

GENERAL SERVICES ADMINISTRATION  
PUBLIC BUILDINGS SERVICE  
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL  
AGREEMENT

DATE

11

JAN 10 2002

TO LEASE NO. GS-09B-94150

ADDRESS OF PREMISES 75 Hawthorne Street  
San Francisco, CA 94105

THIS AGREEMENT, made and entered into this date by and between HAWTHORNE PLAZA LTD.

whose address is c/o ARCON, Inc.  
95 Hawthorne Street, Ste., 401-S  
San Francisco, CA 94105

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 considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution by the Government.

Now therefore Paragraphs 1, 2, 3, 12 and 13 of the lease are hereby amended to include the following block of space:

<sup>345 sq ft PD</sup>  
BLOCK G: A total of 383 rentable square feet (rsf) of space on the 1st floor of the building located at 75 Hawthorne Street, San Francisco, CA, as further depicted on the plan attached as Exhibit "M". This space will be used as storage space for the Cafeteria also located at the same address.

Paragraph 25 is hereby added.

(Continued on Sheet No., 1 attached hereto and made a part of this Supplemental Lease Agreement.)

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: Hawthorne Plaza, LTD, By Arcon Inc., It's General Partner

BY:

(Signature)

President

(Title)

IN THE PRESENCE OF

Mary Lane Caraya

(Signature)

75 Hawthorne

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

PATRICIA JORDAN

Contracting Officer  
GSA, PBS, RED

**SHEET NO. 1 TO SUPPLEMENTAL LEASE AGREEMENT NO. 11 OF LEASE NO. GS-09B-94150 ATTACHED HERETO AND MADE A PART HEREOF**

Paragraphs 2, 3, 12, and 13 are amended to include the following:

**2. Term:** TO HAVE AND TO HOLD the said premises with their appurtenances as follows:

- f. For Block F: Effective upon completion and Government acceptance of the Play Yard.
- g. For Block G: Effective upon completion and Government acceptance, thru September 30, 2009.

**3. Rent:** The Government shall pay the Lessor annual rent as follows:

**BLOCK F:**

<u>Years</u>	<u>Rent/Annum/RSF</u>	<u>Rent/Annum</u>	<u>Rent/Month</u>
6-15	\$12.33	\$ 64,800.00	\$ 5,400.00

**BLOCK G:**

<u>Years</u>	<u>Rent/Annum/RSF</u>	<u>Rent/Annum</u>	<u>Rent/Month</u>
6-15	\$57.50	\$ 22,022.50	\$ 1,835.21

(Year 6 for Blocks F and G begin on Blocks F and G Commencement Dates and ends on March 31, 2001. The inclusive dates for years 7 through 15 are the same as for Blocks A & B).

Block F represents the vacant lot behind 75 Hawthorne, which will be used to construct a Play-ground for the Child Care Center at 95 Hawthorne Street, and Block G represents expansion space for the Cafeteria located on the 1st floor of 75 Hawthorne Street. Annual rent for these two blocks of space total \$86,822.50, and will be added to the current annual rent of \$6,343,149.40, for a new combined Annual Rent of \$6,429,971.90, payable at the rate of \$535,830.99 in arrears.

**12. Base Year For Taxes.** Pursuant to Paragraph 10.0 of the SFO - Tax Adjustment GSAR 552.270.24 (Deviation 1/91), the Base years for taxes for blocks of space under the Lease are as follows:

Block F and Block G: Calendar Year 2000

**13. Operating Costs Base.** The base for operating costs adjustments for Block G is \$6.88 per rentable square foot per year. The base year for operating costs adjustment shall be in accordance with Paragraph 3.5 of the SFO - Operating Costs, GSAR 552.270-23. The Base Year for adjustment of Block G will be 4/01/2001 to 3/31/2002.

**25. Additional Requirements:** The Lessor shall furnish all labor, materials and equipment to install the following items in the 383 rsf of expansion space on the 1st floor of 75 Hawthorne Street.

- a). Furnish and install building standard suspended acoustical ceiling Tiles
- b). Patch walls, prime and paint
- c). Prime and paint door and jamb
- f). Furnish and install (3) duplex outlets in existing wall
- g). Install (5) 2 X 4 fluorescent fixtures
- h). Furnish and install 1" conduit through parking garage, coring includes breakers into existing panel
- l). Furnish and install (1) switch
- j). Furnish and install (1) VAV Box
- k). (1) Supply diffusers
- l). (1) Return Grilles
- m). (1) Thermostat
- n). Furnish and install 8 cartons of V.C.T., building standard colors
- o). Install 50 lineal feet of building standard rubber base
- p). Floor preparations
- q). Furnish and install (5) 6' X 9' building standard window blinds
- r). (2) 3' X 9' building standard mini blinds for door.

INITIALS:  &   
EQUIPMENT

ARCON, INC.  
75 HAWTHORNE STREET  
SAN FRANCISCO - 94105

November 28, 2001

General Services Administration  
450 Golden Gate Avenue, 3<sup>rd</sup> Floor (9PEL-S)  
San Francisco, CA 94102  
Attn: Ms. Pat Jordan

RE: GS-09B-94150, SLA#11 [REDACTED]

Dear Pat,

Please be advised we will be able to proceed as per the lease we signed without the extra cost of [REDACTED]

The only exception is that the "Cost Breakdown", Item # 2.a. Changes to "(2) dedicated outlets and (1) regular outlet."

Time is of the essence.

Very truly yours,  
Hawthorne Plaza, Ltd.  
By: Arcon, Inc., it's general partner

Lyman Jee  
President

LJ:mc

Enclosure

cc: Mr. Michael Malloy, GECC