

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 2

DATE

12.9.1999

TO LEASE NO.
GS-05B-16200

ADDRESS OF PREMISES O'HARE LAKES OFFICE PLAZA
2300 East Devon Avenue
Des Plaines, Illinois 60018

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

FLATROCK PARTNERS II, L. P.
OLP Partners, L. L. C. as General Partner
c/o Concorde Realty Partners L. L. C.

whose address is 555 Fifth Avenue, 5th Floor
New York, New York 10017

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 June 11, 1999, as follows:

Supplemental Lease Agreement Number 2 is issued to amend the total square footage of the Lease, the estimated effective date of the Lease, and to incorporate additional agreed-upon terms per the following pages:

1. Paragraph 1 of Standard Form 2 (hereinafter called SF2) is deleted and replaced with the following:

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

212,254 net rentable square feet of office and related space which yields 177,812 net occupiable square feet of space. Also included within the leased area are the 760 outside, on-site parking spaces adjacent to the building. The space is located at 2300 East Devon Avenue in Des Plaines, Illinois. See Exhibit 1 for delineated areas.

If additional square footage is needed to meet [REDACTED] future needs, the additional space will be negotiated under a supplemental lease agreement.

The common area factor for adjustment between rentable and occupiable square feet shall be 19.37%.

(continued)

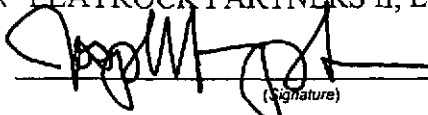
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All other terms and conditions of the Lease shall remain in force and effect.

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

LESSOR FLATROCK PARTNERS II, L. P., by OLP Partners, L. L. C., as General Partner

BY


(Signature)

(Title)

IN PRESENCE OF


(Signature)

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY


ELIZABETH LUBIN
(Signature)

Contracting Officer

(Official Title)

2. Paragraph 2 of SF2 is deleted and replaced by the following:

(2). TO HAVE AND TO HOLD the said premises with their appurtenances for a term of ten (10) years beginning upon Commencement Date, which shall be the date of the Government's acceptance of the entire premises in writing as substantially completed in accordance with Paragraph 20 of Form 3517B, subject to renewal rights set forth herein.

3. Paragraph 3 of SF2 is deleted and replaced by the following:

(3). Effective on the Commencement Date in accordance with terms of the Lease, the Government shall pay the Lessor annual rent of \$4,142,949.65 at the rate of \$345,245.80 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

CB Richard Ellis, Inc. as Agent for Flatrock Partners II L.P.
Harris Trust & Savings, 7th Floor
Lock Box 95476
311 West Monroe Street
Chicago, IL 60606

4. Paragraph 7 of SF2 is deleted and replaced by the following:

(7). The following are attached and made a part hereof:

Attachments to SF2

SFO No. GS-05B-16200, Tabs 1-8
Amendment No. 1 to SFO No. GS-05B-16200
Amendment No.2 to SFO No. GS-05B-16200
Exhibit 1 (plans showing delineated area)
Exhibit 2 (Existing Building Construction Phasing)
Exhibit 3 (Security Requirement Letter dated 09/23/97)
Small Business Subcontracting Plan
Exhibit 4 (Offers and Correspondence)
Exhibit 5 (Construction and Move-In Dates)

5. Paragraph 10 of Attachment A to SF2 is deleted and replaced by the following:

(10). The Commencement Date of the Lease will be established by Supplemental Lease Agreement. The Lease term will be ten (10) years firm, computed from the Commencement Date. The anniversary date for operating cost escalations under Paragraph 3.6 of the SFO will coincide with the Commencement Date of the Lease.

6. Paragraph 13 of SF2 is deleted and replaced by the following:

(13). For the purposes of real estate tax escalations, in accordance with SFO Paragraph 3.4 (Tab 2, Page 11), the base will be \$3.41 per rentable square foot. A real estate tax escalation will not be due until taxes are paid for the calendar year after the year in which the Lease commences.

Based upon 212,254 rentable square feet of space to be occupied by the Government under this Lease, the Government will occupy 30.68 percent of the O'Hare Lakes Office Plaza complex.

