GENERAL SERVICES ADMINISTRATION

PUBLIC BUILDINGS SERVICE

SUPPLEMENTAL AGREEMENT NO 2

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11.10.11

SUPPLEMENTAL LEASE AGREEMENT

TO LEASE NO.

GS-07B-16820

ADDRESS OF PREMISES: 500 South Point Drive, Port Isabel, TX 78578-3705

THIS AGREEMENT, made and entered into this date by and between LJH, Ltd

whose address

1 Padre Blvd

South Padre Island, Texas 78597-6402

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

WHEREAS, the parties hereto agree to supplement the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective on July 11, 2011 as follows:

- 1.) Describe and reference the Change Orders be constructed; and
- 2.) To provide a Notice to proceed on the construction of the Change Orders; and
- 3.) To provide for the payment of the Change Orders upon completion; and
- 4.) To change the address of the Lessor; and
- 5.) All other terms and conditions are in full force and effect.

See Attached

BY: LJH, Ltd	
	Authorized Agent
Signature	Title Title
Max Shaw Printed Name	
Witnessed in the presence of	
Signature	(Address)
KimSimmons	
	General Services Administration
	1919 Smith St., Suite 1600
	Houston, TX 77002
	Lease Contracting Officer (Official Title)
	(Ollicial Indo)

Supplemental Lease Agreement #1 LTX16820 1 Padre Blvd South Padre Island, Texas 78597-6402

- 1.) The Lessor shall provide all the materials, labor, and services required to provide the completion of Change Proposal #1 [\$44,318.20] and Change Proposal #2 [\$5,194.00] dated September 9, 2011 depicted and according to Exhibits A and B as created by Jackson and Associates, JA Project # 11003 for the leased premise at 500 Southpoint Drive, Port Isabel, Texas 78578-3705.
- 2.) Upon full execution and delivery of this Supplemental Lease Agreement (SLA) the Lessor can consider this as a Notice to Proceed with the Tenant Improvement construction. The anticipated date of completion and acceptance by the Government is on or before February 11, 2012.
- 3.) The Government shall pay the Lessor for the total cost of the Tenant Improvements as follows:

The Government and the Lessor have agreed that the total cost of the Tenant Improvements changed from $\$809,\!128.00$ to $\$858,\!640.20$ [$\$809,\!128.00 + 44,\!318.20 + \$5,\!194.00$]. The total Tenant Improvement cost includes all the Lessor's fees for general and administrative costs, profit and any and all other fees associated with the completion of the Tenant Improvements by the anticipated date of completion.

Any changes of the Construction Drawings which result in a financial change to the lease agreement, of any type, must be approved, in writing, by the GSA Contracting Officer.

A portion of the Tenant Improvement costs in the amount of \$243,690.21 shall be amortized over the first five (5) year firm term of the lease agreement at an interest rate of six percent (6%) paid monthly in arrears. The annual cost of the amortized portion of the Tenant Improvement cost is \$56,534.57 paid monthly in arrears in the amount of \$4,711.21 and shall be part of the total monthly rental payment.

The remaining balance of the total cost of the Tenant Improvements is \$614,949.99 [\$858,640.20 - \$243,690.21] and shall be paid by a lump-sum-payment upon the substantial completion and acceptance by the Government of the tenant improvements necessary to finish the interior of the leased space as depicted on the attached Exhibit "A." All fees, permits and architectural plans are the responsibility of the Lessor and are included in the lump-sum-payment amount.

To submit for payment of the lump-sum-payment, the Lessor agrees that the invoice shall be printed on the same letterhead as the named on this lease, shall include the Lease number, building address, and a price and quantity of the items delivered. The invoice shall reference the number PS#0020763 and shall be sent electronically to the GSA Finance Website at http://www.finance.gsa.gov/defaultexternal.asp. Instructions for invoice submission are included on the website. Additional assistance is available from the Finance Customer Service line at 817-978-2408.

If the Lessor is unable to process the invoice electronically, then the invoice may be mailed to:

General Services Administration FTS and PBS Payment Division (7BCP) P.O. Box 17181 Fort Worth, TX 76102-0181

Gov't Initials:

Lesent Initials

Lessor also agrees that a copy of the invoice shall be sent simultaneously to the GSA Lease Contracting Officer at the following address:

General Services Administration

Attn: Pearl Summers-Garza 1919 Smith Street, Suite 1600 Houston, Texas 77002

Upon the completion of the Tenant Improvements and the acceptance thereof by the Government, the rent commencement date and the rent schedule (including the Shell Rent, Operating Costs, and the amortized Tenant Improvement Cost) shall be established by a subsequent Supplemental Lease Agreement.

- 4.) The address of the Lessor is hereby changed to 1 Padre Blvd., South Padre Island, Texas 78597-6402
- 5.) All other terms and conditions of this lease shall remain in full force and effect.

Gov't Initials:

Lessor Initials!