

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO 1	DATE 6/26/2012
	TO LEASE NO GS-07B-16956	

ADDRESS OF PREMISES: Falcon International Bank Building, 5219 McPherson, Suites 400 & 403, Laredo, TX 78041-7335

THIS AGREEMENT, made and entered into this date by and between. Siller Excel, Inc. whose address is 5219 McPherson, Suite 300, Laredo, TX 78041-7335

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

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

- 1.) establish the Commencement Date of the lease and its Term; and
- 2.) establish the square footages of the leased space; and
- 3.) provide the annual rental amounts; and
- 4.) establish the Governments percentage of occupancy; and
- 5.) establish the reduction amount for vacant space; and
- 6.) amend paragraph 1.01 Rental Consideration (Simplified Lease) (Apr 2011); and
- 7.) delete paragraph 1.03 Renewal Options (Simplified Lease) (Apr 2011); and
- 8.) amend paragraph 4.19 Carpet Specifications (Apr 2011); and
- 9.) amend paragraph 4.33 Green Lease Submittals (Apr 2011); and
- 10.) delete paragraph 5.12 [REDACTED] (Apr 2011); and
- 11.) amend paragraph 7.01 Additional Requirements (Apr 2011); and
- 12.) provide for operating cost adjustments; and
- 13.) establish the operating cost base; and
- 14.) provide for real estate tax adjustments; and
- 15.) establish the Broker Commission and Commission Credit; and
- 16.) all other terms and conditions are in full force and effect.

See Attached

IN WITNESS WHEREOF, the parties subscribe their names as of the above date.

[REDACTED]

Property Manager
Title

Ada U. Medina

Printed Name

[REDACTED]

in presence of:

5219 McPherson, Suite 300
(Address)

Laredo, Texas 78041
City, State, Zip

Maricela Perez

Printed Name

[REDACTED]

General Services Administration
819 Taylor St., Room 5A18
Fort Worth, TX 76102
Lease Contracting Officer
(Official Title)

GS-07B-16956
Falcon International Bank Building
5219 McPherson, Suite 400 & 403
Laredo, Texas 78041-7335

- 1.) The commencement date of the Lease shall be July 1, 2011 and the Term shall expire on June 30, 2021.
- 2.) The office space square footage shall be 4,181 rentable square feet yielding 3,636 ANSIBOMA Office Area (ABOA).
- 3.) The Government shall pay the Lessor annual rent as follows:

For the Firm Term from July 1, 2011 through June 30, 2016, the total annual rental shall be \$100,344.00 at the rate of \$8,362.00 paid monthly in arrears. The total annual rent consists of annual Shell Rent of \$69,003.00, annual Operating Costs of \$31,341.00 plus annual Operating Cost adjustments. There are no annual Tenant Improvement costs.

For the Non-Firm Term from July 1, 2016 through June 30, 2021, the total annual rent shall be \$110,796.50 at the rate of \$9,233.04 paid monthly in arrears. The total annual rent consists of Shell Rent of \$79,455.50 and Operating Costs of \$31,341.00 plus annual Operating Cost adjustments. There are no annual Tenant Improvement costs.
- 4.) The percentage of occupancy for Tax Adjustments shall be: 9.902% (4,181 Rentable Square Footage, (RSF) / 42,224 RSF) and the Base Year for taxes shall be the taxes assessed for the year of 2012.
- 5.) The Government's adjustment of vacant space shall be a reduction of \$3.21/RSF.
- 6.) Paragraph 1.01 Rental Consideration (Simplified Lease) (Apr 2011) is hereby deleted in its entirety and replaced with the following:

1.01 RENTAL CONSIDERATION (SIMPLIFIED LEASE) (APR 2011)

In consideration for the Lease, the grant of all associated rights, express or implied, and the performance or satisfaction of all of the Lessor's other obligations set forth herein, the Government shall pay the Lessor annual rent to be computed using the rental rate(s) specified in Line 10, Boxes 10D and 10F (and, if applicable, the corresponding boxes in Line 11) on Exhibit A, Section II, and the actual Rentable Area delivered for occupancy and use by the Government, subject to the limitations set forth in Section 3 of this Lease. Payment shall be made monthly in arrears. Rent for a lesser period shall be prorated. Rent shall be paid by Electronic Funds Transfer to an account to be designated by Lessor. Rent shall be inclusive of all costs incurred by the Lessor for the construction of building shell and Tenant Improvements (TIs) specified in the Lease, including those described in Exhibit A, all taxes of any kind, and all operating costs. Unless a separate rate is specified in Line 16 of Exhibit A, rights to parking areas will be deemed included in the rent.

