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GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 2	DATE 10/8/2010
	TO LEASE NO GS-09B-02291	

ADDRESS OF PREMISES: 1501 E. Buckeye Road, Phoenix, AZ 85034 Page 1 of 5

THIS AGREEMENT, made and entered into this date by and between Victorina LLC, an Arizona Limited Liability Company

whose address is: 4404 North Central Avenue, Space 3, Phoenix, AZ 85012

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

WHEREAS, the parties hereto desire to amend the above Lease. NOW THEREFORE, these parties for the consideration hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution by the Government, to identify the premises as adaptive reuse, clarify the parking, correct the percentage of occupancy, update the construction schedule, acoustical requirements and tenant improvement rental adjustment, amend the occupancy date, change the liquidated damages paragraph and include the damage by fire or other casualty paragraph.

Paragraphs 27 and 28 are hereby added, made apart of and attached to the Lease.

"27. The Lessor and the Government acknowledge that the premises to be delivered are adaptive reuse, not new construction or build-to-suit, and that any references to new construction or build-to-suit in the Lease attachments are not applicable."

"28. References to 12 structured parking spaces identified in Paragraph 1 means covered (shaded) parking."

Paragraph 13, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"13. TAX ADJUSTMENT: Pursuant to Paragraph 3.19. "Tax Adjustment GSAM 552.270-24," for purposes of tax escalation, the Government occupies 49,334 / 56,246 rentable square feet (87.7111%)."

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IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR: Victorina LLC, an Arizona Limited Liability Company	
BY <u>[Signature]</u> (Signature)	<u>Stacey McFarland Mg Member</u> (Print Name and Official title)
IN PRESENCE OF:	
<u>Jacqueline Arnold</u> (Signature)	<u>Jacqueline Arnold</u> (Print Name and Official title)
UNITED STATES OF AMERICA: GENERAL SERVICES ADMINISTRATION, Public Buildings Service	
BY <u>[Signature]</u> (Signature)	Contracting Officer (Official title)

Paragraphs 3.16.C, D, E and F of the Solicitation for Offers, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"C. CONSTRUCTION DOCUMENTS

The Lessor shall prepare, out of the Tenant Improvement Allowance, final construction documents for the improvements illustrated on the Government-approved design intent drawings. The construction documents shall include all mechanical, electrical, plumbing, fire safety, lighting, structural, and architectural improvements scheduled for inclusion into the Government-demised area. Construction documents shall also be annotated with all applicable specifications. The resulting product shall reflect requirements which are substantially the same as that specified by the Government-approved design intent drawings and shall incorporate neither extraneous additions nor deletions of requirements. The Lessor's construction documents shall be due to the Government at intervals of 75%, 95% and 100% of the Government's approval of the design intent drawings. The 75% set was issued to the Government on 8/3/2010 and the 95% set will be due no later than 12 weeks after submission of the 75% set. The 100% set will be due following the Government's review outlined in Section D. Construction documents shall clearly identify 1) Tenant Improvements already in place and 2) the work to be done by the Lessor or others."

"D. REVIEW OF CONSTRUCTION DOCUMENTS:

The Government retains the right to review, and request modifications (if necessary) to, the Lessor's construction documents prior to the Lessor's commencement of interior construction. The Government's review of the construction documents is limited to the construction documents' conformance to the specific requirements of the SFO and to the approved design intent drawings. The Government shall perform all reviews of construction documents within 10 business days of receipt of such from the Lessor. Should the Government require that modifications be made to the Lessor's construction documents, the Government shall state such in writing to the Lessor, and the Lessor shall have 5 working days to cure all noted defects before returning the construction documents to the Government for a subsequent review. Upon complete Government review for conformance of the construction documents to the design intent drawings, the Lessor shall obtain the necessary permits. Notwithstanding the Government's review of the construction documents, the Lessor is solely responsible and liable for the technical accuracy of the construction documents in meeting all requirements and provisions of the lease and the Government-approved design intent drawings. The Lessor shall obtain the necessary permits and may commence construction of the shell space.

"E. TENANT IMPROVEMENTS PRICE PROPOSAL:

The Lessor must submit with the 95% construction documents the written price proposal along with adequate cost and pricing data or the documentation of the competitive proposals (as described in the "Tenant Improvements Pricing Requirements" paragraph in this section) and for any costs or credits to the Government that are beyond the scope of the original SFO and its attachments. Any work shown on the construction documents that is building shell shall be clearly identified and priced as such. After negotiation and acceptance of the Tenant Improvements price, **A NOTICE TO PROCEED SHALL BE TRANSMITTED TO THE LESSOR**, and the Lessor shall commence construction of the Tenant Improvements.

