

NEW LEASE AGREEMENT AT SCM, COUNTY FINANCES \$2 MILLION TENANT IMPROVEMENTS - DETAILED SCHEDULE

Departments: CAO DA BHS Public Health
 (consolidate offices) BOS Probation Social Services IT
 County Counsel Economic Dev Assessor CDD

Net Square Footage 30,545

Lease Terms: Enter into new lease arrangement at Sierra Center Mall for existing square footage of 21,545 plus 9,000 additional square footage (Court's old space). Lease arrangement begins July 1 and term is for twelve (12) years. Base lease is for \$1.65 per square foot per month plus share of Common Area Maintenance (CAM) costs. Base rent escalates by 3% per year. Space is delivered "as-is" with no Tenant Improvements (TIs). County obtains \$2 million loan at 3.00% tax-exempt interest per year, payable over ten years (maximum allowed). Loan issued July 1, 2017, initial payment due October 1, 2017. Payments made semi-annually.

Assumptions: External financing for Tenant Improvements - face \$ 2,060,000
 Cost of issuance \$ 60,000
 Interest rate on external financing 3.00%
 Loan term 10 Years
 First payment due 10/1/2017
 Assumes these lease terms can be renewed every twelve years for 85% of the base rent in year twelve of the lease term

Year #	Fiscal Year	TI Loan Payment	Base Rent	Utilities	Repairs & Maintenance	Insurance	Support staffing	Property Taxes	Management Fee	Other	County Internal Costs	Existing Minaret CAMS	Existing - Minaret	TOTAL COSTS	COST PER SQUARE FOOT PER MONTH			Operating Costs
															Base rent & TI Pmt	Operating Cost	Total Cost	
1	FY 2017-2018	142,830	604,800	113,600	3,700	22,000	36,700	44,000	33,000	22,000	51,300	213,400	129,000	1,416,330	\$2.39	\$1.47	\$3.86	539,700
2	FY 2018-2019	227,375	622,900	115,900	3,800	22,700	37,400	44,900	33,700	23,100	52,300	219,800	131,600	1,535,475	\$2.68	\$1.51	\$4.19	553,600
3	FY 2019-2020	227,245	641,600	118,200	3,900	23,400	38,100	45,800	34,400	24,300	53,300	226,400	134,200	1,570,845	\$2.74	\$1.55	\$4.29	567,800
4	FY 2020-2021	227,935	660,800	120,600	4,000	24,100	38,900	46,700	35,100	25,500	54,400	233,200	136,900	1,608,135	\$2.80	\$1.59	\$4.39	582,500
5	FY 2021-2022	227,475	680,600	123,000	4,100	24,800	39,700	47,600	35,800	26,800	55,500	60,000	34,900	1,360,275	\$2.57	\$1.14	\$3.71	417,300
6	FY 2022-2023	227,850	701,000	125,500	4,200	25,500	40,500	48,600	36,500	28,100	56,600	-	-	1,294,350	\$2.53	\$1.00	\$3.53	365,500
7	FY 2023-2024	228,045	722,000	128,000	4,300	26,300	41,300	49,600	37,200	29,500	57,700	-	-	1,323,945	\$2.59	\$1.02	\$3.61	373,900
8	FY 2024-2025	228,060	743,700	130,600	4,400	27,100	42,100	50,600	37,900	31,000	58,900	-	-	1,354,360	\$2.65	\$1.04	\$3.69	382,600
9	FY 2025-2026	227,895	766,000	133,200	4,500	27,900	42,900	51,600	38,700	32,600	60,100	-	-	1,385,395	\$2.71	\$1.07	\$3.78	391,500
10	FY 2026-2027	227,550	789,000	135,900	4,600	28,700	43,800	52,600	39,500	34,200	61,300	-	-	1,417,150	\$2.77	\$1.09	\$3.87	400,600
11	FY 2027-2028	228,010	812,700	138,600	4,700	29,600	44,700	53,700	40,300	35,900	62,500	-	-	1,450,710	\$2.84	\$1.12	\$3.96	410,000
12	FY 2028-2029	-	837,100	141,400	4,800	30,500	45,600	54,800	41,100	37,700	63,800	-	-	1,256,800	\$2.28	\$1.15	\$3.43	419,700
13	FY 2029-2030	-	711,500	144,200	4,900	31,400	46,500	55,900	41,900	39,600	65,100	-	-	1,141,000	\$1.94	\$1.17	\$3.11	429,500
14	FY 2030-2031	-	732,800	147,100	5,000	32,300	47,400	57,000	42,700	41,600	66,400	-	-	1,172,300	\$2.00	\$1.20	\$3.20	439,500
15	FY 2031-2032	-	754,800	150,000	5,200	33,300	48,300	58,100	43,600	43,700	67,700	-	-	1,204,700	\$2.06	\$1.23	\$3.29	449,900
16	FY 2032-2033	-	777,400	153,000	5,400	34,300	49,300	59,300	44,500	45,900	69,100	-	-	1,238,200	\$2.12	\$1.26	\$3.38	460,800
17	FY 2033-2034	-	800,700	156,100	5,600	35,300	50,300	60,500	45,400	48,200	70,500	-	-	1,272,600	\$2.18	\$1.29	\$3.47	471,900
18	FY 2034-2035	-	824,700	159,200	5,800	36,400	51,300	61,700	46,300	50,600	71,900	-	-	1,307,900	\$2.25	\$1.32	\$3.57	483,200
19	FY 2035-2036	-	849,400	162,400	6,000	37,500	52,300	62,900	47,200	53,100	73,300	-	-	1,344,100	\$2.32	\$1.35	\$3.67	494,700
20	FY 2036-2037	-	874,900	165,600	6,200	38,600	53,300	64,200	48,100	55,800	74,800	-	-	1,381,500	\$2.39	\$1.38	\$3.77	506,600
21	FY 2037-2038	-	901,100	168,900	6,400	38,600	53,300	65,500	48,100	55,800	74,800	-	-	1,412,500	\$2.46	\$1.40	\$3.85	511,400
22	FY 2038-2039	-	928,100	172,300	6,600	38,600	53,300	66,800	48,100	55,800	74,800	-	-	1,444,400	\$2.53	\$1.41	\$3.94	516,300
23	FY 2039-2040	-	955,900	175,700	6,800	38,600	53,300	68,100	48,100	55,800	74,800	-	-	1,477,100	\$2.61	\$1.42	\$4.03	521,200
24	FY 2040-2041	-	984,600	179,200	7,000	38,600	53,300	69,500	48,100	55,800	74,800	-	-	1,510,900	\$2.69	\$1.44	\$4.12	526,300
25	FY 2041-2042	-	836,900	182,800	7,200	38,600	53,300	70,900	48,100	55,800	74,800	-	-	1,368,400	\$2.28	\$1.45	\$3.73	531,500
26	FY 2042-2043	-	862,000	186,500	7,400	38,600	53,300	72,300	48,100	55,800	74,800	-	-	1,398,800	\$2.35	\$1.46	\$3.82	536,800
27	FY 2043-2044	-	887,900	190,200	7,600	38,600	53,300	73,700	48,100	55,800	74,800	-	-	1,430,000	\$2.42	\$1.48	\$3.90	542,100
28	FY 2044-2045	-	914,500	194,000	7,800	38,600	53,300	75,200	48,100	55,800	74,800	-	-	1,462,100	\$2.49	\$1.49	\$3.99	547,600
29	FY 2045-2046	-	941,900	197,900	8,000	38,600	53,300	76,700	48,100	55,800	74,800	-	-	1,495,100	\$2.57	\$1.51	\$4.08	553,200
30	FY 2046-2047	-	970,200	201,900	8,200	38,600	53,300	78,200	48,100	55,800	74,800	-	-	1,529,100	\$2.65	\$1.52	\$4.17	558,900
31	FY 2047-2048	-	999,300	205,900	8,400	38,600	53,300	79,800	48,100	55,800	74,800	-	-	1,564,000	\$2.73	\$1.54	\$4.27	564,700
32	FY 2048-2049	-	1,029,300	210,000	8,700	38,600	53,300	81,400	48,100	55,800	74,800	-	-	1,600,000	\$2.81	\$1.56	\$4.37	570,700
33	FY 2049-2050	-	1,060,200	214,200	9,000	38,600	53,300	83,000	48,100	55,800	74,800	-	-	1,637,000	\$2.89	\$1.57	\$4.47	576,800
34	FY 2050-2051	-	1,092,000	218,500	9,300	38,600	53,300	84,700	48,100	55,800	74,800	-	-	1,675,100	\$2.98	\$1.59	\$4.57	583,100

