

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. **1** TO LEASE NO. **GS-09B-02544** DATE **11/20/12** PAGE **1 of 1**

ADDRESS OF PREMISES
96 NORTH THIRD STREET, SAN JOSE CA 95112-6340

THIS AGREEMENT, made and entered into this date by and between

PARK PLACE VENTURE (A CALIFORNIA PARTNERSHIP)

whose address is

**777 NORTH FIRST STREET; SUITE 600
 SAN JOSE, CA 95112-6340**

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

WHEREAS, the parties hereto desire to amend the above to revise the rental payment schedule and issue the Notice to Proceed

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

Paragraph 3 is hereby deleted and replaced with the following:

Paragraphs 13, and 14 are hereby added:

3. The Government shall pay the Lessor annual shell rent in arrears in accordance with the following schedule:

	Years 1 - 5		Years 6 - 10	
	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$ 107,378.40	\$ 22.10	\$ 67,345.74	\$ 13.86
T.I Rental Rate	\$ 64,948.40	\$ 13.37	\$ -	\$ -
Operating Cost	\$ 59,182.62	\$ 12.18	\$ 59,182.62	\$ 12.18
Full Service Rate	\$ 231,509.42	\$ 47.65	\$ 126,528.36	\$ 26.04

- Years 1 through 5 (annual rent will be \$231,509.42 at the rate of \$19,292.45 per month in arrears.
- Year 6 through 10 (annual rent will be \$126,528.36 at the rate of \$10,544.03 per month in arrears.
- Amortization Rate: The tenant improvements are being amortized over the term of the lease at a rate of 8.75%.

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

**PARK PLACE VENTURE (A CALIFORNIA PARTNERSHIP)
 777 NORTH FIRST STREET; SUITE 600
 SAN JOSE, CA 95112-6340**

"13. NOTICE TO PROCEED

Following a Government review of the submitted cost proposal, the Government has determined that the bid submitted is fair and reasonable and a Notice to Proceed is hereby issued for the construction of Tenant Improvements, as identified herein, at a total cost not to exceed **\$526,138.24**, inclusive of all management and architectural fees."

"14. The total cost for Tenant Improvements in the amount of \$526,138.24 exceeds the tenant improvement allowance of \$262,262.23 (\$61.33/ABOASF), which has been amortized into the rental rate. The Government hereby orders the excess balance in the amount of \$263,876.01. The Lessor shall construct all Tenant Improvements in accordance with Paragraph 3.2, "Tenant Improvements Included in Offer" of Solicitation for Offers No. 9CA3026, incorporated and made a part of the Lease, and all terms and conditions of the Lease package. Upon completion, inspection, and acceptance of the space, the Government shall amortize \$526,138.24 over the term of the lease at a rate of 8.75 percent. The Lessor hereby waives restoration as a result of all improvements."

IN WITNESS WHEREOF, the Lessor has hereunto set its hand and seal of the date first above written.

SIGNATURE OF Lessor

NAME OF SIGNER
Martin C. Menne

ADDRESS
777 N. 1st Street, Suite 600, San Jose, CA 95112

IN PRESENCE OF

NAME OF SIGNER
Mia Campbell

ADDRESS
777 N. 1st Street, Suite 600, San Jose, CA 95112

UNITED STATES OF AMERICA

NAME OF SIGNER
Megan M. Stefani
 OFFICIAL TITLE OF SIGNER
Lease Contracting Officer