

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 3
	TO LEASE NO. GS-07P-LTX17153
ADDRESS OF PREMISES 2590 Oakmont Drive, Suite 610 Round Rock, TX 78665-1040	PDN Number: PS0031048

THIS AMENDMENT is made and entered into between Chandler Creek, LP
 whose address is: 260 E. Baker Street, Suite 100, Costa Mesa, CA 92626-4579
 hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease

- 1) To accept the Tenant Improvements as substantially complete; and
- 2) To establish the Commencement Date of the lease rental payments; and
- 3) To establish the square footages of the leased space; and
- 4) To establish the parking; and
- 5) To provide the annual rental amounts; and
- 6) To establish the Government's Percentage of Occupancy; and
- 7) To establish the reduction amount for vacant space; and
- 8) To establish the Base for the Operating Cost adjustment; and
- 9) To establish the Common Area Factor; and
- 10) To provide for the payment of the Tenant Improvements; and
- 11) To state the Broker Commission and the Commission Credit; and
- 12) To amend Paragraph 3.35 A Electrical.

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

- 1) The tenant improvements have been *substantially* completed and the government accepts the leased space on July 16, 2015. The Lessor and the Government agree that the requirements specifically identified in Exhibit "A" GSA Form 1204 Condition Survey Report of this lease have not been met and these items are deficiencies. The Lessor is required to cure these deficiencies as part of the negotiated lease contract within 20 days of the Government's acceptance of the space for occupancy. Within 7 days of the completion date for the Lessor to cure the deficiencies in

This Lease Amendment contains 3 pages plus Exhibit "A".
 All other terms and conditions of the lease shall remain in full force and effect.

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

FOR THE LESSOR
 Signature: _____
 Name: _____
 Title: _____
 Entity Name: Chandler Creek, LP

FOR THE GOVERNMENT
 Signature: _____
 Name: _____
 Title: _____

Date: 8/25/2015

Date: _____

WITNESSED FOR THE LESSOR BY:
 Signature: _____
 Name: _____
 Title: VICE. OF ASSISTANT PROT. MGMT.
 Date: 8/23/2015

Exhibit "A" of this lease, the Lessor must coordinate a follow-up inspection with the Lease Contracting Officer to ensure all corrective action has been completed. In the event of any failure by the lessor to cure the deficiencies or to provide any required repair or modernization under this lease, the Government will perform the work and deduct these amounts from the rent, including all administrative costs. No extensions will be granted.

- 2) The Commencement Date of the rental shall be July 16, 2015, and shall expire on July 15, 2027, subject to the termination rights set forth in the lease. The firm term of this Lease is seven (7) years.
- 3) The leased premises square footage shall be 5,532 rentable square feet (RSF) yielding 5,481 ANSI/BOMA Office Area (ABOA).
- 4) The Government shall have 8 non exclusive outside parking spaces for visitors.
- 5) The Government shall pay the Lessor annual rent as follows:

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$102,889.67	\$ 93,878.04
TENANT IMPROVEMENTS RENT ²	\$ 39,434.38	\$ 0.00
OPERATING COSTS ³	\$ 34,579.98	\$ 34,579.98
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 1,750.73	\$ 0.00
PARKING	\$ 0.00	\$ 0.00
TOTAL ANNUAL RENT	\$178,654.76	\$128,458.02

¹Shell rent calculation:

(Firm Term) **\$18.599** per RSF multiplied by **5,532** RSF

(Non Firm Term) **\$16.97** per RSF multiplied by **5,532** RSF

²The Tenant Improvement Allowance of \$222,024.35 is amortized at a rate of **6.4** percent per annum over **7** years.

³Operating Costs rent calculation: **\$6.2509** per RSF multiplied by **5,532** RSF

⁴Building Specific Amortized Capital (BSAC) of **\$9,857.00** are amortized at a rate of **6.4** percent per annum over **7** years

- 6) In accordance with the Lease paragraph 1.13 entitled "Percentage of Occupancy for Tax Adjustment" the Percentage of Occupancy for Tax Reimbursement purposes shall be: 49.5% (5,532 RSF/11,168 RSF).
- 7) In accordance with the Lease paragraph 1.16 entitled "Rate for Adjustment for Vacant Leased Premises" the Government's Adjustment for Vacant Space shall be a reduction of \$3.00/ABOA.
- 8) In accordance with the Lease paragraph 1.15 entitled "Operating Cost Base", the escalation base shall be \$34,579.98 (5,532 RSF X \$6.2509).
- 9) In accordance with the Lease paragraph 1.01 entitled "The Premises", the Common Area Factor shall be 1.0% (5,532 RSF/5,481 ABOA).
- 10) The total cost of the Tenant Improvements is \$542,180.95. The Lessor and the Government agree that a lump sum payment for a portion of the total TI cost shall be made in the amount of \$320,156.60. The remaining balance of the TI cost in the amount of \$222,024.35 shall be amortized monthly into the rent at the rate of 6.4% over the first seven (7) years of the lease as stated in paragraph 4 above.

The total cost of the Building Specific Amortized Capital (BSAC) is \$9,857.00 and shall be amortized monthly into the rent at the rate of 6.4% over the first seven (7) years of the lease as stated in paragraph 4 above.

The Lessor agrees that the invoice shall be printed on the same letterhead as the Lessor named on this lease, shall include the Lease number, building address, and a price and quantity of the items delivered. The invoice shall reference the number **PS0031048** and shall be sent electronically to the GSA Finance Website at <http://www.finance.gsa.gov/defaultexternal.asp> . Instructions for invoice submission are included on the website.

INITIALS: BBB LESSOR & [Signature] GOVT

Additional assistance is available from the Finance Customer Service line at 800-676-3690.

If the Lessor is unable to process the invoice electronically, then the invoice may be mailed to:

General Services Administration
FTS and PBS Payment Division (7BCP)
P.O. Box 17181
Fort Worth, TX 76102-0181

Lessor also agrees that a copy of the invoice shall be sent simultaneously to the GSA Lease Contracting Officer at the following address:

General Services Administration
Attn: Jeff Seria
Jeff.seria@gsa.gov

- 11) **DTZ Americas, Inc.** (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to **DTZ Americas Inc.** with the remaining [REDACTED], 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.

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 \$14,887.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Full Month's Rent.*

Month 2 Rental Payment \$14,887.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Full Month's Rent.*

Month 3 Rental Payment \$14,887.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Full Month's Rent.*

Month 4 Rental Payment \$14,887.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Full Month's Rent.*

- 12) Paragraph 3.35 A Electrical is amended as follows: "The Lessor shall be responsible for meeting the applicable requirements of local codes and ordinances. When codes conflict, the more stringent standard shall apply. Main service facilities shall be secured with a lock to prevent access. Main distribution to standard office occupancy shall be provided at the Lessor's expense. All floors shall have 120/208 V, 3-phase, 4-wire with bond, 60 hertz electric service available. In no event shall such power distribution (not including lighting and HVAC) for the Space fall below 4 watts per ABOA SF."

INITIALS: BBB LESSOR & YL GOVT