

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
NO. 1

DATE 3-12-10

TO LEASE NO.

GS-07B-16654

ADDRESS OF PREMISES: A To-Be-Constructed facility on approximately 1.711 acres; two tracts of land described as Lot number 12A in Block "C" (a re-plat of Lots 12 & 13 in Block "C") Commerce Commercial at Enchanted Hills Rio Rancho, Sandoval County, New Mexico

This agreement, made and entered into this date by and between Seven Properties, L.L.P.

whose address is: 4808 Jefferson, N.E.
Albuquerque, NM 87109

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease.

The purpose of this Supplemental Lease Agreement (SLA) No. 1, to lease GS-07B-16654, is to amend the lease as stated below.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease dated July 14, 2009 is amended, effective upon execution by the Government, as follows:

I. Paragraph 1 of the Lease shall be deleted in its entirety and replaced with the following:

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

9,755 rentable (8,728 occupiable) square feet to be constructed on 1.711 acres; two (2) tracts of land described as Lot number 12A in Block "C" Commerce Commercial at Enchanted Hills, Rio Rancho, Sandoval County, New Mexico (as described in Exhibit B attached hereto), and sixty (60) onsite parking spaces; twenty-six (26) of which shall be separated for employee parking to be used for such purposes as determined by the General Services Administration. The common area factor is agreed to as 1.117667278%. The Lessor agrees that the site of 1.711 acres shall only be used for the construction of the SSA Rio Rancho building, parking areas and required improvements."

II. Paragraph 3 of the Lease shall be deleted in its entirety and replaced with the following:

"3. The Government shall pay the Lessor annual rent payable monthly in arrears at the following rate:

TERM	RATE PER RSF	MONTHLY RENT	ANNUAL RENT
Months 1 - 60	\$47.895446	\$38,935.00667	\$467,220.08
Months 61 - 120	\$49.486748	\$40,228.60250	\$482,743.23
Months 121 - 180	\$46.017616	\$37,408.48667	\$448,901.84

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: Seven Properties, L.L.P.

BY

(Signature)

MANAGER

(Title)

IN PRESENCE OF

WILLIAM A. SELO

ANTONIO L. ALARCON
(Signature)

4808 JEFFERSON AVE, NM 87109
(Address)

UNITED STATES OF AMERICA

BY

(Signature)

CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
819 Taylor Street, Room 5C05, Fort Worth, TX 76102
(Official Title)

Rent shall be paid monthly in arrears. The Lessor and Government both acknowledge and agree this shall be a full service lease agreement in accordance with SFO 8NM2010. Rent for a lesser period shall be prorated. Rent shall be made payable to:

Seven Properties, LLP
4808 Jefferson, N.E.
Albuquerque, NM 87109

III. Paragraph 6. b. of the Lease shall be deleted in its entirety and replaced with the following:

"6. b. Sixty (60) onsite parking spaces, twenty-six (26) of which shall be separated for employee parking and shall be provided as part of the rental consideration."

IV. Paragraphs 9. (a) and (b) of the Lease shall be deleted in its entirety and replaced with the following:

"9. (a) The lease is subject to operating cost escalation. For operating cost adjustment, the operating costs are established at \$7.00 per rentable square foot. The base cost of services is established at \$68,285.00 based on \$7.00 for 9,755 rentable square feet.

(b) The lease is subject to real estate tax escalation. For tax escalation in accordance with terms of Paragraph 3.4, the percentage of occupancy is 100% based on Gross Building Area of 9,755 square feet divided by the Government's premises of 9,755 RSF. The base year tax statement will be submitted within 60 calendar days after the last date the Real Estate Tax payment is due from the Lessor to the Taxing Authority without payment of penalty or interest after payment to establish the base year taxes. If the tax statement is for multiple parcels or buildings, the value of each property shall be defined.

V. Paragraph 17 of the Lease shall be deleted in its entirety and the following substituted therefore:

"17. In accordance with Section 3.10 – Common Area Factor of SFO 8NM2010, the Common Area Factor is established as 1.1176672878%.

