises in accordance with the terms of the Lease and commencing January 1, 2027 (the "Relocated Premises Commencement Date"), Lessor shall lease to Lessee and Lessee shall lease from Lessor that certain premises located at 3060 N. Walnut Road, Suites 130, 140 and 150, Las Vegas, Nevada 89115 containing approximately ±18,382 square feet of space (the "Relocated Premises"), upon all the terms and conditions of the Lease, except as otherwise expressly set forth herein to the contrary. Accordingly, as of January 1, 2027, all applicable references to the "Premises" contained in the Lease shall be amended and refer to the Relocated Premises.

2. **Extension of Lease Term:** The Term is scheduled to expire pursuant to the terms of the Lease on December 31, 2026. Notwithstanding the foregoing, the Term of the Lease shall be extended for an additional period of sixty (60) months, commencing on January 1, 2027 ("Extension Commencement Date") and expiring on December 31, 2031 (the "Extension Expiration Date") (such period, the "Renewal Term") on the same terms and conditions as set forth in the Lease, except as modified by this Second Amendment.

3. **Base Rent Schedule:**
Notwithstanding anything to the contrary in the Lease, commencing on the Extension Commencement Date and continuing throughout the Renewal Term, Lessee shall pay monthly Base Rent as follows:

01/01/2027 – 12/31/2027: Year (6) Six	$12,683.58 Base Rent per month ($0.690 PSF)
01/01/2028 – 12/31/2028: Year (7) Seven	$17,573.19 Base Rent per month ($0.956 PSF)
01/01/2029 – 12/31/2029: Year (8) Eight	$18,290.09 Base Rent per month ($0.995 PSF)
01/01/2030 – 12/31/2030: Year (9) Nine	$19,006.99 Base Rent per month ($1.034 PSF)
01/01/2031 – 12/31/2031: Year (10) Ten	$19,779.03 Base Rent per month ($1.076 PSF)

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Payments are due on the first (1st) day of every month and in accordance with the terms of the Lease.

4. **Lessee's Share of Common Area Operating Expenses**: Effective as of the Extension Commencement Date, Lessee's share of Common Area Operating Expenses with respect to the Relocated Premises shall be $66,175.20 per calendar year, at the rate of $5,514.60 per month. Monthly Common Area Operating Expenses are payable when the Base Rent becomes due. Lessee's Share is estimated to be approximately $0.30 per square foot for the 2027 calendar year. Notwithstanding anything to the contrary contained in the Lease, during the Renewal Term, in no event shall Lessee's proportionate share of Controllable Common Area Operating Expenses exceed in any calendar year Lessee's proportionate share of Controllable Common Area Operating Expenses in the preceding calendar year increased by eight percent (8%) on a non-cumulative, non-compounding basis. As used herein, "Controllable Common Area Operating Expenses" shall mean all Common Area Operating Expenses except for real estate taxes, insurance and Common Area utility costs.

5. **Option to Renew:** Lessor hereby grants the Lessee named in the Lease (the "Original Lessee") one (1) option to extend the Term for the entire Relocated Premises for a period of five (5) years ("Option Term"), which option shall be exercisable only by written notice delivered to Lessor not less than one hundred twenty (120) days prior to the Extension Expiration Date. The rights contained in this Section 5 shall be personal to the Original Lessee and may only be exercised by the Original Lessee (and not any assignee, sublessee or other transferee of the Original Lessee's interests in this Lease) if the Original Lessee occupies the entire Relocated Premises as of the date of Option Term shall commence and provided further that Lessee is not in default under the terms of the Lease beyond applicable notice and/or cure periods.

