

SECOND AMENDMENT TO LEASE AGREEMENTS

This Second Amendment to Lease Agreements (this “Second Amendment”) is made and entered into by and between **KBS SOR CENTRAL BUILDING, LLC**, a Delaware limited liability company (hereinafter “Lessor”) and **THE CITY OF SEATTLE**, a municipal corporation of the State of Washington (hereinafter the “City” or the “Lessee”), to be dated on and as of the date on which the Lessor executes this Second Amendment as set forth on the signature page hereto (the “Effective Date”).

WITNESSETH:

WHEREAS, Lessor and the City are parties to that certain Lease Agreement dated July 5, 2005, originally entered into by and between 350, L.L.C., a Washington limited liability company, and Central Promoter LLC, a Washington limited liability company, jointly and severally (collectively, the “Original Lessor”), and the City, as subsequently modified by that certain letter dated October 17, 2005 (as modified, the “Suite 750 Lease”), pursuant to which the City currently leases from Lessor that certain premises located on the seventh (7th) floor, designated as Suite 750 (the “Suite 750 Premises”) in the building commonly known as the Central Building (the “Building”) and located at 810 Third Avenue, Seattle, Washington 98104; and

WHEREAS, Lessor and the City are parties to that certain Lease Agreement dated August 3, 2005, originally entered into by and between the Original Lessor and the City, as amended by that certain letter dated November 16, 2005 (as amended, the “Suite 400 Lease”), pursuant to which the City currently leases from Lessor that certain premises located on the third (3rd) and fourth (4th) floors, designated as Suite 400 (the “Suite 400 Premises”) in the Building; and

WHEREAS, pursuant to the terms of that certain First Amendment to Lease Agreements, dated effective as of September 2, 2015 (the “First Amendment”), the Lessor and the City amended both the Suite 750 Lease and the Suite 400 Lease by one amendment (instead of two for the sake of simplification) (with the Suite 750 Lease and the Suite 400 Lease, as subsequently amended by the First Amendment, being collectively referred to herein as the “City Leases”), which First Amendment (i) extended the Terms of the City Leases for the First Amendment Term, expiring on the First Amendment Termination Date (August 31, 2025) (as such terms are defined in the First Amendment), and (ii) modified the space being leased by the City such that as of the Effective Date of this Second Amendment, (x) the Suite 750 Premises contains 9,458 rentable square feet, designated as Suite 750 of the Building, subject to all of the existing terms of the Suite 750 Lease, and (y) the Suite 400 Premises contains 21,430 rentable square feet designated as Suite 400 in the Building, subject to all of the existing terms of the Suite 400 Lease, for a total of 30,888 rentable square feet, in the aggregate (with the Suite 750 Premises and the Suite 400 Premises, being collectively referred to herein as the “City Premises”); and

WHEREAS, Lessor has succeeded to all of the rights, interests and obligations of Original Lessor under the City Leases; and

WHEREAS, the Lessor and the City have agreed to further amend the City Leases such that the City is permitted to occupy certain space in the Building on a temporary basis and to

otherwise amend certain terms and provisions of the Lease, all as more particularly set forth herein below; and

NOW, THEREFORE, pursuant to the foregoing, and in consideration of the mutual covenants and agreements contained herein, the City Leases, effective as of the Effective Date, are hereby modified and amended as set out below:

1. All capitalized terms used herein shall have the same meanings as defined in the City Leases, unless otherwise defined in this Second Amendment and any references in the City Leases to the term "Lessee" shall be deemed to mean and refer to the City.

2. Lessor and the City acknowledge and agree that as of the Effective Date of this Second Amendment, the City Leases shall continue to in full force and effect and shall not be modified by the terms of this Second Amendment.

