

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 007
LEASE AMENDMENT	TO LEASE NO. GS-09B-02358
ADDRESS OF PREMISES 2305 Historic Decatur Road, San Diego, CA 92106	PDN Number:

THIS AMENDMENT is made and entered into between Kilroy Realty, L.P., A Delaware Limited Partnership whose address is: 12200 W. Olympic Blvd., Suite 200, Los Angeles, CA 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 add five (5) outside, onsite and reserved parking spaces; to increase the rent; to make alterations to the Premises as described and priced herein; to issue a Notice to Proceed for said alterations and to establish procedures for making a lump sum payment to Lessor for performance of said alterations.

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:

Paragraphs 1, 3, and 4 are hereby deleted in their entirety and the following Paragraphs 1, 3, and 4 substituted therefor:

"1. The Lessor hereby leases to the Government the following described premises:

A total of 21,411 Rentable Square Feet (RSF) yielding 19,798 ANSI/BOMA Office Area SF (ABOA) square feet of office and related space, together with nineteen (19) outside, onsite, and reserved parking spaces, to be USED FOR SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION and further defined as follows:

BLOCK A: 16,579 RSF yielding 15,500 ABOA square feet and related space located on the 1st and 2nd floors at 2305 Historic Decatur Road, San Diego, CA 92106, together with fifteen (15) outside, onsite and reserved parking spaces to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

BLOCK B: 4,832 RSF yielding 4,298 ABOA square feet and related space located at 2305 Historic Decatur Road, Suite 103, San Diego, CA 92106 as shown on attached floor plate and space layout Exhibit "G" together with four (4) outside, onsite and reserved parking spaces adjacent to Block A parking spaces, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION."

This Lease Amendment contains 4 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:

FOR THE GOVERNMENT:

Signature: Brian Galligan
 Name: Brian Galligan
 Title: SVP
 Entity Name: Kilroy Realty Corp
 Date: 6/12/13

Signature: [Signature]
 Name: ADAM CRAWFORD
 Title: Lease Contracting Officer
 GSA, Public Buildings Service
 Date: 7.03.13

WITNESSED FOR THE LESSOR BY:

Signature: [Signature]
 Name: Lee Housh
 Title: Property Manager
 Date: 6/12/13

[Signature]

3. The Government shall pay the Lessor annual rent, monthly in arrears, as set forth herein below:

BLOCK A: Beginning September 1, 2010 and continuing through August 31, 2020:

BLOCK	A	RSF	SHELL RATE PER RSFPY (RENTABLE SQUARE FEET PER YEAR)	OPERATING COST (RENTABLE SQUARE FEET PER YEAR)	AMORTIZED T.I.S. RSFPY (RENTABLE SQUARE FEET PER YEAR) AT 8% Interest	TOTAL RENT (RENTABLE SQUARE FEET PER YEAR)	TOTAL MONTHLY RENT	TOTAL ANNUAL RENT
September 1, 2010 through March 31, 2013 <i>July 31,</i>		16,579	\$18.91	\$6.69	\$10.24	\$35.84	\$49,515.46	\$594,191.36
August 1, 2013 through August 31, 2015		16,579	\$19.27190361	\$6.69	\$10.24	\$36.20190361	\$50,015.46	\$600,191.36
September 1, 2015 through August 31, 2020		16,579	\$19.27190361	\$6.69	\$0.00	\$25.96190361	\$36,868.53	\$430,422.40

BLOCK B: Beginning December 12, 2012 and continuing through August 31, 2020 as set forth herein below:

