

<b>GENERAL SERVICES ADMINISTRATION</b> <b>PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	<b>LEASE AMENDMENT No. 2</b>  <b>TO LEASE NO. GS-09P-02832</b>
<b>ADDRESS OF PREMISES</b> 110 West A Street San Diego, CA 92101-3700	

**THIS AMENDMENT** is made and entered into between **ONE TEN INVESTORS, LLC**,  
 whose address is: 1900 AVENUE OF THE STARS, SUITE 340, LOS ANGELES, CA 90067-4316  
 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 establish the location of the Premises, establish Beneficial Occupancy, re-describe the premises, add one parking spot to the Lease, add effective dates into the rent schedule, adjust the Broker Commission and Commission Credit, establish the Government Termination Rights date, establish the BSAC allowance, establish the percentage of occupancy, establish the Operating Cost Base, adjust language to the Cyclical Painting of Public Areas within Premises Paragraph, Delete Paragraph 7.04, add Change Order Work, provide a means of payment for the Change Order Work, and add elevator maintenance coverage for the two private elevators.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon Government execution, as follows:

Page 1 of the Lease describing the Premises, Page 1 of the Lease entitled, "Lease Term", Sections 1.01A, 1.02 A, 1.03 ABCD and G4, 1.04, 1.05, 1.11, 1.13, 1.15, 7.02, and Lease Exhibits "A" and "B" are hereby deleted in their entirety and the following are substituted; Section 1.03 G6 and 7.04 have been deleted, Paragraphs 7.18, 7.19, 7.20 and Exhibit K have been added to the Lease as follows:

**Page 1 of the Lease describing the premises**  
 Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at 1375 Front Street, San Diego, CA 92101

**Page 1 of the Lease entitled, "Lease Term"**  
 To Have and To Hold the said Premises with its appurtenances for the term beginning on February 1, 2016 through January 31, 2031 subject to termination and renewal rights as may be hereinafter set forth.

This Lease Amendment contains 5 pages, plus Exhibit K.

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: Greg Forester  
 Title: President  
 Entity Name: One Ten Investors  
 Date: 3/14/16 *[Signature]*

**FOR THE GOVERNMENT**

Signature: \_\_\_\_\_  
 Name: Daniel J. McGrath  
 Title: Lease Contracting Officer  
GSA, Public Buildings Service  
 Date: 3/14/2016

**WITNESSED BY**

Signature: \_\_\_\_\_  
 Name: Tracy Forester  
 Title: \_\_\_\_\_  
 Date: 3/14/16 *[Signature]*

**1.01 THE PREMISES (JUN 2012)**

The Premises are described as follows:

A. Office and Related Space: 55,927 rentable square feet (RSF), yielding 47,250 ANSI/BOMA Office Area (ABOA) square feet (SF) (inclusive 3,088 RSF/ 2,472 ABOA of Free Space) of office and related space located on the 1st floor (Suite 199) and the entirety of the 3RD (Suite 300), 4th (Suite 400) and 5th (Suite 500) floors of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

**1.02 A.**

Parking: 12 parking spaces (structured) as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. Additionally, the Government requires a minimum of 280 parking spaces to be commercially available within ¼ mile walking distance from the leased property.

Notwithstanding anything to the contrary contained in Section 1.02 of GSA Form L201C or elsewhere in the Lease; (i) the Government acknowledges and agrees that the Government may not post signage on the building's exterior; and (ii) the Government may not post signage within the Appurtenant Areas without the Lessor's prior written consent, which consent may not be unreasonably withheld, conditioned, or delayed. The Lessor shall have the right to direct the location of any Government signage in the Appurtenant Areas to which the Lessor has consented.

