

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICES SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 1	DATE 4/20/12
	TO LEASE NO. GS-03B--11304	
ADDRESS OF PREMISE 5678 East Virginia Beach Blvd Norfolk, VA 23502-2428	PDN NO.	

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

CURTIS INVESTMENTS, LLC

whose address is **5010 Old Greenwood Street
Fort Smith, AR 72903-6941**

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

WHEREAS, the parties hereto desire to amend the above Lease to **decrease the number of parking spaces, increase the square footage, and reflect the applicable increases in the annual rent, broker commission and commission credit, and the Tenant Improvements allowance.**

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective **April 3, 2012**, as follows:

A. Paragraph 1 of the Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"1. The Lessor hereby leases to the Government the following described premises: A total of **20,528** rentable square feet (RSF) yielding **19,188** ANSI/BOMA Office Area square feet (ABOA SF) of office and related space, located on a 1.94 acre site at 5678 East Virginia Beach Blvd, Norfolk, VA 23502-2428, to be used for such purposes as determined by the General Services Administration. See attached floor plans marked "Exhibit A". Included in the shell rent at no additional cost to the Government are four (4) reserved surface parking spaces for Government fleet vehicles, plus an additional seventy-eight (78) surface parking spaces to accommodate employees and visitors."

Page 1 of 5

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.

LE		<u>President</u>	(Title)
BY		<u>5641 SMU Blvd, Suite 100, Dallas, TX 75206</u>	(Address)
UNITED STATES OF AMERICA	General Services Administration, Public Buildings Service		
BY		<u>Contracting Officer</u>	(Official Title)

B. Paragraph 6 C. of the Standard Form 2 of the lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"C. In accordance with Paragraph 2.5 of the Lease, "Broker Commission and Commission Credit", the Lessor and Jones Lang LaSalle (the Broker) have agreed to a cooperating lease commission of [REDACTED] based on the Aggregate Lease value over the firm term. The total amount of this commission is [REDACTED] (Gross Commission). For the benefit of the Government, and in accordance with the terms of the GSA National Broker Contract, 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, i.e. [REDACTED] (Net Commission), to the Broker in two (2) installments, fifty percent (50%) upon receipt of invoice following lease execution, and the remaining fifty percent (50%) upon receipt of invoice following occupancy. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. The Lessor is providing four (4) months' free rent to the Government during the base year of this lease equivalent to an aggregate lease value of \$260,568.39.

Notwithstanding Paragraph 3 of the Standard Form 2 of the lease, the shell rental payments due and owing under this lease shall be reduced to fully capture this Commission Credit. The reduction in shell rent shall commence in the fifth (5th) month of the rental payments and continue as indicated in this schedule for adjustment monthly rent:

Fifth (5th) Month's Rental Payment of \$65,142.10 (which includes \$47,618.22 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]

Sixth (6th) Month's Rental Payment of \$65,142.10 (which includes \$47,618.22 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]

Seventh (7th) Month's Rental Payment of \$65,142.10 (which includes \$47,618.22 Shell) minus [REDACTED] Commission Credit (1/3) equals [REDACTED]

After three (3) months, the full Commission Credit is captured and regular monthly payments of \$65,142.10 will ensure in the eight (8th) month of the base year.

*Subject to adjustment upon determination of actual TI expenditure"

C. Paragraph 9 of the Lease Rider is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"In accordance with Paragraph 4.2 (B) 9, the total percentage of space occupied by the Government under the terms of the lease is equal to 100% of the total space available in the Lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 20,528 Rentable Square Feet by the total building space of 20,528 Rentable Square Feet."

D. Paragraph 11 of the Lease Rider is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within one hundred eighty (180) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected. Upon the date of completion of such alterations, improvements, and repairs and inspection, and acceptance by the Government, the term of this lease shall commence and continue for fifteen (15) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 of the General Clauses, GSA Form 3517, "Payment" at the rate of:

Initials:

CC
Lessor

&

GB
Government

Years 1-10

Total Annual Rent: \$781,705.18 per year*

***Free Rent:** four (4) months during base year (aggregate value of \$260,568.39)

Shell Rent: \$571,418.64

Amortized Annual Cost for Tenant Improvement Allowance: \$100,121.35

Interest Rate at Which Tenant Alterations are Amortized: 7%

Amortized Annual Cost for Building-Specific Security: \$3,479.91

Annual Cost of Services: \$106,685.28

Years 11-15

Total Annual Rent: \$781,527.24

Shell Rent: \$674,841.96

Annual Cost of Services: \$106,685.28

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of **\$718,590.60**, or **\$37.45** per ANSI/BOMA Office Area square foot, which is included in the rent, using the 7% amortization rate over the firm term of ten (10) years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 7% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to: 1) reduce the Tenant Improvement requirements; 2) pay lump sum for the overage upon completion and acceptance of the improvements; or, 3) increase the rent according to the negotiated rate over the firm term of the lease."

E. Paragraph 16 of the Lease Rider is hereby deleted in its entirety.

Initials:

cc
Lessor

&

EB
Government