3. Effective on and as of April 1, 2017 (the "Second Amendment Commencement Date"), and continuing through, and expiring on, August 31, 2025 (being the First Amendment Termination Date; with the period from the Second Amendment Commencement Date through the First Amendment Termination Date being referred to herein as the "Second Amendment Term"), the "City Premises" (as such term is used in the Lease) shall be further expanded to include that certain 5,534 rentable square feet of space, located in Suite 375, on the third (3rd) floor of the Building, as set forth and depicted on the floor plan attached hereto as Exhibit "A" (the "Suite 375 Premises"), which Suite 375 Premises shall be leased by the City upon and subject to all of the existing terms and provisions of the Lease, except as otherwise amended herein. Lessor and the City hereby acknowledge and agree that commencing on the Second Amendment Commencement Date and continuing throughout the remainder of the Second Amendment Term (ending on August 31, 2025), all references to the "City Premises" in the Lease shall mean and refer to the City Premises and the Suite 375 Premises, combined, consisting of a total of 36,422 rentable square feet of space in the Building, and all of such space shall, from and after the Second Amendment Commencement Date, be designated as Suite 375, Suite 400 and Suite 750 in the Building.

4. The City shall continue to pay Base Rent in accordance with the terms and conditions of the Lease applicable thereto; provided, however, commencing on the Second Amendment Commencement Date (April 1, 2017) and continuing throughout the Second Amendment Term (ending on August 31, 2025), the monthly installments of Base Rent shall be as follows:

(a) City Premises: The City shall continue to pay Base Rent on the City Premises, as set forth in Paragraph 5 of the First Amendment through the First Amendment Termination Date (August 31, 2025); and

(b) Suite 375 Premises. Commencing on the Second Amendment Commencement Date (April 1, 2017) and continuing through the Second Amendment Term, The City shall pay Base Rent for the Suite 375 Premises only as set forth below:

<u>Period</u>	<u>Annual Rate/rsf for 5,534 rsf</u>	<u>Monthly Installment</u>
04/01/2017 to 08/31/2017	\$33.94	\$15,652.00
09/01/2017 to 08/31/2018	\$34.94	\$16,113.16
09/01/2018 to 08/31/2019	\$35.94	\$16,574.33
09/01/2019 to 08/31/2020	\$36.94	\$17,035.50
09/01/2020 to 08/31/2021	\$37.94	\$17,496.66
09/01/2021 to 08/31/2022	\$38.94	\$17,957.83
09/01/2022 to 08/31/2023	\$39.94	\$18,419.00
09/01/2023 to 08/31/2024	\$40.94	\$18,880.16
09/01/2024 to 08/31/2025	\$41.94	\$19,341.33

5. Lessor and the City hereby agree that in addition to Base Rent for the City Premises, as set forth in Paragraph 5 of the First Amendment and in Paragraph 4 above, the City shall continue to pay Additional Rent with respect to the City Premises in accordance with the existing terms of the City Leases, respectively, through the First Amendment Termination Date (August 31, 2025). Notwithstanding anything contained in the City Leases to the contrary, commencing on the Second Amendment Commencement Date (April 1, 2017) and continuing throughout the Second Amendment Term (ending on August 31, 2025), in addition to the Base Rent payable for the Suite 375 Premises as set forth in Paragraph 4 above, the City shall also pay to Lessor, as Additional Rent for the Suite 375 Premises, the City's Share of Real Property Taxes (in accordance with Part A of each of the City Leases, respectively), plus the City's Share of Operating Costs (in accordance with Part A of each of the City Leases, respectively), and any and all other sums due to Lessor as Additional Rent under the terms of the City Leases, respectively and in accordance with the existing terms of the City Leases applicable to the calculations thereof; provided, however, (i) the Base Tax Year (as defined in Part A of the Suite 400 Lease and Suite 750 Lease, respectively) for the Suite 375 Premises only, shall be the Lease Year 2017, (ii) the Base Services Year (as defined in Part A of Suite 400 Lease and Suite 750 Lease, respectively) for the Suite 375 Premises only, shall be the Lease Year 2017, and (iii) the "City's Percentage of the Building" for the Suite 375 Premises only shall be 3.2058% (5,534 rsf/172,624 rsf).

