

Addendum to Lease

This Addendum to Lease (the "Addendum"), dated for reference purposes only as of May 6, 2008 is made by the undersigned for the benefit of EDF REsource Capital, Inc., a California corporation ("REsource Capital") and the United States Small Business Administration ("SBA").

RECITALS

WHEREAS, the COUNTY OF EL DORADO, a political subdivision of the State of California, as Lessor, and STEVEN P. BONAK, a sole proprietorship, as Lessee, entered into that certain Lease Agreement (the "Lease"), dated September 15, 2003, for the Premises more particularly described in Exhibit A attached hereto, (the "Premises").

WHEREAS, REsource Capital is providing a SBA 504 Loan to Lessee in the principal sum of \$192,000.00 to be secured by a Leasehold Deed of Trust on the Premises to be assigned to the SBA.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree that the following is added to and made a part of the Lease:

ADDENDUM

1. Definitions. Unless otherwise defined herein, all capitalized terms used in this Addendum are used as defined in the Lease.

2. Conflict. In the event that any provision of this Addendum conflicts with any other provision of the Lease, the provisions of this Addendum shall control and prevail.

3. Lessor's Consent. Lessor hereby consents and agrees:

(a) to the execution by Lessee of the Leasehold Deed of Trust, in favor of REsource Capital, to be assigned to the SBA, securing a Note in the sum of \$192,000.00 (the "SBA 504 Loan");

(b) that so long as the SBA 504 Loan is outstanding:

(i) Not to modify nor in any way alter the terms of the Lease, without the prior written consent of SBA;

(ii) Not to terminate, or accept any abandonment or surrender of the Lease, without the prior written consent of SBA;

(iii) To furnish SBA with written notice of default by the Lessee of any term, condition, or provision of the Lease within thirty (30) days of the date of default and to give SBA ninety (90) days' written notice prior to any exercise of any right to terminate the Lease, initiating any Notice to Quit, or the filing of any suit or action, including but not limited to, any unlawful detainer action;

(iv) To provide not less than ninety (90) days' written notice of Lessor's intent to exercise any right to terminate the Lease, initiating any Notice to Quit, or the filing of any suit or action, including but not limited to, any unlawful detainer action, during which time REsource Capital and/or SBA shall have the right, but not the obligation, during such ninety (90)-day period, to cure such default, or, if such default cannot reasonably be cured within such 90 day period, that REsource Capital and/or the SBA shall have such longer time as may be necessary to cure the default; provided that REsource Capital and/or SBA commences the cure within such period and continuously and diligently pursues the cure to completion; and only so long as payments under the Lease are kept current;

(v) Lessor agrees to accept performance by REsource Capital and/or SBA of all cures, conditions and covenants as though performed by Lessee, and agrees to permit REsource Capital and/or SBA access to the Premises to take all such actions as may be necessary or useful to perform any condition or covenants of the Lease or to cure any default of Lessee. REsource Capital and/or SBA shall not be required to perform any act which is not susceptible to performance by REsource Capital and/or SBA.

(vi) That Lessor acknowledges and consents to REsource Capital's and SBA's security interest in the personal property and fixtures described and set forth in the UCC-1 Financing Statement attached hereto as Exhibit B and incorporated herein by this reference, agrees to distraint any interest in said property, and agrees that SBA may, at any time, remove all or any part of said personal property from the Premises. The entry of the Premises for such removal shall not be deemed entering on, taking possession of, or operating the Premises, for purposes of imposing on SBA any responsibility or obligation for any term, provision, or condition provided in the Lease;

(vii) REsource Capital and/or SBA shall have the right to acquire the leasehold at foreclosure sale or by assignment and the unqualified right of assignment or reassignment (subject to approval of any such assignee/reassignee by Lessor, which approval shall not be unreasonably withheld or delayed) of the leasehold estate together with the right to exercise any options notwithstanding Lessee's then possession of the Premises. Upon such assignment or reassignment, REsource Capital and/or SBA shall be released from any and all obligations to accrue under the Lease from and after the effective date of the assignment;