- 7.) Paragraph 1.03 Renewal Options (Simplified Lease) (Apr 2011) is hereby deleted in its entirety without replacement.
- 8.) Paragraph 4.19 Carpet Specifications (Apr 2011) is hereby deleted in its entirety and replaced with the following:

4.19 CARPET SPECIFICATIONS (APR 2011)

- A. Carpet must have third party certification in accordance with ANSI/NSF 140 2007e Sustainable Carpet Assessment Standard, at a "Gold" level minimum.
- B. Face Fiber Content. Face yarn shall be 100 percent nylon fiber. Loop Pile shall be 100 percent Bulk Continuous Filament (BCF); cut and loop shall be 100 percent BCF for the loop portion and may be BCF or staple for the cut portion; and cut pile carpet shall be staple or BCF.

C. Performance Requirements for Broadloom and Modular Tile:

- Static. Less than or equal to 3.5 kV when tested by AATCC Test Method 134 (Step Test Option).
- Flammability. Meets CPSC-FF-1-70, DOC-FF-1-70 Methenamine Tablet Test criteria.
- Flooring Radiant Panel Test. Meets NFPA Class I or II depending upon occupancy and fire code when tested under ASTM E-648 for glue down installation.
- Smoke Density. NBS Smoke Chamber - Less than 450 Flaming Mode when tested under ASTM E-662.

D. Additional Requirements for Broadloom:

- Edge ravel. Minimum 1 lb., loop pile only - ASTM D-7267.
- Delamination. Minimum 3.5 lb. per inch of width - ASTM D-3936.
- Tuft bind. Minimum 10 lb. average tuft bind for loop pile - ASTM D-1335.

E. Additional requirement for modular tile:

Tuft bind minimum 8 lb. average tuft bind for loop pile—ASTM D-1335.

F. Texture Appearance Retention Rating (TARR). Meet TARR ratings specified below:

Area / Location	Traffic Classification	TARR Classification
Private Offices	Moderate	≥ 3.0 TARR
Training, conference, courtrooms, etc.	Heavy	≥ 3.0 TARR
Open office, cafeteria, corridors, lobbies	Severe	≥ 3.5 TARR

The carpet must be evaluated using ASTM D-5252 Hexapod Drum Test as per the commercial carpet test procedure and the TARR classification determined using ASTM D-7330.

G. Warranty. Submit a copy of the manufacturer's standard warranty to the Lease Contracting Officer within the first 60 days of Government occupancy. The Lessor shall be the beneficiary of the terms of this warranty.

9.) Paragraph 4.33 Green Lease Submittals (Apr 2011) is hereby deleted in its entirety and replaced with the following:

4.33 GREEN LEASE SUBMITTALS (SIMPLIFIED) (AUG 2011)

A. AFTER AWARD, THE LESSOR SHALL SUBMIT TO THE LCO:

1. Product Data sheets for floor coverings, paints and wall coverings, ceiling materials, all adhesives, wood products, suite and interior doors, subdividing partitions, wall base, door hardware finishes, window coverings, millwork substrate and millwork finishes, lighting and lighting controls, and insulation to be used within the leased space. This information must be submitted NO LATER THAN the submission of the Design Intent Drawings (DIDs) for the leased.
2. Material Safety Data Sheets (MSDS) or other appropriate documents upon request for products listed in the lease.
3. Reuse Plan required in accordance with the "Existing Fit-out, Salvaged, or Re-used Building Material" paragraph in the lease.