Year #	Fiscal Year	TI Loan Payment	Base Rent	Cost per square foot increases by 20% because of rehabilitation and 3% increases per year for twenty years, then static.										COST PER SQUARE FOOT PER MONTH			Operating Costs	
				Utilities	Repairs & Maintenance	Insurance	Support staffing	Property Taxes	Management Fee	Other	County Internal Costs	Existing Minaret CAMS	Existing - Minaret	TOTAL COSTS	Base rent & TI Pmt	Operating Cost		Total Cost
35	FY 2051-2052	-	1,124,800	222,900	9,600	38,600	53,300	86,400	48,100	55,800	74,800	-	-	1,714,300	\$3.07	\$1.61	\$4.68	589,500
36	FY 2052-2053	-	1,158,500	227,400	9,900	38,600	53,300	88,100	48,100	55,800	74,800	-	-	1,754,500	\$3.16	\$1.63	\$4.79	596,000
37	FY 2053-2054	-	984,700	231,900	10,200	38,600	53,300	89,900	48,100	55,800	74,800	-	-	1,587,300	\$2.69	\$1.64	\$4.33	602,600
38	FY 2054-2055	-	1,014,200	236,500	10,500	38,600	53,300	91,700	48,100	55,800	74,800	-	-	1,623,500	\$2.77	\$1.66	\$4.43	609,300
39	FY 2055-2056	-	1,044,600	241,200	10,800	38,600	53,300	93,500	48,100	55,800	74,800	-	-	1,660,700	\$2.85	\$1.68	\$4.53	616,100
40	FY 2056-2057	-	1,075,900	246,000	11,100	38,600	53,300	95,400	48,100	55,800	74,800	-	-	1,699,000	\$2.94	\$1.70	\$4.64	623,100
Aggregate Costs		\$ 2,420,270	\$ 34,675,000	\$ 6,866,000	\$ 265,600	\$ 1,363,700	\$ 1,956,400	\$ 2,660,900	\$ 1,764,900	\$ 1,845,200	\$ 2,742,500	\$ 952,800	\$ 566,600	\$ 58,079,870				20,418,000
Average Operating		\$ 220,025	\$ 866,875	\$ 171,650	\$ 6,640	\$ 34,093	\$ 48,910	\$ 66,523	\$ 44,123	\$ 46,130	\$ 68,563							
Principal		\$ 2,060,000																
Interest		360,270																
Total Debt Service		\$ 2,420,270																