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| GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE | LEASE AMENDMENT No. 2 |
| | TO LEASE NO. GS-07P-LTX17234 |
| LEASE AMENDMENT | |
| ADDRESS OF PREMISES: 500 E MANN RD LAREDO, TX 78041 | PDN Number: PS0028866 |

THIS AGREEMENT, made and entered into this date by and between ~~DOP, Inc.~~ *Merlin Mann Investments, LLC*,
whose address is: 216 W. Village Blvd, Suite 302
Laredo, TX 78041-2322



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

WHEREAS, the parties hereto desire to amend the above Lease.


- 1.) To accept the Tenant Improvements as substantially completed; and
- 2.) Establish the Commencement Date of the lease rental payments; and
- 3.) Establish the square footages of the leased space; and
- 4.) Provide the annual rental amounts; and
- 5.) Establish the Governments Percentage of Occupancy; and
- 6.) Establish the reduction amount for vacant space; and
- 7.) Establish the Base for the Operating Cost adjustment; and
- 8.) Establish the Common Area Factor; and
- 9.) To provide for the payment of the Tenant Improvements and Building Specific Amortized Capital; and
- 10.) To state the Broker Commission and the Commission Credit; and
- 11.) All other terms and conditions are in full force and effect.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective September 15, 2014 as follows:

See Attached

This Lease Amendment contains 3 pages plus Exhibit "A".

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: THOMAS BELL
Title: MANAGER
Entity Name: MERLIN MANN INVESTMENTS, L.L.C.
Date: SEP. 16, 2014

FOR THE GOVERNMENT: 
Signature: _____
Name: Thomas Bell
Title: Lease Contracting Officer
GSA, Public Buildings Service, 819 Taylor St., Room 11B
Fort Worth, TX 76102
Date: 9.19.14

WITNESSED FOR THE LESSOR BY:


Signature: _____
Name: _____
Title: _____
Date: _____

1.) The tenant improvements have been *substantially* completed and the government accepts the leased space on September 15, 2014. The Lessor and the Government agree that the requirements specifically identified in Attachment "A", GSA Form 1204 Condition Survey Report of this lease have not been met and these items are deficiencies. The Lessor is required to cure these deficiencies as part of the negotiated lease contract within 15 days of the Government's acceptance of the space for occupancy. Within 7 days of the completion date for the Lessor to cure the deficiencies in Attachment "A" of this lease, the Lessor must coordinate a follow-up inspection with the Lease Contracting Officer to ensure all corrective action has been completed. In the event of any failure by the Lessor to cure the deficiencies or to provide any required repair or modernization under this lease, the Government will perform the work and deduct these amounts from the rent, including all administrative costs. No extensions will be granted.

2.) The Commencement Date of the rental shall be September 15, 2014 and shall expire on September 14, 2024, subject to the termination rights set forth in the lease.

3.) The leased premise square footage shall be 9,775 Rentable Square Feet (RSF) yielding 8,954 ANSI/BOMA Office Area (ABOA).

4.) The Government shall pay the Lessor annual rent as follows:

From September 15, 2014 through September 14, 2019, the total annual rental shall be \$491,343.28 at the rate of \$40,945.27 paid monthly in arrears. The total annual rent consists of annual Shell Rent of \$194,077.73, annual Operating Costs of \$59,144.62 plus annual Operating Cost adjustments, annual Tenant Improvement Amortization cost of \$61,218.39, annual Building Specific Amortized Capital (BSAC) of \$11,902.54, and annual Parking cost of \$165,000.00.

From September 15, 2019 through September 14, 2024, the total annual rent shall be \$469,085.22. The total annual rent consists of Shell Rent of \$221,540.60, Operating Costs of \$59,144.62 plus annual Operating Cost adjustments, and annual Parking cost of \$188,400.00. There are no annual Tenant Improvement costs or BSAC costs.

5.) The Percentage of Occupancy for Tax Reimbursement purposes shall be: 9.9% (9,775 RSF/98,737 RSF) and the new Base Year for taxes shall be the taxes in the year of 2015.

6.) The Government's Adjustment for Vacant Space shall be a reduction of \$2.00 per ABOA.

7.) In accordance with the Lease paragraph 1.15 entitled "Operating Costs," the escalation base shall be \$59,144.62 (9,775 RSF X \$6.05).

8.) In accordance with the Lease paragraph 1.01.B entitled "Common Area Factor," the Common Area Factor shall be 1.0917 (9,775 RSF/8,954 ABOA).

9.) The total cost of the Tenant Improvements is \$820,400.43. The Lessor and the Government agree that a lump-sum payment for a portion of the total Tenant Improvement cost shall be made in the amount of \$565,806.87. The remaining balance of \$254,593.56 shall be amortized monthly into the rent at the rate of six percent (7.5%) over the first five (5) years of the lease as stated in paragraph 4 above.

The total cost of the Tenant Specific Security (TSS) shall change from \$242,335.00 to \$216,735.00. The Lessor and the Government agree that a lump-sum payment for the total TSS cost shall be made in the amount of \$216,735.00. The total Building Specific Amortized Capital (BSAC) cost is \$49,500.00 and shall be amortized monthly into the rent at the rate of six percent (7.5%) over the first five (5) years of the lease as stated in paragraph 4 above.

The Lessor agrees that the invoice shall be printed on the same letterhead as the party named on this lease, shall include the lease number, building address, and a price and quantity of the items delivered. **It shall reference the number PS0028865** 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 800-676-3690.

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

INITIALS:

LESSOR

&

GOV'T

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

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

David Garrison
U.S. General Services Administration
819 Taylor Street 7PRA; Room 11B-208
Fort Worth, Texas 76102-0181

10.) **DTZ Americas, 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 **DTZ Americas, 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.

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 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 \$40,945.27 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$40,945.27 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment \$40,945.27 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.

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

INITIALS:


LESSOR & 
GOVT