

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 4 TO LEASE NO. GS-09P-LCA03336
ADDRESS OF PREMISES: Ionian Plaza 42225 10 th Street West Lancaster, CA 93534	PS Number

THIS AMENDMENT is made and entered into between
A J ELIOPULOS COMMERCIAL / INDUSTRIAL DEVELOPMENT, INC.

whose address is: **PO BOX 801087, SANTA CLARITA, CA 91380**

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 increase Operating Rent for security services, barrier wall maintenance, and building exterior trash pick-up. Provide Notice to Proceed and lump sum payment for change orders, and for full settlement and release of all clauses of action, damages or liability relating to Lessor's claim brought on or about November 2017 regarding Lease GS-09P-LCA03336.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective **May 23, 2018**, as follows:

Paragraphs 1.03, 1.15, and 6.07 are deleted in their entirety and substituted as follows. Paragraphs 7.04, 7.05, 7.06, and 7.07 are added.

This Lease Amendment contains 6 pages.

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

FOR THE LESSOR:

FOR THE GOVERNMENT:

Signature: [Redacted]

Name:

Andrew J. Eliopoulos

Title:

Principal

Entity Name:

A J ELIOPULOS COMMERCIAL/
INDUSTRIAL DEVELOPMENT, INC

Signature: [Redacted]

Name:

Rocio Carbajal

Title:

Lease Contracting Officer
GSA, Public Buildings Service

Date:

6/7/18

WITNESSED FOR THE LESSOR BY:

Signature: [Redacted]

Name:

SAUL CHAVEZ

Title:

"1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	FIRM TERM YEAR 1 [REDACTED]		FIRM TERM YEAR 1 [REDACTED]	
	RENT/RSF	ANNUAL RENT	RENT/RSF	ANNUAL RENT
SHELL RENT ¹	\$15.00	\$237,690.00	\$15.000000	\$237,690.00
OPERATING COSTS ²	\$7.14	\$113,140.44	\$ 9.833109	\$155,815.45
TENANT IMPROVEMENTS RENT ³	\$6.663318	\$105,586.94	\$ 6.663318	\$105,586.94
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) RENT ⁴	\$0.341330	\$ 5,408.72	\$ 0.341330	\$ 5,408.72
TOTAL	\$29.144648	\$461,826.10	\$31.837757	\$504,501.11

	FIRM TERM YEARS [REDACTED]		FIRM TERM YEARS [REDACTED]		SOFT TERM YEARS [REDACTED]	
	RENT/RSF	ANNUAL RENT	RENT/RSF	ANNUAL RENT	RENT/RSF	ANNUAL RENT
SHELL RENT ¹	\$15.000000	\$237,690.00	\$15.750000	\$249,574.50	\$16.540000	\$262,092.84
OPERATING COSTS ²	\$ 9.833109	\$155,815.45	\$ 9.833109	\$155,815.45	\$ 9.833109	\$155,815.45
TENANT IMPROVEMENTS RENT ³	\$ 6.663318	\$105,586.94	\$ 6.663318	\$105,586.94	\$ 0.0000	\$ 0.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) RENT ⁴	\$ 0.341330	\$ 5,408.72	\$ 0.341330	\$ 5,408.72	\$ 0.0000	\$ 0.00
TOTAL ⁵	\$31.837757	\$504,501.11	\$32.587757	\$516,385.61	\$26.373109	\$417,908.29

¹Shell rent calculation:

- Firm Term- Year 1, Months 1-2, No shell rent.
- Firm Term – Year 1, Months 7-12, \$15.00 per RSF multiplied by 15,846 RSF)
- Firm Term – Years 2-5, \$15.00 per RSF multiplied by 15,846 RSF
- Firm Term – Years 6-10, \$15.7500 per RSF multiplied by 15,846 RSF
- Non Firm Term – Years 11-15, \$16.5400 per RSF multiplied by 15,846 RSF

²Operating Costs were increased to add modular barrier wall cleaning, building exterior trash pickup, and security guard services. Rent calculation: \$9.833109 per RSF multiplied by 15,846 RSF. Effective 5/23/18, the Operating expenses shall increase by \$42,675.00. The breakdown is as follows: \$4,800.00 per year for Modular Barrier Wall Cleaning, \$4,800.00 per year for lot sweeping, and \$33,075.00 per year for exterior security guard service.

