

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO. 3	DATE 10/11/12
	TO LEASE NO. LIL17795	
ADDRESS OF PREMISES 525 W. Van Buren St. Chicago, IL 60607-3823		

THIS AGREEMENT, made and entered into this date by and between  
NNN Congress Center, LLC  
Acting by and through Daymark Properties Realty, Inc. ("Agent" for Lessor)

Whose address is: 30 Old Rudnick Lane  
Dover, DE 19901-4912  
c/o  
Triple Net Properties  
1551 N. Tustin Ave., Suite 650  
Santa Ana, CA 92705

Hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the Government will pay a lump sum payment of \$210,719.48 to reduce the current amortized Tenant Improvements (Item B.) balance and re-amortize, effective September 1, 2012 through March 31, 2018 and;

WHEREAS, the above mentioned lump sum payment will reduce the annual rent, attributed to amortized Tenant Improvements per the new terms identified in Item A below and;

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 September 1, 2012 as follows:

Supplemental Lease Agreement (SLA) No. 3, to Lease LIL17795, is hereby issued to use planned RWA funds to pay down Tenant Improvements. Accordingly, the following paragraphs of said lease are hereby amended to read as follows:

Item A.

Paragraph 4 of the SF-2 is deleted in its entirety and replaced by the following:

4. The Government shall pay the Lessor annual rent in 12 equal monthly installments each paid in arrears subject to the following:

- a. Adjusted Annual Rent for Year 1 shall be \$132,584.40. This figure is composed of the Year 1 Annual Rent of \$903,895.20 (composed of Shell/Base rent of \$9.81/RSF; Real estate taxes of \$8.61/RSF; Amortized Tenant Improvements in lease months one (1) through seventeen (17) of \$7.17/RSF (the result of amortizing \$1,112,009 over 84 months at 7 percent per annum but subject to certain abatements conditions as delineated below); Amortized Tenant Improvements in lease months eighteen (18) through eighty four (84) of \$5.54/RSF (after additional current amortized Tenant Improvement reduction and re-amortization, effective September 1, 2012, the result of amortizing \$717,837.62 over 67 months at 7 percent per annum but subject to certain abatements conditions as delineated below) and Operating costs of \$6.60/RSF) less rent abatements to the Government including: i) Rent abatement in Lease months one (1) through Ten (10) totaling \$725,400; and ii) Broker Commission Credit to the Government totaling [REDACTED] and deducted from the Shell Rent over lease months 11 through 16, all as indicated in the Schedule of Rent below. Future adjustments to Annual Rent shall be based on operating cost and real estate tax adjustments as defined below. Rent for periods less than one year shall be adjusted on a pro rata basis:

**Schedule of Rent**

(i) Lease Year	(ii) Shell Rent (\$/RSF)	(iii) Real Estate Taxes (\$/RSF)	(iv) Operating Costs (\$/RSF)	(v) Amortized TI (\$/RSF)	(vi) Total Rent Rate (\$/RSF)	(vii) Annual Rent (\$/RSF)	(viii) Concessions (Gross Rent) (\$)	(xi) Commission Credit (\$)	(x) Adjusted Annual Rent (\$/Year)
1	9.810	8.61	6.60	7.17	32.19	903,895.20	(725,400.00)		
2 (months 13-17)	10.25	8.61	6.60	7.17	32.63	916,250.40			
2 (months 18-24)	10.25	8.61	6.60	5.54	31.00	870,611.40			871,041.60
3	10.70	8.61	6.60	5.54	31.45	883,247.40			883,247.40
4	11.16	8.61	6.60	5.54	31.91	896,164.20			896,164.20
5	11.63	8.61	6.60	5.54	32.38	909,361.80			909,361.80
6	12.12	8.61	6.60	5.54	32.87	923,121.00			923,121.00
7	12.61	8.61	6.60	5.54	33.36	936,880.20			936,880.20
8	19.10	8.61	6.60	0.00	34.31	963,424.80			963,424.80
9	19.63	8.61	6.60	0.00	34.84	978,307.20			978,307.20
10	20.16	8.61	6.60	0.00	35.37	993,189.60			993,189.60

- b. Annual rent for lease years two (2) through ten (10) shall be calculated based on an increase to the Shell Rent as follows:

**Schedule of Shell Rent**

Year	Annual	Rate
Year 1	\$275,464.80	9.81 per RSF
Year 2:	\$287,820.00	10.25 per RSF
Year 3:	\$300,456.00	10.70 per RSF
Year 4	\$313,372.80	11.16 per RSF
Year 5	\$326,570.40	11.63 per RSF
Year 6	\$340,329.60	12.12 per RSF
Year 7	\$354,088.80	12.61 per RSF
Year 8	\$536,328.00	19.10 per RSF
Year 9	\$551,210.40	19.63 per RSF
Year 10	\$566,092.80	20.16 per RSF

