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|---|------------------------------|
| <b>GENERAL SERVICES ADMINISTRATION<br/>PUBLIC BUILDINGS SERVICE</b><br><br><b>LEASE AMENDMENT</b> | LEASE AMENDMENT No. 1        |
|   | TO LEASE NO. GS-05P-LIL19468 |
| <b>ADDRESS OF PREMISES</b><br>2500 W. Golf Road<br>Hoffman Estates, IL 60169-1114                 | PDN Number: PS0035699        |

**THIS AMENDMENT** is made and entered into between **HOFFMAN ESTATES MEDICAL DEVELOPMENT LLC**

whose address is: 304 Wainright Dr., Northbrook, IL 60062-1900

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: 1. Revise the Tenant Improvement (TI) and Building Specific Amortized Costs (BSAC), 2. Add the Lessor's TIN and DUNS number to Section 7 of the Lease, 3. Issue the Notice to Proceed for TI's and BSAC, 4. Provide an Estimated Lump sum Amount above the amortized TI's and BSAC, and 5. Accept the Lessor's proposed energy efficiency improvements in lieu of earning the ENERGY STAR Label.

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 both parties as follows:

1. Section 1.06 RENT AND OTHER CONSIDERATION (APR 2015) MODIFIED, Subparagraph A of the Lease shall be deleted and replaced with the following (noting that the Total Annual Rent amount does not change):

**1.06 RENT AND OTHER CONSIDERATION (APR 2015) MODIFIED**

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

|   | FIRM TERM       | NON-FIRM TERM   |
|---|-----------------|-----------------|
|   | ANNUAL RENT     | ANNUAL RENT     |
| SHELL RENT <sup>1</sup>                                 | \$ 1,071,319.41 | \$ 1,124,931.17 |
| TENANT IMPROVEMENTS RENT <sup>2</sup>                   | \$ 772,489.29   | \$ 0.00         |
| OPERATING COSTS <sup>3</sup>                            | \$ 245,050.03   | \$ 245,050.03   |
| BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup> | \$ 60,390.44    | \$ 0.00         |
| PARKING <sup>5</sup>                                    | \$ 0.00         | \$ 0.00         |

This Lease Amendment contains 3 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: Yan Katsnelson  
 Title: Manager  
 Entity Name: Hoffman Estates Medical Development LLC  
 Date: 8/19/2016

**FOR THE GOVERNMENT:**

Signature:   
 Name: Valerie L. Grant  
 Title: Lease Contracting Officer  
 GSA, Public Buildings Service,  
 Date: SEP 2 2016

**WITNESSED FOR THE LESSOR BY:**

Signature:   
 Name: Anne Kagan  
 Title: Associate General Counsel  
 Date: 9/19/2016

|                   |                |                |
|-------------------|----------------|----------------|
| TOTAL ANNUAL RENT | \$2,149,249.17 | \$1,369,981.20 |
|-------------------|----------------|----------------|

<sup>1</sup>Shell rent calculation:

(Firm Term) \$14,561,312 per RSF multiplied by 73,573 RSF

(Non-Firm Term) \$15,290,000 per RSF multiplied by 73,573 RSF

<sup>2</sup>Tenant Improvements of \$2,741,069.96 is amortized at a rate of 6 percent per annum over 4 years.

<sup>3</sup>Operating Costs rent calculation: \$3,330,706 per RSF multiplied by 73,573 RSF. (Operating Costs are defined elsewhere herein).

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$214,287.00 is amortized at a rate of 6 percent per annum over 4 years.

<sup>5</sup>Parking costs described under sub-paragraph H below.

2. Section 1.11 TENANT IMPROVEMENT ALLOWANCE (AUG 2011) of the Lease shall be deleted and replaced with the following:

**1.11 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)**

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$2,741,069.96 (\$37,621570 per ABOA SF x 72,859 ABOA SF). The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 6 percent.

3. Section 1.14 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012) of the Lease shall be deleted and replaced with the following:

**1.14 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)**

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$214,287.00. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of 6 percent.

4. Section 7.05 LESSOR TAX PAYER IDENTIFICATION NUMBER & DUNS NUMBER shall be added to the Lease.

**7.05 LESSOR'S TAXPAYER IDENTIFICATION NUMBER & DUNS NUMBER**

- A. The Lessor's Taxpayer Identification Number (TIN) is [REDACTED]
- B. The Lessor's Dunn & Bradstreet (DUNS) Number is 080120466.

5. CONSTRUCTION COST: The Lessor agrees that the total amount to construct the Tis and BSAC improvements described in the Construction Drawings dated June 2, 2016 is Not-To-Exceed \$4,852,473.17. It is mutually agreed this amount is inclusive of the projected cost savings of (\$315,250.00) as described in attached Scope Reduction Option dated July 25, 2016 and is herein referenced as Exhibit J. It is mutually agreed the Lessor will allow the Government flexibility to further reduce cost and scope based on Lessor's final pricing for all remaining open items identified on the Scope Reduction Option dated July 25, 2016. This reduced amount will be used to establish the final price of construction and reconcile the lump sum payment noted below.

The cost does not cover the following work as described in the Construction Drawings:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

6. This Lease Amendment is hereby issued to provide a NOTICE TO PROCEED (NTP) for an amount not to exceed \$4,852,473.17 to construct the TI's and BSAC. In addition to the \$2,741,069.96 in TI's and \$214,287.00 for BSAC already amortized in the lease rental rate, the Government agrees and estimates a lump sum payment of \$1,897,116.21 will be made. The NTP amount stated above includes all labor, materials and fees to construct the Tenant improvements described in the Construction Drawings dated June 2, 2016 with exceptions noted above, Lessor Representative Costs Proposal dated July 28, 2016 as negotiated and mutually agreed to by the Lessor and the Government. Once the work is substantially complete and the space is accepted by the GSA, a Lease Amendment (LA) will be created commencing the rent.

7. The Government therefore agrees to reimburse the Lessor in an amount up to \$1,897,116.21 upon execution of this Lease Amendment being signed by both parties, acceptance of the space being substantially complete, and upon receipt of an acceptable invoice by the Government.

INITIALS: VK LESSOR & [Signature] GOVT 9/2/16

Invoices shall be submitted to the Greater Southwestern Finance Center (with a copy to the Contracting Officer) electronically on the GSA Finance Website at [www.finance.gsa.gov](http://www.finance.gsa.gov). The invoice shall include a unique invoice number, be on letterhead of the Lessor, include the lease number, include the billed items, and cite the following Pegasys Document Number (PDN): PS0035699. Invoices submitted without the PDN Number will be immediately returned. If unable to process the invoice electronically, it may be submitted directly to: GSA Greater Southwest Finance Center (7BCP), P.O. Box 17181, Fort Worth, Texas, 76102.

8. The Government agrees to accept the following improvements to be completed by space acceptance IN LIEU of earning the ENERGY STAR ® Label as referenced in Section 3.15 Energy Independence and Security Act (Dec 2011).
- Increase the R-Value of the new roof.
  - Replace select HVAC Units with more efficient units.
  - Install high efficiency LED lighting, and
  - Replace overhead doors with ones with higher R-values.

INITIALS: YR LESSOR & VA GOVT 9/2/16