

SUPPLEMENTAL LEASE AGREEMENT

Number 2

Lease Number: GS-09B-02435

Date:

AUG 22 2011

Standiford Center Building, 1700 Standiford Avenue, Modesto, CA 95350

THIS AGREEMENT, made and entered into this date by and between Lowe, RK dba RK Lowe Realty whose address is 1700 Standiford Ave., Ste 130, Modesto, CA 95350-2178

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 to establish interim occupancy for Block A until Block B is accepted by the Government for occupancy.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon Government execution as follows:

Paragraph 1 is hereby deleted in its entirety and the following substituted therefore:

"1. The Lessor hereby leases to the Government the following described premises:

245 sq ft (1,915 usable square feet vs 2,087)
Block A: A total of 2,087 rentable square feet (r.s.f.) and related office space located on the 2nd floor at the Standiford Center Building, 1700 Standiford Avenue, Modesto, CA 95350, together with 4 onsite, surface, reserved parking spaces as depicted on the attached site plan (Exhibit B) (the "Premises"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION..

Block B: 3,044 rentable square feet (r.s.f.), yielding approximately 2,580 ANSI/BOMA Office Area square feet and related space located on the 3rd (Suite 350) floor upon completion by the Lessor of the tenant improvements and acceptance by the Government;

Being the space occupied at the Standiford Center Building, 1700 Standiford Avenue, Modesto, CA 95350, together with 4 onsite, surface, reserved parking spaces as depicted on the attached site plan (Exhibit B) (the "Premises"), to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION."

Paragraph 9 of the Lease is deleted in its entirety and replaced as follows:

"9. Term: Block "A" TO HAVE AND TO HOLD the Premises with their appurtenances for the term beginning on September 1, 2011 until September 30, 2026 or when Block "B" is accepted and then Block "A" will be automatically terminated, as provided herein, subject to termination rights as may be hereinafter set forth. This lease automatically succeeds GS-09B-01388 which expired August 31, 2011.

Block "B" TO HAVE AND TO HOLD the Premises with their appurtenances for the term beginning on the day Block B is accepted by the Government as complete and ready for occupancy through the following 96 month, 65 month firm term in accordance with the Paragraph entitled "Acceptance of Space" herein, subject to termination rights as may be hereinafter."

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

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

Lessor, Lowe, RK dba RK Lowe Realty

By

(Signature)

Property Manager
(Title)

In Presence of

(Signature)

1700 Standiford Ave Modesto Ca 95350
(Address)

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

Michael Scott
(Signature)

Leasing Contracting Officer
(Official Title)

SUPPLEMENTAL LEASE AGREEMENT#2 TO LEASE # GS-09B-02435

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

"10. The Government shall pay the Lessor annual rent as follows:

Block A: Beginning on September 1, 2011, the Government shall pay the Lessor annual rent of \$41,358.38 at the rate of \$3,447.37 per month in arrears. During interim occupancy, operating expenses will not be escalated.

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

1700 Standiford Ave, Ste 130
Modesto, CA 95350-2178

Block B: Upon completion of the tenant improvements by the Lessor and acceptance by the Government; the Government shall pay the Lessor annual rent as follows:

- For months 1 through 60, annual rent of \$102,734.96 at the rate of \$8,561.25 per month in arrears:

	Annual Rent	Monthly Rent
Shell Rent	\$54,792.00	\$4,566.00
Operating Cost	\$15,889.68	\$1,324.14
Amortization of TI	\$32,053.28	\$2,671.11
Full Service Rent	\$102,734.96	\$8,561.25

- For months 61 through 66, free rent. Annual rent of \$00.00 at the rate of \$00.00 per month in arrears:

	Annual Rent	Monthly Rent
Shell Rent	\$00.00	\$00.00
Operating Cost	\$00.00	\$00.00
Amortization of TI	\$00.00	\$00.00
Full Service Rent	\$00.00	\$00.00

-For months 67 through 96, annual rent of \$70,681.68 at the rate of \$5,890.14 per month in arrears:

	Annual Rent	Monthly Rent
Shell Rent	\$54,792.00	\$4,566.00
Operating Cost	\$15,889.68	\$1,324.14
Amortization of TI	\$00.00	\$00.00
Full Service Rent	\$70,681.68	\$5,890.14

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

1700 Standiford Ave, Ste 130
Modesto, CA 95350-2178."

Paragraph 25 is hereby deleted in its entirety and the following substituted therefore:

"25. Commission and Commission Credit:

The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease, as defined in Paragraph 10 of this Standard Form 2. The total amount of the 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 Commission Credit is [REDACTED]. 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 this Commission Credit. Upon completion of tenant improvements by the Lessor and acceptance of space of Block B by the Government, the reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment \$8,561.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent

Second Month's Rental Payment \$8,561.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

Paragraph 26 is hereby added:

"26. Term: The term is 96 months, beginning on the date that the Government accepts the Block B space for amortization of the tenant improvements. The firm term will be established by Supplemental Lease Agreement."


GOV'T INITIALS


LESSOR INITIALS