

**AMENDMENT NO. 1 TO LEASE AGREEMENT BY AND BETWEEN BRUNO &
ASSOCIATES AND COUNTY OF LAKE FOR OFFICE FACILITY AT
6302 13TH AVENUE, LUCERNE, CALIFORNIA**

This Amendment No. 1 made this 20th day of December 2011, by and between Bruno & Associates (hereinafter referred to as "Lessor"), and County of Lake, a political subdivision of the State of California (hereinafter referred to as "Lessee"), amends the Lease Agreement between the Lessor and Lessee dated March 15, 2011.

Whereas, pursuant to that Lease Agreement dated March 15, 2011, Lessee shall lease from Lessor office space at the recently constructed facility at 6302 13th Avenue, Lucerne, California; and

Whereas, Lessor has been diligently working to meet the Lessee's target Lease commencement date of December 1, 2011; however, due to reasons beyond the control of Lessor, it is anticipated that the facility will not be ready for Lessee's possession until December 15, 2011.

Now, therefore, the parties hereto agree as follows:

1. Section 1.4 Base Rent is hereby amended to reflect a revised commencement date of December 15, 2011, to read as follows:

"1.4 Base Rent: \$12,928.75 per month ("**Base Rent**"), payable on the First day of each month commencing December 15, 2011. (See also Paragraph 4). The Base Rent shall be adjusted on the fifth anniversary date of the Commencement Date and every fifth year thereafter pursuant to the schedule as shown on Attachment A."

2. Section 3.3 Delay in Possession is hereby amended to reflect the revised commencement date to read as follows:

"3.3 Delay In Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession as agreed, Lessor shall be subject to the penalty described below but such failure shall not affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of the delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed, but minus any days of delay caused by the acts or omissions of Lessee. The penalty for Lessor's failure to deliver possession of said premises on the Commencement Date shall be that Lessor shall deduct from the Lessee's first monthly rental payment(s) an amount equal to one day's rent for each day that the Premises are unavailable beyond the Commencement Date."

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May 23, 2011

Mr Matt Perry
County of Lake
255 N. Forbes
Lakeport, CA 95453

*Leisha
Copy for your
files.
Matt*

RE: Delay in Construction

Dear Matt,

In an effort to bring you up to speed on our efforts to commence construction on the Mental Health Building in Lucerne and a summary of the set backs we have experienced in trying to meet the guidelines for completing the building as agreed to in our Lease, we offer the following issues we have had to contend with that have set us behind in our time line.

We submitted to the County Planning Commission our request for zoning approval in January of 2011. We just last week got approval for the site and will be submitting our construction plans to the County this week. We had hoped to be able to submit our plans several months ago and had hoped that Planning would have approved our plans in March, but it required all of this time to have all of the various County agencies to comment on our proposed building. We thought that all of this had been cleared by redevelopment, but to date, due to the anticipated dislvement of that agency, they have not been of any help.

Additionally, we were hoping that we could have gotten more guidance from the County for infrastructure of utilities for the area (there basically is none) and have had to wait on several different groups to provide us background for us to make sure we could even build the building.

We did meet with Kelly Cox to express our concerns for the area, but again, he was not able to offer much in the way of solutions which has required us to make educated assumptions for what the County will want to have in the way of utilities and exterior finishes and landscaping.

So pursuant to Article 3.3 of the Lease agreement we are requesting an extension of the Lease commencement to December 1, 2011. We do feel that we will be able to meet this deadline provided the County is expeditious in turning around our construction plans. We do anticipate to start work at the site by June 15, 2011. If we can get started by then, we should be able to meet the December 1, 2011 objective.

Sincerely,

Jon R. Snyder

CC: Bill Brunetti

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JUN 13 2011
LAKE COUNTY MENTAL
HEALTH SERVICES