GSA

GSA Public Buildings Service

Supplemental Lease Agreement
Number 3

Lease Number:	GS-09B-02824	**Date:**	7/16/12

Address of Premises: 1050 LAKES DRIVE, WEST COVINA, CA 91790-2914

THIS AGREEMENT, made and entered into this date by and between **GATEWAY CRESCENT, LLC**

whose address is : 1000 LAKES DRIVE, SUITE 150 WEST COVINA, CA 91790-2914

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 issue a Notice to Proceed; incorporate and order Tenant Improvements which exceed the tenant improvement allowance; and provide for Lump Sum Payment of the tenant improvement costs which exceed the tenant improvement allowance.

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

Supplemental Lease Agreement No. 3 is to establish beneficial occupancy for Block B. Paragraphs 2, and 10 of the SF-2 have been deleted in their entirety and the following substituted therefore.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term is as follows:

Block A: Effective September 15, 2011 through September 14, 2026

Block B: Effective February 9, 2012 through September 14, 2026

Continued on Sheet 1

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

Lessor, **GATEWAY CRESCENT, LLC**

By _____ (Signature) Vice President (Title)

In Presence of

Lalitha Bayamyan (Signature) 100 Wilshire Blvd, Suite 700 (Address)

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

Linda Luong (Signature) CONTRACTING OFFICER (Official Title)

SHEET NO. 1 IS ATTACHED HERETO AND MADE PART OF SUPPLEMENTAL LEASE AGREEMENT (SLA) NO. 3 TO LEASE #GS-09B-02824

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

Block A: beginning September 15, 2011 the Government shall pay rent as follows:

For months 1, through 3, free rent
For months 4 through 60, annual rent of $405,161.50 at the rate of $33,763.46 per month in arrears
For months 61 through 120, annual rent of $453,299.50 at a rate of $37,774.96 per month in arrears
For months 121 through 180, annual rent of $525,506.50 at a rate of $43,792.21 per month in arrears

Block B: beginning February 9, 2012 the Government shall pay rent as follows:

February 9, 2012 through May 8, 2012, free rent
May 9, 2012 through September 14, 2016 annual rent of $89,056.75 at the rate of $7,421.40 per month in arrears
September 15, 2016 through September 14, 2021 annual rent of $99,637.75 at a rate of $8,303.15 per month in arrears
September 15, 2021 through September 14, 2026 annual rent of $115,509.25 at a rate of $9,625.77 per month in arrears

Tenant Improvement Allowance: Pursuant to Paragraph 17 of the Lease, upon final completion and acceptance of Tenant Improvements for the entire project by the Government, the Tenant Improvement Allowance of $256,245.00 shall be amortized over the remaining portion of the 10 year firm term lease agreement at an interest rate (amortization rate of six percent (6%) per year. Cost for additional TI's will be reimbursed by lump-sum payment made after acceptance of TI's by the Government.

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

GATEWAY CRESCENT, LLC
1000 LAKES DRIVE, SUITE 150
WEST COVINA, CA 91790-2914

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

LESSOR INITIAL: _____
GOV'T INITIAL: _____