

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-07P-LTX17270
LEASE AMENDMENT	
ADDRESS OF PREMISES 601 NW LOOP 410 SAN ANTONIO, TX 78216	PDN Number: N/A

THIS AMENDMENT is made and entered into between **MSB PYRAMID LP**

whose address is: 1 EMBARCADERO CENTER, SUITE 2050
SAN FRANCISCO, CA 94111

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 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 the Government as follows:


- 1.) To accept the Tenant Improvements (TIs) and Building Specific Amortized Capital (BSAC) as substantially complete; and
- 2.) To establish the commencement date of the lease rental payments; and
- 3.) To document the amount of area leased by the Government; and
- 4.) To document the common area factor; and
- 5.) To establish the annual rental amounts; and
- 6.) To establish the method of payment of the total Tenant Improvement costs; and
- 7.) To document the percentage of occupancy; and
- 8.) To document the Base Cost of Services; and
- 9.) To establish parking in the lease; and
- 10.) To document the Broker Commission and the Commission Credit; and
- 11.) To document the cyclical paint and carpet to be provided; and
- 12.) All other terms and conditions of this lease shall remain in full force and effect.

This Lease Amendment contains 6 pages and Exhibit "A".


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

FOR THE LESSOR:

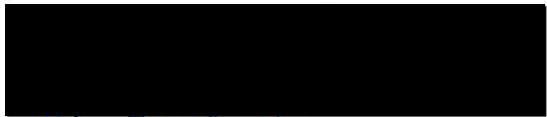
MSB PYRAMID LP

Signature: 
Name: _____
Title: President
Entity Name: Buchanan Street Partners
Date: 11-30-15

FOR THE GOVERNMENT:

Signature: 
Name: Lindsay Killian
Title: Lease Contracting Officer
GSA, Public Buildings Service
Date: 12/9/2015

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: _____
Title: Vice President
Date: 11-30-15

- 1.) The Tenant Improvements (TIs) and Building Specific Amortized Capital (BSAC) have been substantially completed and the Government accepts the leased space on October 30, 2015. The Lessor and the Government agree that the requirements specifically identified in the GSA Form 1204 Condition Survey Report; which is depicted in the attached Exhibit "A", have not been met and these items are deficiencies. The Lessor is required to cure these deficiencies by November 26, 2015. Within 7 days of the completion date for the Lessor to cure the deficiencies in Exhibit "A" of this Lease Amendment, 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 **October 30, 2015**, and shall expire on **October 29, 2020**.
- 3.) The total square footages of the leased premise is established as 5,230 rentable square feet (RSF), yielding 4,470 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related space located on the first floor of the Building.
- 4.) The Common Area Factor is established as 1.17 (5,230 RSF/4,470 ABOA).
- 5.) The Government shall pay the Lessor annual rent as follows:

From October 30, 2015 through October 29, 2020, the total annual rental shall be \$157,599.31 at the rate of \$13,133.28 paid monthly in arrears. The total annual rent consists of annual Shell Rent of \$88,209.63, annual Operating Costs of \$33,103.00, Tenant Improvement Costs of \$30,387.37, Building Specific Amortized Capital (BSAC) of \$2,899.31, and Parking Costs of \$3,000.00, plus annual Operating Cost Adjustments.
- 6.) The Government and the Lessor have agreed that the total cost of the TI's and BSAC (including change orders) shall be \$136,803.89 (TI Amortized: \$124,888.11 + BSAC Amortized: \$11,915.78). The Government shall pay for the total TI Cost by amortizing \$124,888.11 over the five (5) year term, monthly in arrears, at an interest rate of 8.00%. The Government shall pay for the total BSAC Cost by amortizing \$11,915.78 over the five (5) year term, monthly in arrears, at an interest rate of 8.00%. TI and BSAC cost includes all the Lessor's fees for general and administrative costs, profit and any and all other fees associated with the completion of the TI's and BSAC.
- 7.) The percentage of occupancy for Real Estate Tax purposes is established as 2.39% [5,230 RSF / 218,836 RSF].
- 8.) For the purposes of Consumer Price Index adjustments as provided in the lease agreement, the Base Cost of Services is established as \$33,103.00/annum.
- 9.) The number of parking spaces assigned to this lease shall be 19 structured/garage parking spaces (5 of which shall be reserved and charged to the rent).

INITIALS: JB & AK
LESSOR GOVT

10.) Savills Studley, Inc. (f.k.a. Studley, 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 Savills Studley, 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 full 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:

Full Month 1 Rental Payment \$13,133.28 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

Full Month 2 Rental Payment \$13,133.28 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.*

*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

11.) Lease Section 6.12 shall be deleted and replaced with the following:

6.12 MAINTENANCE OF PROVIDED FINISHES (JUN 2012)

A. Paint, wall coverings.

- 1.) Lessor shall maintain all wall coverings and high performance paint coatings in "like new" condition for the life of the Lease. All painted surfaces shall be repainted at the Lessor's expense, including the moving and returning of furnishings, any time during the occupancy by the Government if the paint is peeling or permanently stained, except where damaged due to the negligence of the Government. All work shall be done after normal working hours as defined elsewhere in this Lease.
- 2.) The Lessor shall repaint common areas at least every three years.
- 3.) Lessor shall perform cyclical repainting for 3,744 rentable square feet of the Space within 120 days of the Commencement Date. This cost, including the moving and returning of furnishings, as well as disassembly and reassembly of systems furniture, shall be at the Lessor's expense. The Lessor shall perform cyclical repainting of the remaining 1,486 rentable square feet of the Space every 5 years of Occupancy. This cost, including the moving and returning of furnishing, as well as disassembly and reassembly of systems furniture, shall be at the Lessor's expense.

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 LESSOR & GOVT

B. Carpet and flooring.

- 1.) Except when damaged by the Government, the Lessor shall repair or replace flooring at any time during the Lease term when:
 - a. Backing or underlayment is exposed;
 - b. There are noticeable variations in surface color or texture;
 - c. It has curls, upturned edges, or other noticeable variations in texture;
 - d. Tiles are loose; or,
 - e. Tears or tripping hazards are present.

- 2.) Notwithstanding the foregoing, as part of the rental consideration, the Lessor shall replace all carpet for 3,744 rentable square feet in the Space within 120 days of the Commencement Date, with a product which meets the requirements in the "Floor Coverings and Perimeters" paragraph in this Lease. The Lessor shall replace all carpet for the remaining 1,486 rentable square feet in the Space every 5 years, with a product which meets the requirements in the "Floor Coverings and Perimeters" paragraph of this Lease.

- 3.) Repair or replacement shall include the moving and returning of furnishings, including disassembly and reassembly of systems furniture, if necessary. Work shall be performed after the normal hours established elsewhere in this Lease.

12.) All other terms and conditions of this lease shall remain in full force and effect.

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