

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-09P-LCA03055
ADDRESS OF PREMISES 3801 UNIVERSITY AVE, SUITE 670, RIVERSIDE, CA 92501-3200	PDN Number: N/A

THIS AMENDMENT is made and entered into between **Chippewa Enterprises, Inc.**

whose address is: **Mr. Donald Parker, President, 13245 Riverside Drive 6th Floor, Sherman Oaks, CA 91423-5625**

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

WHEREAS, final inspection was performed on October 18, 2013, and the space was accepted as substantially complete, subject completion of the attached punchlist by October 31, 2013;

WHEREAS, the parties hereto desire to amend the above Lease to establish the date of beneficial occupancy for Government leased space as August 23, 2013, commence payment of shell rent, operating costs, and reserve parking on August 23, 2013, commence amortization of tenant improvement and building specific security costs on October 23, 2013 over the period of 58 months, adjust commission and commission credit, and identify remaining TI items to be completed.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution by the Government, as follows:

Paragraphs for Lease Term, Rent and Other Considerations (1.03), and Broker Commission and Commission Credit (1.04), and Termination Rights (1.05) are deleted in their entirety and the following are substituted therefore.


"LEASE TERM

TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning **August 23, 2013 through August 22, 2023**, a period of **10 Years, 5 Years Firm**, subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. "

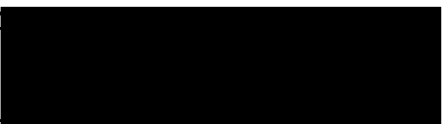
This Lease Amendment contains 3 pages.

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 below date.

FOR THE LESSOR 
Signature: _____
Name: Donald C. Parker
Title: President
Entity Name: Chippewa Enterprises, Inc.
Date: 10-31-2013

FOR THE 
Signature: _____
Name: _____
Title: _____
GSA, Pub _____
Date: NOVEMBER 6, 2013

WITNESSED FOR 
Signature: _____
Name: Lilly Hanson
Title: Controller
Date: 10-31-2013

"1.03 RENT AND OTHER CONSIDERATION (AUG 2011)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	FIRMTERM MONTHS 1-2 AUGUST 23, 2013 THRU OCTOBER 22, 2013	FIRM TERM MONTHS 3-60 OCTOBER 23, 2013 THRU AUGUST 22, 2018	NON FIRM TERM MONTHS 61-120 AUGUST 23, 2018 THRU AUGUST 22, 2023
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT¹	\$160,033.20	\$160,033.20	\$174,351.96
OPERATING COSTS³	\$37,692.03	\$37,692.03	\$37,692.03
TENANT IMPROVEMENTS RENT²	\$0.00	\$10,536.16	\$0.00
BUILDING SPECIFIC AMORTIZED CAPITAL⁴	\$0.00	\$1,396.50	\$0.00
PARKING⁵	\$12,960.00	\$12,960.00	\$14,400.00
TOTAL ANNUAL RENT	\$210,685.23	\$222,617.89	\$226,443.99
MONTHLY RENT	\$17,557.10	\$18,551.49	\$18,870.33

¹Shell rent calculation: Firm Term, \$22.80 per RSF multiplied by 7,019 RSF; and Non-Firm Term, \$24.84 per RSF multiplied by 7,019 RSF.

²The Tenant Improvement Allowance is \$44,891.00 (calculated in accordance with the attached TI Exhibit J showing total TI cost of \$78,361.00 less the Lessor's TI concession amount of \$33,470.00 for carpet and paint) is amortized at a rate of 5.25 percent per annum over 58 months.

³Operating Costs rent calculation: \$5.37 per RSF multiplied by 7,019 RSF and subject to annual CPI escalation.

⁴Building Specific Amortized Capital (BSAC) of \$5,950.00 are amortized at a rate of 5.25 percent per annum over 58 months

⁵Parking costs described under sub-paragraph H below:

In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 6,167 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.



C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. This subparagraph intentionally deleted.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's System for Award Management (SAM) registration (www.sam.gov). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

INITIALS:

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LESSOR & GOV'T

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. Structure parking shall be provided at a rate of \$45.00 per parking space per month for the Firm Term and \$50.00 per parking space per month for the Non-Firm Term."

"1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. DTZ AMERICAS INC. (formerly UGL Services Equis Operations Inc.) (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to DTZ AMERICAS INC. with the remaining [REDACTED] which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. 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:

Month 3 Rental Payment \$18,551.49 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.*

Month 4 Rental Payment \$18,551.249 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.*

*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

"1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this lease, in whole or in part, at any time effective after August 22, 2018, by providing not less than ninety (90) days written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination."

GSA Form 1204 from the final inspection with punch list, dated October 18, 2013, is attached hereto and made a part of this Lease Amendment.

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

INITIALS:


LESSOR

&


GOVT