GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 9 TO LEASE NO. GS - 09P – LAZ03430
ADDRESS OF PREMISES GRACE COURT IV 250 N 7TH AVENUE PHOENIX, AZ 85007-2753	PDN Number:

THIS AMENDMENT is made and entered into between **KBS/VERUS GC PHOENIX LLC**

whose address is: 3333 E Camelback Rd., Ste. 253
Phoenix, AZ 85018

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 expand the lease square footage, adjust the rent, establish the Tenant Improvements for the Expansion Space, update the percentage of occupancy, and establish a design and construction schedule for the Expansion Space.

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:

Lease paragraphs 1.01, 1.03, and 1.13 are deleted in their entirety and replaced with the following:

"1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

BLOCK A: **18,972** rentable square feet (RSF), yielding **17,054** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 3rd floor and known as Suite **300**, of the Building.

BLOCK B: **4,076** rentable square feet (RSF), yielding **3,664** ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 3rd floor and known as Suite **330**, of the Building.

As depicted on the Floor Plan(s) attached hereto as Exhibit B.

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:

Signature:
Name: JOHN R. MAUS
Title: AUTHORIZED SIGNER
Entity Name: KBS/VERUS GC PHOENIX, LLC
Date: 28-NOV-2017

FOR THE GOVERNMENT:

Signature:
Name: ERIN WINSCHEL
Title: Lease Contracting Officer
GSA, Public Buildings Service,
Date: 4/5/18

WITNESSED FOR THE LESSOR BY:

Signature:
Name: LEONARD SILK
Title: ASSOCIATE
Date: 28-NOV-2017

A. Common Area Factor: The Common Area Factor (CAF) is established as **1.11246** percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses."

"1.03 RENT AND OTHER CONSIDERATION (APR 2015)

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

BLOCK A (Suite 300):

	FIRM TERM[6] DECEMBER 14, 2016 THROUGH DECEMBER 13, 2021	NON FIRM TERM DECEMBER 14, 2021 THROUGH DECEMBER 13, 2026
	ANNUAL RENT	ANNUAL RENT
SHELL RENT[1]	$ 315,880.60	$ 315,880.65
TENANT IMPROVEMENTS RENT[2]	$ 65,310.75	$ 65,310.70
OPERATING COSTS[3]	$ 149,882.00	$ 149,882.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC)[4]	$ 6,440.00	$ 6,440.00
PARKING[5]	$ 0.00	$ 0.00
TOTAL ANNUAL RENT	**$ 537,513.35**	**$ 537,513.35**

[1]Shell rent calculation:**$16.649831** per RSF multiplied by **18,972** RSF
[2]Tenant Improvement Allowance of **$653,107.49** is amortized at a rate of zero **(0%)** percent per annum over **10** years.
[3]Operating Costs rent calculation: **$7.900169** per RSF multiplied by **18,972** RSF
[4]Building Specific Amortized Capital (BSAC) of **$64,400.00** are amortized at a rate of zero **(0%)** percent per annum over **10** years
[5]Parking costs described under sub-paragraph H below
[6]Free Rent: Months 1 through 5 shall be provided at no cost to the Government.

BLOCK B (Suite 330):

	FIRM TERM[5] UPON ACCEPTANCE OF SPACE AND SUBSEQUENT LEASE AMENDMENT THROUGH DECEMBER 13, 2021	NON FIRM TERM DECEMBER 14, 2021 THROUGH DECEMBER 13, 2026
	ANNUAL RENT	ANNUAL RENT
SHELL RENT[1]	$ 73,774.91	$ 79,888.91
TENANT IMPROVEMENTS RENT[2]	$ 17,729.97	$ 17,729.97
OPERATING COSTS[3]	$ 32,201.09	$ 32,201.09
PARKING[4]	$ 0.00	$ 0.00
TOTAL ANNUAL RENT	**$ 123,705.97**	**$ 129,819.97**

[1]Shell rent calculation:
(Firm Term) $**18.099831** per RSF multiplied by **4,076** RSF (figures are rounded)
(Non Firm Term) $**19.599831** per RSF multiplied by **4,076** RSF (figures are rounded)
[2]Tenant Improvements of $**150,704.72** are amortized at a rate of zero **(0%)** percent per annum over **8** years and **6** months.
[3]Operating Costs rent calculation: $**7.900169** per RSF multiplied by **4,076** RSF (figures are rounded)
[4]Parking costs described under sub-paragraph H below
[5]The commencement date for **BLOCK B** shall not commence until substantial completion and acceptance of the Space by the Government.

B. In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital (BSAC) for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

C. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed **3,664** ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

D. 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.

INITIALS: _____ LESSOR & _____ GOV'T

E. INTENTIONALLY DELETED

F. 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.

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. 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 herein 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.

