

1. CASUALTY; REPAIR AND RESTORATION.

General Clause 13 of the Lease, 552.270-7 FIRE AND CASUALTY DAMAGE (MAR 2013), is hereby deleted in its entirety and replaced with the following:

13. FIRE AND CASUALTY DAMAGE.

(a) In case of full destruction or damage or partial destruction or damage which will render the premises completely untenable for a period in excess of 90 consecutive days, as reasonably determined by the Government, this Lease will immediately terminate, provided, however, that this Lease shall not terminate if:

(i) within fifteen (15) days after the incident of such fire or other casualty, the Lessor certifies in writing that the space can be repaired and the premises restored to tenantable condition within twelve (12) months of the date of such certification by the Lessor, subject to Excusable Delays; and

(ii) within thirty (30) days after the incident of such fire or other casualty Lessor locates, leases and obtains, or otherwise makes available to Government alternative temporary replacement space ("Replacement Space") to substitute for the untenable portion of the premises, until such time as the premises have been repaired or restored. Replacement Space may be in multiple locations within a radius of five (5) miles from the premises, within the City Limits of Redding, CA, or such other area as the Government may then consider for relocation (the "Service Area"). The lessor is responsible for providing a shuttle service between the Replacement Space as a part of the rental rate. The Government will cooperate with Lessor to arrange the relocation of the services provided at the premises. Such Replacement Space must be medical clinic space that is substantially equivalent to the premises. Approval of Replacement Space by the Government will not be unreasonably withheld. During the period when the Government is utilizing Replacement Space, all other terms and conditions of the Lease shall remain the same except:

(1) The Replacement Space shall be substituted for the untenable portion of the premises, and

(2) If Lessor's rental rate for the Replacement Space is greater than Government's then-current rental rate for the premises, then Lessor may increase Government's rental rate for the Replacement Space to equal Lessor's rental rate for the Replacement Space, to a maximum of 10% per net usable square foot; provided, however, that the Government shall not be obligated to pay rent for any Replacement Space located in another Government facility.

(3) If the Lessor's rental rate for the Replacement Space is less than Government's then-current rental rate for the premises, then Government's rental rate shall decrease per the difference between the lease rate for the premises and the replacement space.

The Lessor and the Government agree that if this Lease shall not be terminated as provided in this clause (a), the Lessor shall (A) provide to the Government, within fifteen (15) days of such damage or destruction, the Lessor's time schedule and plan for the repair and restoration of the premises, (B) within thirty (30) days promptly commence such repair and restoration of the premises to tenantable condition and (C) diligently and continuously, except for Excusable Delays, pursue such repair and restoration of the premises to completion within such twelve (12) month period. Within thirty (30) days prior to the completion of interior construction, the lessor shall issue written notice to the Government to inspect the space. The Government will have fifteen (15) days to inspect and to either accept or identify items to be remedied prior to acceptance of the subject space. Upon acceptance by the Government of such repair and restoration, the rent will commence and the Government shall reoccupy the premises. The rent shall be abated for the premises until the premises is restored to a tenantable condition effective from the date of damage or destruction and is accepted as substantially complete by the Government; provided, however that the Government shall pay rent for the Replacement Space (as set forth in clause (a)(ii) above. If, despite such diligent and continuous pursuit of such repair or restoration, the Lessor has not substantially completed such repair and restoration within such twelve (12) month period, the Government may terminate this Lease for Default, and, upon such termination the Government's obligation shall cease as well as the Lessor's obligations with respect to the Replacement Space.

If Lessor certifies that the space can be repaired and the premises restored to tenantable condition within a period of time greater than six (6) months, and Lessor otherwise fulfills the requirements set forth in this Clause 13, then Government may at its option choose not to terminate this Lease and to proceed as set forth in this Clause 13.

(b) In the event of a partial destruction or damage that renders a part of the premises untenable, as reasonably determined by the Government, then (x) the Lessor shall, within 30 days, diligently commence the repair or restoration of those damaged portions of the Premises to their former condition. If the Lessor is unable to restore the premises to tenantable condition within six (6) months of the date of receiving certification from the Lessor, then Government may at its option choose whether or not to terminate this lease. If the Government chooses to not terminate the lease, repairs and restoration will proceed as set forth in this Clause 13, (y) the rent during the period of partial destruction or damage shall be proportionately abated during the period that such part of the premises is untenable effective from the date of such partial destruction or damage, and (z) Within thirty (30) days prior to the completion of interior repair and restoration, the lessor shall issue written notice to the Government to inspect the space. The Government will have fifteen (15) days to inspect and to either accept or identify items to be remedied prior to acceptance of the subject space. Upon acceptance by the Government of such repair and restoration, the rent will commence and the Government shall reoccupy the premises. During such time as the Lessor shall be repairing or restoring such part of the premises, rent shall not abate on any space not affected by such partial destruction or damage. If Lessor certifies that the space can be repaired and the premises restored to the former tenantable condition within a period of time greater than six (6) months, and Lessor otherwise fulfills the requirements set forth in this Clause 13, then Government may at its option choose not to terminate this Lease and to proceed as set forth in this Clause 13.