   If exercised, the Base Rent payable during the Option Term shall be as follows:

01/01/2032 – 12/31/2032: Year (11) Eleven	$20,575.35 Base Rent per month ($1.119 PSF)
01/01/2033 – 12/31/2033: Year (12) Twelve	$21,398.36 Base Rent per month ($1.164 PSF)
01/01/2034 – 12/31/2034: Year (13) Thirteen	$22,254.30 Base Rent per month ($1.211 PSF)
01/01/2035 – 12/31/2035: Year (14) Fourteen	$23,144.47 Base Rent per month ($1.259 PSF)
01/01/2036 – 12/31/2036: Year (15) Fifteen	$24,070.25 Base Rent per month ($1.309 PSF)

   Payments are due on the first (1st) day of every month and in accordance with the terms of the Lease.

6. **Lessee's Early Access to the Relocated Premises:** Provided Lessor is in receipt of this mutually executed Second Amendment, proof of insurance and monies due, Lessee may, prior to the Relocated Premises Commencement Date, have non-exclusive possession of the Relocated Premises provided Lessor has substantially completed Lessor's Work (as defined in Section 7 hereinbelow), which period shall be referred to herein as "Early Possession," provided that such entry does not interfere with the completion of Lessor's Work or the conduct of business or construction work of other tenants or occupants in the industrial project. During the Early Possession period, all terms, provisions, and conditions of the Lease shall apply, except that the obligation to pay Base Rent and Lessee's Share of Common Area Operating Expenses shall be abated for the period of such Early Possession. All other terms of this Lease shall be in effect during such period. Any such Early Possession shall not affect the Extension Expiration Date. Any entry into the Relocated Premises by Lessee prior to the Relocated Premises Commencement Date shall be at the sole risk of Lessee, including, but not limited to, theft, bodily injury, vandalism or other damage. Lessee shall strictly comply with all requirements of Lessor concerning Lessee's entry into the Relocated Premises prior

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to the Relocated Premises Commencement Date. To the extent permitted by law, Lessee hereby agrees to protect, defend, indemnify and hold Lessor harmless from and against any and all Claims in any way arising or resulting from or in connection with Lessee's actions pursuant to this Section 6.As used herein, "substantial completion" or "substantially complete" shall mean completion of Lessor's Work subject only to punch list items which are immaterial in nature.

7. **Improvements:** Lessor, at its sole cost and expense, shall complete improvements to the Relocated Premises as set forth on Exhibit A attached hereto and incorporated herein by reference ("Lessor's Work") within sixty (60) days following the Relocated Premises Commencement Date. Except as expressly set forth in the Lease and in this Second Amendment, Lessor shall have no obligation to make any improvements, alterations, repairs or replacements. Following delivery of possession of the Relocated Premises to Lessee, Lessee, at its sole cost and expense shall perform the improvements to the Relocated Premises as set forth in Exhibit B attached hereto and incorporated herein by reference, in accordance with the plans and specifications prepared by Lessee for Landlord's prior written approval ("Lessee's Work"). Lessee shall perform Lessee's Work in a good and workmanlike manner and in compliance with all applicable codes, laws, rules, regulations and governmental requirements.

8. **Delivery Condition of the Relocated Premises:** Except for Lessor's Work expressly set forth in Exhibit A, Lessor shall otherwise deliver possession of the Relocated Premises to Lessee in its existing condition, broom-clean and free of debris. Provided the required service contracts described in Paragraph 7.1(b) of the Lease are obtained by Lessee and in effect within fifteen (15) days following the Relocated Premises Commencement Date, Landlord warrants that the existing electrical, plumbing (including the sewage system to the point of connection to the Premises), light bulbs, overhead doors, and fire sprinkler shall be in good operating condition and all skylights, exterior doors and roof shall be weather-tight. If a non-compliance with such warranty exists or if one of such systems or elements should malfunction or fail within ninety (90) days following the Relocated Premises Commencement Date, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in the Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. This warranty period shall not extend beyond such 90-day period and shall not be applicable for any period in the event such non-compliance, malfunction or failure is a result of the negligence or willful misconduct of Lessee. If Lessee does not give Lessor the required notice within the 90-day warranty period, correction of any such non-compliance, malfunction, or failure shall be the obligation of Lessee at Lessee's sole cost and expense (except for repairs to the fire sprinkler systems – See Paragraph 7 of the Lease). Except as expressly stated herein, Lessor makes no representations or warranties with respect to the Relocated Premises.