"F. CONSTRUCTION OF TENANT IMPROVEMENTS:

The Lessor shall construct all Tenant Improvements in accordance with 1) the Government reviewed construction documents and 2) all terms and conditions of the SFO. The Lessor shall complete Tenant Improvements within 120 working days of receiving the notice to proceed from the Government. The Lessor shall furnish a detailed construction schedule (such as Critical Path Method) to the Government within 5 days of issuance of the notice to proceed. Such schedule shall also indicate the dates available for the Government contractors to install telephone/data lines or equipment. The Government reserves the right to access any space within the building during the conduct of interior construction for the purposes of performing inspections or for installing Government-furnished equipment. The Government shall coordinate with the Lessor the activity of Government contractors in order to minimize conflicts with, and disruption to, other contractors on site. Access shall not be denied to authorized Government officials including, but not limited to, Government contractors, subcontractors, or consultants acting on behalf of the Government with regard to this project.

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Paragraph 5.20 of the Solicitation for Offers, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"5.20 ACOUSTICAL REQUIREMENTS (SEP 2000)

A. BUILDING SHELL:

1. *Reverberation Control.* Ceilings in carpeted space shall have a noise reduction coefficient (NRC) of not less than 0.55 in accordance with ASTM C-423. Ceilings in offices, conference rooms, and corridors having resilient flooring shall have an NRC of not less than 0.65.
2. *Ambient Noise Control.* Ambient noise from mechanical equipment shall not exceed noise criteria curve (NC) 35 in accordance with the ASHRAE *Handbook of Fundamentals* in offices and conference rooms; NC 40 in corridors, cafeterias, lobbies, and toilets; NC 50 in other spaces.
3. *Noise Isolation.* Rooms separated from adjacent spaces by ceiling-high partitions (not including doors) shall not be less than the following noise isolation class (NIC) standards when tested in accordance with ASTM E-336:
 - a. Conference rooms NIC 40
 - b. Offices NIC 35
4. *Testing.*
 - a. The Contracting Officer may require, at no cost to the Government, test reports by a qualified acoustical consultant showing that acoustical requirements have been met.
 - b. The requirements of this paragraph shall take precedence over any additional specifications in this SFO if there is a conflict.
5. The standards in this paragraph concerns interior noise, not noise generated exterior of the building
6. The construction documents shall clearly identify STC ratings of all walls and shall supersede the special requirements attached to the lease."

Paragraph 1.11 of the Solicitation for Offers, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"1.11 TENANT IMPROVEMENTS RENTAL ADJUSTMENT (MAR 2007)

- A. All Tenant Improvements shall be identified after award of the contract in accordance with the provisions established in the "Design Intent Drawings" subparagraph in the "Construction Schedule and Acceptance of Tenant Improvements" paragraph in the MISCELLANEOUS section of this SFO.
1. The Government, at its sole discretion, shall make all decisions as to the usage of the Tenant Improvements Allowance. The Government may use all or part of the Tenant Improvements Allowance. The Government may return to the Lessor any unused portion of the Tenant Improvements Allowance in exchange for a decrease in rent according to the amortization rate over the firm term.
 2. The Government reserves the right to make cash payments for any or all work performed by the Lessor. Prior to occupancy, the Government, at its sole discretion, may choose to pay lump sum for any or all of the Tenant Improvements Allowance. If, prior to occupancy, the Government elects to make a lump sum payment for any portion of the Tenant Improvements Allowance, the payment of the Tenant Improvements Allowance by the Government will result in a decrease in the rent.

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3. If it is anticipated that the Government will spend more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvements requirements, or 2) pay lump sum for the overage upon completion and acceptance of the improvements.
4. Payment will not be made by the Government in instances where the Government accepts fixtures and/or other Tenant Improvements already in place. However, the Lessor will be reimbursed for costs to repair or improve the fixture(s) and/or any other improvements already in place."

Paragraph 1.7 of the Solicitation for Offers, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"1.7 OCCUPANCY DATE (SEP 2000)

Occupancy is required no later than May 31, 2011."

Paragraph 3.11 of the Solicitation for Offers, made apart of and attached to the Lease, is deleted and the following substituted therefore.