6. Effective on and as of the Second Amendment Commencement Date and continuing throughout the Second Amendment Term, the City agrees to accept the Suite 375 Premises in its existing "AS-IS", "WHERE-AS" and "WITH ALL FAULTS" condition and the City acknowledges that Lessor shall have no obligation to refurbish or otherwise improve the Suite 375 Premises at any time through the expiration of the Second Amendment Term; provided, however, commencing on the Second Amendment Commencement Date (April 1, 2017), Lessor agrees to provide the City with an improvement allowance of up to One Hundred Sixty-Six Thousand Twenty and No/100 Dollars (\$166,020.00) (\$30.00 per rentable square foot for 5,534 rsf) (the "Second Amendment Allowance"), to be applied to the cost of performing improvements to the Suite 375 Premises (the "Second Amendment Improvements"). The Second Amendment Improvements being more fully described in Exhibit "B" attached hereto and completed by Lessor in accordance with said Exhibit "B". The City further acknowledges and agrees that any obligations of Lessor existing in the City Leases to complete leasehold improvements and/or furnish allowance(s) with respect to the City Premises, if any, have been completed and/or satisfied

in their entirety, and any provisions in the City Leases providing for such obligations are hereby null and void and of no further force or effect.

7. Lessor and the City hereby agree that from and after the Effective Date of this Second Amendment, Paragraph 7 and Exhibit D attached to the First Amendment shall be deleted in their entirety and, consequently, the City's right to expand into the Suite 700 Space (as defined in the First Amendment) shall be terminated and of no further force and effect.

8. Lessor and the City hereby agree that from and after the Second Amendment Commencement Date of this Second Amendment:

(a) The first two (2) sentences of Paragraph 9 of the First Amendment shall be deleted in their entirety and replaced with the following:

“Commencing on the Second Amendment Commencement Date (April 1, 2017) and continuing throughout the Second Amendment Term (ending on August 31, 2025), the City shall have the right to use 1,236 rentable square feet of space, in the lower level of the Building, designated as follows: (i) Suite W3A (containing 880 rentable square feet); (ii) Suite A10 (containing 212 rentable square feet); and (iii) Suite 07S (containing 144 rentable square feet) (the “Storage Space”), for the sole purpose of storing the property of the City that may be lawfully placed in the Storage Space and for no other purpose. Commencing on the Second Amendment Commencement Date and continuing throughout the Second Amendment Term, rent for the Storage Space will be One Thousand Six Hundred Forty-Eight and No/100 Dollars (\$1,648.00) per month (\$16.00 per rentable square foot per annum for 1,236 rsf) (“Storage Rent”). Storage Rent shall be due and payable to Lessor monthly, in accordance with the terms of the City Leases regarding payment of Base Rent for the City Premises.”

(b) From and after the Second Amendment Commencement Date, the City shall no longer have the right to use, and shall vacate and surrender the following storage spaces previously utilized by the City in accordance with Paragraph 9 of the First Amendment: (i) Suite S05 (containing 276 rentable square feet); (ii) Suite S06 (containing 788 rentable square feet); (iii) Suite S03 (containing 1,176 rentable square feet); Suite S07 (containing 516 rentable square feet); and (iv) Suite 06S (containing 155 rentable square feet).

9. Lessor and the City hereby agree that the City shall continue to have the right to extend the Terms of the City Leases beyond the First Amendment Termination Date (August 31, 2025) for two (2) additional periods of five (5) years each, as more fully set forth and described in Paragraph 10 and Exhibit B (Two Renewal Options at Market) attached to and made a part of the First Amendment. Notwithstanding anything to the contrary contained in the Lease, from and after

the Effective Date of this Second Amendment, except as otherwise set forth in this Paragraph 9 and in Paragraph 10 and Exhibit B attached to and made a part of the First Amendment, the City shall have no preferential, termination, expansion, first offer or first refusal rights under the Lease, such rights set forth in the Lease being hereby null and void in their entirety and of no further force or effect.

10. Lessor's address for notice purposes under the City Leases is hereby amended to be the following:

KBS SOR Central Building, LLC
c/o Transwestern
810 3rd Avenue, Suite 140
Seattle, Washington 98104

With a copy to:

KBS Capital Advisors, LLC
800 Newport Center Drive, Suite 700
Newport Beach, California 92660
Attn: Jeff Rader, Senior Vice President

The City shall pay all rent to Lessor as follows:

US Postal Service:

KBS SOR Central Building, LLC
P.O. Box 664016
Dallas, Texas 75266

Overnight Address:

KBS SOR Central Building, LLC
ATTN: 664016
12720 Hillcrest Road #115
Dallas, Texas 75230

or to such other address as Lessor may designate in writing.

