

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 5
	TO LEASE NO. GS-07P-LTX17084
ADDRESS OF PREMISES 810 Gears Road Houston, TX 77067-4416	PDN Number: PS0031572

THIS AMENDMENT is made and entered into between Lexington Gears, LP

whose address is: One Penn Plaza, Suite 4015, New York, NY 10119-4015

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 accept the Tenant Improvements as substantially complete.


NOW THEREFORE, these parties for consideration hereinafter mentioned covenant and agree that the said Lease is amended, effective January 11, 2016, as follows:

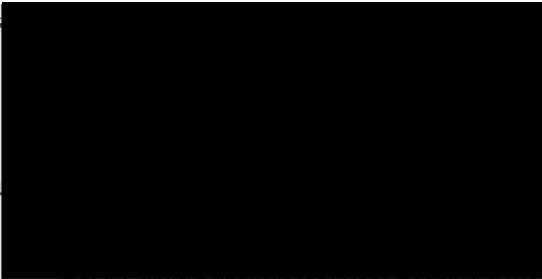
- 1) To accept the Tenant Improvements as substantially complete; and
- 2) To provide for the payment of the Tenant Improvements and the Tenant Specific Security; and
- 3) Establish the Commencement Date of the lease rental payments; and
- 4) Establish the square footages of the leased space and parking to be provided; and
- 5) Provide the annual rental amounts; and
- 6) Establish the Government's Percentage of Occupancy and the Base Year of Property Taxes; and
- 7) Establish the Base amount for Operating Cost adjustment, the Base Year, and the anniversary date; and
- 8) Establish the reduction amount for vacant space; and
- 9) Establish the Common Area Factor; and
- 10) To state the Broker Commission and the Commission Credit; and
- 11) All other terms and conditions are in full force and effect.


Continued on the next page...

This Lease Amendment contains 3 pages plus Exhibit A (2 pages) and Exhibit B (1 page).

IN WITNESS WHEREOF, the parties subscribe their names as

FOR THE 
Signature: _____
Name: _____
Title: _____
Entity Name: Lexington Gears, LP
Date: 1/2-1/16

FOR THE 
Signature: _____
Name: _____
Title: _____
Date: 1.14.16

WITNESSED 
Signature: _____
Name: _____
Title: Vice President
Date: 1/12/16

- 1.) The tenant improvements have been completed and the Government accepts the leased premise on January 11, 2016. The Lessor and the Government agree that the requirements specifically identified in Exhibit "A", Punch List, 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 43 business 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 Exhibit "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 Government and the Lessor have agreed that the total cost of the TIs and TSS is \$5,156,401.73. The total TI cost of \$4,886,372.02 and the total TSS cost of \$270,029.71 includes all the Lessor's fees for general and administrative costs, profit, management fees, architectural fees, and any and all other fees associated with the completion of the TI and TSS on or before the anticipated date of completion.

The Tenant Improvement Allowance (TIA) per the Lease Agreement is \$2,513,727.82. The TIA shall be amortized over the first ten (10) years of the term at an interest rate of 6.25%. The Government retains the right to buy-down all or a portion of the TI Allowance.

The remaining balance of the total cost of the TIs and the TSS is \$2,642,673.91 (\$5,156,401.73 Total TI and TSS – \$2,513,727.82 TI amount amortized) and shall be paid by a lump-sum payment upon completion and acceptance thereof by the Government.

Once the exact amount of the lump-sum payment has been determined by both parties and this Acceptance Lease Amendment No. 5 is fully executed by the Government and the Lessor, the Lessor may then submit for the lump-sum payment. The Lessor agrees that the invoice shall be printed on the same letterhead as the named on this lease, shall include the Lease number, building address, and a price and quantity of the items delivered. **The invoice shall reference the number PS0031572** 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:

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

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


General Services Administration
Attn: Patrick Staley
819 Taylor Street, Room 11A-133
Fort Worth, Texas 76102-6124

- 3.) The Commencement Date of the rental shall be January 11, 2016, and shall expire on January 10, 2031, subject to the termination rights set forth in the lease.
- 4.) The leased premise square footage shall be 68,985 Rentable Square Feet (RSF) yielding 66,368 ANSI/BOMA Office Area (ABOA). Fourteen (14) surface parking spaces shall be provided for Government vehicles. These spaces must be lit but are no longer required to be secured. In addition, the Lessor shall provide such additional parking as required by the applicable code of the local government entity having jurisdiction over the Property. Exhibit B to the Lease (Parking Plan) is hereby deleted and replaced with the attached Exhibit B (Parking Plan).
- 5.) The Government shall pay the Lessor annual rent as follows:

INITIALS:

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LESSOR

&


GOVT

From January 11, 2016, through January 10, 2026, the total annual rental shall be \$1,852,894.70 at the rate of \$154,407.89 paid monthly in arrears. The total annual rent consists of annual Shell Rent of \$1,086,457.55, annual Operating Costs of \$427,747.23 plus annual Operating Cost adjustments, annual Tenant Improvement Amortization cost of \$338,689.92.

From January 11, 2026, through January 10, 2031, the total annual rent shall be \$1,634,983.93 at the rate of \$136,248.66 paid monthly in arrears. The total annual rent consists of Shell Rent of \$1,207,236.70 and Operating Costs of \$427,747.23 plus annual Operating Cost adjustments. There are no annual Tenant Improvement or TSS amortization costs.

- 6.) The Percentage of Occupancy for Property Tax Reimbursement purposes shall be 87.34% (68,985 RSF/78,985 RSF) and the new Base Year for property taxes shall be 2016.
- 7.) In accordance with the Lease paragraph 1.15 entitled "Operating Cost Base", the escalation base shall be \$427,747.23 (68,985 RSF X \$6.2005832/RSF).
- 8.) The Government's Adjustment for Vacant Space shall be a reduction of \$5.00 per ABOA SF.
- 9.) In accordance with the Lease paragraph 1.01 entitled "The Premises", the Common Area Factor shall be 1.03943 (68,985 RSF/66,368 ABOA SF).
- 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 the 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 \$154,407.89 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$154,407.89 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment \$154,407.89 minus prorated commission credit of [REDACTED] equals \$ [REDACTED] adjusted 3rd Month's Rent.

Month 4 Rental Payment \$154,407.89 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.

Month 5 Rental Payment \$154,407.89 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 5th Month's Rent.

Month 6 Rental Payment \$154,407.89 minus prorated commission credit of [REDACTED] equals [REDACTED] adjusted 6th Month's Rent.

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

INITIALS: &
LESSOR GOVT