

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
LEASE AMENDMENT

Lease Amendment
No. 1

DATE
November 4, 2014

LEASE NO.
GS-05B-19009

ADDRESS OF PREMISES

925 W. Washington Street, Suite 104
Marquette, MI 49855-4176

THIS AGREEMENT, made and entered into this date by and between

Veridea Group, LLC

whose address is **857 W. Washington Street, Suite 301**

Marquette, MI 49855-4176

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

WHEREAS, the parties hereto desire to amend the above Lease and establish payment for the Tenant Improvements.

NOW THEREFORE, these parties for the consideration hereinafter mentioned, covenant and agree that the said Lease is amended, effective, **November 4, 2014** as follows:

This Lease Amendment (LA) No. 1 is issued to amend the above referenced Lease and amortize ^{Rem} a portion of the \$207,077.22 Tenant Improvements in the rent, in the amount of \$76,560.12. This amount will be amortized over five (5) years or sixty (60) months of the Lease. The interest rate is six (6%), in accordance with the Lease, (see page 2 for the rent breakdown). This Lease Amendment replaces the first five (5) years of rent as contained in the Lease document 1364A-1 rent. The second five (5) years remain as stated in the 1364A-1 and is restated in LA No. 1 for reference.

In addition, this Lease Amendment establishes the payment process for the remaining Tenant Improvement costs, with a lump sum payment of \$130,517.10 from a Reimbursable Work Authority (RWA), after GSA's acceptance of said work.

Further, Lease Amendment No. 1 is issued to state the following:

1. The total cost for the Tenant Improvements are \$207,077.22.
2. The Lessor will build out the space in accordance with the approved Design Intent drawings, see Exhibit A.
3. The Pro-Rata use of the building is established as 14.23% as calculated on page 2.
4. The base year taxes are established at \$1.67/RSF or \$3,452.62.

Therefore, effective on the rent commencement date, which shall be determined by a subsequent lease amendment, the rent shall be \$64,335.60 per annum, \$5,361.30 per month, payable in arrears. (See page 2).

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

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

LESSOR

BY

Owner/President

(Title)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY

William Clark Douglas

(Signature)

Contracting Officer

(Official Title)

GENERAL SERVICES ADMINISTRATION
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Amendment to Lease:

1. The Government shall pay the Lessor annual rent as follows:

Effective on the commencement date of the lease, the rent is changed to **\$64,335.60** per annum or **\$5,361.30** per month. The partial Tenant Improvement costs (TI's) of **\$76,560.12** will be amortized over five (5) years, or sixty (60) months of the seven (7) year firm term of the lease, at an interest rate of 6%. This amortization results in a TI rental rate of \$8.58/RSF times the 2,070 RSF, which equates to an annual TI rent of \$17,760.60. This TI cost is included in the annual rents as stated below. The TI's will be paid off over the first five (5) years of a seven (7) year firm term and drop off accordingly. The Lease is for a ten (10) year term, seven (7) years firm.

First Five (5) year Annual Rent & TI breakdown

Second Five (5) year Annual Rent without TI's

Years 6 & 7

Years 8, 9, &10 (step rent increase)

Shell Rent	\$30,532.50
Operating Rent	\$16,042.50***
Tenant Improvements	\$17,760.60
Total rent	<u>\$64,335.60</u>

Shell Rent	\$30,532.50	\$35,190.00
Ops Rent	\$16,042.50***	\$16,042.50***
Total Rent	<u>\$46,575.00</u>	<u>\$51,232.50</u>

- **Rent, including TI's for the first five (5) years of the Lease, is \$64,335.60 per annum, \$5,361.30 per month, payable in arrears.**
- **Rent, without TI's for years 6 & 7 of the Lease, is \$46,575.00 per annum, \$3,881.25 per month, payable in arrears.**
- **Rent, including one (1) step rent increase for year 8, is \$51,232.50 per year, \$4,269.37 per month payable in arrears and is the same for years 8 and 9.**

*****NOTE: The operating rent stated above does not include CPI increases or decreases that may become due under the lease agreement.**

2. It is further agreed by all parties hereto that the Government occupies **14.23%** of the building, calculated as follows: (2,070 rentable square feet of government leased space, divided by 14,543 total rentable square footage of space in the building).

3. Furthermore, it is agreed and stated that the base year taxes are **\$1.67/RSF** or **\$3,452.62**.

4. Upon completion of the Tenant Improvements, in a workmanlike manner, and acceptance by GSA, a lump sum payment of **\$130,517.10** from the Reimbursable Work Authority (RWA) funding, can be paid as follows:

*The Vendor receiving payment shall issue the invoice. Additionally the invoice shall include a unique invoice number and cite the following PDN number **POS "TBD"**. Invoices submitted without the PDN are immediately returned to the Vendor. Invoices shall be submitted to the GSA Greater Southwestern Finance Center, (together with a copy to the Contracting Officer), electronically on the finance website at www.finance.gsa.gov. Vendors who are unable to process electronically, may mail the invoices to the following address:*

GSA
Greater Southwest Finance Center (7BCP)
P O Box 17181
Fort Worth, Texas 76102

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

INITIALS: Lessor MDT and Government _____