- c. Annual rent for lease year one (1) shall be adjusted to account for the Broker Commission Credit per pgph. 1.13 of the SFO and shall also be adjusted based on abating the first ten (10) months of the Shell/Base Rent as follows:

- i. Broker Commission Credit (Studley Inc.): The Broker Commission Credit is established by taking [REDACTED] of the product of the Broker Commission, the Total RSF, and the Firm Term of the lease ( $[REDACTED] \times ([REDACTED] / \text{RSF/Yr.} \times 28,080 \text{ RSF}) \times 7 \text{ years}) = [REDACTED]$ ). The Shell/Base rent for year one is the product of  $[REDACTED] / \text{RSF/Yr.}$ , and 28,080 RSF  $[REDACTED] \text{ RSF/Yr.} \times 28,080 \text{ RSF} = [REDACTED] / \text{Mo.})$ .

The amount of [REDACTED] for the Tenant's Broker's fee is established based upon a negotiated commission rate of [REDACTED] times the rentable square footage times the firm term of the lease. The amount of [REDACTED]0, which is [REDACTED] of the [REDACTED], will be deducted from the shell portion of the rent until it has been credited to the Government per paragraph 4.c.iii. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker within 30 days of lease award and paid to Studley, 15303 Dallas Parkway, Suite 1200, Addison, TX 75001.

- ii. Rent Abatement: The first ten (10) months of rent shall be abated totaling \$725,400 (\$72,540/Mo.) with the following caveat: This abatement shall be based upon the rental rate of \$31/RSF (i.e., Rental rate using the amortized TI rate only up to \$5.98/RSF (\$926,662)). The remaining TI amount of \$185,347 (\$1.19/RSF), amortized at the same terms as delineated in Pgph. 4.a., shall not be abated and payment shall commence upon lease commencement.

- iii. Gross Rent Abatement and Broker Commission Credit shall be applied to the Rent as follows

- (1) Month 1: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (2) Month 2: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (3) Month 3: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (4) Month 4: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (5) Month 5: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (6) Month 6: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (7) Month 7: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)



- (8) Month 8: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (9) Month 9: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (10) Month 10: Gross Rent Payment: \$0.00 (i.e., Gross Rent Credit \$72,540.00)
- (11) Month 11: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])
- (12) Month 12: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])
- (13) Month 13: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])
- (14) Month 14: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])
- (15) Month 15: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])
- (16) Month 16: Shell Rent Payment: \$0.00 (i.e., Shell Rent Broker Credit [REDACTED])

- d. There shall be no adjustments to the Operating Costs base. Paragraphs 3.6 and 3.7 of the Solicitation for Offers NO. GS-05B-17795, hereinafter referred to as SFO, are removed in their entirety per paragraph 10 of the Lease. Real estate tax adjustments shall be governed by paragraph 3.4 of the SFO and paragraph 11 below.
- e. Rent checks shall be made payable to:

Central Contractor Registration Remittance Address: NNN Congress Center, LLC  
2376 Paysphere Circle  
Chicago, IL 60674-0023  
DUNS: 620864103  
TIN: [REDACTED]

Item B.

- a. The Government will pay the Lessor a onetime lump sum payment in the amount of \$210,719.48 to buy down additional amortized Tenant Improvements. The Lessor shall submit a separate invoice referencing PS document number PS0023730 (RWA N1177385). Invoices may be submitted electronically at [www.finance.gsa.gov/webvendors](http://www.finance.gsa.gov/webvendors) or by U.S. mail at the following address, with a copy of the invoice sent to the Contracting Officer:

GSA  
PO Box 17181  
Forth Worth, TX 76102-0181

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

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.	
LESSOR NNN Congress Center, LLC Acting by and through <del>Triple Net</del> Properties Realty, Inc. ("Agent" for Lessor)	
BY <u>Michael S. Wadden</u> MICHAEL S. WADDEN (Signature)	<u>EXECUTIVE VICE PRESIDENT</u> (Title)
IN PRESENCE OF <u>Margaret Scott</u> (Signature)	<u>1604 SANTA ROSA ROAD, SUITE 243</u> <u>RICHMOND, VA 23229</u> (Address)
UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION	
BY <u>Diana K. George</u> Diana K. George (Signature)	<u>Contracting Officer</u> (Official Title)