4. Any waiver needed when not using materials from the CPG and RMAN lists of acceptable products in accordance with the "Recycled Content Products" paragraph in the lease.
5. Radon test results as may be required by the "Radon in Air" and "Radon in Water" in the lease.
6. If renewable source power is purchased, documentation within 9 months of occupancy.

10.) Paragraph 5.12 [REDACTED] (Apr 2011) is hereby deleted in its entirety without replacement.

11.) Paragraph 7.01 Additional Requirements (Apr 2011) is hereby deleted in its entirety and replaced with the following:

7.01 ADDITIONAL REQUIREMENTS (APR 2011)

A. The leased space shall be re-painted and re-carpeted by the Lessor. Please refer to Section 4.19 CARPET SPECIFICATIONS (APR 2011) and Section 4.20 PAINTING (APR 2011) of GSA Form L201A for specifications. Carpet shall be installed as Modular Tile. This cost, including the moving and returning of furnishings, removing and replacing any wall attachments due to painting, as well as disassembly and reassembly of systems furniture, will be borne by the Lessor.

B. Janitorial cleaning DURING tenant working hours is required.

C. The Lessor shall install 3M Protection Profile Attachment System on all windows within the leased premises.

D. The lighting fixtures in the leased space shall be replaced by the Lessor and upgraded to T8 lighting fixtures.

12.) Paragraph 7.02 Operating Costs Adjustment (Apr 2011) is hereby included as part of Lease Number GS-07B-16956:

7.02 OPERATING COSTS ADJUSTMENT (APR 2011)

A. Beginning with the second year of the Lease and each year thereafter, the Government shall pay annual incremental adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

B. The amount of adjustment will be determined by multiplying the base rate by the annual percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published for the month prior to the Lease commencement date with the index figure published for the month prior which begins each successive 12-month period. For example, a Lease which commences in June of 2005 would use the index published for May of 2005, and that figure would be compared with the index published for May of 2006, May of 2007, and so on, to determine the percent change. The Cost of Living Index will be measured by the Department of Labor revised Consumer Price Index for urban wage earners and clerical workers, U.S. city average, all items figure, (1982 to 1984 = 100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent. Rental adjustments will be effective on the anniversary date of the Lease; however, payment of the adjusted rental rate will become due on the first workday of the second month following the publication of the Cost of Living Index for the month prior to the commencement of each 12-month period.

C. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under the Lease, the rental amount will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this paragraph.

D. If the Government exercises an option to extend the Lease term at the same rate as that of the original term, the option price will be based on the adjustment during the original term. Annual adjustments will continue.

13.) The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$7.50 per rentable sq. ft (\$31,341.00/annum).

14.) Paragraph 7.03 Real Estate Tax Adjustment (Aug 2011) is hereby included as part of Lease Number GS-07B-16956

7.03 REAL ESTATE TAX ADJUSTMENT (AUG 2011)

A. Purpose: This paragraph provides for adjustment in the rent ("tax adjustment") to account for increases or decreases in real estate taxes for the Property after the establishment of the real estate tax base, as those terms are defined herein. Tax adjustments shall be calculated in accordance with this Clause.

B. Definitions: The following definitions apply to the use of the terms within this paragraph:

"Property" is defined as the land and buildings in which the Premises are located, including all appurtenant areas (e.g., parking areas to which the Government is granted rights).

"Real estate taxes" are those taxes that are levied upon the owners of real property by a taxing authority (as hereinafter defined) of a State or local Government on an ad valorem basis to raise general revenue for funding the provision of government services. The term excludes, without limitation, special assessments for specific purposes, assessments for business improvement districts, and/or community development assessments.

"Taxing authority" is a state, commonwealth, territory, county, city, parish, or political subdivision thereof, authorized by law to levy, assess, and collect real estate taxes.

"Tax year" refers to the 12-month period adopted by a taxing authority as its fiscal year for assessing real estate taxes on an annual basis.

