SUPPLEMENTAL AGREEMENT
GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

NO. 3

TO LEASE NO. GS-02B-22885

ADDRESS OF PREMISES: LIBERTY AVENUE and 158th STREET, JAMAICA, QUEENS, NEW YORK

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

FDA QUEENS, L.P.
Whose address is c/o HINES GS PROPERTIES
450 Lexington Avenue
New York, New York 10017

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

WHEREAS, the Government has requested that certain laboratory functions be relocated from the upper floor to the basement of the Facility (as defined in the Lease); and
WHEREAS, the parties have agreed that the mail/file room should also be relocated to the basement; and
WHEREAS, the parties have recognized that such relocation will (i) add to the cost of constructing and (ii) impact the Lessor’s schedule for constructing and delivering the Facility; and
WHEREAS, the parties have agreed that the Government is entitled to a credit for changes in the specifications for steel and concrete in certain bays on the upper floors; and
WHEREAS, the parties have agreed that the Lessor’s value engineering proposals to (i) change the laboratory exhaust system from stainless steel to galvanized steel, as modified by the Government Contracting Officer’s letter dated October 17, 1997, and to (ii) change the stills as set forth in the aforesaid letter are acceptable and that the cost savings derived from these changes shall be shared equally by the parties.

CONTINUED ON ATTACHED SHEET(S)

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

IN WITNESS WHEREOF, the parties subscribe their names as of the above date.

LESSOR: FDA QUEENS, L.P.

BY ____________________________
IN PRESENCE OF ____________________________

U.S. DEPARTMENT OF THE TREASURY
PUBLIC BUILDINGS SERVICE ADMINISTRATION

UNLESS OTHERWISE INDICATED, THE CONTRACTING OFFICER IS THE AUTHORIZED SIGNING PERSONALITY.

BY ____________________________
IN PRESENCE OF ____________________________

Contracting Officer

GSA form 276 (REV 11/93)
NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective December 17, 1997, as follows:

1. All capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Lease.
2. The Lessor shall design and construct the basement of the Facility as shown on Exhibit SLA-3-A, annexed hereto and made a part hereof, at a uniform depth of fifteen (15') feet rather than twelve (12') feet as previously contemplated.
3. The Lessor's value engineering proposals to (i) change the laboratory exhaust system from stainless steel to galvanized steel, as modified by the Government Contracting Officer's letter dated October 17, 1997, and to (ii) change the stills as set forth in the aforesaid letter are accepted and shall be implemented as part of the design and construction of the Facility, and that the cost savings derived from these changes, to wit: $73,400, shall be shared equally by the parties as implemented in Paragraph 4 below.
4. The Government shall pay to the Lessor the sum of $775,100 in consideration of the implementation of the above described changes (which includes any schedule impact costs due the Lessor and any credits due the Government for reduced steel and concrete requirements by implementing structural plan SK-15B, annexed hereto and made a part hereof, and the cost sharing of the value engineering savings from the items accepted by the Government as set forth in its letter dated October 17, 1997 annexed hereto), which, together with construction period interest, underwriting fees and additional costs as set forth on Exhibit SLA-3-B annexed hereto and made a part hereof, shall be amortized into and paid by the Government as additional Annual Initial Term Rent and Annual Debt Service Rent pursuant to the schedule annexed to this SLA as Item 3-M.
5. The Required Substantial Completion Date is hereby extended by thirty (30) days from November 14, 1999 to December 14, 1999.
6. The second sentence of Paragraph 1(f) of the Rider attached to and incorporated in the Lease is hereby deleted in its entirety and replaced with the following: “The Annual Initial Term Rent to be paid by the Government during the Initial Term, not including any Annual Real Estate Tax Rent or any increases in the Annual Maintenance Rent in accordance with Paragraph 9 of this Rider, shall be equal to $9,638,590 and shall be paid in equal monthly installments of $803,215.83, in accordance with and subject to the terms of Paragraph 6 of this Rider and all other terms and conditions of this Lease.”
7. Item 3-M attached to this SLA (1 page) setting forth the amount of (i) the Trust Certificate Proceeds, (ii) the Additional Trust Certificate Proceeds, (iii) the Annual Debt Service Rent, (iv) the Annual Ground Lease Rent, (v) the Annual Maintenance Rent and (vi) the total Annual Initial Term Rent, is hereby incorporated in and made a part hereof.