

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 1
LEASE AMENDMENT	TO LEASE NO. GS-09P-LCA03061
ADDRESS OF PREMISES: 75 N Fair Oaks Ave 3 rd Floor and Basement Pasadena, CA 91103-3651	

THIS AMENDMENT is made and entered into between:

PPF OFF 74 N Pasadena Avenue AND 75 N Fair Oaks Ave LP

whose address is: 75 N. Fair Oaks Ave, Pasadena, CA 91103-3651

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 establish beneficial occupancy; adjust the annual rent; and provide for final negotiated settlement;

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:

Section 1.03 "A" and Section 1.08 are deleted in their entirety and replaced with the following. Section 7.02 is hereby added:

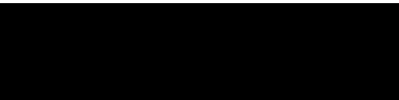
Lease Term:

TO HAVE AND TO HOLD the Premises with their appurtenances for a total term of nine (9) years and seven (7) months beginning on March 1, 2015 through September 30, 2024, subject to termination and renewal rights as may be hereinafter set forth.

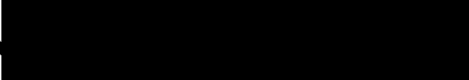
This Lease Amendment contains 2 pages.

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.

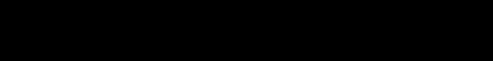
FOR THE LESSOR

Signature: 
 Name: David Binswanger
 Title: President
 Entity Name: _____
 Date: 3/23/15

FOR THE GOVERNMENT:

Signature: 
 Name: _____
 Title: Lease Contracting Officer
GSA, Public Buildings Service,
 Date: 3/27/15

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: Ginger D. Dunbar
 Title: Director of Asset/Property Management
 Date: Southern California 3/23/15

1.03 RENT AND OTHER CONSIDERATION

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

	3/1/15-9/30/15	10/1/15-9/30/16	10/1/16-9/30/17	10/1/17-9/30/18	10/1/18-9/30/19	10/1/19-9/30/20	10/1/20-9/30/21	10/1/21-9/30/22	10/1/22-9/30/23	10/1/23-9/30/24
Shell Rent ¹	\$ 477,646.04	\$ 852,264.63	\$ 888,783.57	\$ 922,870.83	\$ 959,281.75	\$ 996,948.96	\$ 1,036,024.29	\$ 1,075,803.68	\$ 1,117,343.22	\$ 1,159,586.82
Operating Rent ²	\$ 174,753.56	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53	\$ 299,577.53
Amortized TIs ³	\$ 183,012.47	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Parking ⁴	\$ 1,190.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00	\$ 2,040.00
Total Rent	\$ 836,602.07	\$ 1,153,882.16	\$ 1,188,381.10	\$ 1,224,288.16	\$ 1,260,899.28	\$ 1,298,566.49	\$ 1,337,641.82	\$ 1,377,421.21	\$ 1,418,960.75	\$ 1,461,204.35

Shell Rent calculation: 3/1/15-9/30/15: \$23.26; 10/1/15-9/30/16: \$24.21; 10/1/16-9/30/17: \$25.18; 10/1/17-9/30/18: \$26.21; 10/1/18-9/30/19: \$27.26; 10/1/19-9/30/20: \$28.32; 10/1/20-9/30/21: \$29.43; 10/1/21-9/30/22: \$30.56; 10/1/22-9/30/23: \$31.74; 10/1/23-9/30/24: \$32.94 – per RSF multiplied by 35,203 RSF.

²Operating Cost rent calculation: \$8.51 per RSF multiplied by 35,203 RSF

³The Tenant Improvement Allowance of \$180,000 (\$5.98/ABOASF) is amortized at a rate of 5 percent per annum for 7 months. (Total Cost of Construction for Tenant Improvements of \$1,233,080.00 minus Landlord's Tenant Improvement Concession of \$1,053,080.00 [\$35.00/ABOA SF]).

⁴Parking cost calculation of \$85.00 multiplied by two (2) spaces for a monthly cost of \$170 and an annual cost of \$2,040.00 (\$170 x 12 months)

1.08 Tenant Improvement Allowance

The Lessor shall provide the Government a Tenant Improvement Concession in the amount of **\$1,053,080.00** [\$35.00/ABOA SF] to cover the costs associated with the improvements specified in Exhibit D – Tenant Improvement Scope. Said Concession shall be applied to the Total Cost of Construction, prior to amortization of the Government's Tenant Improvement Allowance (\$52.65/ABOA SF) or any portion thereof. The Total Cost of Construction, in the amount of **\$1,233,080.00**, for the Government's Tenant Improvements, has exceeded the Landlord's previously stated Tenant Improvement Concession by the amount of **\$180,000.00**. Therefore, only **\$180,000.00** (**\$5.98/ABOA SF**) of the Government's Tenant Improvement Allowance shall be amortized into the rent at 5% over the 7 months effective 3/1/15, as reflected in Section 1.03, herein.

7.02 Negotiated Settlement Amount

The Government previously occupied space under US Government Lease GS-09B-94391 and whereas occupancy under this replacing US Government Lease GS-09P-LCA03061, was deferred due to delays in permitting of tenant improvements required under this replacing lease, the parties hereto have negotiated a full and final settlement in the amount [REDACTED] for all rents due and owing under US Government Lease GS-09B-94391, for the period of October 1, 2014 through February 28, 2015. The agreed upon settlement amount of [REDACTED] will be reimbursed to the Lessor as a Lump Sum Payment on 03/01/2015. It is agreed that the Lessor, upon the effective date above stated, forfeits all future rights of claim or reimbursement, including rights alleged to any additional rental payment for the period of October 1, 2014 through February 28, 2015, under the previous US Government Lease GS-09B-94391, and the Lessor, furthermore shall release the Government from all liability and claims or future claims based upon its occupancy of space for said period.

INITIALS:

[Signature]
LESSOR

&

[Signature]
GOVT