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| GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE | LEASE AMENDMENT No. 5 |
| LEASE AMENDMENT | TO LEASE NO. GS-09P-LCA03272 |
| ADDRESS OF PREMISES 6640 LOCKHEED DRIVE REDDING, CA 96002-9003 | PDN Number: |

THIS AMENDMENT is made and entered into between **REDDING IMPERIAL LLC**, a California Limited Liability Corporation;

whose address is: 12675 Danielson Court, Suite 414, Poway, CA 92064-6835

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, to amend the Tenant Improvement Allowance and certain lease requirements, to increase the Operating Cost Base, and to clarify ownership and responsibility for certain Lessor-provided items on the Premises;

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective **August 26, 2016**, as follows:

1. The paragraph "LEASE TERM" of the lease is deleted in its entirety and replaced with the following:

"LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning [REDACTED] and continuing for a period of

[REDACTED] **Firm,**

Subject to termination and renewal rights as may be hereinafter set forth."

This Lease Amendment contains **TWO (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: [REDACTED]
 Name: GENE R. DUBOIS JR.
 Title: MANAGER
 Entity Name: Redding Imperial LLC
 Date: 8/31/2016

FOR THE GOVERNMENT, General Services Administration:

Signature: [REDACTED]
 Name: Merlin E. Nygren
 Title: Lease Contracting Officer
Public Buildings Service
 Date: SEP - 1 2016

WITNESSED FOR THE LESSOR BY:

Signature: [REDACTED]
 Name: Michelle L. Snyder
 Title: Project manager
 Date: 8-31-16

2. Subparagraph A of paragraph 1.03 "RENT AND OTHER CONSIDERATION" of the lease is deleted in its entirety and replaced with the following:

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

| | ANNUAL RENT |
|---------------------------------------|---------------------|
| SHELL RENT ¹ | \$389,645.58 |
| TENANT IMPROVEMENTS RENT ² | \$64,266.22 |
| OPERATING COSTS ³ | \$39,955.32 |
| TOTAL ANNUAL RENT | \$493,867.12 |

¹Shell rent calculation: \$23.99 per RSF multiplied by 16,242 RSF

²The Tenant Improvement Allowance of \$690,768.23 amortized at a rate of 7 percent per annum over 20 years.

³Operating Costs rent calculation: \$2.46 per RSF multiplied by 16,242 RSF"

3. Subparagraph I of paragraph 1.03 "RENT AND OTHER CONSIDERATION" is hereby ADDED to the lease:

"1. **FREE SHELL RENT:** In accordance with the Lease negotiations, the Lessor offered free shell rent to the Government for the FIRST month of the Lease. Therefore, the first monthly rental payment shall be reduced by \$32,470.46."

4. Paragraph 1.08 "Tenant Improvement Allowance" of the lease is deleted in its entirety and replaced with the following:

"1.08 TENANT IMPROVEMENT ALLOWANCE

The total Tenant Improvement Allowance (TIA) for this Lease is **\$690,768.23**. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of **7 (seven) percent**."

5. Paragraph 1.15 "Operating Cost Base" of the lease is deleted in its entirety and replaced with the following:

"1.15 OPERATING COST BASE

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$2.46** per RSF (\$39,955.32/annum)."

6. Lease paragraph 3.39.C.5 "Restrooms" is modified as follows:

"5. The requirement for a coin operated sanitary napkin dispenser in the women's toilet room and the lobby public restroom has been waived. Lessor shall provide adequate waste containers for each water closet in the women's toilet room and the lobby public restroom."

7. Paragraph 7.06 is hereby ADDED to the lease:

"7.06 LESSOR PROVIDED EQUIPMENT:

Two (2) new Whirlpool (model # WMC30516AS) 1.6 cubic foot stainless steel microwaves and two (2) new Whirlpool (model # WRT511SZDM) 21.3 cubic foot stainless steel top-freezer refrigerators have been provided by the Lessor in the employee break room area for the Government's use. These items are accepted in "new" condition, and the Lessor will guarantee and warranty them under the manufacturer's warranty.

Upon the end of the manufacturer's warranty, the Lessor shall have no obligation to repair, remove, or replace these items, and the Government may dispose and replace them at its cost and expense."

This document will not constitute a payment obligation until the date of execution by the Government. As a result, even though payment will be made retroactively, no monies whatsoever are due under this agreement until thirty (30) calendar days after the date of execution by the Government.

INITIALS:


LESSOR

&


GOV'T