

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL
AGREEMENT
No. 1

DATE

8 Sept. 2011

TO LEASE NO GS-09B-01953

ADDRESS OF PREMISES: 3144 Broadway Street, Eureka, CA 95501-3838

THIS AGREEMENT, made and entered into this date by and between **COASTAL CARE CENTERS, INC.**

whose address is: **1122 Searles Street, Eureka, CA 95501-5612**

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution by the Government, as follows:

To modify the rent to amortize the Tenant Improvements over the remaining term of the lease and modify the commission and commission credit accordingly.

Paragraphs 9, 17 and 23 are deleted in their entirety and the following substituted therefore.

"9. **RENT:** The Government shall pay the Lessor annual rent, in arrears, as follows:

From 04/01/2010 through 07/31/2011, annual rent is \$206,865.36 (consisting of \$149,019.12 (\$14.89 rsf) shell rent, operating costs \$57,846.24 (\$5.78rsf)) at the rate of \$17,238.78 per month in arrears.

From 08/01/2011 through 03/31/2020, annual rent of \$252,150.19 (consisting of \$149,019.12 (\$14.89 rsf) shell rent, operating costs \$59,606.89 (\$5.96rsf) and amortized tenant improvements \$43,524.18 (\$4.35)) at the rate of \$21,012.52 per month.

From 04/01/2020 through 03/31/2025, annual rent of \$208,626.01 (consisting of \$149,019.12 (\$14.89 rsf) shell rent, operating costs \$59,606.89 (\$5.96rsf)) at the rate of \$17,238.78 per month in arrears

Rent for a lesser period shall be prorated. Rent shall be payable to:

Coastal Care Centers, Inc ,
c/o Larry A. De Beni
1122 Searles Street
Eureka, CA 95501-5612

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IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: **COASTAL CARE CENTERS, INC.**

BY

IN PRESENCE OF:

(Signature)

(Signature)

LARRY DEBENI, PRESIDENT
(Print Name and Official title)

JANE M DICE, OFF MGR
(Print Name and Official title)

UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service

BY

(Signature)

Lease Contracting Officer

(Official title)

17. Tenant Improvement Allowance: The total tenant improvement amount to be paid by the Government is \$284,990.00, which is less than the maximum tenant improvement allowance amount (\$471,717.88) permitted by the SFO for amortization into the lease rental payments. Therefore, the total cost of the Tenant Improvements totaling \$284,990.00 is amortized over the remaining firm term of the lease (104 months) at an interest rate of 6.750% per year and is reflected in Paragraph 3 of this SLA Number 1. The Tenant Improvements were accepted by the Government on May 25, 2011.

23. Commission and Commission Credit: The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] (b)(4) for years one (1) through (5); [REDACTED] for years six (6) through ten (10) of the firm term of the lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] (b)(4) of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 9 of this SLA, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence upon the August 1, 2011 rent payment and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment \$21,012.52 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first Month's Rent

Second Month's Rental Payment \$21,012.52 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

Third Month's Rental Payment \$21,012.52 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

All other terms and conditions of the lease shall remain in force and effect.

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INITIAL _____

COASTAL CARE CENTERS, INC.

SS

GSA Lease Contracting Officer