7. The following Paragraph 23 is added to SF2:

(23). Completion of Leasehold Improvements

- (a) Lessor acknowledges receipt of: (i) Design Intent Drawings of Horn & Associates entitled, respectively, "New Wing" dated 4-29-98, "East" dated 6-3-98, "North" dated 5-26-98, "West" dated 6-9-98, and "Security and ROC" dated 7-7-98; (ii) any change orders related to (i) for which direction to proceed has been given as of the date of this SLA2; (iii) a plan entitled "Existing Building Construction Phasing" attached hereto as Exhibit 2, which is hereby incorporated by reference into the Lease in lieu of the Proposed Phasing Plan, previously located at Exhibit 2, which is hereby deleted; and (iv) the agreed-upon revised construction phasing schedule entitled "Construction and Move-In Dates" attached as Exhibit No. 5 and incorporated by reference herein, which reflects that Lessor's work shall be done in Phases 1-8, respectively. The preceding (i)-(iv) shall be referred to as the "Leasehold Improvement Documents". Work done in accordance therewith shall be known as the "Leasehold Improvements". Lessor acknowledges the Leasehold Improvement Documents enable Lessor to complete its obligation to construct the Leasehold Improvements in accordance with this Lease, without further submissions by the Government, and complete the respective Phases of the premises by the respective Construction Finish dates for each Phase set forth in Exhibit 5. (Changes for which direction to proceed is given by the Government after the date of this SLA2 shall be subject to Paragraph 33 of Form 3517 of the Lease.) Accordingly, Lessor shall, at its cost:
- (b) Use its best efforts to construct or cause to be constructed, complete the Leasehold Improvements in accordance with the Leasehold Improvement Documents, and deliver each respective Phase of the premises to the Government on the respective Construction Finish date set forth in Exhibit 5; and
- (c) Lessor shall notify the Government at least five (5) business days prior to completion of each Phase, during which time the Government shall inspect the premises and if the Government determines that the Phase is substantially complete, and shall so notify the Lessor, the Government thereafter have the right to occupy the space in order to facilitate Lessor's construction and renovation. The Government shall have no obligation to occupy any completed space earlier than the respective Phase Construction Finish date of Lessor for said Phase as defined in Exhibit 5.

8. The following Paragraph 24 is added to SF2:

(24). Self Help

In the event Lessor fails to use best efforts to either diligently prosecute, or complete the Leasehold Improvements and deliver each respective Phase of the Premises to the Government on or before each Phase completion date in Exhibit 5, the Government, at its sole option, at any time thereafter until the completion of the construction, may, after giving Lessor ten (10) calendar days' prior written notice, immediately proceed with any or all of the following: (i) complete the construction in accordance with the Leasehold Improvement Documents, pay all outstanding bills for labor and materials and cure any failure of compliance with or completion in accordance with the Leasehold Improvement Documents and deduct the cost incurred by the Government hereunder together with interest at the Prime Rate (defined as the rate of interest announced from time to time by The First National Bank of Chicago (or if The First National Bank of Chicago is not in existence, the largest bank headquartered in the City of Chicago, Illinois, measured in terms of net worth) as its "Prime Rate"), from any rentals or other charges payable by the Government hereunder pursuant to this Lease, Lease GS-05B-14997 and/or Lease GS-05B-14980, until the Government has been fully reimbursed, with interest; (ii) occupy the uncompleted Phase rent-free by adjusting the rent of Lease GS-05B-14997 accordingly, until the Government determines that the Phase has been substantially completed; and (iii) adjust the dates in Exhibit 5 herein as the Government deems necessary. In addition, in the event Lessor fails to complete the Leasehold Improvements for the entire premises by October 11, 2000, the Government shall have the right to terminate

this Lease by giving written notice to Lessor. Where delay in Lessor's completion, if any, is caused solely by the Government, then as its sole remedy, Lessor shall have as many additional days to complete the Leasehold Improvements as is equivalent to the delay caused by the Government. In the event of termination of this Lease by the Government under this Paragraph, the Government shall have no liability to Lessor hereunder or otherwise for such termination. These remedies are not exclusive and are in addition to any other remedies which may be available under this Lease or at law. Notwithstanding anything to the contrary set forth in this SLA2 or the Lease, the Government shall give one (1) day's written notice by fax transmission prior to the exercise any self help measure related to Phase I.

9. Paragraph 3.10 of the SFO, entitled Liquidated Damages, is deleted and replaced by the following:

(3.10). Liquidated Damages

In case of failure on the part of the Lessor to complete the Leasehold Improvements of each respective Phase within the time fixed in Exhibit 5 to this Supplemental Lease Agreement, the Lessor shall pay the Government as fixed and agreed upon liquidated damages, pursuant to Exhibit 5 of this Supplemental Lease Agreement, the sum as shown per phase for each and every calendar day or partial day that the delivery is delayed beyond the date specified for delivery of space ready for occupancy by the Government, until such time as the space is accepted by the Government as being substantially complete. The Government may offset any liquidated damages against rentals due or hereafter due under this Lease, Lease GS-05B-14997 and Lease GS-05B-14980. This remedy is not exclusive and is in addition to any other remedies which may be available under this Lease or at law. The parties agree that the amount of liquidated damages set forth herein is reasonable and is not a penalty.

10. The following Paragraph 25 is added to SF2:

(25). Change Orders

The Government shall have the right throughout the Lease to amortize the cost of any change orders it approves. The cost of all Government-approved change orders shall be amortized over the Lease term (or the remainder of the initial Lease term if the change order occurs after the Commencement Date) at an annualized amortization rate of 11.5 percent, up to a total of \$500,000.00 in change orders. Change orders approved by the Government beyond \$500,000 (starting from the first change order and continuing throughout the initial firm term) shall, at the Government's sole option, be paid by a single cash payment or amortized over the Lease term at an annualized amortization rate of 15 percent. If amortized, payments shall be made monthly with rent.

11. The following Paragraph 26 is added to SF2:

(26). Security

The Lessor and the Government mutually recognize that the physical security of the premises and the protection of the Government's employees and the private sector tenants are a reasonable concern. The Lessor agrees that:

(a). The Lessor will maintain a security system, consistent with the Lease and real estate or building management trade practice.

