

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	Supplemental Lease Agreement # 7 TO LEASE NO. GS-04B-61072	Date <u>11/27/12</u>
Address of Premises: 731 QUEEN CITY PARKWAY GAINESVILLE, GA 30501-4367		
THIS AGREEMENT, made and entered into this date by and between WALTERS INCOME PROPERTIES, LP whose address is 714 GREEN STREET, GAINESVILLE, GA 30501-3322 hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:		
WHEREAS, the parties hereto desire to amend the above Lease.		
NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon the Government's execution of this Supplemental Lease Agreement (SLA) 7 to increase the area and annual rent to reflect 2,888 Rentable Square Feet (RSF) 2,888 ANSI/BOMA office area of expansion space (Suite 106). The existing 2,389 RSF/ 2,256 ANSI/BOMA office area of currently leased space (Suite 107) along with 6 parking spaces.		
Paragraphs 1, 2 and 4 of the executed Standard Form 2 (SF-2), dated 08/01/2011 and the rent table (paragraph 3) in SLA 5, dated 07/25/12 are hereby deleted in their entirety and replaced with the following:		
1. The Lessor hereby leases to the Government the following described premises: A total of 5,057 RSF (4,944 ANSI/BOMA office area) square feet of office and related space along with 6 reserved parking spaces located at 731 Queen City Parkway, Gainesville, Hall County, Georgia 30501-4367 to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION. Suite 107 contains 2,389 RSF/ 2,256 ANSI/BOMA office area of along with 6 parking spaces and is identified as Block A. Suite 106 contains 2,888 RSF/ 2,888 ANSI/BOMA office area and is identified as Block B.		
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the following specified terms: BLOCK A: A term of Fifteen (15) years commencing on 01/15/2012 and ending on 01/14/2027 with the termination rights as specified in Paragraph 4. BLOCK B: A term of Five (5) years commencing on the next business day, excluding Saturdays, Sundays and Federal Holidays, following the delivery and acceptance of Premises in full compliance with the terms and conditions of this lease and all other space specifications. Upon the Government's acceptance of Block B Premises and determination of the Commencement Date, the Lessor and the Government shall confirm in writing the Commencement Date and Termination Date for Block B with the execution of a SLA. The Government has the right to exercise Two (2) renewal options of Five (5) years each at the rent specified in Paragraph 3. The Government's decision to exercise either of the 5 year options can be given in writing within Thirty (30) days prior to lease expiration.		
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Except as modified in this Agreement, all terms and conditions of the Lease shall remain in full force and effect, and in the event that any of the terms and conditions of this Agreement conflict with any terms and conditions of the Lease or any previous lease agreements, the terms and conditions of this Agreement shall control and govern.		
LESSOR: Walters Income Properties, LP		
BY <u><i>J. L. Walters</i></u> <u>owner</u> (Signature) (Title)		
IN THE PRESENCE OF (witnessed by:) <u><i>Dana Baker</i></u> <u>714 GREEN ST, GAINESVILLE, GA 30501</u> (Signature) (Address)		
UNITED STATES OF AMERICA BY <u><i>Scott S. Cypres</i></u> Contracting Officer General Services Administration		

