

# SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 01	TO LEASE NO. GS-04B-50124	DATE	PAGE 1 of 1
ADDRESS OF PREMISES ARI Riverview Plaza, LLC 63 S. Royal Street Mobile, AL 36602-3245			

**THIS AGREEMENT**, made and entered into this date by and between **Argus Realty Investors**

whose address is c/o Thompson National Properties,  
1900 Main Street Irvine, CA 92614

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government: **WHEREAS**, the parties hereto desire to amend the above Lease contract to modify the agreement regarding square footage, rental rate, shell cost, common area factor, percentage of occupancy, operating cost, and Broker Commission and to establish beneficial occupancy. **NOW THEREFORE**, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective October 11, 2011, as follows:

**Paragraph 1 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

1. The Lessor hereby leases to the Government the following described premises:

A total of 39,593 Rentable S.F., consisting of 34,352 ANSI / BOMA Office AREA S.F (ABOASF) of office and related space on the first (1<sup>st</sup>), fourth (4<sup>th</sup>), fifth (5<sup>th</sup>), sixth (6<sup>th</sup>), and eleventh (11<sup>th</sup>) floors of a thirteen story building, plus 8 reserved, secured parking spaces, located at ARI Riverview Plaza, LLC, 63 South Royal Street, Mobile, Mobile County, AL 36602-3245.

To be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

**Paragraph 3 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

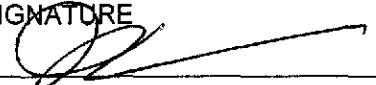
The Government shall pay the Lessor annual rent for the entire term beginning on June 1, 2011, through May 31, 2021 subject to termination and renewal rights as may be hereinafter set forth.

<u>Term</u>	<u>Annual Rent</u>	<u>Rate per RSF</u>	<u>Rate per ABOASF</u>	<u>Monthly Rate</u>
June 1, 2011 – May 31, 2016	\$1,109,242.21	\$28.02	\$32.29	\$92,436.85
June 1, 2016 – May 31, 2021	\$817,480.84	\$20.65	\$23.80	\$68,123.40

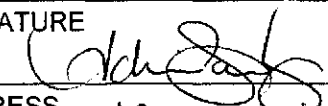
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**IN WITNESS WHEREOF**, the parties hereto have hereunto subscribed their names as of the date first above written.

**LESSOR Argus Realty Investors**

SIGNATURE 	NAME OF SIGNER Jack Maurer
ADDRESS 1900 Main Street, Ste. 700, Irvine, CA 92614	

**IN PRESENCE OF**

SIGNATURE 	NAME OF SIGNER Adriana Sanchez
ADDRESS 1900 Main Street, Ste. 700, Irvine, CA 92614	

**UNITED STATES OF AMERICA**

SIGNATURE 	ROBERT E. SCOTT GSA Contracting Officer
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**Paragraph 9 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 34,352 ABOASF of office and related space, superseding the requirement identified in SFO No. 9AL2089.

**Paragraph 10 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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10. The rental rate in Paragraph 3 for the period June 1, 2011 through May 31, 2021 includes all Tenant Improvements (TI). In accordance with Paragraph 3.2 of SFO No. 9AL2089, the TI allowance provided in the lease is \$36.61 per ABOASF, or a total of \$1,257,626.72 amortized at an annual interest rate of six percent (6%) over the five year firm term yielding an annual cost of \$291,761.37 at a rate of \$8.49 per ABOASF (\$7.37 per RSF). The TI allowance will be used to construct the interior space in accordance with the approved DIDs provided by the Government. If the TI cost exceeds \$36.61 per ABPASF (for up to 34,352 ABOASF), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire TI allowance of \$36.61 per ABOASF is not used, the Government will adjust the rental rate downward to off-set the difference. The Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit a minimum of two (2) bids for work completed as part of the initial tenant alterations, E.g. for electrical, plumbing, etc. The lowest responsive bid will be accepted.

**Paragraph 11 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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11. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No. 9AL2089, the annual shell cost is established at \$635,071.72 yielding \$18.49 per ABOASF (\$16.04 per RSF) which is inclusive of the rental rate in Paragraph 3 for the period June 1, 2011 through May 31, 2021.

**Paragraph 12 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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12. In accordance with Paragraph 4.1. C (Measurement of Space) of SFO No. 9AL2089, the common area factor (CAF) is established at 15%, or 1.1526, based on 39,593 RSF and 34,352 ABOASF.

**Paragraph 13 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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13. In accordance with Paragraph 4.2 (Tax adjustment) of SFO No. 9AL2089, the percentage of Government occupancy is 24.139% (based on total building area of 164,020 RSF and the Government's occupancy of approximately 39,593 RSF). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in Paragraph 3 above, and in accordance with GSA Form 3517B, GENERAL CLAUSES.

**Paragraph 14 of the lease contract is hereby deleted in its entirety, and replaced as follows:**

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14. In accordance with Paragraph 4.3 (Operating Costs) of SFO No. 9AL2089, the annual operating cost is established as \$182,409.12 yielding an escalation base of \$5.31 per ABOASF (\$4.61 per RSF), which is inclusive of the rental rate in Paragraph 3 for the period June 1, 2011 through May 31, 2021.

**All other terms and conditions of the Lease shall remain in full force and effect.**

-----Last Item-----

