



## SUPPLEMENTAL LEASE AGREEMENT

Number 4

Lease Number: LCA02156

Date:

OCTOBER 20, 2011

1000 Lakes Drive, West Covina, CA 91790

THIS AGREEMENT, made and entered into this date by and between **GATEWAY CRESCENT, LLC**  
whose address is 100 Wilshire Blvd., Suite 700, Santa Monica, CA 90401-3602,

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

WHEREAS, the parties hereto desire to amend the above Lease to accept Tenant Improvements (TI), establish date of beneficial occupancy for Block B as **August 16, 2011** and commence rental payments, establish final TI cost, amortize TI cost for Blocks A and B, adjust commission and commission credit, adjust parking spaces, increase parking spaces, and revise percentage of occupancy.

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:

- A. To establish beneficial occupancy as of August 16, 2011
- B. In Paragraph 1, the number of parking spaces is revised to 30 on-site surface parking spaces.
- C. Paragraph 28 is added as follows:

"28. **FINAL TENANT IMPROVEMENT ALLOWANCE:** Tenant Improvements were inspected and determined to be substantially complete on August 4, 2011. The final, actual Tenant Improvement Allowance has now been established at **\$158,694.19** and shall be amortized over the remaining firm term of the lease agreement at an interest rate (amortization rate) of 8.00% per year."

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

Lessor, **GATEWAY CRESCENT, LLC**

By

(Signature)

(Title)

Vice President

In Presence of

(Signature)

(Address)

100 Wilshire Blvd, Suite 700, Santa Monica, CA 90401

United States Of America, General Services Administration, Public Buildings Service.

(Signature)

(Official Title)

Lease Contracting Officer

INITIALS:

LESSOR

GOVERNMENT



D. Paragraph 10 is hereby deleted in its entirety and the following substituted therefore:

"Block A (a total of 6,036 rentable square feet (rsf) yielding approximately 5,272 ANSI/BOMA office area sf): The Government shall pay the Lessor annual rent as follows:

- For August 16, 2010 through August 15, 2011 (months 1 through 12), annual rent of \$143,958.60 at the rate of \$11,996.55 per month in arrears:

	Rentable Sq. Foot Rate	Annual Rent	Monthly Rent
Shell Rent	\$17.16	\$103,577.76	\$8,631.48
Operating Cost*	\$6.69	\$40,380.84	\$3,365.07
Amortization of TI	\$00.00	\$00.00	\$00.00
Full Service Rent*	\$23.85	\$143,958.60	\$11,996.55

\* Subject to annual escalation of operating expenses at CPI per SFO Par. 4.3.A

Blocks A and B Combined (a total of 8,347 rentable square feet): The Government shall pay the Lessor annual rent as follows:

- For August 16, 2011 through August 15, 2015 (months 13 through 60), annual rent of \$245,566.22 at the rate of \$20,463.85 per month in arrears:

	Rentable Sq. Foot Rate	Annual Rent	Monthly Rent
Shell Rent	\$17.16	\$143,234.52	\$11,936.21
Operating Cost*	\$6.69	\$55,841.43	\$4,653.45
Amortization of TI	N/A	\$46,490.27	\$3,874.19
Full Service Rent*	\$29.4196981	\$245,566.22	\$20,463.85

\* Subject to annual escalation of operating expenses at CPI per SFO Par. 4.3.A

- For August 16, 2015 through August 15, 2017 (months 61 through 84), annual rent of \$219,359.16 at the rate of \$18,279.93 per month in arrears:

	Rentable Sq. Foot Rate	Annual Rent	Monthly Rent
Shell Rent	\$19.59	\$163,517.73	\$13,626.48
Operating Cost*	\$6.69	\$55,841.43	\$4,653.45
Amortization of TI	\$00.00	\$00.00	\$00.00
Full Service Rent*	\$26.28	\$219,359.16	\$18,279.93

\* Subject to annual escalation of operating expenses at CPI per SFO Par. 4.3.A

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

Gateway Crescent, LLC  
100 Wilshire, Suite 700  
Santa Monica, CA 90401-3602"

E. Paragraph 22, Commission and Commission Credit, of this lease is deleted in its entirety and the following substituted therefore:

"22. Commission and Commission Credit:

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of the initial lease for Block A with 6,036 rentable sf during Years 1 – 5 and Block B with 668 rentable sf during Years 2 – 5. Total firm term rent is \$932,877.22, and the total 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] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The final Commission Credit is [REDACTED]. The final commission owed to the Broker is [REDACTED].

During months 1 and 2 of the lease (August 15, 2010 to October 14, 2010), for Block A the Government received commission credit in the amount of [REDACTED]. The balance between final commission credit and commission credit received is [REDACTED].

INITIALS:

LESSOR

GOVERNMENT



**GSA Public Buildings Service**

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 10 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture remaining balance of Commission Credit. The reduction in shell rent shall commence with the thirteenth month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Thirteenth Month's Rental Payment for Blocks A and B \$20,463.85, minus prorated Commission Credit balance of [REDACTED] equals [REDACTED] adjusted Thirteen Month's Rent."

F. Paragraph 27, Tax Adjustment, of this lease is deleted in its entirety and the following is substituted, therefore:

"27. Tax Adjustment: Pursuant to Paragraph 4.2 of the SFO, "Tax Adjustment," for purposes of tax escalation, the Government occupies 8,347 / 174,065 rentable square feet (4.795%)."

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

INITIALS:   
LESSOR

  
GOVERNMENT