(viii) In the event REsource Capital and/or SBA shall exercise any remedy of possession, REsource Capital and SBA shall have the right to sublease the Premises with the approval of any such assignee/reassignee by Lessor, which approval shall not be unreasonably withheld or delayed;

(ix) As long as a lessee has been approved in writing by Lessor, and any default under the Lease has been cured, upon REsource Capital's and/or SBA's assignment, reassignment, or sublease of the Lease as provided for herein, REsource Capital and/or SBA shall be released from any and all obligations to accrue under the Lease from and after the effective date of the assignment, reassignment, or sublease;

(x) Notwithstanding any provisions of this Addendum, any assignment, reassignment, and/or sublease by REsource Capital and/or SBA and Lessor's consent thereto, shall be conditioned upon the cure of all lease payments and any related interest or penalties provided by the Lease;

(xi) SBA shall have the right to any proceeds of any insurance policy covering any damage to the improvements made on the Premises up to the balance of the SBA 504 Loan;

(xii) SBA shall have the first right to any condemnation proceeds (only as to proceeds allocated to improvements) not to exceed the remaining balance of the SBA 504 Loan; and

(xiii) Nothing in the Lease shall impose on REsource Capital or SBA the obligations of Lessee under the Lease solely because REsource Capital and/or SBA accepts a Leasehold Deed of Trust.

4. No Default. As of the date of this Addendum, all obligations of Lessee under the Lease have been performed, and Lessee is not in default under the Lease.

5. Notices. Any and all notices shall be in writing and shall be delivered personally, or sent by registered or certified United States Mail, postage prepaid, at the addresses set forth below, or at such other address within the United States as may hereafter be designated in writing. The date of personal delivery or the date of mailing, as the case may be, shall be the date of such notice. The address of:

REsource Capital/  
SBA is:

U.S. SMALL BUSINESS ADMINISTRATION  
c/o EDF REsource Capital, Inc..  
7509 Madison Ave., Suite 111  
Citrus Heights, CA 95610

Lessor is:

County of El Dorado  
Attn: Airports, Parks & Grounds Division  
360 Fair Lane, Placerville, Ca 95667

Lessee is:

STEVEN P. BONAK  
3501 Airport Road, Suite 3  
Placerville, CA 95667


6. Benefit. Nothing set forth in this Addendum shall limit or otherwise diminish any provision in the Lease in favor of a "Lender" and the effect of this Addendum is to provide additional benefit to REsource Capital and SBA.

7. Third Party Beneficiary. It is the intent of Lessor and Lessee that REsource Capital and SBA be third party beneficiaries of this Addendum with the right to enforce its terms.

8. Counterparts and Facsimile Copies. This Addendum may be signed in multiple counterparts and facsimile copies, each of which counterparts and facsimile copies shall be deemed an original but all of which, together, shall constitute one and the same instrument.

LESSOR:

COUNTY OF EL DORADO, a political  
subdivision of the State of California

By:  RUSTY DUPRAY

Its: Chairman, Board of Supervisors

Date: 5/6/08

SIGNATURE TO BE NOTARIZED

LESSEE:

STEVEN P. BONAK,  
a sole proprietorship

By:  \_\_\_\_\_


Its: OWNER

Date: 5-19-08

SIGNATURE TO BE NOTARIZED

**GUARANTORS CONSENT**

Each of the undersigned Guarantors of the Lease, consent to the above Addendum to Lease.

  
\_\_\_\_\_  
\_\_\_\_\_

**SIGNATURE TO BE NOTARIZED**

State of California  
County of El Dorado

On 5/19/08 before me, Alison Murphy, Notary Public, personally appeared Steven P Bonak who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Alison Murphy



(seal)

State of California  
County of El Dorado

On May 23, 2008 before me, Loretta Featherston, Notary Public, personally appeared Rusty Dupray who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Loretta Featherston



(seal)