

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL
AGREEMENT
No. 3

DATE

MAR 22 2010

TO LEASE NO GS-09B-02148

ADDRESS OF PREMISES: 790 Sandhill Road, Reno, NV 89521, formerly referred to as Parcel B, APN# 163-281-02

THIS AGREEMENT, made and entered into this date by and between RENO SANDHILL PARTNERS, LLC

whose address is: 133 Old Wards Ferry Road, Suite G
Sonora, CA 95370-7822

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, effective upon execution by the Government, as follows: To provide the Notice to Proceed with Construction, to establish the tenant improvement construction cost and to order tenant improvements which exceed the tenant improvement allowance and to change the annual rent per Paragraph 3.

Notice to Proceed

As of March 16, 2010, the Lessor is hereby issued Notice to Proceed with the construction of Tenant Improvements in the space under lease based upon the Government's acceptance of the Tenant Improvement Price in the amount of \$1,565,936.00 as depicted on Exhibit C dated March 9, 2010.

Tenant Improvement Rental Adjustment

The maximum tenant improvement allowance to be amortized into the rent at a rate of 7% over the 120 month firm term of the Lease is \$700,590.00 (\$42.08/ABOA).

The Government and Lessor have agreed to convert one month's free rent into a lump sum contribution by the Lessor toward the Government's tenant improvement's. Therefore, Paragraph 3 of the lease has been amended to reflect five (5) months free rent instead of six (6) months. The one month's free rent amount is \$49,592.10. A total of \$750,182.10 shall be contributed by the Lessor toward the tenant improvement price.

In accordance with Section 1.11, Tenant Improvement Rental Adjustment (MAR 2007), the Government shall make a lump sum payment for the tenant improvement overage in the amount of \$815,753.90. (Tenant Improvement Price \$1,565,936.00 - Maximum Tenant Improvement Allowance \$700,590.00 - One Month Free Rent/TI Conversion \$49,592.10)

The GSA Contracting Officer is the only person authorized to review and approve change orders (adding or deducting) in writing to the lease contract. No additional payments for Tenant Improvements shall be paid unless it is a Change Order approved by the Contracting Officer.

Continued on Sheet No. 1 attached to SLA number 3 for Lease No. 02148

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

LESSOR: RENO SANDHILL PARTNERS, LLC

BY

IN PRESENCE OF:

Scot Patterson, Reno Sandhill Partners, LLC
Managing Member
(Print Name and Official title)

RON WOODALL, MEMBER
(Print Name and Official title)

U

B

MINISTRATION, Public Buildings Service

Contracting Officer
(Official title)

**SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF SLA NUMBER 3 FOR
LEASE NO. GS-09B-02148:**

Paragraph 3 is deleted in its entirety and the following substituted therefore.

3. The Government shall pay the Lessor annual rent of:

- For year 1, months (1) through five (5) the total rent is \$75,906.00 (\$182,174.40 annual) (\$9.979972/RSF) at the rate of \$15,181.20 per month in arrears. The rent consists of Shell Rent of \$4.586085/RSF, Operating Costs of \$5.393898/RSF and TI of \$0.00/RSF; months six (6) through eleven (11), the total rent is \$388,639.80 (\$777,279.60 annual) (\$42.581330/RSF) at the rate of \$64,773.30 per month in arrears. The rent consists of Shell Rent of \$31.839917/RSF, Operating Costs of \$5.393898/RSF and TI of \$5.347515/RSF; month twelve (12), the total rent is \$64,773.30 (\$777,279.60 annual) (\$42.581330/RSF) at the rate of \$64,773.30 per month in arrears. The rent consists of Shell Rent of \$31.839917/RSF, Operating Costs of \$5.393898/RSF and TI of \$5.347515/RSF.
- For years 2-5, annual rent of \$777,279.60 (\$42.581330/RSF) at the rate of \$64,773.30 per month in arrears. The rent consists of Shell Rent of \$31.839917/RSF, Operating Costs of \$5.393898/RSF and TI of \$5.347515/RSF.
- For years 6-10, annual rent of \$827,028.84 (\$45.306718/RSF) at the rate of \$68,919.07 per month in arrears. The rent consists of Shell Rent of \$34.565305/RSF, Operating Costs of \$5.393898/RSF and TI of \$5.347515/RSF.
- For years 11-15, annual rent of \$784,139.64 (\$42.957140/RSF) at the rate of \$65,344.97 per month in arrears. The rent consists of Shell Rent of \$37.563242/RSF and Operating Costs of \$5.393898/RSF.

Rent for a lesser period shall be prorated. Rent shall be payable to:

**Reno Sandhill Partners, LLC
133 Old Wards Ferry Road
Sonora, CA 95370-7822**

Initials:

Lessor



Government