9. **Compliance:** Lessor warrants to the best of its knowledge as of the Relocated Premises Commencement Date, that the improvements on the Relocated Premises comply with the Applicable Requirements in effect on the Relocated Premises Commencement Date. Said warranty does not apply to the use to which Lessee will put the Premises, modification which may be required by the Americans with Disabilities Act or any similar law as a result of Lessee's use, or to any Alterations or Utility Installations made or to be made by Lessee, including, without limitation, Lessee's Work. NOTE: Lessee is responsible for determining whether or not the Applicable Requirements and especially the zoning are appropriate for Lessee's intended use, and acknowledges that past uses of the Relocated Premises may no longer be allowed.

10. **Security Deposit:** Intentionally Omitted

11. **Monies Due at Execution:** Base Rent and other monies paid upon execution of this Second Amendment shall be as follows:

    (a) Base Rent: $12,683.58 for the period January 1, 2027 – January 31, 2027.
    (b) Common Area Operating Expenses: $5,514.60 for the period January 1, 2027 – January 31, 2027.

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(c) Security Deposit: Intentionally Omitted
(d) Total Due Upon Execution of this Second Amendment: $18,198.18

12. Termination of Lease Consideration: Paragraph 57, Termination of Lease Consideration, is hereby deleted from the Original Lease and replaced with the following:

57. In the event Lessee Terminates said Lease due to the above stated "Fund Out Clause", as a condition to the effectiveness of such termination, Lessee shall pay to Lessor a "Termination of Lease Consideration" calculated on a declining annual basis over the Renewal Term, based on the Lease Year in which termination becomes effective, as follows:

Lease Year	Termination Period	Termination fee
Year 6	Months 61–72	$151,761.78
Year 7	Months 73–84	$126,468.15
Year 8	Months 85–96	$101,174.52
Year 9	Months 97–108	$75,880.89
Year 10	Months 109–120	$50,587.26
Year 11 and thereafter	Months 121 and thereafter, including all renewals and extensions	$0.00

(a) The applicable Termination of Lease Consideration shall be determined based upon the effective date of termination and shall remain fixed throughout each applicable Lease Year. Upon completion of the sixty (60) month Renewal Term, the Termination of Lease Consideration shall be reduced to zero dollars ($0.00), and no such consideration shall be due or payable during any subsequent renewal or extension on Lease.

(b) Brokerage Commissions. In the event of early termination due to the "Fund Out Clause" during the Renewal Term. Lessee shall reimburse Lessor for the unamortized portion of brokerage commissions actually paid or incurred by Lessor in connection with the Renewal Term for the Lease for the Premises, provided such commissions are not already included in the applicable Termination of Lease Consideration. Such commissions shall be amortized on a straight-line basis over Renewal Term. Upon completion of the Renewal Term, the brokerage commissions shall be deemed fully amortized, and no further reimbursement shall be due or payable.

(c) The Termination of Lease Consideration and any applicable reimbursement of unamortized brokerage commissions shall be payable to 10360 Ashton Properties, LLC, a California limited liability company, notwithstanding any change in ownership during the Renewal Term, unless otherwise agreed in writing by the Parties.

13. Brokers: Each party represents and warrants to the other that no broker, agent or finder negotiated or was instrumental in negotiating or consummating this Second Amendment except for Zach McClenahan of Colliers ("Broker"). Each party further agrees to defend, indemnify, protect and hold harmless the other party from and against any claim for commission or finder's fee by any entity other than Broker who claims or alleges that they were retained or engaged by the first party or at the request of such party in connection with this Second Amendment.

14. Except as modified herein, the Lease shall remain in full force and effect. Effective as of the Effective Date, all references to the "Lease" shall refer to the Lease, as amended by this Second Amendment.

