

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. 2
	TO LEASE NO. GS-04B-60257
ADDRESS OF PREMISES: 1050 US HWY 321 Hickory, NC 28601-3356	PDN Number:

**THIS AMENDMENT** is made and entered into between **Colonial Development Company II, LLC**

whose address is: 103 North Sterling Street, Morganton, NC 28655-3443

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 good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective **October 26, 2015** as follows:

Paragraph 1.06 of the Lease is hereby deleted and the following is inserted in lieu thereof:

"Option Term: [REDACTED] renewal option at the following rates to the lease for the term beginning [REDACTED] [REDACTED]. Said renewal shall be made effective via a subsequent LA at any time during the initial term of this Lease. All other terms and conditions of this lease shall remain the same during this renewal term.

This Lease Amendment contains {2} pages.

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 below date.

**FOR THE LESSOR:**

Signature: [REDACTED]  
 Name: [REDACTED]  
 Title: [REDACTED]  
 Entity Name: Colonial Development Co. II, LLC  
 Date: 10-26-15

**FOR THE GOVERNMENT:**

Signature: [REDACTED]  
 Name: [REDACTED]  
 Title: [REDACTED]  
 GSA, Public  
 Date: 10/30/15

**WITNESSED FOR THE LESSOR BY:**

Signature: [REDACTED]  
 Name: [REDACTED]  
 Title: [REDACTED]  
 Date: 10-26-15

	FIRM TERM	NO FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>		
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$ 00.00	\$00.00
OPERATING COSTS* <sup>3</sup>		
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup>	\$ 00.00	\$00.00
PARKING <sup>5</sup>	\$ 00.00	\$ 00.00
<b>TOTAL ANNUAL RENT</b>		

<sup>1</sup>Shell rent calculation:

(Firm Term) [redacted] per RSF multiplied by 12,000 RSF

(Non Firm Term) [redacted] (rounded) per RSF multiplied by 12,000 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$00.00 is amortized at a rate of 0 percent per annum over 0 years.

<sup>3</sup>Operating Costs rent calculation: [redacted] per RSF multiplied by 12,000 RSF

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$00.00 are amortized at a rate of 0 percent per annum over 0 years

For escalation purposes, the BCOS is established at [redacted] per annum [redacted]

Percentage of occupancy remains the same at 100%. (Building of 12,000rsf and occupancy of 12,000rsf)

\*Operating costs subject to CPI escalations"

The following language is inserted into the Lease:

**OPERATING COSTS ADJUSTMENT (JUN 2012)**

A. Beginning with the [redacted] of the renewal term stated above and each year thereafter, the Government shall pay annual incremental adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

B. The amount of adjustment will be determined by multiplying the base rate by the annual percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published for the month prior to the Lease Term Commencement Date with the index figure published for the month prior which begins each successive 12-month period. For example, a Lease which commences in June of 2005 would use the index published for May of 2005, and that figure would be compared with the index published for May of 2006, May of 2007, and so on, to determine the percent change. The Cost of Living Index will be measured by the Department of Labor revised Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. city average, all items, (1982 to 1984 = 100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent. Rental adjustments will be effective on the anniversary date of the Lease; however, payment of the adjusted rental rate will become due on the first workday of the second month following the publication of the Cost of Living Index for the month prior to the commencement of each 12-month period.

C. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under the Lease, the rental amount will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this paragraph.

D. If the Government exercises an option to extend the Lease term at the same rate as that of the original term, the option price will be based on the adjustment during the original term. Annual adjustments will continue.

INITIALS:

  
LESSOR

&

  
GOV'T