"3.11 Liquidated Damages for Government/Lessor Delays:

In the event that the Government/Lessor, as a result of actions subsequent to the date of this supplemental lease agreement, is responsible for any delays in delivery of the Leased Premises beyond the date for delivery specified in paragraph 1.7 above, Government's/Lessor's entitlement to compensation for Government/Lessor caused delay shall be the sum of two thousand dollars (\$2,000.00) multiplied by the total number of compensable days. If a Government/Lessor caused delay results in a delay of less than all of the space, the daily rate shall be prorated. Recovery of such sum shall be the Government's/Lessor's sole remedy for compensable delays. For all delays, the daily delay rate covers all costs (including general contractor and subcontractor field and home office overheads) and mark-ups related to delay. Government/Lessor shall not be relieved of its burden to establish entitlement to compensation for delay which may occur on the project. Under no circumstances will the Government/Lessor be liable to the Government/Lessor should actual compensable delays vary by any degree from the rate specified herein."

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Paragraph 29 is hereby added, made apart of and attached to the Lease.

"DAMAGE BY FIRE OR OTHER CASUALTY"

1. In the event the premises, buildings or other facilities required to use the premises for the Government's business (collectively, "Facilities") are damaged or destroyed by fire or other casualty, in whole or in part, the Lessor shall give the Government, within forty-five (45) days after the casualty, notice of the Lessor's reasonable estimate of the time required to restore the Facilities to the condition that existed immediately prior to the casualty (the "Restoration Period"). If Lessor does not deliver the notice within the required time, Government may terminate the lease by giving written notice at any time after expiration of the time for delivery until receipt of the notice.
2. If restoration cannot reasonably be substantially completed within one hundred eighty (180) days after the date of the casualty, the Government or Lessor may terminate this lease by giving written notice. The Lessor must give such notice with its notice of estimated time required for restoration of the Facilities. The Government must give its termination notice within forty-five (45) days after receipt of the Lessor's estimate of time required for restoration. If the Government or Lessor gives notice of election to terminate pursuant to subparagraph (a) or (b) of this paragraph, this Lease shall terminate effective as of the date of the casualty and neither party hereto shall thereafter have an obligation to the other under this Lease, excepting only obligations theretofore accrued and then remaining outstanding or unpaid.
3. Unless terminated pursuant to subparagraph (a) or (b) of this paragraph, this Lease shall not terminate. Lessor shall proceed with reasonable diligence to and shall restore the Facilities within the Restoration Period to substantially the condition that existed immediately prior to the casualty. Should Lessor fail to substantially complete the restoration within the Restoration Period (as it may be extended pursuant to Paragraph 11(c) of the General Clauses), or fail to demonstrate reasonably diligent progress towards substantially completing the restoration within such time, the Government may, by written notice to Lessor, terminate this Lease pursuant to Paragraph 11 of the General Clauses. Absent Lessor's negligence, the Lessor shall not be obligated to repair or replace any of the Government's movable furniture, movable equipment, trade fixtures, and other similar unaffixed personal property, nor any alterations installed in the Premises by the Government (but not those installed by the Lessor); the Government shall have the right, but not the obligation, to repair and replace such items. In connection with its acceptance of the restored Facilities, the Government may require (1) a certification from a reputable licensed structural engineer as to the structural integrity of the space and its conformance with the requirements of this Lease, as amended, and (2) evidence of any governmental approvals relevant to the safety and suitability of the Facilities for occupancy.
4. If there is a substantial interference with the Government's use of the premises, or any part thereof, as a result of the casualty or restoration, such that the Government cannot reasonably conduct its business in the premises or such part, then the rent shall abate, either in its entirety or, if only a part of the premises is so affected, to that proportion which the square footage of the affected part bears to the square footage of the premises. Any such abatement shall commence upon and include the day on which the damage occurred and shall continue to and include the date of substantial completion of the restoration.
5. The Government shall in all cases be provided reasonable access to the Facilities to retrieve its belongings and relocate its employees and agents and a reasonable period of time in which to effectuate such relocation and retrieval. The Government and the Lessor shall coordinate regarding any space plans and other plans for restoration of the Facilities to conform to this Lease, as amended, and all applicable laws; provided, however, that the Government shall have final approval rights to all such plans. The Government shall have the right, but not the obligation, to conduct inspections in order to determine the extent of damage or destruction and observe the repairs and reconstruction.
6. Nothing in this Lease shall be construed as relieving Lessor from liability for damage to or destruction of property of the United States of America caused by the willful or negligent act or omission of Lessor.

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

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