(i) within thirty (30) days after the incident of partial destruction or

damage that renders a part of the premises untenable Lessor locates, leases and obtains, or otherwise makes available to Government alternative temporary replacement space ("Replacement Space") to substitute for the untenable portion of the premises, until such time as the premises have been repaired or restored. Replacement Space may be in multiple locations within a radius of five (5) miles from the premises, within the city limits of Redding, CA, or such other area as the Government may then consider for relocation (the "Service Area"). The lessor is responsible for providing a shuttle service between the Replacement Space as a part of the rental rate. The Government will cooperate with Lessor to arrange the relocation of the services provided at the premises. Such Replacement Space must be medical clinic space that is substantially equivalent to the premises. Approval of Replacement Space by the Government will not be unreasonably withheld. During the period when the Government is utilizing Replacement Space, all other terms and conditions of the Lease shall remain the same except:

(1) The Replacement Space shall be substituted for the untenable portion of the premises, and

(2) If Lessor's rental rate for the Replacement Space is greater than Government's then-current rental rate for the premises, then Lessor may increase Government's rental rate for the Replacement Space to equal Lessor's rental rate for the Replacement Space, to a maximum of 10% per net usable square foot; provided, however, that the Government shall not be obligated to pay rent for any Replacement Space located in another Government facility.

(3) If the Lessor's rental rate for the Replacement Space is less than Government's then-current rental rate for the premises, then Government's rental rate shall decrease per the difference between the lease rate for the premises and the replacement space.

(c) If the Lease is not terminated, as soon as practicable after a full or partial destruction or damage to the premises, but in no event more than fifteen (15) days thereafter, the Lessor shall provide to the Government a schedule and plans for accomplishing the repair or restoration. The Government shall have the right to review and approve such schedule and plans for repair or restoration of the premises, with the Government's approval not to be unreasonably withheld, conditioned or delayed.

(d) Nothing in this lease shall be construed as relieving Lessor from liability for damage to or the destruction of property of the United States of America caused by the willful or negligent act or omission of the Lessor.

2. SUBLETTING AND ASSIGNMENT.

General Clause 1 of the Lease, 552.270-5 SUBLETTING AND ASSIGNMENT (SEP 1999), is hereby deleted in its entirety and replaced with the following:

1. SUBLETTING AND ASSIGNMENT.

The Government may sublet any part of the premises but shall not be relieved from any obligations under this lease by reason of any such subletting. The Government may at any time assign this lease, but shall not be relieved from any obligations under this lease by reason of any such assignment.

3. REMEDIES; NOTICE OF EXERCISE OF REMEDIES; OFFSET; OPPORTUNITY TO CURE.

(a) Remedies. Subject to the provisions of this Clause No. 3 of this Lease, upon the failure of the Lessor to perform any of its covenants, agreements or obligations set forth in this Lease, the Government may exercise any of the rights and remedies provided for in this Lease.

(b) Notice of Exercise of Remedies. In the event of any circumstance which would permit the Government to terminate this Lease, or in the event the Government would have the right to offset or reduce rent pursuant to these General Clauses or any other provision of this Lease, no termination, reduction or offset will be taken by the Government unless both the Lessor and the current first mortgagee of which the Government has notice are provided with written notice of such event or proposed rental reduction, deduction or offset, together with thirty (30) days in which Lessor has the opportunity to cure or eliminate same as set forth in Clause 3(c) below, and except as set forth in the subsections to this Section 3(b). The Government's obligation to provide such notice to the current first mortgagee shall extend only to the first mortgagee or the party representing the first mortgagee. It shall be the Lessor's obligation to provide the Government with the proper name and address of the first mortgagee or the party representing the first mortgagee.

1. The Contracting Officer may, at his or her option, provide written permission allowing Lessor more than thirty (30) days to cure.
2. Government is not required to comply with the process set forth in this Section 3 in the event that doing so is incompatible with applicable requirements of federal law and/or federal regulations. In such case, Government shall provide written notice of such offset or proposed rental deduction and shall provide notice of the specific applicable requirements of federal law and/or federal regulations that prohibit Government from complying with the process set forth in this Section 3.

(c) Offset; Opportunity to Cure. Before exercising any of the rights provided in this Lease to reduce or offset rent or to terminate this Lease, the Government shall provide the Lessor and the first mortgagee thirty (30) days to cure pursuant to this Clause No. 3 or such additional time that Government determines to be reasonably necessary. However, in the event of a bona fide emergency, the Government has the right to take immediate corrective action without providing such opportunity to cure, with notice to the Lessor and the first mortgagee provided as soon as is practicable. The remedies provided herein are not exclusive and are in addition to any other remedies which may be available under this Lease or in the law, and the limitation set forth herein shall not be deemed to preclude the Government from pursuing such remedies, nor from

proceeding under the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) to recover any amounts which may have been expended by the Government in accordance with the provisions of this paragraph, provided that in pursuing any such remedy that permits the Government to terminate this Lease or deduct or offset rent, the Government shall provide the notice and other rights described in this Clause No. 3.