11. The City warrants that it has had no dealings with any broker or agent other than CBRE, Inc. and Flinn Ferguson (collectively, the "Brokers") in connection with the negotiation or execution of this Second Amendment, and the City agrees to indemnify Lessor and hold Lessor harmless from and against any and all costs, expenses, or liability for commissions or other compensations or charges claimed by any broker or agent, other than the Brokers, with respect to this Second Amendment.

12. With the exception of those terms and conditions specifically modified and amended herein, the herein referenced City Leases shall remain in full force and effect in

accordance with all their terms and conditions. In the event of any conflict between the terms and provisions of this Second Amendment and the terms and provisions of the City Leases, the terms and provisions of this Second Amendment shall supersede and control.

13. This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original, and all of such counterparts shall constitute one agreement. To facilitate execution of this Second Amendment, the parties may execute and exchange electronic transmission (e-mail) or facsimile counterparts of the signature pages and such e-mail or facsimile counterparts shall serve as originals.

14. In order to be effective, this Second Amendment must be (1) signed by an authorized representative of the Lessor and returned to the City at the address set forth in the City Leases, and (2) signed by the appropriate and duly authorized person at the City pursuant to ordinance authority. Lessor acknowledges that if this Second Amendment is signed by the appropriate and duly authorized person at the City prior to obtaining ordinance authority, this Second Amendment shall not take effect unless and until the Seattle City Council provides such ordinance authority. If the Seattle City Council does not provide such ordinance authority on or before _____, 2017, then to the extent any rights or responsibilities have accrued under this Second Amendment either Lessor or the City may terminate such rights and responsibilities at any time thereafter by giving notice to such effect to the other party.

[SIGNATURE PAGE FOLLOWS]

SECOND AMENDMENT TO LEASE AGREEMENTS
BY AND BETWEEN KBS SOR CENTRAL BUILDING, LLC, AS LESSOR,
AND THE CITY OF SEATTLE, AS THE CITY

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Lease Agreements to be effective as of the Effective Date.

LESSOR:

**KBS SOR CENTRAL BUILDING, LLC,
a Delaware limited liability company**

**By: KBS Capital Advisors, LLC,
a Delaware limited liability company,
as its authorized agent**

**By: _____
Jeff Rader, Senior Vice President**

Date: _____, 2016

THE CITY:

**THE CITY OF SEATTLE, a municipal
corporation of the State of Washington**

**By: _____
Name: _____
Title: _____**

Date: _____, 2016

Authorized by Ordinance Number: _____

SECOND AMENDMENT TO LEASE AGREEMENTS
BY AND BETWEEN KBS SOR CENTRAL BUILDING, LLC, AS LESSOR,
AND THE CITY OF SEATTLE, AS THE CITY

STATE OF CALIFORNIA §
 § ss.
COUNTY OF ORANGE §

I certify that I know or have satisfactory evidence that **JEFF RADER** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Senior Vice President of KBS Capital Advisors, LLC, a Delaware limited liability company, as the authorized agent of **KBS SOR CENTRAL BUILDING, LLC**, a Delaware limited liability company, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2016.

(Signature)

(Print Name)
Notary Public, in and for the State
of California, residing at _____
My Commission Expires _____

