

**CONSENT TO ASSIGNMENT AND FIRST AMENDMENT
TO LEASE AGREEMENT BETWEEN THE CITY OF CORONA
AND CORONA AIR VENTURES, LLC FOR PARCEL I
AT THE CORONA MUNICIPAL AIRPORT**

1. PARTIES AND DATE.

This Consent to Assignment and First Amendment of Lease (“Consent\Amendment”) is entered into as of the 1st day of September, 2021 by and among the City of Corona (“City” and “Lessor”), Corona Air Ventures, LLC, a California limited liability company (“CAV” and “Assignor”), and CW Transportation, LLC, a California limited liability company located at 685 Foxtail Way, Norco, CA 92860 (“Assignee” and “Lessee”). City, CAV, and Assignee are sometimes referred to as the “Parties” in this Consent\Amendment.

2. RECITALS.

2.1 Lease Agreement. On January 7, 2004, Lessor and CAV entered into that certain Lease Agreement between the City of Corona and Corona Air Ventures, LLC for Parcel I at the Corona Municipal Airport (“Sub-Lease”), a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference.

2.2 Parcel I. Under the Sub-Lease, CAV leases property from Lessor at the Corona Municipal Airport commonly referred to as Parcel I.

2.3 Assignment; City Consent. CAV desires to assign its interests, rights and obligations in the Sub-Lease to Assignee and Assignee wishes to assume such interests, rights and obligations in the Sub-Lease. Pursuant to Section 15.01 of the Sub-Lease, CAV must obtain the City’s consent prior to assigning its interest.

2.4 United States ACOE Land. Lessor operates the Corona Municipal Airport (“Airport”) on property Lessor leases from the United States Army Corps of Engineers (“USACOE”) pursuant to Lease No. DACW 09-1-67-60, dated May 26, 1967, and all supplemental agreements thereto (“Master Lease Agreement”). As provided in the Sub-Lease, including, but not limited to, Sections 19.12 and 19.13, the Sub-Lease is expressly contingent upon approval by the USACOE, is subordinate to the Master Lease Agreement and cannot extend beyond the term of the Master Lease Agreement. On or about July 18, 2018, USACOE advised Lessor that its Master Lease Agreement will not be renewed after January 31, 2037, and directed that Lessor amend the Sub-Lease to reflect this fact.

2.5 First Amendment. To comply with the obligations under the Master Lease Agreement, City and Assignee wish to amend the Sub-Lease for the first time to delete the renewal options for additional terms after January 31, 2037.

3. TERMS.

3.1 Consent to Assignment. City and CAV hereby consent to the assignment and assumption of all interests, rights and obligations of CAV under the Sub-Lease to and by Assignee and acknowledge that all terms and conditions contained in the Sub-Lease remain in full force and effect.

3.2 Assumption. Assignee hereby agrees to assume all of the interests, rights and obligations of CAV under the Sub-Lease and to carry out those obligations pursuant to the terms and conditions of the Sub-Lease. City and Assignee acknowledge and agree that all terms and conditions of the Sub-Lease remain in full force and effect.

3.3 Amendment – Section 2 (Term). Section 2 (Term) of the Sub-Lease is hereby deleted in its entirety and replaced with the following:

“2.01 Initial Term. The initial term of this Lease shall commence on the later of (a) the date the Lease is signed by Lessor or (b) the date it is approved by the USACOE and shall continue thereafter for a period until January 31, 2017 (“Initial Term”).

2.02 First Additional Term. Pursuant to the terms of the Sub-Lease, Lessor and CAV properly implemented the first additional term of the Sub-Lease for one additional term of twenty (20) years until January 31, 2037 (“First Additional Term”). Notwithstanding the foregoing, this Lease, including the First Additional Term, shall under no circumstances extend beyond the termination date of the Master Lease Agreement between Lessor and the USACOE. If the Master Lease Agreement is terminated for any reason by the USACOE, this Lease shall automatically terminate and Lessor shall not be liable to Lessee for any damages, including but not limited to, loss of rents, loss of business or loss of capital investment incurred as a result of the early termination of this Lease pursuant to this Section; provided, however, that Lessor may, but will not necessarily be, liable to Lessee for damages if the Lease is terminated by Lessor for no reason, or due to Lessor's negligence or willful misconduct.

2.03 No Additional Terms; Right of First Refusal; Notice if ACOE Changes Plans. According to the USACOE, the Master Lease Agreement will not be renewed after January 31, 2037. Accordingly, unless the USACOE indicates otherwise and this Lease is amended with USACOE approval, this Lease will expire as of January 31, 2037.

In the event that the Airport is allowed to continue to operate under a subsequent lease to the Master Lease Agreement approved by the USACOE, and in the event that Lessee is then in good standings under its current Sub-Lease with Lessor, Lessee will be provided a right of first

refusal to enter into a new sub-lease for Parcel I beginning on February 1, 2037.

On October 22, 2018, Lessor provided written notice to CAV of the USACOE's written notice dated August 30, 2018, that it will no longer allow the Airport to operate as of January 31, 2037. Lessee acknowledges and represents that it has been provided with a written copy of this USACOE notice dated August 30, 2018, and that it understands all of the terms and implications of such notice. Lessor will provide prompt notification to Lessee in the event that Lessor becomes aware of any written definitive change in plans by the USACOE (or any other agency) to allow operation of the Airport on or after February 1, 2037. Lessor will also provide prompt notification to Lessee in the event that Lessor becomes aware of any written definitive plans by the USACOE (or any other agency) that would significantly impact Lessee's on-going operations at the Airport.

