

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-04P-LNC62546
ADDRESS OF PREMISES 721 Medical Center Drive Wilmington, NC 28401-7596	PDN Number: N/A

THIS AMENDMENT is made and entered into between Seamist Properties, LLC

whose address is: 3807 Peachtree Avenue
Wilmington, NC 28403-6723

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

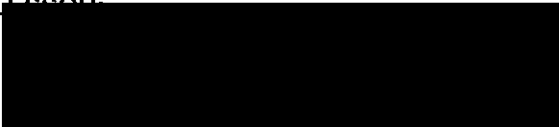
WHEREAS, the parties hereto desire to amend the above Lease.


NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended upon the Government's execution of this Lease Amendment (LA) to establish beneficial occupancy of the Premises and start shell and operating expense rent as of February 1, 2014 at the rates outlined below. The Lessor shall complete all Tenant Improvements outlined in Paragraph 7.02 of the Lease and any shell improvements, no later than August 1, 2014 and a Lease Amendment shall be executed upon completion and inspection signifying the Government's acceptance of the improvements. The Tenant Improvement Allowance of \$178,546.58 shall be re-amortized at a rate of 6.00% over the remaining firm term of the Lease from August 1, 2014 – January 31, 2019. The Lease is hereby amended as follows:


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This Lease Amendment contains 4 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: 
 Name: MANAGER
 Title: MANAGER
 Entity Name: SEAMIST PROPERTIES LLC
 Date: 4-11-14

FOR THE GOVERNMENT:
 Signature: 
 Name: LeShaundra Greer
 Title: Lease Contracting Officer
 GSA, Public Buildings Service,
 Date: 4/11/2014

WITNESSED FOR THE LESSOR BY:
 Signature: 
 Name: WALTER KEIR AVELLY
 Title: ASSOCIATE AUTHORIZED REPRESENTATIVE
 Date: 4-11-14

1. Paragraph 1.03 of the Lease is hereby restated as follows:

"1.03 RENT AND OTHER CONSIDERATIONS (SEP 2012)

A. Each Occupying Agency is responsible for the following:

Block A - [REDACTED]

	2/1/2014 – 7/31/2014 (FIRM TERM)	8/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ^{1,5}	\$224,777.82	\$224,777.82	\$238,960.98
TENANT IMPROVEMENTS RENT ²	\$0.00	\$0.00	\$0.00
OPERATING COSTS ³	\$79,147.12	\$79,147.12	\$79,147.12
PARKING ⁴	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$303,924.94	\$303,924.94	\$318,108.10

¹Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 12,664 RSF
(Non-firm Term) \$18.87 per RSF multiplied by 12,664 RSF

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 6.0 percent per annum over 4.5 years.

³Operating Costs rent calculation: \$6.25 per RSF multiplied by 12,664 RSF. Operating costs are subject to CPI increases starting in 2015.

⁴Parking costs are for 24 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

⁵A detailed explanation of the \$14,183.16 (\$1.12 PRSF multiplied by 12,664 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

Block B - [REDACTED]

	2/1/2014 – 7/31/2014 (FIRM TERM)	8/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ^{1,5}	\$101,531.91	\$101,531.91	\$107,938.43
TENANT IMPROVEMENTS RENT ²	\$0.00	\$45,372.67	\$0.00
OPERATING COSTS ³	\$35,750.67	\$35,750.67	\$35,750.67
PARKING ⁴	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$137,282.58	\$182,655.25	\$143,689.10

¹Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 5,720 RSF
(Non-firm Term) \$18.87 per RSF multiplied by 5,720 RSF

²The Tenant Improvement Allowance of \$178,546.58 will be amortized at a rate of 6.00 percent per annum over 4.5 years.

³Operating Costs rent calculation: \$6.25 per RSF multiplied by 5,720 RSF. Operating costs are subject to CPI increases starting in 2015.

⁴Parking costs are for 4 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

⁵A detailed explanation of the \$6,406.52 (\$1.12 PRSF multiplied by 5,720 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

Block C - [REDACTED]

	2/1/2014 – 7/31/2014 (FIRM TERM)	8/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ^{1,6}	\$89,395.27	\$89,395.27	\$95,035.99
TENANT IMPROVEMENTS RENT ²	\$0.00	\$0.00	\$0.00
OPERATING COSTS ³	\$31,477.21	\$31,477.21	\$31,477.21
PARKING ⁴	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$120,872.48	\$120,872.48	\$126,513.20

¹Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 5,036 RSF
(Non-firm Term) \$18.87 per RSF multiplied by 5,036 RSF

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 6.0 percent per annum over 4.5 years.



³Operating Costs rent calculation: \$6.25 per RSF multiplied by 5,036 RSF. Operating costs are subject to CPI increases starting in 2015.

⁴Parking costs are for 3 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

⁶A detailed explanation of the \$5,640.72 (\$1.12 PRSF multiplied by 5,036 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

The resulting rental summary for the Government occupied space shall be paid by the Government to the Lessor in monthly installments as follows:

TOTAL

INITIALS:  LESSOR &  GOVT

	2/1/2014 – 7/31/2014 (FIRM TERM)	8/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
SHELL RENT ^{1,5}	\$415,705.00	\$415,705.00	\$441,935.40
TENANT IMPROVEMENTS RENT ²	\$0.00	\$45,372.67	\$0.00
OPERATING COSTS ³	\$146,375.00	\$146,375.00	\$146,375.00
PARKING ⁴	\$0.00	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$562,080.00	\$607,452.67	\$588,310.40

¹Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 23,420 RSF
(Non-firm Term) \$18.87 per RSF multiplied by 23,420 RSF

²The Tenant Improvement Allowance of \$178,546.58 is amortized at a rate of 6.00 percent per annum over 4.5 years.

³Operating Costs rent calculation: \$6.25 per RSF multiplied by 23,420 RSF. Operating costs are subject to CPI increases starting in 2015.

⁴Parking costs are for 31 reserved parking spaces (24 for [REDACTED], 4 for [REDACTED], 3 for [REDACTED]) and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

⁵A detailed explanation of the \$26,230.40 (\$1.12 PRSF multiplied by 23,420 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 20,791 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

D. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. ~~Parking shall be provided at a rate of \$XX per parking space per month (Structure), and \$XX per parking space per month (Surface)."~~

2. Paragraph 1.04 of the Lease is hereby deleted and replaced as follows:

"1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. Studley, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to Studley, Inc. with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$46,840.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

INITIALS: MDD & LA
LESSOR & GOVT
[Handwritten Signature]

Month 2 Rental Payment \$46,840.00 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.*
*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

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INITIALS: MD & dt
LESSOR GOVT