BLOCK	B	RSF	SHELL RATE PER RSFPY (RENTABLE SQUARE FEET PER YEAR)	OPERATING COST (RENTABLE SQUARE FEET PER YEAR)	AMORTIZED T.I.S. RSFPY (RENTABLE SQUARE FEET PER YEAR) AT 8% Interest	TOTAL RENT (RENTABLE SQUARE FEET PER YEAR)	TOTAL MONTHLY RENT	TOTAL ANNUAL RENT
December 12, 2012 through March 11, 2013		4,832	\$0.00	\$0.00	\$10.72	\$10.72	\$4,317.69	\$61,812.32
March 12, 2013 through December 11, 2016		4,832	\$21.86	\$6.69	\$10.72	\$39.27	\$15,813.83	\$189,765.92
December 12, 2016 through December 11, 2017		4,832	29.42	\$6.69	\$10.72	\$46.83	\$18,857.99	\$226,295.84
December 12, 2017 through August 31, 2020		4,832	\$29.42	\$6.68	\$0.00	\$36.11	\$14,640.29	\$174,483.52

Rent for a lesser period shall be prorated. Rent shall be payable to:

Kitroy Realty, L.P.
 12200 W. Olympic Boulevard, Suite 200
 Los Angeles, CA 90064
 Attn: Heather Moore

INITIALS:

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 LESSOR

&

[Signature]
 GOVT

"4. The Government may terminate this Lease in whole or in part effective any time on or after the fifth (5th) year firm term by giving at least sixty (60) days' prior notice in writing to the Lessor. September 1, 2010 through August 31, 2015 represents the firm term for Block A. December 12, 2012 through December 11, 2017 represents the firm term for Block B."

Paragraphs 29, 30, and 31 are hereby added as follows:

"29. Tenant Improvement Costs – Change Order # 2

The Lessor has submitted a proposal to add [REDACTED] to the Premises, to convert all Premises iPhones to one existing platform and to cancel a previous order for [REDACTED]. The Lessor has submitted pricing as shown below, for the Construction of Said Tenant Improvements in accordance with the Lease. The pricing submitted by Lessor for this work have been determined to be fair and reasonable.

TENANT IMPROVEMENT COSTS	Total Cost
[REDACTED]	[REDACTED]
IPhones – convert all into one existing platform	[REDACTED]
Cancel [REDACTED] order	[REDACTED]
Total	\$3,213.37

"30. NOTICE TO PROCEED

Based on this contract requirement, we have reviewed your revised TI costs and determined that they are fair and reasonable. The established value of the original Scope of Work is \$286,330.88, and the established value of the added Scope of Work is \$3,213.37, which brings the cost of the total scope of work for the project to \$299,544.25. This Amendment Number 007 to Lease Number GS-09B-02358 represents your Notice to Proceed (NTP) with the construction of the additional TIs. The lease requires completion of the construction of the additional TIs not later than July 30, 2013."

"31. INVOICING FOR THE COMPLETION OF CONSTRUCTION OF TENANT IMPROVEMENTS

Payment will be made to the Lessor after inspection and acceptance of these Lump Sum Items, and within 30 days of Government receipt of the Lessor's itemized, accepted invoice. Lessor's invoice must contain Lessor's correct name and mailing address as shown in the lease.

Title to items for which the Government makes Lump Sum payment shall vest in the Government. Lessor waives restoration in connection with these items. Unless the Government has removed the items from the leased premises, the Lessor shall remain responsible for the maintenance, repair and replacement of the items provided by the Lessor under this lease. If after the lease term and any extended, renewal, or succeeding lease terms, the Government elects to abandon any items in place, and title shall pass to the Lessor.

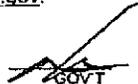
The Lessor shall meet the quality standards and requirements of the LEASE and GSA Form 3517B, General Clauses."

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 shall be submitted to:

GSA, Greater Southwest Finance Center (TBCP)
P. O. Box 17181
Fort Worth, TX 76102

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

INITIALS:

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LESSOR & GOVT

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

GSA, Real Estate Division -- San Diego
Attention: Diane Gaffney, Leasing Specialist
401 West A Street, Suite 2075
San Diego, CA 92101

A proper Invoice must include all of the following:

- a. Invoice Date
- b. Name of the Lessor as shown on the Lease
- c. Lease contract number, building address, and a description, price and quantity of the items delivered
- d. Annotation of GSA PS Number (will be provided 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."

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

-----END-----

INITIALS:


LESSOR

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