**1.03 RENT AND OTHER CONSIDERATION (SEP 2012)**

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

	FIRM TERM YEARS 1-5 2/01/2016 -1/31/2021	FIRM TERM YEARS 6-10 2/01/2021-01/31/2026	YEARS 11-15 2/01/2026-01/31/2031
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$1,302,453.38	\$1,634,591.38	\$2,017,606.00
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$293,566.38	\$293,566.38	\$0.00
OPERATING COSTS <sup>3,7</sup>	\$304,031.00	\$304,031.00	\$304,031.00
BUILDING SPECIFIC AMORTIZED CAPITAL <sup>4</sup>	\$82,313.83	\$82,313.83	\$0.00
(12 SPACES) PARKING <sup>5</sup>	\$34,402.91	\$39,882.55	\$46,234.91
<b>TOTAL ANNUAL RENT</b>	<b>\$2,016,767.50</b>	<b>\$2,354,385.14</b>	<b>\$2,367,871.91</b>

52,839 RSF / 44,778 ABOA

<sup>1</sup>Shell rent calculation: \$24.649471/RSF for years 1-5; \$30.935320/RSF for years 6-10; \$38.184030/RSF for years 11-15

<sup>2</sup>The Tenant Improvement Allowance of \$2,016,347.96 is amortized at a rate of 8.0 percent per annum over 10 years.

<sup>3</sup>Operating Costs rent calculation: \$5.753913/RSF multiplied by 52,839 RSF, and subject to adjustment in accordance with the lease.

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$565,368.95 is amortized at a rate of 8.0 percent per annum over 10 years

<sup>5</sup>Parking costs for twelve (12) GOV vehicles described under sub-paragraph G4.

<sup>7</sup>Includes \$10,800 per year estimated cost for the maintenance of USCIS's private elevators further described in Paragraph 7.19

- B. ~~Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 44,778 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.~~  
THE ON-SITE MEASUREMENT HAS OCCURRED AND NO RENTAL ADJUSTMENT WAS REQUIRED.
- C. Rent has been adjusted based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, in accordance with paragraphs 1.08 and 1.09 of the lease.
- D. Rent has been adjusted based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, in accordance with paragraphs 1.11 and 1.12 of the lease.

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- G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:
4. Reserved, Structured, on-site parking for twelve (12) official government (GOV) vehicles. The cost for these 12 parking spaces is shown in the table above. The Government may terminate its use of the reserved parking spaces, in whole or in part, at any time during the Term of this Lease, by providing not less than 30 days' prior written notice to the Lessor. The effective date of the parking termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No parking rental associated with terminated parking space(s) shall accrue after the effective date of parking termination. Parking rental shall be reduced by \$2,866.91 per stall per year during years 1-5, \$3,323.55 per stall per year during years 6-10, and \$3,852.91 during years 11-15.
  6. ~~In response to RLP Amendment #4, Lessor provided an estimated cost of \$42,000.00 per year for the Maintenance of Tenant Suite Security Systems, which has been incorporated as paragraph 7.04 of this Lease. This estimated has been included as part of the itemized cost on Line 26 of Form 1217, Lessor's Annual Cost Statement. In accordance with RLP Amendment #4, pricing shall be modified prior to occupancy to reflect the cost associated with the final scope of work approved by the Government. SUB~~  
**PARAGRAPH INTENTIONALLY DELETED**

#### 1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. **Carpenter/Robbins Commercial Real Estate, Inc.** (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is **\$638,792.02** and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only **\$437,115.27** of the Commission will be payable to **Carpenter/Robbins Commercial Real Estate, Inc.** with the remaining **\$201,676.75**, which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment **\$168,063.96** minus prorated Commission Credit of **\$67,225.59** equals **\$100,838.37** adjusted 1<sup>st</sup> Month's Rent.\*

Month 2 Rental Payment **\$168,063.96** minus prorated Commission Credit of **\$67,225.58** equals **\$100,838.38** adjusted 2<sup>nd</sup> Month's Rent.\*

Month 3 Rental Payment **\$168,063.96** minus prorated Commission Credit of **\$67,225.58** equals **\$100,838.38** adjusted 3<sup>rd</sup> Month's Rent.\*

#### 1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease in whole or in part effective anytime on or after 2/01/2026 by giving at one hundred-eighty (180) days prior notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

In the event the Government exercises its right to return/terminate its rights with respect to a portion of its space (in accordance with the termination rights established herein under this lease or any future amendment), the Government agrees that said space shall be a marketable block of space. It must be demised such that it can be assigned to another tenant and must be accessible from an exterior common corridor with proper ingress/egress and exiting in accordance with local building codes. Because defining a marketable block of space involves consideration of many factors and the unique aspects of each situation, no party (Lessor or Government) shall be unreasonable in determining the parameters for the "marketable" block of space to be returned by the Government. The Government shall be responsible for paying the cost associated with demising the space given back to the Lessor and the costs associated with providing access to that demised

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space. In the event that the Government elects to give back an entire floor, the Government shall not be responsible for any costs necessary to make the space marketable. All other terms and conditions of the lease shall apply.