2.04 Hold Over Prohibited: Survival of Payment Obligations. Upon the expiration of the Term of this Sub-Lease or the early termination of this Sub-Lease, Lessee shall have no right to hold over and remain in possession of the Premises. Certain provisions of this Sub-Lease shall survive such expiration or early termination, including those provisions which expressly provide for such survival, as well as the obligation to pay all payments required under this Sub-Lease, including the rents and fees provided for in Section 3.03 below; provided, however, that such amounts provided for in Section 3.03 shall be increased by three hundred percent (300%) of the amount due and owing upon expiration of the Term or early termination of this Sub-Lease.

2.05 Lease of Additional Property. Lessee shall have the option, during the term of this Lease, to lease additional acreage of Airport property adjacent or in close proximity to the Premises under the same terms and conditions of this Lease, but at a rental to be determined by Lessor, when and if Lessor obtains additional acreage for Airport and such acreage is available for leasing.”

3.4 Amendment – Section 12.02 (Annual Reports). Section 12.02 (Annual Report) of the Sub-Lease is hereby deleted in its entirety and replaced with the following:

“12.02 Annual Reports. If requested by the USACOE, Lessee agrees to and shall furnish Lessor, within thirty (30) calendar days after the end of each fiscal year, a statement of all of its gross receipts, expenditures and net income concerning and related to its operation and activities on the Premises.

If requested by Lessor, Lessee agrees to and shall furnish Lessor, within fifteen (15) calendar days of such request, the Annual County of Riverside Assessor-County Clerk-Recorder Statement identifying all aircraft based on the parcel. This information shall be provided in the format required by the Assessor-County Clerk-Recorder's Office, to be stipulated at the time of each request.

All reports shall be provided in an electronic format, using Excel or another management or accounting software system capable of being imported by Lessor into its computer system.

3.5 Amendment – Section 12.04 (Monthly Report). Section 12.04 (Monthly Report) of the Sub-Lease is hereby deleted in its entirety and replaced with the following:

“12.04 Monthly Report. Lessee agrees to and shall for the term of this Lease submit to the Airport Manager of Lessor, no later than the tenth (10th) day of each and every month, a monthly written report concerning certain phases of Lessee's operations on the Premises, including, but not limited to, the following:

- (a) An inventory of all aircraft based on the Premises and copies of insurance policies for each;
- (b) A list of the number of students being trained by Lessee or its representatives, if applicable;
- (c) A list of any aircraft, new or used, which were sold by Lessee during the immediately preceding calendar month. If none were sold, the list should indicate “No aircraft were sold this month” or something substantively similar;
- (d) An inventory of all current tiedown leases, including each plane's N number, space number and monthly tie down charge;
- (e) An inventory of all current hangar leases with planes, including each plane's N number, space number and monthly hangar charge;
- (f) An inventory of all current hangar leases without planes, including reasoning for leasing the hangar without a plane and an explanation of how the hangar lease is consistent with the limitation of “uses” for the Premises provided for in Section 8 of the Sub-Lease;
- (g) A sales report from the fuel management system, including but not limited to, a transaction list showing the price per gallon and quantity sold in gallons; total gallons sold during the period; total sales in dollars during the period; and total number of transactions during the period;
- (h) Invoices for all fuel purchases made by or on behalf of Lessee; and
- (i) A summary sheet which outlines items (a) through (h) above.

Items (a) through (g) and (i) shall be provided in an electronic format, using Excel or another management or accounting software system

capable of being imported by Lessor into its computer system. Item (g) shall be provided in an electronic format by supplying Lessor with true, accurate and legible copies of all invoices in PDF format.

The form and required content of said monthly operating report shall be subject to modification from time to time by Lessor. Before making any changes to the form or content, Lessor shall notify Lessee at least thirty (30) calendar days in advance.”

3.6 Continuing Effect of Agreement. Except as amended by this Consent\Amendment, all provisions of the Sub-Lease shall remain unchanged and in full force and effect. From and after the date of this Consent\Amendment, whenever the term “Lease” appears in the Sub-Lease, it shall mean the Sub-Lease as amended by this Consent\Amendment.

3.7 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Consent\Amendment.

3.8 Counterparts. This Consent\Amendment may be executed in duplicate originals, each of which is deemed to be an original, but when taken together shall constitute but one and the same instrument.

[SIGNATURES ON NEXT THREE (3) PAGES]

**LESSOR'S SIGNATURE PAGE FOR
CONSENT TO ASSIGNMENT AND FIRST AMENDMENT
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CITY OF CORONA
a California municipal corporation

By: _____
Jacque Casillas
Mayor

Attest:

Sylvia Edwards
City Clerk

Approved as to Form:

Dean Derleth
City Attorney

**ASSIGNOR'S SIGNATURE PAGE FOR
CONSENT TO ASSIGNMENT AND FIRST AMENDMENT
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CORONA AIR VENTURES, LLC
a California limited liability company

By: _____
C.B. Nanda
Managing Member

**ASSIGNEE'S SIGNATURE PAGE FOR
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AND CORONA AIR VENTURES, LLC FOR PARCEL I
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CW TRANSPORTATION, LLC
a California limited liability company

By: _____
Symon Attema
Owner

EXHIBIT "A"

**LEASE AGREEMENT BETWEEN THE CITY OF CORONA
AND CORONA AIR VENTURES, LLC FOR PARCEL I
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[SEE ATTACHED THIRTY-NINE (39) PAGES]