

**GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT**

SUPPLEMENTAL AGREEMENT
NO. 1
TO LEASE NO. LNC48030

DATE
June 2, 2011

ADDRESS OF PREMISES: Goldwater Trail & Freeway Drive, Reidsville, North Carolina 27320

THIS AGREEMENT, made and entered into this date by and between **WISE DEVELOPMENTS, LLC** whose address is 1219 North South Street, P.O. Box 804, Mount Airy, North Carolina 27030

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

WHEREAS, the parties hereto desire to (a) establish the commencement date of the lease; (b) revise tenant improvement project costs; (c) amend the final lump sum for tenant improvements.

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

(1) Paragraph 2 of the existing lease is hereby amended with the following: "To have and to hold the said premises with their appurtenances for the term beginning October 07, 2010 and shall continue through October 06, 2020 subject to the termination and renewal rights as set forth in the lease."

(2) Paragraph 3 of the existing lease shall be amended with the following:

3. The Government shall pay the Lessor annual rent years 1 through 5, at a rate of **\$223,405.73 annually (\$18,617.14 monthly)**, in arrears, as follows:

Rent: Years 1-5 (lease firm term)	Rate/ANSI BOMA sf	Rate/Rentable Square Foot	Annual Rent	Monthly Rent
Shell Rent	\$17.48	\$15.20	\$123,553.62	\$10,296.14
Tenant Improvement Amortization (A)	\$8.00	\$6.96	\$56,540.53	\$4,711.71
Operating Costs	\$6.13	\$5.33	\$43,311.58	\$3,609.30
RE Tax Expense (included in shell)	\$0.00	\$0.00	\$0.00	\$0.00
Full Service Rent	\$31.61	\$27.49	\$223,405.73	\$18,617.14

The Government shall pay the Lessor annual rent years 6 through 10, at a rate of **\$166,908.04 annually (\$13,909.00 monthly)**, in arrears, as follows:

Rent: Years 6-10 (Remainder of Term)	Rate/ANSI BOMA sf	Rate/Rentable Square Foot	Annual Rent	Monthly Rent
Shell Rent	\$17.48	\$15.20	\$123,553.62	\$10,296.14
Tenant Improvement Amortization	\$0.00	\$0.00	\$0.00	\$0.00
Operating Costs	\$6.13	\$5.33	\$43,311.58	\$3,609.30
RE Tax Expense (included in shell)	\$0.00	\$0.00	\$0.00	\$0.00
Full Service Rent	\$23.61	\$20.53	\$166,865.20	\$13,905.43

Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rent by the rentable square footage set forth in paragraph 1.

Note 2. The rate per BOMA office area square foot (OASF) is determined by dividing the total annual rental by the BOMA office area square footage set forth in Paragraph 1.

(3) Paragraph 12 of the existing lease is hereby deleted in its entirety and replaced with the following:

12. The total tenant improvement cost for includes the approved amount of **\$280,485.26** at Notice to Proceed. The tenant improvement allowance established into the lease agreement is **\$240,809.28** amortized over the initial 60 months of the Lease with an interest rate of 6.5% per annum. The difference of **\$39,675.98** between the TI allowance and the final TI project cost shall be reimbursed to the Lessor in the form of a one time lump sum payment upon submission of a proper invoice. The lump sum payment shall not exceed the amount of **\$39,675.98**.

(4) Paragraph 14 of the existing lease is hereby deleted in its entirety and replaced with the following:

14. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 1.9 (Building Shell Requirements), the shell rate is established at **\$17.48 per USF (\$15.20 per RSF)** for years 1 through 10.

(5) Paragraph 33 is hereby added to the existing lease.

33. Upon completion, inspection, and acceptance of Tenant Improvements identified herein, the Lessor shall submit for Lump Sum Payment, one original and one copy of the invoice for the Lump Sum Payment. Lessor shall contact the GSA Contracting Officer for the "PN Number," which must be annotated on the invoice. The **lump sum invoice**, in an amount not to exceed **\$39,675.98** shall be submitted via the GSA Finance website at www.finance.gsa.gov. The invoice must include the following:

CIF

- Invoice Date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, description, price and quantity of the items delivered
- GSA PDN# (obtain from GSA contracting officer)
- The Lessor shall submit the invoice to: US General Services Administration, Finance Division -7BCP, 819 Taylor Street, Fort Worth TX 76102-0181

(6) Paragraph 16 of the existing lease is hereby deleted and replaced with the following:

16. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 1.13 Broker Commission and Commission Credit, the commission is \$ [redacted]. This amount is based on a total gross rental amount of \$ [redacted] per annum for the initial five (5) year term at [redacted] commission rate for \$ [redacted] total commission. For the benefit of the Government, the Broker has agreed to forego [redacted] of any commission that it is entitled to receive in connection with this lease transaction. The resulting total dollar value of the foregone commission is \$ [redacted] (the "Commission Credit") which shall not be paid to the Broker, but shall be applied in equal monthly amounts against shell rental payments due and owing under the Lease. Broker shall be paid directly by Lessor 6 [redacted] the Total Remaining Broker's Commission, [redacted] (the "Remaining Broker's Commission").

Notwithstanding Paragraph 3 of this Standard Form 2, the rental payments due and owing under this lease shall be reduced to fully recapture the Commission Credit. The reduction in rent shall commence with the first month of the rental payments and continue as indicated in this schedule for the adjusted Monthly Rent:

- First Month's Rental Payment \$18,617.14 minus prorated Commission Credit of \$ [redacted] equals \$ [redacted] adjusted First Month's Rent.
- Second Month's Rental Payment \$18,617.14 minus prorated Commission Credit of \$ [redacted] equals \$ [redacted] adjusted Second Month's Rent.

(7) 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.

[redacted] Manager
 (Title)
 [redacted]
 (Address)

[redacted] Contracting Officer
 (Signature)
 [redacted] Contracting Officer
 (Official Title)
 Public Buildings Service.