3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

BLOCK A RENT TABLE

YEAR	RSF	ANNUAL SHELL	ANNUAL OPER. RENT	ANNUAL TI	SHELL RENT PRSF	OPER. RENT PRSF	TI PRSF	TOTAL A/R	\$ PRSF
1/15/12-4/15/12	2,369	\$45,248.49	\$0.00	\$0.00	\$19.10	\$0.00	\$0.00	\$45,248.49	\$19.10
4/16/12-1/14/13	2,369	\$45,248.49	\$15,261.00	\$11,864.78	\$19.10	\$6.44	\$5.01	\$72,374.27	\$30.55
1/15/13-1/14/14	2,369	\$45,248.49	\$15,566.22	\$11,864.78	\$19.10	\$6.57	\$5.01	\$72,679.49	\$30.68
1/15/14-1/14/15	2,369	\$45,248.49	\$15,877.54	\$11,864.78	\$19.10	\$6.70	\$5.01	\$72,990.82	\$30.81
1/15/15-1/14/16	2,369	\$45,248.49	\$16,195.10	\$11,864.78	\$19.10	\$6.84	\$5.01	\$73,308.37	\$30.94
1/15/16-1/14/17	2,369	\$45,248.49	\$16,519.00	\$11,864.78	\$19.10	\$6.97	\$5.01	\$73,632.27	\$31.08
1/15/17-1/14/18	2,369	\$47,522.73	\$16,849.38	\$11,864.78	\$20.06	\$7.11	\$5.01	\$76,236.89	\$32.18
1/15/18-1/14/19	2,369	\$47,522.73	\$17,186.36	\$11,864.78	\$20.06	\$7.25	\$5.01	\$76,573.88	\$32.32
1/15/19-1/14/20	2,369	\$47,522.73	\$17,530.09	\$11,864.78	\$20.06	\$7.40	\$5.01	\$76,917.60	\$32.47
1/15/20-1/14/21	2,369	\$47,522.73	\$17,880.69	\$11,864.78	\$20.06	\$7.55	\$5.01	\$77,268.20	\$32.62
1/15/21-1/14/22	2,369	\$47,522.73	\$18,238.31	\$11,864.78	\$20.06	\$7.70	\$5.01	\$77,625.82	\$32.77
1/15/22-1/14/23	2,369	\$49,882.85	\$18,603.07	\$0.00	\$21.06	\$7.85	\$0.00	\$68,485.92	\$28.91
1/15/23-1/14/24	2,369	\$49,882.85	\$18,975.14	\$0.00	\$21.06	\$8.01	\$0.00	\$68,857.99	\$29.07
1/15/24-1/14/25	2,369	\$49,882.85	\$19,354.64	\$0.00	\$21.06	\$8.17	\$0.00	\$69,237.49	\$29.23
1/15/25-1/14/26	2,369	\$49,882.85	\$19,741.73	\$0.00	\$21.06	\$8.33	\$0.00	\$69,624.58	\$29.39
1/15/26-1/14/27	2,369	\$49,882.85	\$20,136.57	\$0.00	\$21.06	\$8.50	\$0.00	\$70,019.42	\$29.56

BLOCK B RENT TABLE

YEAR	RSF	ANNUAL SHELL	ANNUAL OPER. RENT	ANNUAL TI	SHELL RENT PRSF	OPER. RENT PRSF	TI PRSF	TOTAL A/R	\$ PRSF
10/01/12-9/30/13	2,688	\$53,760.00	\$0.00	\$0.00	\$20.00	\$0.00	\$0.00	\$53,760.00	\$20.00
10/01/13-9/30/14	2,688	\$55,372.80	\$0.00	\$0.00	\$20.60	\$0.00	\$0.00	\$55,372.80	\$20.60
10/01/14-9/30/15	2,688	\$57,039.36	\$0.00	\$0.00	\$21.22	\$0.00	\$0.00	\$57,039.36	\$21.22
10/01/15-9/30/16	2,688	\$58,732.80	\$0.00	\$0.00	\$21.85	\$0.00	\$0.00	\$58,732.80	\$21.85
10/01/16-9/30/17	2,688	\$60,506.88	\$0.00	\$0.00	\$22.51	\$0.00	\$0.00	\$60,506.88	\$22.51

For Block B space only, there are [REDACTED] The annual rental rate for the renewal options is Three [REDACTED] on the previous year's rental rate the anniversary of the lease commencement date.

4. The Government may terminate this lease, in whole or in part, per the following conditions:

Block A: at any time on or after the Tenth (10th) year, by giving the Lessor at least Sixty (60) days notice in writing.

Block B: at any time after the First (1st) year, by giving the Lessor at least One Hundred Twenty (120) days notice in writing.

For either Block, no rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the day of mailing.