

<b>GENERAL SERVICES ADMINISTRATION</b> <b>PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. 7  TO LEASE NO. GS-07P-LNM17308
ADDRESS OF PREMISES 2509 N. TELSHOR BLVD. LAS CRUCES, NM 88011	PDN Number: N/A

**THIS AMENDMENT** is made and entered into between John and Karen Curry Enterprises LLC,  
 whose address is: 2511 N. Telshor Blvd., Las Cruces, NM 88011

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

**WHEREAS**, the parties hereto desire to amend the above Lease to 1.) expand the amount of leased space, 2.) establish phased acceptance of the space and to replace Exhibit B, 3.) establish the annual rent for the expansion area, 4.) adjust the broker commission and credit, 5.) adjust the percentage of government occupancy, 6.) establish the operating base for the expansion area, and 7.) define the tenant improvements (TI) requirements.

**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 upon execution by the Government as follows:

- 1.) The Lessor and the Government agree to expand the amount of leased space by 1,225 rentable square feet (RSF) yielding 1,225 ANSI/BOMA office area (ABOA) square feet (SF). The total amount of space under lease shall change from 15,847 RSF and 14,259 ABOA SF to 17,072 RSF and 15,484 ABOA SF.


Upon the completion of the TIs and acceptance of the space by the Government a subsequent Lease Amendment will memorialized the commencement date of the rent, provide rental schedules, and restate terms and conditions modified by this amendment

- 2.) The Original Space and the Expansion Area are depicted on the attached revised Exhibit B. Commencement of the rent for the Original Space and the Expansion Area will occur upon completion and Government acceptance of the spaces separately and independently of each other.
- 3.) The rental rates for the expansion area will be as follows:


This Lease Amendment contains 4 pages plus Exhibit B (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:   
 Name: John Curry  
 Title: Managing Member  
 Entity Name: John and Karen Curry Enterprises, LLC  
 Date: May 11, 2016

**FOR THE GOVERNMENT:**

Signature:   
 Name: Jeffrey Navarro  
 Title: Lease Contracting Officer  
GSA, Public Buildings Service,  
 Date: 6/16/2016

**WITNESSED FOR THE LESSOR BY:**

Signature:   
 Name: Corina M. Kinnerup  
 Title: Property Manager  
 Date: May 11, 2016

	FIRM TERM (YEARS 1-7)	NON FIRM TERM (YEARS 8-12)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$19,135.57	\$22,071.99
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$9,460.07	\$0.00
OPERATING COSTS <sup>3</sup>	\$8,741.15	\$8,741.15
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$37,336.79</b>	<b>\$30,813.14</b>

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

(Firm Term) \$15.620875 per RSF multiplied by 1,225 RSF

(Non Firm Term) \$18.017950 per RSF multiplied by 1,225 RSF

<sup>2</sup> The Tenant Improvement Allowance of \$53,964.250025 is amortized at a rate of 6 percent per annum over 7 years.

<sup>3</sup> Operating Costs rent calculation: \$7.135636 per RSF multiplied by 1,225 RSF

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

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.

The Tenant Improvement Allowance (TIA) of the expansion space is \$44.052449 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 6 percent.

The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

If it is anticipated that the Government will spend more than the allowance identified above, the Government may elect to:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

- 4.) The total commission, including the expansion area will change from [REDACTED] to [REDACTED]. The Commission and Commission credit are revised as follows:

A. Savills 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 Savills 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

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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 \$41,119.82 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1ST Month's Rent.\*

Month 2 Rental Payment \$41,119.82 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2ND Month's Rent.\*

Month 3 Rental Payment \$41,119.82 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3RD Month's Rent.\*

Month 4 Rental Payment \$41,119.82 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4TH Month's Rent.\*

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

- 5.) The percentage of Government occupancy will change from 68.20% to 73.48% (17,072 RSF / 23,235 RSF).
- 6.) The operating cost base for the expansion area will be \$8,741.15 per annum (\$7.135636 X 1,225 RSF).
- 7.) Design and construction activities for the Space shall commence upon Lease award. The Lessor shall schedule the following activities to achieve timely completion of the work required by this Lease:
  - A. Lessor-Provided Design Intent Drawings (DIDs): The Lessor must submit to GSA, as part of the shell cost, complete DIDs conforming to the requirements of this Lease and other Government-supplied information related to the tenant agency's interior build-out requirements not later than 5 Working Days following the Lease Award Date, provided that the Government supplies such information and direction as reasonably required for Lessor to timely complete DIDs. The Government (GSA and the tenant agency) shall attend two meetings at the Lessor's request for the purpose of providing information and direction in the development of DIDs. The Lessor should anticipate at least two submissions of DIDs before receiving approval. At the sole discretion of the Government, the Lessor may be required to submit a budget proposal based on the TIs and associated work as shown on the DIDs. This budget proposal shall be completed within 5 Working Days of the Government's request.
  - B. DIDs. For the purposes of this Lease, DIDs are defined as fully dimensioned drawings of the leased Space that reflect all Lease requirements provided by the Government sufficient for the preparation of construction documents (CDs), including, but not limited to:
    1. Generic furniture layout, wall, door, and built-in millwork locations;
    2. Telephone, electrical, and data outlet types and locations;
    3. Information necessary for calculation of electrical and HVAC loads;
    4. Work related to security requirements; and
    5. All finish selections.
  - C. Government review and approval of Lessor-provided DIDs: The Government must notify the Lessor of DID approval not later than 10 Working Days following submission of DIDs conforming to the requirements of this Lease as supplied by the Government. Should the DIDs not conform to these requirements, the Government must notify the Lessor of such non-conformances within the same period; however, the Lessor shall be responsible for any delay to approval of DIDs occasioned by such non-conformance. The Government's review and approval of the DIDs is limited to conformance to the specific requirements of the Lease as they apply to the Space.
  - D. The Lessor's preparation and submission of construction documents (CDs): The Lessor as part of the TI must complete CDs conforming to the approved DIDs not later than 15 Working Days following the approval of DIDs. The pricing for this work is included under the A/E fees established under Section 1 of the Lease. If during the preparation of CDs the Lessor becomes aware that any material requirement indicated in the

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approved DIDs cannot be reasonably achieved, the Lessor shall promptly notify GSA, and shall not proceed with completion of CDs until direction is received from the LCO. The LCO shall provide direction within 5 Working Days of such notice, but the Government shall not be responsible for delays to completion of CDs occasioned by such circumstances. For the purpose of this paragraph, a "material requirement" shall mean any requirement necessary for the Government's intended use of the Space as provided for in, or reasonably inferable from, the Lease and the approved DIDs (e.g., number of workstations and required adjacencies).

- E. Government review of CDs: The Government shall have 10 Working Days to review CDs before Lessor proceeds to prepare a TI price proposal for the work described in the CDs. At any time during this period of review, the Government shall have the right to require the Lessor to modify the CDs to enforce conformance to Lease requirements and the approved DIDs.
- F. The Lessor's preparation and submission of the TI price proposal: The Lessor shall prepare and submit a complete TI price proposal in accordance with this Lease within 10 Working Days following the end of the Government CD review period.

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