

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 3 TO LEASE NO. GS-03P-LWV12204
ADDRESS OF PREMISES 233 Lowe Drive Shepherdstown, WV 25443-9602	PDN Number: n/a

THIS AMENDMENT is made and entered into between

FEDERAL GROUP INC

whose address is: 233 Lowe Drive
Shepherdstown, WV 25443-9602

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 incorporate expansion space.

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 by the Government as follows:


A. Paragraph 1.01 A of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"A. Office and Related Space: 17,677 ANSI/BOMA Office Area (18,797 rentable) square feet of office and related space on the first floor of the Building as depicted on the floorplan attached hereto as Exhibit A."


B. Paragraph 1.03 A and B of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.


FOR THE LESSOR:

Signature: 
 Name: Kenneth F. Lowe, Jr
 Title: President
 Entity Name: Federal Group, Inc
 Date: 1/25/17

FOR THE GOVERNMENT:

Signature: 
 Name: Jessica Herring
 Title: Lease Contracting Officer
 GSA, Public Buildings Service,
 Date: 2/7/2017

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: Danielle Lyons
 Title: Executive Assistant
 Date: 1/25/17

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$155,253.94	\$179,951.86
TENANT IMPROVEMENTS RENT ²	\$196,237.93	\$0.00
OPERATING COSTS ³	\$112,857.45	\$112,857.45
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$98,865.80	\$0.00
PARKING ⁵	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$431,429.20	\$231,819.10

¹Shell rent calculation:

(Firm Term) **\$8.26 (rounded)** per RSF multiplied by **18,797** RSF

(Non Firm Term) **\$9.57 (rounded)** per RSF multiplied by **18,797** RSF

²The Tenant Improvement Allowance of **\$877,173.40** is amortized at a rate of **4.5** percent per annum over **5** years.

³Operating Costs rent calculation: **\$6.00 (rounded)** per RSF multiplied by **18,797** RSF

⁴Building Specific Amortized Capital (BSAC) of **\$441,925.00** are amortized at a rate of **4.5** percent per annum over **5** years

⁵Parking costs described under sub-paragraph H below

In instances where the Lessor amortizes either the TI or BSAC for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed **17,677** ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

The Tenant Improvements for the expansion space will be negotiated and the Government will issue a formal Notice to Proceed for construction. All of the TI terms, conditions, and fees from the initial space build out will apply to the expansion space. The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance or BSAC Allowance."

C. Paragraph 1.05 of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"This Lease may be renewed at the option of the Government for a term of [REDACTED] for each of 2 renewal periods at the following rental rate(s):

	OPTION TERM, YEARS [REDACTED]
	ANNUAL RENT ANNUAL RATE / ABOA
SHELL RENTAL RATE	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.

	OPTION TERM, YEARS [REDACTED]
	ANNUAL RENT ANNUAL RATE / ABOA
SHELL RENTAL RATE	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL

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	CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.
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provided notice is given to the Lessor at least **90** days before the end of the original Lease term or end of the first renewal period (if executed), all other terms and conditions of this Lease, as same may have been amended, shall remain in full force and effect during any renewal term.

D. Paragraph 1.12 of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"10. Effective upon acceptance of the expansion space by the Government, the total percentage of space occupied by the Government under the terms of the lease is equal to 56 percent 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 "Real Estate Tax Adjustment" paragraph. The percentage of occupancy is derived by dividing the total Government space of 18,797 rentable square feet by the total building space of 33,699 rentable square feet."

E. Paragraph 1.13 of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be **\$6.00 (rounded)** per RSF (112,857.45/annum).

F. Paragraph 1.16 A of the Lease is hereby deleted in its entirety and the following text is inserted in lieu thereof:

"Approximately **5,750 ABOA SF** of the Space shall receive cooling at all times (24 hrs a day, 365 days a year) for purposes of cooling the designated call center and break room. The ABOA SF of the call center and break room shall be measured by the Government at lease commencement, and the annual overtime rent adjusted based on the annual rent in Paragraph 1.18 B, below. The temperature of these rooms shall be set to maintain a range of 70°F – 74°F during the heating season and between 73°F – 77°F during the cooling season, with humidity control not to exceed 60% relative humidity, regardless of outside temperature or seasonal changes."

G. Page 43 of the Lease is hereby deleted in its entirety.

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