STATE OF WASHINGTON §
 § ss.
COUNTY OF KING §

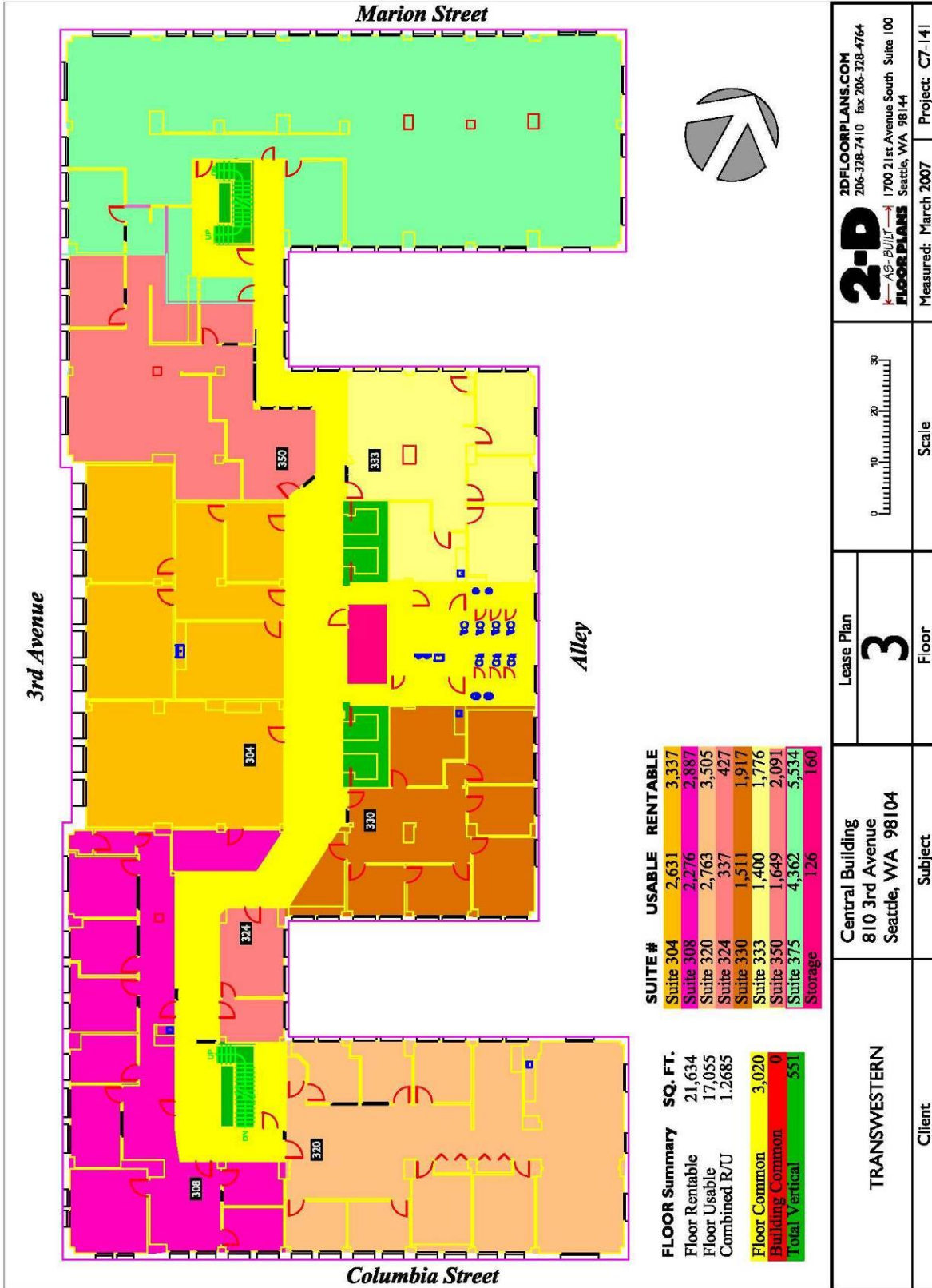
I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the _____ of **THE CITY OF SEATTLE**, a municipal corporation of the State of Washington, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2016.

(Signature)

(Print Name)
Notary Public, in and for the State
of Washington, residing at _____
My Commission Expires _____

EXHIBIT "A"
DESCRIPTION OF THE SUITE 375 PREMISES



SUITE #	USABLE	RENTABLE
Suite 304	2,631	3,337
Suite 308	2,276	2,887
Suite 320	2,763	3,505
Suite 324	337	427
Suite 330	1,511	1,917
Suite 333	1,400	1,776
Suite 350	1,649	2,091
Suite 375	4,362	5,534
Storage	126	160

FLOOR SUMMARY	SQ. FT.
Floor Rentable	21,634
Floor Usable	17,055
Combined R/U	1,2685
Floor Common	3,020
Building Common	0
Total Vertical	551

TRANSWESTERN	Central Building 810 3rd Avenue Seattle, WA 98104	Lease Plan	3	Scale
		Client		
		2-D FLOOR PLANS 206-328-7410 fax 206-328-4764 AS-BUILT FLOOR PLANS 1700 21st Avenue South Suite 100 Seattle, WA 98144 Measured: March 2007 Project: C7-141		

