

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 1	TO LEASE NO. GS-04B-50107	DATE 08/26/11	PAGE 1 of 2
ADDRESS OF PREMISES 200 Williamsburg Pkwy Beaufort, Jacksonville, North Carolina 28516-9020			

THIS AGREEMENT, made and entered into this date by and between **SAFEGEN II LLC** whose address is

1308 Lennoxville Road
Beaufort, North Carolina 28516-9020

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

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

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that effective **August 22, 2011** the said Lease is amended as follows:

I. The purpose of this Supplemental Lease Agreement (SLA) One (1) is to provide Notice to Proceed on the Tenant Improvement Budget.

1. NOTICE TO PROCEED

The Government has determined that the Lessor's TI proposal in the amount of \$187,968.10 is fair and reasonable. This SLA serves as the Notice to Proceed for TI construction in the amount of \$187,968.10. Of this amount, \$121,359.60 will be amortized into the rent under the TI Allowance pursuant to the lease. The remaining amount of \$66,608.50 (\$187,968.10 - \$121,359.60) will be paid in a one-time lump sum to the Lessor upon completion, inspection, and acceptance of the work and receipt of an invoice for the work, by the Government.


Invoice for payment shall be submitted directly to: GSA Greater Southwest Finance Center (7BCP), PO Box 17181, Fort Worth, TX, 76102 or to the GSA Finance website at www.finance.gsa.gov. Your invoice must be on letterhead of the lessor, include an invoice number, this lease number, and the following Pegasys Document Number: PS# _____ . All work must be completed in accordance to the lease. Any additional work must be authorized in writing by the Contracting Officer.

Continued Page 2



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

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

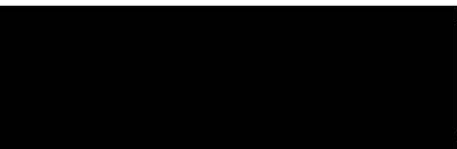
LESSOR

	NAME OF SIGNER
	L. Y. Safrit Jr <i>mgr</i>

IN PRESENCE OF

SIGNATURE 	NAME OF SIGNER
ADDRESS 	Alice C. Ellis.

UNITED STATES OF AMERICA

	NAME OF SIGNER
	Albin Jackson
	OFFICIAL TITLE OF SIGNER
	lease Contracting Officer

Paragraph 3 is hereby deleted in its entirety and replaced with the following:

"3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

12/01/2011 - 11/30/2016	Annual Rent	Monthly Rent	Rent per RSF ¹	Rent per ABOA ²
Shell Rent	\$ 47,194.36	\$ 3,932.88	\$ 12.85	\$ 15.42
Operating Cost	\$ 20,759.04	\$ 1,729.92	\$ 5.65	\$ 6.78
Tenant Improvements	\$ 28,120.81	\$ 2,343.40	\$ 7.66	\$ 9.19
Building Specific Security	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Full Service Rent	\$ 96,074.21	\$ 8,006.20	\$ 26.16	\$ 31.39

12/01/2016 - 11/30/2021	Annual Rent	Monthly Rent	Rent per RSF ¹	Rent per ABOA ²
Shell Rent	\$ 47,194.36	\$ 3,932.88	\$ 12.85	\$ 15.42
Operating Cost	\$ 20,759.04	\$ 1,729.92	\$ 5.65	\$ 6.78
Tenant Improvements	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Building Specific Security	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Full Service Rent	\$ 67,946.69	\$ 5,662.80	\$ 18.50	\$ 22.20

Note 1: The rate per Rentable Square Foot (RSF) is determined by dividing the total annual rent by the RSF
 Note 2: The rate per OASF is determined by dividing the total annual rent by the OASF."

Paragraph 11 is hereby deleted in its entirety and replaced with the following:

"11. In accordance with Solicitation for Offers 8NC2014 Paragraph 4.3, Operating Cost, the escalation base is established as \$6.78 per ABOA square feet per annum."

Paragraph 17 is hereby added with the following:

"17. In accordance with Solicitation for Offers 8NC2014 Paragraph 5.13, Progress Reports, after the start of construction, at the Government's discretion, the Lessor shall submit to the GSA Contracting Officer, written progress reports at intervals of Fourteen (14) calendar days. Each report shall include information as to 1) percentage of the work completed by phase and trade; 2) a statement as to expected completion and occupancy date; 3) changes introduced into the work; and 4) general remarks on such items as material shortages, strikes, weather, etc. In addition, at the Government's discretion, the Lessor shall conduct meetings every Fourteen (14) calendar day(s) to brief Government personnel and/or contractors regarding the progress of design and construction of the Government demised area. The Lessor shall be responsible for taking and distributing minutes of these meetings, with review and approval by the GSA Contracting Officer. Such meetings shall be held at a location to be designated by the Government."

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.

End of Document

INITIALS:  LESSOR
 GOVT