

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL AGREEMENT
No. 2

DATE

TO LEASE NO.
LRI04551

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ADDRESS OF PREMISES 130 Bellvue Avenue
Newport, RI 02840

THIS AGREEMENT made and entered into this date by and between:

Allen, Allen and Korson

whose address is: 130 Bellvue Avenue
Newport, RI 02840

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

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that said Lease is amended, effective September 13, 2011, as follows:

1. "The Government hereby accepts the Lessor's proposal to provide all labor and materials necessary to install and maintain the improvements referenced for the work as described in the attached invoices IN-010636 and IN-010637 and issues notice to proceed for alterations not to exceed **\$9,081.00**. This additional cost will be paid via lump sum payment in accordance with Paragraph 6.
2. **Paragraph 2** of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

"TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 13, 2011 through September 12, 2021, subject to termination and renewal rights as may be hereinafter set forth. The Government may terminate this lease, in whole or in part, at any time after 09/12/18, by giving the Lessor at lease ninety (90) day notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the day of mailing."

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 above date.


(Title)


(Address)


CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
(Official Title)



3. **Paragraph 3** of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

THE GOVERNMENT SHALL PAY to the Lessor, commencing on September 13, 2011, rent as follows:

Years 1 through 7: Annual rent of \$148,861.67 payable at the rate of \$12,405.14 per month in arrears and subject to CPI calculations per Paragraph 3.6 of the Solicitation for Offers Number 7RI2016, dated May 6, 2009 (hereinafter, the "SFO"),

Years 8 through 10: Annual rent of \$120,856.50 payable at the rate of \$10,071.38 per month in arrears and subject to CPI calculations per Paragraph 3.6 of the SFO via Electronic Funds Transfer to:

Allen, Allen and Korson
130 Bellvue Avenue
Newport, RI 02840

Rent for a lesser period shall be prorated on a per diem basis.

4. **Paragraph 7** of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

BROKER AND COMMISSION CREDIT: Pursuant to Paragraph 1.13, Broker Commission and Commission Credit (NOV 2006) of the Solicitation for Offers, the Lessor and the Broker have agreed to a cooperating Lease commission over lease firm term of seven (7) years based on the full-service rent rate. The total amount of Gross Commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture 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:

First Month's Rental Payment of \$12,405.14 (includes \$7,906.50 shell rental) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$12,405.14 (includes \$7,906.50 shell rental) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

Third Month's Rental Payment of \$12,405.14 shall commence in full.

5. **Paragraph 9** of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

OPERATING COSTS: Referencing Paragraph 3.7, 'Operating Costs', of the SFO, the base rate for the cost of services (hereinafter, the "operating Costs Base") shall be \$25,978.00 (\$5.75 per RSF). The Base Operating Cost shall be subject to annual adjustments as provided in Paragraph 3.6 of the SFO.

Initial / Date:  & 
Lessor Gov't



6. *Paragraph 15* of the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

TENANT IMPROVEMENT ALLOWANCE: Referencing Paragraph 1.10 of the SFO, Lessor has included in the rental rate a Tenant Improvement (TI) Allowance in the amount of \$188,167.04, calculated at \$45.44 per BOMA Office Area Square Foot, amortized over seven (7) years at the rate of eight (8%) percent. The Government will make a lump sum payment of \$32,278.43 to the Lessor in exchange for a decrease in rent according to the amortization rate. The unused portion of the TI Allowance of \$6,156.04 plus the lump sum payment of \$32,278.43 results in a decrease in the TI Allowance to be amortized of \$38,434.47. The adjusted TI Allowance in the amount of \$149,732.57, calculated at \$37.65 per RSF Office Area Square Foot, amortized over seven (7) years at the rate of eight (8%) percent.

Upon completion and acceptance of the Tenant Improvements identified herein, the Lessor shall submit for Lump Sum Payment, one original and one copy of the invoice for the Lump Sum Payment. Lessor shall include the 'PS Number' on the invoice. The original invoice, in an amount not to exceed \$32,278.43 shall be submitted via the GSA Finance website at www.finance.gsa.gov.

A copy of the invoice shall be simultaneously submitted to GSA at: U.S. General Services Administration, ATTN: Richard T. Reynolds, Public Building Service - New England Real Estate Acquisition Division - Leasing Branch, 10 Causeway Street, Room 1010, Boston, MA 02222

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

Initial / Date: CR & AR
Lessor Gov't