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HAND DELIVERED

Board of Trustees
Willows Unified School District
823 W. Laurel Street
Willows, CA 95988

Re: Request for Early Termination of Lease

Ladies and Gentlemen:

It has been my distinct pleasure to be your tenant for more than eight years. Had circumstances been different, I would have expected to continue for the foreseeable future. However, I had a serious change in my health in April, requiring that I take the necessary steps to close my office here. The Superintendent and I met a few weeks ago, and this letter is a follow-up to a request I made of him that you consider allowing an early termination of my lease, as of October 1, 2017. The current term expires next May.

Many of you probably remember that before we proposed leasing your building in 2009, it had been vacant for several years. Using almost solely local contractors, we made \$60,000 in improvements. One-third of that was the upgrade to the Sycamore Street façade of the building that included the stonework, a completely new concrete approach, ADA-compliant doors, lighting, stucco, paint and trim. The rest of the improvements were to the interior, and included a complete remodel of the reception area with tile, new ceiling, recessed and other decorative lighting, and new carpeting and paint throughout. We retained most of the original, solid wood cabinetry and hardware, and installed new work counters. We upgraded plumbing fixtures that required it. Under the lease, I received credit for one-half of the improvements, but the other half was my contribution to the building. Those improvements remain in place and in excellent condition today.

In short, we helped the District convert a liability to an asset, from which the District has received revenue of nearly \$100,000.00.

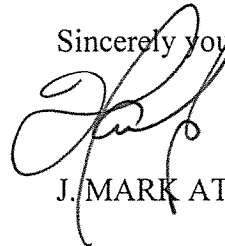
Over the term of the lease we have also contributed the costs of annual inspections and routine service to both of the heating and air conditioning systems, and inspection and minor repairs of the roof. Technically, these are obligations of the District but I have always felt that I wanted to limit the District's obligations for maintenance of the building only to major items.

In 2015, we detected water damage to one of the main supporting beams in the back of the building. After discussion with Mort and John Alves, we arranged for and oversaw a major repair that has stabilized the beam and maintained the architectural design of the building.

Thus, I can say with absolute confidence that we will be turning back over to you a building that is significantly improved from what, together, we started with. I do not think you will have any difficulty in finding a new tenant or selling the building for a premium price. If anyone approaches me about the building before October, I will of course let Mort know.

There are a number of arrangements we have to make in order to vacate the building. Therefore I would appreciate your placing this request on your August 3, 2017 agenda for consideration and, I hope, approval. I plan to be there to answer any questions. Thank you for your consideration and for being a great landlord for more than eight years.

Sincerely yours,



J. MARK ATLAS

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