³Tenant Improvement Allowance (TIA) of \$53,283,600 is amortized at annual interest rate of 5.50 percent per annum over 10 years, subject to

Par. 1.09 of this Lease. Total TIA is \$810,763.26 (= \$53,283,600 per ABOA SF x 15,216 ABOA SF

⁴Building Specific Amortized Capital (BSAC) of \$41,531.52 are amortized at a rate of 5.50 percent per annum over 10 years

⁵Monthly Rent does not reflect Commission Credit during months 3 through 6 per Section 1.04 per this lease."

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B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 15,216 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. 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.

E. 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 Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

F. 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."

"1.15 OPERATING COST BASE (SEP 2013)

Effective 10/23/17 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 \$ 7.14 per RSF (\$113,140.44/annum)."

Effective 05/23/18 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 \$ 9.833 per RSF (\$155,815.45/annum)."

"6.07 JANITORIAL SERVICES (JUN 2012)

The Lessor shall maintain the Premises and all areas of the Property to which the Government has routine access in a clean condition and shall provide supplies and equipment for the term of the Lease. The following schedule describes the level of services intended. Performance will be based on the LCO's evaluation of results, not the frequency or method of performance.

A. Daily. Empty trash receptacles. Sweep entrances, lobbies, and corridors. Spot sweep floors, and spot vacuum carpets. Clean drinking fountains. Sweep and damp mop or scrub restrooms. Clean all restroom fixtures, and replenish restroom supplies. Dispose of all trash and garbage generated in or about the Building. Wash inside and out or steam clean cans used for collection of food remnants from snack bars and vending machines. Dust horizontal surfaces that are readily available and visibly require dusting. Spray buff resilient floors in main corridors, entrances, and lobbies. Clean elevators and escalators. Remove carpet stains. Police sidewalks, parking areas, and driveways. Sweep loading dock areas and platforms. Clean glass entry doors to the Space.

B. Three times a week. Sweep or vacuum stairs.

C. Weekly. Damp mop and spray buff all resilient floors in restrooms and health units. Sweep sidewalks, parking areas, and driveways (weather permitting).

D. Every two weeks. Spray buff resilient floors in secondary corridors, entrance, and lobbies. Damp mop and spray buff hard and resilient floors in office Space.

E. Monthly. Thoroughly dust furniture. Completely sweep and/or vacuum carpets. Sweep storage Space. Spot clean all wall surfaces within 70 inches of the floor.

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- F. Every two months. Damp wipe restroom wastepaper receptacles, stall partitions, doors, window sills, and frames. Shampoo entrance and elevator carpets.
- G. Three times a year. Dust wall surfaces within 70 inches of the floor, vertical surfaces and under surfaces. Clean metal and marble surfaces in lobbies. Wet mop or scrub garages.
- H. Twice a year. Wash all interior and exterior windows and other glass surfaces. Strip and apply four coats of finish to resilient floors in restrooms. Strip and refinish main corridors and other heavy traffic areas.
- I. Annually. Wash all venetian blinds, and dust 6 months from washing. Vacuum or dust all surfaces in the Building more than 70 inches from the floor, including light fixtures. Vacuum all draperies in place. Strip and refinish floors in offices and secondary lobbies and corridors. Shampoo carpets in corridors and lobbies. Clean balconies, ledges, courts, areaways, and flat roofs.
- J. Every two years. Shampoo carpets in all offices and other non-public areas.
- K. Every five years. Dry clean or wash (as appropriate) all draperies.
- L. As required. Properly maintain plants and lawns. Provide initial supply, installation, and replacement of light bulbs, tubes, ballasts, and starters. Provide and empty exterior ash cans and clean area of any discarded cigarette butts.
- M. Pest control. Control pests as appropriate, using Integrated Pest Management techniques, as specified in the GSA Environmental Management Integrated Pest Management Technique Guide (E402-1001).
- N. Barrier Wall Maintenance
- Monthly, thoroughly dust furniture. Spot clean all wall surfaces within 70 inches of the floor.
 - Three times a year, Dust wall surfaces within 70 inches of the floor
 - Twice a year, Wash all interior and exterior windows and other glass surfaces.
 - Annually, Vacuum or dust all surfaces in the Building more than 70 inches from the floor.
- O. Building Exterior Trash Pickup. On weekdays, pickup and bag trash around building exterior, including parking lot and planters, then put trash bags into trash bins. "

"7.04 NOTICE TO PROCEED FOR TENANT IMPROVEMENTS

A. NOTICE TO PROCEED

Following a Government review of the submitted Change Order 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 Change Orders, as identified below, Tenant Improvement Costs, at a total cost not to exceed [REDACTED] inclusive of all management, permit, and architectural fees.