EXHIBIT “B”
WORK LETTER (ALLOWANCE)

THIS WORK LETTER is attached as Exhibit “B” to the Second Amendment to Lease Agreements between **KBS SOR CENTRAL BUILDING, LLC**, a Delaware limited liability company, as Lessor, and **THE CITY OF SEATTLE**, a municipal corporation, as the City, and constitutes the further agreement between Lessor and the City as follows:

(a) Second Amendment Improvements. Lessor, at the City’s sole cost and expense, agrees to furnish or perform the Second Amendment Improvements, as defined in Paragraph 6 of this Second Amendment, as specified in the Final Plans to be agreed to by Lessor and the City as set forth in Paragraph (b) below; provided, however, Lessor shall pay for the cost of such Second Amendment Improvements up to the extent of the Second Amendment Allowance as set forth in Paragraph (e) below.

(b) Space Planner. Lessor has retained (or will retain) a space planner (the “Space Planner”) to prepare certain plans, drawings and specifications (the “Temporary Plans”) for the construction of the Second Amendment Improvements to be installed in the Suite 375 Premises by a general contractor selected by Lessor pursuant to this Work Letter. Prior to the Second Amendment Commencement Date, the City shall timely deliver to Space Planner, all necessary information required by the Space Planner to complete the Temporary Plans. The City shall have five (5) business days after its receipt of the proposed Temporary Plans to review the same and notify Lessor in writing of any comments or required changes, or to otherwise give its approval or disapproval of such proposed Temporary Plans. If the City fails to give written comments to or approve the Temporary Plans within such five (5) business day period, then the City shall be deemed to have approved the Temporary Plans as submitted. Lessor shall have five (5) business days following its receipt of the City’s comments and objections to redraw the proposed Temporary Plans in compliance with the City’s request and to resubmit the same for the City’s final review and approval or comment within five (5) business days of the City’s receipt of such revised plans. Such process shall be repeated twice and if at such time final approval by the City of the proposed Temporary Plans has not been obtained, then Lessor shall complete such Temporary Plans, at the City’s sole cost and expense, and it shall be deemed that the City has approved the Temporary Plans. Once the City has approved or has been deemed to have approved the Temporary Plans, then the approved (or deemed approved) Temporary Plans shall be thereafter known as the “Final Plans”. The Final Plans shall include the complete and final layout, plans and specifications for the Suite 375 Premises showing all doors, light fixtures, electrical outlets, telephone outlets, wall coverings, plumbing improvements (if any), data systems wiring, floor coverings, wall coverings, painting, any other improvements to the Suite 375 Premises beyond the shell and core improvements provided by Lessor and any demolition of existing improvements in the Suite 375 Premises. The improvements shown in the Final Plans shall (i) utilize Lessor’s building standard materials and methods of construction, (ii) be compatible with the shell and core improvements and the design, construction and equipment of the Suite 375 Premises, and (iii) comply with all applicable laws, rules, regulations, codes and ordinances.

(c) Bids. As soon as practicable following the approval of the Final Plans, Lessor shall (i) obtain a written non-binding itemized estimate of the costs of all Second Amendment Improvements shown in the Final Plans as prepared by a general contractor selected by Lessor,

and (ii) if required by applicable law, codes or ordinances, submit the Final Plans to the appropriate governmental agency for the issuance of a building permit or other required governmental approvals prerequisite to commencement of construction of such Second Amendment Improvements (“Permits”). The City acknowledges that any cost estimates are prepared by the general contractor and Lessor shall not be liable to the City for any inaccuracy in any such estimate. Within five (5) business days after receipt of the written non-binding cost estimate prepared by the general contractor, the City shall either (A) give its written approval thereof and authorization to proceed with construction or (B) immediately request the Space Planner to modify or revise the Plans in any manner desired by the City to decrease the cost of the Second Amendment Improvements. If the City is silent during such five (5) business day period, then the City shall be deemed to have approved such non-binding cost estimate as set forth in Clause (A) above. If the Final Plans are revised pursuant to Clause (B) above, then Lessor shall request that the general contractor provide a revised cost estimate to the City based upon the revisions to the Final Plans. Such modifications and revisions shall be subject to Lessor’s reasonable approval and shall be in accordance with the standards set forth in Paragraph (b) of this Work Letter. Within ten (10) business days after receipt of the general contractor’s original written cost estimate and the description, if any, of any City Delay, the City shall give its final approval of the Final Plans to Lessor which shall constitute authorization to commence the construction of the Second Amendment Improvements in accordance with the Final Plans, as modified or revised. The City shall signify its final approval by signing a copy of each sheet or page of the Final Plans and delivering such signed copy to Lessor.

