

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>	<b>LEASE AMENDMENT No. 3</b>
<b>LEASE AMENDMENT</b>	<b>TO LEASE NO. GS-03P-LVA12121</b>
<b>ADDRESS OF PREMISES</b> 11706 Jefferson Avenue Newport News, VA 23606-1905	<b>PDN Number: PS0034785</b>

**THIS AMENDMENT** is made and entered into between

Hodges, L.C., R.L.

whose address is: 45 Wendfield Cir  
Newport News, VA 23601-1028

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

**WHEREAS**, the parties here to desire to amend the above Lease, to memorialize accepted change orders into the lease, assess liquidated damages, modify the allotment of tenant improvement expenditures, commence rent for the accepted tenant improvements, and modify the broker commission and commission credit.

**NOW THEREFORE**, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective upon execution as follows:

1. Due to Government-approved change orders during the construction phase totaling \$50,732.40, the total construction cost has increased from \$506,245.69 to \$556,978.09 (See Exhibit A "Tenant Improvement Summary").
2. Paragraph 4.01 SCHEDULE FOR COMPLETION OF SPACE (SEP 2012) indicates the Lessor shall complete all work required to prepare the Premises as required in this Lease ready for use not later than one hundred twenty (120) Calendar Days following issuance of NTP. NTP was granted to the Lessor on July 5, 2016. The Lessor scheduled a substantial completion inspection on January 9, 2017, 188 calendar days after the NTP. Accordingly, the premises were delivered to the Government as substantially complete 68 days after the required delivery date. In accordance with paragraph 4.13 LIQUIDATED DAMAGES (JUN 2012), the Lessor shall pay the Government liquidated damages in the amount of \$300 for each and every calendar day that the delivery is delayed beyond the specified delivery date. As a result, the total tenant improvements of \$556,978.09 shall be reduced by \$20,400.00 to \$536,578.09 for damages associated with the delayed delivery of the space.
3. The Government is electing to modify the allotment of tenant improvement expenditures in accordance with paragraph 1.09 Tenant Improvement Rental Adjustment (AUG 2011). The total tenant improvements are \$536,578.09. The Government is electing to increase the one-time lump sum payment by \$64,372.01 to a total lump sum payment of \$152,023.00. Accordingly, the total tenant improvements to be amortized into the lease shall be \$384,555.09.

**This Lease Amendment contains 1 page.**

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: [Redacted]  
 Name: LINDA M. HODGES  
 Title: LESSOR  
 Entity Name: Hodges, L.C., R.L.  
 Date: 8/25/17

**FOR THE GOVERNMENT:**

Signature: [Redacted]  
 Name: Brian Tye  
 Title: Lease Contracting Officer  
General Services Administration, Public Buildings Service  
 Date: 8/28/17

**WITNESSED FOR THE LESSOR BY:**

Signature: [Redacted]  
 Name: MELANIE J. THOMAS  
 Title: Paralegal  
 Date: 8-25-2017

4. The Government has inspected and accepted all tenant improvements under the lease. The tenant improvement allowance of \$384,555.09 is amortized at a rate of 3.25 percent per annum over 5 years. Accordingly, the tenant improvement component of the rent shall commence effective October 27, 2016. Retroactive monthly tenant improvement payments shall be paid via a one-time payment. All other tenant improvement rent shall be paid in monthly installments in arrears. Paragraph 1.03 (A) of GSA Form L201C (10/12) is hereby deleted entirely and replaced as follows:

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	10/27/2016 – 10/26/2021	10/27/2021 – 10/26/2026
	FIRM TERM	NON-FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$154,030.16	\$154,030.16
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$83,433.08	\$0.00
OPERATING COSTS <sup>3</sup>	\$ 71,377.08	\$ 71,377.08
BUILDING SPECIFIC AMORTIZED CAPITAL <sup>4</sup>	\$0.00	\$0.00
PARKING <sup>5</sup>	\$ 0.00	\$ 0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$308,840.32</b>	<b>\$225,407.24</b>

<sup>1</sup>Shell rent (Firm Term) calculation: \$13.66 per RSF multiplied by 11,276 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$384,555.09 is amortized at a rate of 3.25 percent per annum over 5 years.

<sup>3</sup>Operating Costs rent calculation: \$6.33 per RSF multiplied by 11,276 RSF

5. Paragraph 1.04 of GSA Form L201C (10/12) is hereby deleted entirely and replaced as follows:

#### 1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. JONES LANG LASALLE 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 Broker 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.

B. 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 \$25,736.69 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.\*

Month 2 Rental Payment \$25,736.69 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2<sup>nd</sup> Month's Rent.

\* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

INITIALS:   LH   &   BT    
LESSOR GOVT

**Exhibit A**  
**Tenant Improvement Summary**

Initial TI Proposal		
Tenant Improvements	\$	
Security	\$	
Total TI Proposal	\$	
CO #1 Electrical	\$	
CO #3 Surge Protector credit	\$	
Security CO #5	\$	
CO #5 Security (paid via RWA)	\$	
CO #5 Security (paid via TI Allowance)	\$	
CO #7 Card Reader and Door Hardware	\$	
CO #9 Garbage Disposal & drywalls reinforcement credit	\$	
Total TI Proposal	\$	
Liquidated Damages	\$	
TI proposal Less Liquidated Damages	\$	
Lump Sum Payment	\$	
Amortized	\$	

INITIALS: LH & BT  
LESSOR GOVT