

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL
AGREEMENT
No. 3

DATE
10/22/2012
Page 1 of 2

TO LEASE NO. **GS-04B-61020**

ADDRESS OF PREMISES 1425 Chatham Parkway
Savannah, GA 31415
GSA Building No. GA2176ZZ

THIS AGREEMENT, made and entered into this date by and between **Western Devcon, Inc.**

whose address is 10525 Vista Sorrento Parkway, #110
San Diego, CA 92121-2747

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

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended to issue the Notice to Proceed with construction of Tenant Improvements, establish the LUMP SUM Payment, to establish the building's physical address and GSA Building Number.

WHEREAS, the parties hereto desire to amend the above lease to issue the Notice to Proceed with the construction of the demised premises. SLA No. 3 shall serve as Notice to Proceed with the build-out of the tenant improvements in accordance with SFO LGA61020, [REDACTED], [REDACTED] Basis of Design Special Requirements, Dated 07/07/2011, and Government Approved Design Intent Drawings dated 03/03/2011 as depicted in the Government Reviewed Tenant Improvement Construction Drawings dated 09/07/2012 at the above-mentioned location. Paragraph 1 and 7 are deleted in their entirety and the following substituted therefore. Paragraphs 23, "Notice to Proceed" and 24, "Mark-Up Rate", are added.

Paragraph 23. Notice to Proceed. The Government hereby issues the Notice To Proceed (NTP). The authorized amount of this Notice to Proceed is **NOT TO EXCEED \$7,970,149.68**. This cost is inclusive of contract costs stated in SLA 2 cost for [REDACTED] and lease contract (TI Allowance of \$1,355,710.50 and original LUMP SUM Payment of \$5,497,989). When performing work, you are not authorized to make expenditures exceeding the authorized amount. There are to be no changes from the agreed upon Scope of Work without prior written approval by the Contracting Officer.

The Lessor shall furnish all labor, materials, equipment, design, professional fees, permit fees, inspections fees, utilities, construction drawings (including, without limitation, plans and specifications), construction cost and services and all other similar cost and expenses associated with the alterations to the space as depicted on Government's Reviewed Tenant Improvement Construction Drawings, dated 09/07/2012, Exhibit "A" TI/CD, attached hereto and made a part hereof. All work must be completed no later than August 1, 2013.

EXCLUSION. *The generator is included in the not to exceed amount stated in this SLA; however the Lessor shall not procure the maintenance contract without separate written permission (NTP) from the Contracting Officer. The maintenance contract proposal is under review and if accepted by the Government, the Lump Sum terms and conditions shall be established in a subsequent Supplemental Lease Agreement.*

Any revisions including the removal of improvements as noted in [REDACTED]'s 09/07/2012 review of the 100% CD Package and/or additions to the scope of work depicted in the TI/CD dated 09/07/2012, and cost to the project shall be incorporated through a subsequent Supplemental Lease Agreement.

Notwithstanding the Government's review of construction drawings (CD), the Lessor is solely responsible and liable for technical accuracy, in order to meet performance requirements and provisions for the lease, local codes, building ordinances and accessibility standards.

Paragraph 24. Mark-up Rate. The Lessor hereby waives a mark-up rate to be applied to future Change Orders performed under the lease for **up to six months after the Government's Acceptance of Space**. This waiver includes fees from Lessor's overhead, general and administrative costs, bonds, insurance, commission, profit and all other indirect costs which may be associated with work performed under the lease.

Continued on Page 2

INITIALS:


Lessor

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Page 2 of 2

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

A total of 34,950 ANSI/BOMA Office Area (ABOA) Square Feet (35,000 Rentable Square Feet) of office and related space to be constructed at 1425 Chatham Parkway, Savannah, GA 31415 together with 60 secured, covered, and reserved on site surface parking spaces. The GSA has assigned Building Number GA2176ZZ to this lease location.

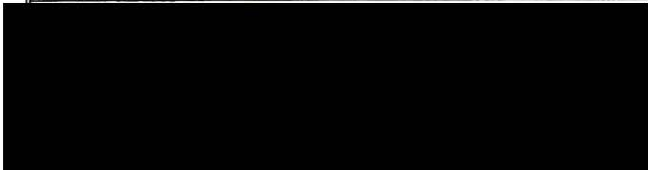
Paragraph 7. LUMP SUM Payment. Lessor will be paid a lump sum payment in the amount of **\$6,614,439.18** after completion of the work and acceptance by the Government. Payment will be due only for items which are (a) stated in this Lease Amendment, and (b) stated and depicted in Exhibit "B", or (c) specifically requested in writing by the GSA Contracting Officer. This amount represents the cost that exceeds the maximum tenant improvement allowance of \$1,355,710.50 stated in Paragraph 6 of Lease Contract No. LGA61020, Paragraph 3.2 (a), "Tenant Improvements Included in Offer (AUG 2008)". Said payment shall not in any event become due prior to substantial completion as defined in Section 1.12 of SFO No. LGA61020.

Title to items for which the Government makes a lump sum payment shall vest in the Government. These items can be removed by the Government at any time. Lessor waives any restoration in connection with these items. Unless the Government has removed the item from the premises. With the exception of the Security work specified in Exhibit B and stated above, Lessor shall remain responsible for maintenance, repair and replacement of all items provided by the Lessor under this lease. If, after the lease term and any extended, renewal or succeeding lease term, the Government elects to abandon any items in place, title shall pass to the Lessor.

All invoices shall be sent to: U.S. General Services Administration, Finance Division – 7BCP, 819 Taylor Street, Fort Worth, Texas 76102-0181 with the following Payment Document Number PDN# PS0022029.

Except as modified in this Agreement, all terms and conditions of the Lease shall remain in full force and effect, and in the event that any of the terms and conditions of this Agreement conflict with any terms and conditions of the Lease or any previous supplemental lease agreements, the terms and conditions of this Agreement shall control and govern.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.



(Title)

IN THE PRESENCE OF (witnessed by:)

(Signature)

(Address)

UNITED STATES OF AMERICA



10/25/2012

CONTRACTING OFFICER, GENERAL SERVICES ADMINISTRATION