"Tax abatement" is an authorized reduction in the Lessor's liability for real estate taxes below that determined by applying the generally applicable real estate tax rate to the fully assessed (as hereinafter defined) valuation of the Property.

"Unadjusted real estate taxes" are the full amount of real estate taxes that would be assessed for the Property for one full tax year without regard to the Lessor's entitlement to any tax abatements (except if such tax abatement came into effect after the date of award of the Lease), and not including any late charges, interest or penalties. If a tax abatement comes into effect after the date of award of the Lease, "unadjusted real estate taxes" are the full amount of real estate taxes assessed for the Property for one full tax year, less the amount of such tax abatement, and not including any late charges, interest, or penalties.

"Real estate tax base" is the unadjusted real estate taxes for the first full tax year following the commencement of the Lease term. If the real estate taxes for that tax year are not based upon a Full Assessment of the Property, then the real estate tax base shall be the unadjusted real estate taxes for the Property for the first full tax year for which the real estate taxes are based upon a Full Assessment. Such first full tax year may be hereinafter referred to as the "tax base year."

Alternatively, the real estate tax base may be an amount negotiated by the parties that reflects an agreed upon base for a fully assessed value of the property.

The Property is deemed to be "fully assessed" (and real estate taxes are deemed to be based on a "Full Assessment") only when a taxing authority has, for the purpose of determining the Lessor's liability for real estate taxes, determined a value for the Property taking into account the value of all improvements contemplated for the Property pursuant to the Lease, and issued to the Lessor a tax bill or other notice of levy wherein the real estate taxes for the full tax year are based upon such Full Assessment. At no time prior to the issuance of such a bill or notice shall the Property be deemed fully assessed.

"Percentage of occupancy" refers to that portion of the Property exclusively occupied or used by the Government pursuant to the Lease. For buildings, the percentage of occupancy is determined by calculating the ratio of the RSF occupied by the Government pursuant to the Lease to the total RSF in the building or buildings so occupied, and shall not take into account the Government's ancillary rights including, but not limited to, parking or roof space for antennas (unless facilities for such ancillary rights are separately assessed). This percentage shall be subject to adjustment to take into account increases or decreases for space leased by the Government or for rentable space on the Property.

C. Adjustment for changes in real estate taxes. After the Property is fully assessed, the Government shall pay its share of any increases and shall receive its share of any decreases in the real estate taxes for the Property, such share of increases or decreases to be referred to herein as "tax adjustment." The amount of the tax adjustment shall be determined by multiplying the Government's percentage of occupancy by the difference between the current year unadjusted real estate taxes and the real estate tax base, less the portion of such difference not paid due to a tax abatement (except if a tax abatement comes into effect after the date of award of the Lease). If a tax abatement comes into effect after the date of award of the Lease, the amount of the tax adjustment shall be determined by multiplying the Government's percentage of occupancy by the difference between the current year unadjusted real estate taxes and the real estate tax base. The Government shall pay the tax adjustment in a single annual lump sum payment to the Lessor. In the event that this tax adjustment results in a credit owed to the Government, the Government may elect to receive payment in the form of a rental credit or lump sum payment.

If the Property contains more than one separately assessed parcel, then more than one tax adjustment shall be determined based upon the percentage of occupancy, real estate tax base, and real estate taxes for each respective parcel.

After commencement of the Lease term, the Lessor shall provide to the LCO copies of all real estate tax bills for the Property, all documentation of tax abatements, credits, or refunds, if any, and all notices which may affect the assessed valuation of the Property, for the tax year prior to the commencement of the Lease Term, and all such documentation for every year following. Lessor acknowledges that the LCO shall rely on the completeness and accuracy of these submissions in order to establish the real estate tax base and to determine tax adjustments. The LCO may memorialize the establishment of the real estate tax base by issuing a unilateral administrative supplemental lease agreement indicating the base year, the amount of the real estate tax base, and the Government's percentage of occupancy.