Description	Amount
Install fencing along sidewalk on front (East) side of building	[REDACTED]
Install parking signage	[REDACTED]
TOTAL Lump Sum Tenant Improvement Change Order Costs	[REDACTED]

B. LUMP SUM PAYMENT

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1. Upon completion, inspection, and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment in the amount of [REDACTED] pursuant to Paragraph B.2, herein. The successful completion of the items as outlined in the attached exhibit will constitute "substantial completion" for rental commencement purposes. The Lessor hereby waives restoration as a result of all improvements.

2. Upon completion and acceptance of Tenant Improvements identified herein, the Lessor shall submit for Lump Sum payment, an original and one copy of the invoice. The Original Invoice, in the amount not to exceed [REDACTED] shall be submitted to:

GSA, Greater Southwest Finance Center (7BCP)
PO BOX 17181
Fort Worth, TX 76102

Alternatively the Lessor may submit the Invoice electronically, via the GSA Finance website at www.finance.gsa.gov

A copy of the Invoice shall be simultaneously submitted to the Contracting Officer at:

GSA, Real Estate Division - Los Angeles
Attention: Rocio Carbajal
300 N Los Angeles Street, Suite 4300
Los Angeles, CA 90012
Phone: 213 894 0550
Email: rocio.carbajal@gsa.gov

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price and quantity of the items delivered
- Annotation of GSA PS Number (will be sent after Government executes this Supplemental Lease Agreement)

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contract is made must sign it."

"7.05 SECURITY SERVICES

In exchange for increased operating costs, Lessor to provide unarmed security officer for 6 hours per weekday (from 8am to 2pm) when the Social Security Administration (SSA) office is open to the public. Security services to be provided include: restricting SSA visitor parking to designated spaces; having SSA visitors line-up in the designated area (along the building exterior sidewalk) from the main entrance to the north; and directing SSA visitors to deposit their trash in receptacles rather than litter. Security officer to have access to SSA lobby restrooms."

"7.06 SCHEDULE DELAY CLAIM

In exchange of the total amount of \$99,037.50, the Lessor, its successors and assigns, hereby irrevocably and unconditionally releases, acquits and forever discharges the Government from any and all liabilities, obligations, damages, actions, suits, rights, demands, costs (including, but not limited to attorneys fees and interest), losses, debts and expenses actually incurred of any nature whatsoever, known or unknown, suspected or unsuspected, which the Lessor, or any related person or entity, now has, owns, or holds or claims to have, own or hold, or which the Lessor at any time hereinafter may have against the Government, arising under or relating to delays occurring prior to the commencement of the lease term."

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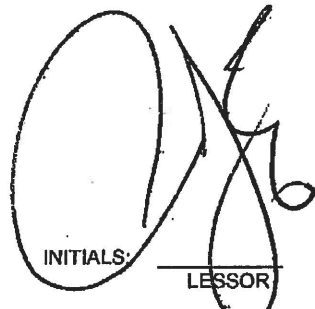

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Payment will made by electronic funds transfer. An invoice will not be necessary.

"7.07 CLAIM SETTLEMENT

- A. In exchange for the Government's agreement to make additional payments provided for in the Lease Amendment No. 4 ("Settlement Amount"), Lessor, its successors and assigns, hereby irrevocably and unconditionally releases, acquits and forever discharges the Government from any and all liabilities, obligations, damages, actions, suits, rights, demands, costs (including, but not limited to attorneys fees and interest), losses, debts and expenses actually incurred of any nature whatsoever, known or unknown, suspected or unsuspected, which the Lessor, or any related person or entity, now has, owns, or holds or claims to have, own or hold, or which the Lessor at any time hereinafter may have against the Government, arising under or relating to the circumstances giving rise to the Claim. The parties understand and agree that Lessor's above-described release does not affect Lessor's ability to bring any demand, claim, suit or other action against the Government arising from or related to (1) the Government's future acts, omissions, and/or breach of this Agreement as amended, or (2) any other agreements and/or leases by and between the Government related to other property or properties.
- B. Lessor accepts payment of the Settlement Amount as a full and final settlement for any and all matters as described herein.
- C. As between the parties hereto, and as between either party hereto and any other person, firm, corporation, or other entity, nothing in this Settlement Agreement shall be construed as an admission of liability or fact or as an admission against interest by either party.
- D. All parties have had adequate time to reflect upon, consider, and consult with legal counsel concerning the terms of this Settlement Agreement and have executed this Settlement agreement voluntarily and free from duress or improper influence.

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

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