(b) The Government reserves the right to require the Lessor to initiate changes or additions to security or protection procedures as the need may arise. In such event, the Government shall pay the cost of any changes or additions to security only to the extent they are above or beyond Lessor's obligation in the Lease. In the event a new Government security requirement reduces the Lessor's monetary obligation under the Lease by any amount, Lessor shall pay such amount to the Government to be used toward the Government's cost of any changes to security. It is understood that if these additional procedures exceed those of common trade practice or the Lease, the Government will negotiate a commensurate adjustment to either the rent or a lump sum payment for the period of time such change is to occur.

- (c) The Government, as Lessee, will not permit the disruption or interference with any Government activity occurring in Government-controlled portions of the premises. If the Lessor fails or refuses to, as required by the Lease, initiate, institute, maintain or install adequate security or protection measures or systems, the Government may take all appropriate action to protect its employees, equipment, records, interests and activities in the premises. All costs borne by the Government in this latter case will be deducted from the rentals due the Lessor. The Lessor will have the opportunity to dispute and/or appeal this action.
- (d) Lessor will develop security regulations, 1 and will require private tenants of leases signed after the date of this SLA2 and their employees to comply with Lessor's security regulations, including those set forth below.
- (e) Lessor shall promulgate rules for non-Government tenants of the 2300 Building, which shall include, without limitation, the following rules and regulations:
 - 1. Lessor shall maintain or contract to maintain a [REDACTED] for the [REDACTED] in accordance with terms of the Lease. Employees of such force shall undergo and pass a background security check in accordance with the Lease. In order to facilitate any background checks, OPM Form SF85, and Forms 258 and 176 required to be submitted by potential employees as referenced in the Lease must be submitted to the Government at least ten (10) days prior to the employee's first day of work.
 - 2. Non-Government tenants shall maintain on file with the Government and regularly update a list of all employees and social security numbers. Such information shall be disclosed only to the Government and only for security purposes.
 - 3. Lessor shall at its cost provide and maintain equipment for a security system in accordance with terms of the Lease. The Government will operate identification badge system and issue identification badges for tenants of the 2300 Building in addition to the Government tenants and, at the cost of the non-Government tenant, issue badges for identification purposes. Badges will be issued at commencement of employment and relinquished at termination or completion. Temporary visitor badges will be issued for visitors by security personnel.
 - 4. All occupants, employees and visitors of the 2300 Building must wear an identification badge or a temporary visitor badge while in the Building. Badges must be worn in a visible place.
 - 5. Tenants expecting guests to the Building should register the names of those guests in advance with Lessor's security personnel. Guests shall register and receive a temporary visitor badge at the entrance area security desk. 6. Access to the 2300 Building will be restricted to tenants, guests, business invitees, and persons authorized by the respective tenant or Lessor. Non-Government tenants and their employees shall have no access to Government-controlled areas within the Building.
 - 6. Lessor will place signs at such entrances disclosing security surveillance.

12. The following Paragraph 27 is added to SF2:

(27). Release of Claims

Notwithstanding any right to the contrary which it might otherwise have by law, regulation, terms of the Lease or in equity, Flatrock Partners II Limited Partnership, its general partner, and any employee, contractor, or agent, any of whose interest arises thereunder, does hereby release, discharge, and acquit the United States of America, its agencies, officers, officials, employees, agents, and designees, including the General Services Administration, and the Federal Aviation Administration, of any and all claims, causes or actions, suits or damages, or rights to pursue any of the same, whether known or unknown, which in any way relate to any matter arising prior to the date of this Supplemental Lease Agreement, and particularly in connection with this Lease and this SLA, or the negotiation of either, regardless of when such claim, cause, action, suit, damage or right to pursue any of the same may be filed or asserted.

13. The following Paragraph 28 is added to SF2:

(28). Electrical Service

Lessor will use reasonable efforts to determine the cause of and the correction of any building electrical outages, including but not limited to providing a connection to an additional substation and/or increased connection of the remainder of the 2300 Building to a backup generator which Lessor has installed for the Building. The Government shall have no obligation to pay rent on any given day for that portion of the premises in which employees cannot work, due to any electricity outage caused by the Building's electrical system. Rent paid for such space, if erroneously paid by the Government, shall thereafter be deducted from amounts due hereunder, or from Lease GS-05B-14997 or GS-05B-14980, until the Government has been fully reimbursed.

14. The following Paragraph 30 is added to the SF2:

(30). Tenant Allowance

Lessor shall, within thirty (30) days of execution of this SLA2, deliver to the Government written evidence that the \$200,000 Tenant Allowance was spent on project-related tenant improvements other than those required in the Lease. . Such evidence shall consist of items which were required. Copies of paid invoices thereof, and other evidence shall be provided as the Government shall reasonably require.

15. The following Paragraph 1.7 of the SFO is hereby deleted and replaced with the following:

(31). Occupancy of the entire premises is required by October 11, 2000, in accordance with terms of Exhibit 5.

(rev 9/10/99- 5:47pmct)