I. Parking shall be provided at no cost to the Government"

"1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is **16.48** percent. The Percentage of Occupancy is derived by dividing the total Government Space of **23,048** RSF by the total Building space of **139,815** RSF."

Lease Paragraph 1.10 and 7.02 are hereby added to the lease as follows:

"1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space known as Block B

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES ($ PER ABOA SF OR % OF ti CONSTRUCTION COSTS)	3.0%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5.0%
GENERAL CONDITIONS	6.0%
GENERAL CONTRACTOR'S FEES	8.0%

"7.02 SCHEDULE FOR COMPLETION OF SPACE ON BLOCK B

Design and construction activities for the Space shall commence upon execution of Lease Amendment 8, in accordance with the attached Exhibits: D(1) Space Standards – Office dated 6/5/2017; D(2) Agency Facility Design Guide; D(3) Structured Cable Plant Standard dated September 6, 2012; and D(4) Two single occupancy Unisex restrooms conforming to ABBAS standards consisting of 135 pages. The Lessor shall schedule the following activities to achieve timely completion of the work required by this Lease:

A. Design Intent Drawing (DID) Workshop: In conjunction with the Government, the Lessor shall commit as part of shell costs to a **1**-day DID workshop tentatively scheduled to begin **10 Working Days after award** at the office of the Lessor's architect or an alternate location agreed to by the Government. The architect will complete the DIDs and submit them to the Government within **10 working days after the conclusion of the DID workshop**.

B. DIDs. For the purposes of this Lease, DIDs are defined as fully dimensioned drawings of the leased Space which reflect all Lease requirements provided by the Government sufficient for the preparation of construction documents (CDs), including, but not limited to:

1. Generic furniture layout, wall, door, and built-in millwork locations;
2. Telephone, electrical, and data outlet types and locations;
3. Information necessary for calculation of electrical and HVAC loads;

INITIALS: _____ LESSOR & _____ GOV'T

4. Work related to security requirements; and
5. All finish selections.

At the DID workshop, the Lessor shall provide a minimum of three (3) finish options to include coordinated samples of finishes for all interior elements such as paint, wall coverings, base coving, carpet, window treatments, laminates, and flooring. All samples provided must comply with specifications set forth elsewhere in this Lease. The finish options shall be approved by the Government at the DID workshop. The Lessor may not make any substitutions after the finish option is selected.

C. Government review and approval of Lessor-provided DIDs: The Government's review and approval of the DIDs is limited to conformance to the specific requirements of the Lease and the client agency build-out requirements as they apply to the Space. The Government will provide formal approval of DIDs in writing **15** Working Days from the conclusion of the DID workshop. In the event that the Government provides comments, the Lessor shall have 5 Working Days to cure the DIDs.

D. The Lessor's preparation and submission of construction documents (CDs): The Lessor as part of the TI must complete CDs conforming to the approved DIDs not later than **25** Working Days following the approval of DIDs. The pricing for this work is included under the A/E fees established under Section 1 of the Lease. If during the preparation of CDs the Lessor becomes aware that any material requirement indicated in the approved DIDs cannot be reasonably achieved, the Lessor shall promptly notify GSA, and shall not proceed with completion of CDs until direction is received from the LCO. The LCO shall provide direction within **5** Working Days of such notice, but the Government shall not be responsible for delays to completion of CDs occasioned by such circumstances. For the purpose of this paragraph, a "material requirement" shall mean any requirement necessary for the Government's intended use of the Space as provided for in, or reasonably inferable from, the Lease and the approved DIDs (e.g., number of workstations and required adjacencies).

E. Government review of CDs: The Government shall have **10** Working Days to review CDs before Lessor proceeds to prepare a TI price proposal for the work described in the CDs. At any time during this period of review, the Government shall have the right to require the Lessor to modify the CDs to enforce conformance to Lease requirements and the approved DIDs.

F. The Lessor's preparation and submission of the TI price proposal: The Lessor shall prepare and submit a complete TI price proposal in accordance with this Lease within **20** Working Days following the end of the Government CD review period.

G. INTENTIONALLY DELETED

H. Negotiation of TI price proposals and issuance of notice to proceed (NTP): The Government shall issue NTP within **15** Working Days following the submission of the TI price proposal, provided that price proposals conform to the requirements of the Lease and the parties negotiate a fair and reasonable price for TIs.

I. Construction of TIs and completion of other required construction work: The Lessor shall complete all work required to prepare the Premises as required in this Lease ready for use not later than **60** Working days following issuance of NTP."

INITIALS: _____ LESSOR & _____ GOV'T