The real estate tax base is subject to adjustment when increases or decreases to real estate taxes in any tax year are attributable to (a) improvements or renovations to the Property not required by this Lease, or (b) changes in net operating income for the Property not derived from this Lease. If either condition results in a change to the real estate taxes, the LCO may re-establish the real estate tax base as the unadjusted real estate taxes for the tax year the Property is reassessed under such condition, less the amount by which the unadjusted real estate taxes for the tax year prior to reassessment exceeds the prior real estate tax base.

If this Lease includes any options to renew the term of the Lease, or be otherwise extended, the real estate tax base for determining tax adjustments during the renewal term or extension shall be the last real estate tax base established during the base term of the Lease.

If any real estate taxes for the Property are retroactively reduced by a taxing authority during the term of the Lease, the Government shall be entitled to a proportional share of any tax refunds to which the Lessor is entitled, calculated in accordance with this Clause. Lessor acknowledges that it has an affirmative duty to disclose to the Government any decreases in the real estate taxes paid for the Property during the term of the Lease. Lessor shall annually provide to the LCO all relevant tax records for determining whether a tax adjustment is due, irrespective of whether it seeks an adjustment in any tax year.

If the Lease terminates before the end of a tax year, or if rent has been suspended, payment for the real estate tax increase due because of this section for the tax year will be prorated based on the number of days that the Lease and the rent were in effect. Any credit due the Government after the expiration or earlier termination of the Lease shall be made by a lump sum payment to the Government or as a rental credit to any succeeding lease, as determined in the LCO's sole discretion. Lessor shall remit any lump sum payment to the Government within 15 calendar days of payment or credit by the taxing authority to Lessor or Lessor's designee. If the credit due to the Government is not paid by the due date, interest shall accrue on the late payment at the rate established by the Secretary of the Treasury under Section 12 of the Contract Disputes Act of 1978, as amended (41 USC § 611), that is in effect on the day after the due date. The interest penalty shall accrue daily on the amount of the credit and shall be compounded in 30-day increments inclusive from the first day after the due date through the payment date. The Government shall have the right to pursue the outstanding balance of any tax credit using all such collection methods as are available to the United States to collect debts. Such collection rights shall survive the expiration of this Lease.

In order to obtain a tax adjustment, the Lessor shall furnish the LCO with copies of all paid tax receipts, or other similar evidence of payment acceptable to the LCO, and a proper invoice (as described in GSA Form 3517, General Clauses, 552.232-75, Prompt Payment) for the requested tax adjustment, including the calculation thereof. All such documents must be received by the LCO within 60 calendar days after the last date the real estate tax payment is due from the Lessor to the taxing authority without payment of penalty or interest. FAILURE TO SUBMIT THE PROPER INVOICE AND EVIDENCE OF PAYMENT WITHIN SUCH TIME FRAME SHALL CONSTITUTE A WAIVER OF THE LESSOR'S RIGHT TO RECEIVE A TAX ADJUSTMENT PURSUANT TO THIS CLAUSE FOR THE TAX YEAR AFFECTED.

Tax Appeals. If the Government occupies more than 50 percent of the Building by virtue of this and any other Government Lease(s), the Government may, upon reasonable notice, direct the Lessor to initiate a tax appeal, or the Government may elect to contest the assessed valuation on its own behalf or jointly on behalf of Government and the Lessor. If the Government elects to contest the assessed valuation on its own behalf or on behalf of the Government and the Lessor, the Lessor shall cooperate fully with this effort, including, without limitation, furnishing to the Government information necessary to contest the assessed valuation in accordance with the filing requirements of the taxing authority, executing documents, providing documentary and testimonial evidence, and verifying the accuracy and completeness of records. If the Lessor initiates an appeal at the direction of the Government, the Government shall have the right to approve the selection of counsel who shall represent the Lessor with regard to such appeal, which approval shall not be unreasonably withheld, conditioned or delayed, and the Lessor shall be entitled to a credit in the amount of its reasonable expenses in pursuing the appeal.

15.) Broker Commission and Commission Credit

CBRE, 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. [REDACTED] of the Commission will be payable to CBRE, Inc. with \$0.00, 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.

16.) All other terms and conditions of the lease shall remain in full force and effect.