

**Amendment I to the Lease Agreement between  
Tucson Unified School District  
and  
Merchants Garden Agrotech, Inc.**

This Amendment I relates to the Lease dated January 1, 2016 for premises at 555 South Tucson Boulevard, Pima County, Arizona as specified within that Lease Agreement.

WHEREAS, the parties hereto have entered into a lease dated January 1, 2016, for those certain premises described on Exhibit "A" of the Lease, namely a portion of the grounds of the former Howenstine High School located at 555 South Tucson Boulevard., Pima County, Arizona; and

WHEREAS, the parties hereto now desire to amend, modify or change certain portions of said Lease;

NOW THEREFORE, the parties hereby amend, modify or change certain portions of said Lease Agreement as follows:

3.(b) **Lease Term:** The first term is extended for ten (10) years (twelve years total) from January 1, 2018 with an automatic renewal for one additional 10-year term unless either party cancels the renewal at least 90 days before the first term ends.

3.(d) **Minimum Annual Rent**

<u>Year</u>	<u>SQFT</u>	<u>Rent/SQFT</u>	<u>Rent for Modulars</u>	<u>Annual Rent</u>
1	10,000 (grounds)	\$0.50	\$250.00	\$5,250.00
2	10,000 (grounds)	\$0.50	\$250.00	\$5,250.00
3	10,000 (grounds)	\$0.50	\$250.00	\$5,250.00
4	Entire Property	\$2.00		\$67,030.00
5	Entire Property	\$2.00		\$67,030.00
6	Entire Property	\$2.00		\$67,030.00
7	Entire Property	\$2.00		\$67,030.00
8	Entire Property	\$2.00		\$67,030.00
9	Entire Property	\$2.00		\$67,030.00
10	Entire Property	\$2.00		\$67,030.00
11	Entire Property	\$2.00		\$67,030.00
12	Entire Property	\$2.00		\$67,030.00

The Minimum Annual Rent includes credit to Tenant for providing approximately 10,000 square feet of the main building to TUSD Food Services to replace the portables they are using, which are to be removed.

3.(e) **Premises:** For the first three years of the lease the premises shall be 10,000 square feet of grounds as approved in the original lease. Thereafter the premises shall be the entire Property as shown in the attached **Exhibit A (revised)**.

3.(g) **Use:** Tenant shall use the Premises for an urban farm and community wellness services/resources.

4.(d) Tenant shall be given credit for capital improvement dollars spent on the facility to a maximum of \$100,000.00. This credit will be applied to up to 50% of the Monthly Rent until the maximum dollar amount spent has been credited. All such improvements shall be Capital Improvements to the building as defined by General Accounting Practices. Any improvements made to the facility for the direct purpose of accommodating Tenant's occupancy (i.e. communication wiring, interior partition walls, upgrades to classrooms) shall be defined as tenant improvements and not deemed Capital Improvements. Capital Improvements must be approved by Landlord in advance. These costs shall be for "hard costs" only and not for architecture and engineering. Tenant shall evidence these costs by providing Landlord with copies of contracts and evidence of payment from any vendors providing goods or services on the Premises.

10.(c) Prior to acceptance of the entire Property in the fourth year of the lease, Tenant and Landlord shall draft and execute a revised Letter of Acceptance to replace **Exhibit D**.

**12. ASSIGNMENT AND SUBLETTING.** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein, and shall not sublet the Premises or any part thereof, or any right or privilege appurtenant thereto, or allow any other person (the employees, agents, servants and invitees of Tenant excepted) to occupy or use the Premises, or any portion thereof. Any such assignment or subletting shall be void, and shall, at the option of Landlord, constitute a default under the terms of this Lease.

**30. LEASE RENEWAL:** This lease shall automatically renew after year twelve (12) for ten (10) additional years starting on January 1, 2028 unless either party cancels the renewal at least 90 days before the first term ends.

EXCEPT AS MODIFIED HEREIN, all other terms, covenants and conditions contained in said Lease Agreement, shall remain in full force and effect. This Amendment, along with the original Lease Agreement, constitute the entire agreement between the parties, and integrate and supersede all understanding of agreements, written or verbal, with respect to the same.

IN WITNESS WHEREOF, The parties hereto have affixed their signatures on the day and the year written above.

(Signatures on the following page.)

LESSOR:  
Tucson Unified School District  
2025 East Winsett Street  
Tucson Arizona 85719

LESSEE  
Merchants Garden Agrotech.  
1303 E University BLVD #20735, Tucson,  
Tucson Arizona 85719

\_\_\_\_\_  
By: Bryant Nodine  
Director of Planning  
Services

Date: \_\_\_\_\_

\_\_\_\_\_  
By: Chaz Shelton, CEO

Date: \_\_\_\_\_

# Exhibit A (revised)

