



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

September 12, 2012

Via E-mail

Mr. Amir Philips  
Chief Executive Officer  
Optibase Ltd.  
10 Hasadnaot Street  
Herzliya 46728, Israel

**Re: Optibase Ltd.  
Form 20-F  
Filed April 30, 2012  
File No. 000-29992**

Dear Mr. Philips:

We have reviewed your correspondence filed on August 30, 2012 and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure.

Please respond to this letter within ten business days by amending your filing, by providing the requested information, or by advising us when you will provide the requested response. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your filing and the information you provide in response to these comments, we may have additional comments.

General

1. Please provide a written statement from the company acknowledging that:
  - the company is responsible for the adequacy and accuracy of the disclosure in the filing;
  - staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
  - the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Item 4.B. Business Overview, page 20

Properties, page 22

2. We note your response to comment 1. However, the total “NOI/OI” does not agree to operating income on the consolidated statements of operations. In that regard, it appears that the metric may be a non-GAAP measure. Please reconcile the portfolio total “NOI/OI” to the most comparable GAAP measure and include all disclosures required by Item 10(e) of Regulation S-K in future filings. Please provide us with your proposed disclosure.

Notes to Consolidated Financial Statements, page F-9

Note 1.b.3 Centre des Technologies Nouvelles in Geneva, Switzerland, page F-11

3. We have reviewed your response to comment 8. Please tell us how you determined that 100 years was a reasonable depreciation for the new building that was acquired in accordance with generally accepted accounting principles. In addition tell us why you have referred to Swiss regulations for statutory accounting and tax basis financial statements.

Note 9.d Office of the Chief Scientist and European Commission commitments, page F-30

4. We note your response to comment 9. Please clarify to us and in future filings if you are obligated to pay royalties on revenues generated by the Video activity subsequent to its sale.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes the information the Securities Exchange Act of 1934 and all applicable Exchange Act rules require. Since the company and its management are in possession of all facts relating to a company’s disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

You may contact Kristi Marrone at (202) 551-3429 or me at (202) 551-3486 with any other questions.

Sincerely,

/s/ Daniel L. Gordon

Daniel L. Gordon  
Branch Chief