15. All capitalized terms not defined herein shall have the same meaning as defined in the Lease.

Lessor's Initials _____

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In the event of any conflict between the terms of this Second Amendment and the Lease, the terms of this Second Amendment shall prevail.

In Witness thereof, this Second Amendment has been executed on the day and year written above.

[SIGNATURE FOLLOWS ON NEXT PAGE]

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LESSOR:
10360 Ashton Properties, LLC,
a California limited liability company
1224 Barrington Properties, LLC,
a California limited liability company
2620 S. Barrington Properties, LLC,
a California limited liability company

By: _____

Name: _____

Title: _____

Date: _____

LESSEE:
Southern Nevada Health District,
a political subdivision of the State of Nevada

By: _____

Name: Cassius Lockett, PhD, MS

Title: District Health Officer

Date: _____

APPROVAL AS TO FORM

This document is approved as to form. Signature to be affixed after approval by Southern Nevada District Board of Health.

By: _____
Heather Anderson-Fintak
General Counsel
Southern Nevada Health District

Lessor's Initials _____

Lessee's Initials _____

EXHIBIT A

LESSOR'S WORK

Lessor shall be responsible for all costs, drawings, permits, engineering, painting and drywall repairs associated with the below work.

Suite 130 – Office – 1st Floor:

- Close off opening to warehouse area in reception, add a door
- Drywall repairs as needed, no painting is required except on repaired areas

Suite 130 – Warehouse 1st Floor:

- Demo storage room
- Demo drywall covering roll up doors to make roll up doors accessible
- Demo stage
- Demo tile in warehouse (separate pricing)
- Drywall repairs as needed. No paint is required except on repaired areas
- Warehouse restroom, mop sink and water heater put back only if required by code

Suite 130 & 140 – 2nd Floor:

- Demo storage loft in suite 140 above added restrooms
- No paint needed in gold mezzanine
- Leave 2nd floor layout as is
- Demo cabinetry
- Demo restroom, leave as storage room (plumbing is leaking to downstairs restroom, repair leak and abate mold if any to satisfaction of the inspecting authority)
- Relocate hot water heater downstairs
- Demo wall in gold mezzanine
- Demo tile in gold mezzanine
- Leave scissor lift access (Double Door to be installed under Lessee's Work Exhibit B)

Suite 140 – Office – 1st Floor:

- Close off opening to warehouse area in reception, add a door
- Demo tile on exterior of suite
- Drywall repairs as needed, no painting is required except on repaired areas

Suite 140 – Warehouse – 1st Floor:

- Demo kitchen, cap off plumbing, abandon grease interceptor, remove roof kitchen equipment
- Re-do fire safety sprinklers after restrooms and mezzanine are demolished
- Demo prep table
- Demo drywall covering roll up doors to make roll up doors accessible
- Demo all added restrooms in the warehouse, cap plumbing
- Demo mezzanine above warehouse restrooms and associated stairwell
- Demo bar in warehouse
- Demo tile in warehouse
- Drywall repairs as needed, no painting is required except on repaired area
- Warehouse restroom, mop sink and water heater put back only if required by code

Suite 150:

- Create 12X12 opening between 140 & 150
- No painting is required
- Leave scissor lift access

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EXHIBIT B

LESSEE'S WORK

- Installation of pallet rack system including all required design, permitting, materials, and installation at Lessee's expense.
- Installation of security, camera, and temperature monitoring system including all required design, permitting, materials, and installation at Lessee's expense.
- Lessee shall be responsible for all costs installation of proposed double on the mezzanine level, including but not limited to drawings, permits, vendor bidding, engineering, painting, drywall repairs, and hardware, and/or any other cost associated therewith.
- Any further modifications and/or improvements that fall outside the scope of Lessor's Work as outlined in Exhibit A shall be completed at Lessee's sole cost and expense.

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