#### 1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$565,368.95. This amount is amortized in the rent over the Firm Term of the Lease at an annual interest rate of 8.0 percent.

#### 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 16.21 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 52,839 RSF by the total Building space of 325,977 RSF.

#### 1.15 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$5.753913 per RSF (\$304,031.00/ annum). This base rate includes Lessor's cost for maintaining two private elevators pursuant to Paragraph 7.20.

#### 7.02 CYCLICAL PAINTING OF PUBLIC AREAS WITHIN PREMISES

Lessor shall repaint the following areas within the Premises every three (3) years at Lessor's sole cost.

- Reception Area
- Waiting Room
- Security Lobby
- Ceremony Room
- Public Restrooms

The above rooms will be painted outside the hours of 7am – 5pm, Monday through Friday, and within sixty (60) days of 2/01/2020, 2/01/2023, 2/01/2026, and 2/01/2029. The Government shall be responsible for removing and returning its furniture, equipment, and items affixed to the walls, as necessary, to allow painting work to be completed.

#### 7.04 MAINTENANCE OF TENANT SUITE SECURITY SYSTEMS PARAGRAPH INTENTIONALLY DELETED

#### 7.18 TENANT IMPROVEMENT CHANGE ORDER WORK

- A. Upon Government execution of this Lease Amendment, the Lessor shall provide all labor, materials, and equipment to install the following items into the Premises.

Item	Change Order Costs
CO #1: Credit.....	(\$126,797.00)
CO #2: Multiple Bulletin Revisions .....	\$119,537.44
CO #3 Multiple Bulletin Revisions.....	\$235,293.00
CO #4: Schedule acceleration, RFI #85 & #95.....	\$136,671.08

**Total Change Order Costs..... \$364,704.52**

#### 7.19 LUMP SUM PAYMENT OF THE CHANGE ORDER WORK

Upon completion and acceptance of Tenant Improvement and Change Order Work, 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 \$364,704.52 shall submitted to:

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

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Alternatively the Lessor may submit the Invoice electronically, via the GSA Finance website at [www.finance.gsa.gov](http://www.finance.gsa.gov)

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

Daniel J. McGrath  
Contracting Officer / Project Manager  
U.S. General Services Administration  
Real Estate Acquisition Division, Region 9  
333 West Broadway, Suite 1001  
San Diego, CA 92101

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 Lease Agreement)

Title to items for which the Government makes a "LUMP SUM" payment shall vest in the Government. These items can be removed in a commercially reasonable fashion by the Government at any time. The Lessor waives any restoration in connection with these items. Unless the Government has removed the items from the Premises, the Lessor shall remain responsible for maintenance and repair of all items provided by the Lessor under this lease. If, after the lease term, any extensions or succeeding lease term, the Government elects to abandon any items in place, title shall pass to the Lessor. This paragraph shall also apply throughout the term of the lease to any work requested by the Government after occupancy.

#### 7.20 ELEVATOR MAINTENANCE & REPAIR COSTS FOR TWO PRIVATE ELEVATORS

- A. Pursuant to Exhibit L, the annual cost to maintain the two private elevators over the term of the lease is \$10,800 (\$900/ month). Beginning with the commencement date of the Lease, February 01, 2016, if maintenance costs exceed \$10,800.00 of any twelve month period from the commencement date of the Lease/ anniversary date of Lease commencement, then Lessor shall provide all invoices to the GSA Property Manager for reimbursement. The Lessor shall request the reimbursement no later than two months after the twelve month period/ anniversary date of Lease commencement or forfeit the reimbursement.
- B. **For budgeting purposes:** For any given month, if maintenance costs exceed \$900 then the Lessor shall notify the GSA Property Manager. For any given month, no work shall be released to the elevator contractor for exceeding \$3,900 without approval by the GSA Contracting Officer.

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

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