(d) Construction. Lessor shall commence construction of the Second Amendment Improvements within ten (10) days following the later of (i) the approval of the Final Plans, or (ii) Lessor’s receipt of any necessary Permits; provided, however, Lessor shall not be obligated to commence construction of the Second Amendment Improvements prior to the Second Amendment Commencement Date. Lessor shall diligently pursue completion of construction of the Second Amendment Improvements and use its commercially reasonable efforts to complete construction of the Second Amendment Improvements as soon as reasonably practicable. Notwithstanding anything in this Second Amendment or in this Work Letter to the contrary, except as otherwise expressly set forth in Paragraph (h) below, the Second Amendment Allowance, as defined in Paragraph 6 of this Second Amendment, shall be used only for the construction of the Second Amendment Improvements in the Suite 375 Premises, and if construction of the Second Amendment Improvements is not completed on or prior to November 1, 2017 (the “Construction Termination Date”), then Lessor’s obligation to provide the Second Amendment Allowance shall terminate and become null and void, and the City shall be deemed to have waived its rights in and to said Second Amendment Allowance.

(e) Second Amendment Allowance. Subject to the terms and provisions of this Work Letter, Lessor shall pay the cost of the Second Amendment Improvements (the “Work”) up to the amount of the Second Amendment Allowance, as defined in Paragraph 6 of this Second Amendment. If the amount of the lowest qualified bid to perform the Work exceeds the Second Amendment Allowance, the City shall bear the cost of such excess and shall pay the estimated cost of such excess to Lessor prior to commencement of construction of such Second Amendment Improvements and a final adjusting payment based upon the actual costs of the Second Amendment Improvements shall be made when the Second Amendment Improvements are completed. If the cost of the Work is less than such amount, then the City shall not receive any

credit whatsoever for the difference between the actual cost of the Work and the Second Amendment Allowance, except as otherwise expressly set forth in Paragraph (h) below. All remaining amounts due to Lessor shall be paid upon the earlier of Substantial Completion of the Second Amendment Improvements or presentation of a written statement of the sums due, which statement may be an estimate of the cost of any component of the Work. The cost of the permits, working drawings, hard construction costs, mechanical and electrical planning, fees, permits, general contract overhead, and a coordination fee payable to Lessor equal to three percent (3%) of the actual costs of construction and such costs or permits, fees, planning and contractor overhead shall be payable out of the Second Amendment Allowance and shall be included in the cost of the Work. The cost of the Work shall not include any other fees payable to Lessor.

(f) Change Order. If the City shall desire any changes to the Final Plans, the City shall so advise Lessor in writing and Lessor shall determine whether such changes can be made in a reasonable and feasible manner. Any and all costs of reviewing any requested changes, and any and all costs of making any changes to the Second Amendment Improvements which the City may request and which Lessor may agree to shall be at the City's sole cost and expense and shall be paid to Lessor upon demand and before execution of the change order. In no event shall Lessor be obligated to perform any Second Amendment Improvements which would extend the construction period past the Construction Termination Date, unless such extension was mutually agreed to in writing by Lessor and the City prior to the commencement of said construction. If Lessor approves the City's requested change, addition, or alteration, the Space Planner, at the City's sole cost and expense, shall complete all working drawings necessary to show the change, addition or alteration being requested by the City.