VI. Paragraph 18 of the Lease shall be deleted in its entirety and the following substituted therefore:

"18. In the event the actual amount of space exceeds 8,728 ANSI/BOMA square feet, there will be no additional cost to the Government."

VII. Paragraph 20 of the Lease shall be deleted in its entirety and the following substituted therefore:

"20. The tenant buildout will conform to the specifications in SFO 8NM2010 and are to be provided by the Lessor as part of the total rental payment. The tenant buildout costs of \$330,578.23 are amortized for a period of 180 months at 7.25%. The amortized tenant buildout costs are \$3.712220549 per rentable square foot."

VIII. Paragraph 21 of the Lease shall be deleted in its entirety and the following substituted therefore:

"21. In accordance with Paragraph 1.13 (Broker Commission and Commission Credit) Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. The Commission is earned upon lease execution and payable [REDACTED] when the Lease is awarded and [REDACTED] upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 1.13 only [REDACTED], which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the shell portion of the annual rental payments.

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In the event that the rental rate is adjusted due to an increase or decrease to the tenant buildout amount, square footage, or other item resulting in a change to the gross rental amount, the Total Broker's Commission, Remaining Broker's Commission and Commission Credit shall be recalculated based on the revised base rental rate. The Remaining Broker's Commission is payable to:

Studley, Inc.
15303 N. Dallas Parkway, Suite 1200
Addison, TX 75001"

IX. The Lessor and the Government agree the cost of the Tenant Improvements is \$425,549.09. This amount will be paid as follows:

\$330,578.23 – Tenant Improvement Allowance (amortized in the lease)
+ 94,970.86 – Lump Sum Payment
\$425,549.09 – Total

X. Upon completion, inspection, and acceptance of the space by the Contracting Officer, the Government shall reimburse the Lessor in a lump sum payment in the amount of \$94,970.86, upon receipt of an original invoice.

The original invoice must be submitted directly to the GSA Finance Office at the following address:

General Services Administration
FTS and PBS Payment Division (7BCP)
P.O. Box 17181
Fort Worth, TX 76102-0181

A copy of the invoice must be provided to the Contracting Officer at the following address:

General Services Administration
Attn: GSA CONTRACTING OFFICER, Kelly Hantz
819 Taylor Street
Room 5C05
Ft. Worth, TX 76102

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price, and quantity of the items delivered
- GSA PDN # PS _____

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contract is made must sign the invoice.

XI. Paragraph 26 shall be added to the Lease:

"26. LABOR STANDARDS (Aug 2003)

If an Offeror proposes to satisfy the requirements of this SFO through the construction of a new building or the complete rehabilitation or reconstruction of an existing building, and the Government will be the sole or predominant tenant such that any other use of the building will be functionally or quantitatively incidental to the Government's use and occupancy, the following Federal Acquisition Regulation (FAR) clauses shall apply to all work (including base building and tenant improvements) performed prior to the Government's acceptance of space as substantially complete. Full text versions of these clauses are available upon request from the Contracting Officer. Full text versions are also available at the following web site: <http://www.arnet.gov/far/>

- 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation
- 52.222-6 Davis-Bacon Act
- 52.222-7 Withholding of Funds
- 52.222-8 Payrolls and Basic Records
- 52.222-9 Apprentices and Trainees

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- 52.222-10 Compliance with Copeland Act Requirements
- 52.222-11 Subcontracts (Labor Standards)
- 52.222-12 Contract Termination-Debarment
- 52.222-13 Compliance with Davis-Bacon and Related Act Regulations
- 52.222-14 Disputes Concerning Labor Standards
- 52.222-15 Certification of Eligibility

An adjustment has been made to the rental rate to include the above specified Davis-Bacon Wage Rates. An additional \$5.14 per rentable square foot has been added to the RATE PER RSF in Paragraph 3 of this Lease."

XIII. Exhibit C – CONSTRUCTION CLAUSES (including 8 pages) shall be added to the Lease.

- END OF SLA No. 1 -

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