(g) Substantial Completion. "Substantial Completion" of construction of the Second Amendment Improvements shall be defined as the date upon which the Space Planner or other consultant engaged by Lessor determines that the Second Amendment Improvements have been substantially completed in accordance with the Final Plans except for Punch List items (defined below), unless the completion of such improvements was delayed due to any City Delay (defined below), in which case the date of Substantial Completion shall be the date such improvements would have been completed, but for the City Delays. The term "Punch List" items shall mean items that constitute minor defects or adjustments which can be completed after occupancy without causing any material interference with the City's use of the Suite 375 Premises. After the completion of the Second Amendment Improvements, the City shall, upon demand, execute and deliver to Lessor a letter of acceptance of improvements performed on the Suite 375 Premises. The term "City Delay" shall include, without limitation, any delay in the completion of construction of Second Amendment Improvements resulting from (i) the City's failure to comply with the provisions of this Work Letter, (ii) any additional time as reasonably determined by Lessor required for ordering, receiving, fabricating and/or installing items or materials or other components of the construction of Second Amendment Improvements, including, without limitation, mill work, (iii) delay in work caused by submission by the City of a request for any change order (defined below) following the City's approval of the Final Plans, or for the implementation of any change order, or (iv) any delay by the City in timely submitting comments or approvals to the Temporary Plans or Final Plans.

(h) Excess Allowance. Notwithstanding anything herein to the contrary, if the total cost of the Work is less than the total amount of the Second Amendment Allowance (the difference

between the cost of the Work and the cost of the Second Amendment Allowance being referred to herein as the “Excess Allowance”), then Lessor agrees that, upon the City’s written request and subject to the further terms of this Paragraph (h), the City shall have the right to have up to (but not to exceed) Twenty-Seven Thousand Six Hundred Seventy and No/100 Dollars (\$27,670.00) (\$5.00 per square foot for 5,534 rsf) out of such Excess Allowance either (i) disbursed to the City as a reimbursement of the actual out-of-pocket expenses paid by the City to third parties in connection with the City’s furniture, fixtures, equipment and the installation of wiring and cabling in the Suite 375 Premises (the “FF&E Reimbursement”), and/or (ii) credited towards the monthly installment(s) of Base Rent becoming due for the Suite 375 Premises under this Second Amendment for the period commencing on the Second Amendment Commencement Date (April 1, 2017), and continuing until, but not after, November 1, 2017 (the “Rent Credit”), until such time as the total amount of the Excess Allowance available to the City for such credit or reimbursement has been exhausted; provided, however, in no event shall (x) the total amount advanced by Lessor to the City for the FF&E Reimbursement and/or Rent Credit, exceed the lesser of the amount of the Excess Allowance or Twenty-Seven Thousand Six Hundred Seventy and No/100 Dollars (\$27,680.00) (\$5.00 per square foot for 5,534 rsf), (y) the amount advanced by Lessor for the cost of the Work, the FF&E Reimbursement and/or the Rent Credit exceed the amount of the Second Amendment Allowance, and (z) the City’s right to any such Rent Credit continue after November 1, 2017. In the event the City desires any such credit and/or reimbursement, the City shall notify Lessor of the amounts that the City wants credited and/or reimbursed (and, if reimbursed, the City shall include actual copies of paid invoices reflecting amounts the City desires to have reimbursed) within sixty (60) days following the Second Amendment Commencement Date, and, notwithstanding anything herein to the contrary, if the City fails to so notify Lessor in writing of such amounts the City desires to have credited and/or reimbursed within said sixty (60) day period, the City shall not be entitled to any such credit and/or reimbursement and all such Excess Allowance shall belong to Lessor and the City shall have no rights thereto.

(i) Construction of the Second Amendment Improvements. In connection with the construction of the Second Amendment Improvements, Lessor agrees to use commercially reasonable efforts to complete the Second Amendment Improvements so as to minimize, to the extent reasonably practical and without additional expense to Lessor, any interruption of or interference with the business of the City and the City understands and agrees that the construction thereof will occur while the City is in occupancy of the Suite 375 Premises pursuant to the terms of the Second Amendment, and the City hereby agrees to cooperate with Lessor and make reasonable accommodations (including movement of the City’s furniture, fixtures and equipment, if necessary), for Lessor to complete such Second Amendment Improvements in a timely and efficient manner (the cost of which shall be included in the cost of the Second Amendment Improvements); provided, however, and notwithstanding the foregoing to the contrary, the City, at the City’s sole cost and expense, shall be responsible for packing and moving all of the City’s, and/or the City’s employees, personal property and belongings (including, but not limited to, artwork and valuables) necessitated by the construction of the Second Amendment Improvements in the Suite 375 Premises.