

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO. 3	DATE <u>1/3/2012</u>																												
TD LEASE NO. GS-098-02816																														
ADDRESS OF PREMISES, 256 S. 2nd Avenue, Suite D Yuma, Arizona 85364																														
THIS AGREEMENT, made and entered into this date by and between: A. James Clark whose address is 256 S. 2 nd Avenue, Suite E Yuma, Arizona 85364 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 provide Notice to Proceed with Change Order 2 for the above mentioned premises:																														
NOW THEREFORE, these parties for the consideration hereinafter mentioned covenant and agree that the said Lease is amended. Upon execution by the Government, as follows:																														
The purpose of this Supplemental Lease Agreement 3 is to define the type of space leased, accept Change Order Two (2), and amortize this additional amount into the rent.																														
Box 2d of the Lease is hereby deleted in its entirety and replaced with the following:																														
The Government leases a total of 3,800 rentable square feet (3,800 ANSI/BOMA Office Area Square Feet) of office space and 1,000 rentable square feet (1,000 ANSI/BOMA Office Area Square Feet) of warehouse space. In addition to this, 170 rentable square feet of office space (3,800 ANSI/BOMA Office Area Square Feet) and 525 rentable square feet of office space (3,800 ANSI/BOMA Office Area Square Feet) of warehouse space is also occupied at no additional cost to the Government.																														
Box 5 of the Lease is hereby deleted in its entirety and replaced with the following:																														
5. AMOUNT OF ANNUAL RENT: The Government shall pay the Lessor annual rent of \$119,757.40 (\$24.85/RSF) at the rate of \$9,979.78 per month in arrears for years 1-5. The \$24.85 lease rate shall consist of \$12.05 Shell Rent, \$4.05 Amortized Tenant Improvements, and \$8.85 Operating Expenses. The Government shall pay the Lessor annual rent of \$100,320.00 (\$20.80/RSF) at the rate of \$8,360.00 per month in arrears for years 6-10. The \$20.80 lease rate shall consist of \$12.05 Shell Rent, and \$8.85 Operating Expenses. Rent shall be paid as follows:																														
Rent payable 9/1/2011 – 8/31/2020:																														
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IN WITNESS WHEREOF, the parties subscribed their names as of the above date.																														
LESSOR, A. James Clark BY <u>[Signature]</u> (Signature)																														
IN PRESENCE OF <u>[Signature]</u> (Signature)																														
UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION BY <u>[Signature]</u> Jessica Escobedo (Signature)																														
LEASE CONTRACTING OFFICER (Official Title)																														

PAGE TWO OF SUPPLEMENTAL LEASE AGREEMENT # 3 FOR LEASE # GS-098-02816

Paragraph 6 of the lease is deleted in its entirety and replaced with the following:

6. **TENANT IMPROVEMENTS:** Tenant Improvements are calculated at \$97,187.00 amortized over 60 months at 0% interest.

Acceptance of Change Order 2: This serves as the official approval for change order number two (2) in the amount not to exceed [REDACTED]. This amount shall include all materials, labor, and overhead, as described further in Lessor's change order proposals, to complete the work to the Government's satisfaction. Upon completion, inspection, and approval of the work by the Government, the Lessor shall amortize the full amount of \$97,187.00 - consisting of \$91,468.00 per SLA 1 plus \$5,719.00 per SLA 3 - into the rent as indicated above.

Item	Description of Work	Cost
Change Order 2	Expand footings for canopy, change walls to stucco per City	[REDACTED]
Total		[REDACTED]

Paragraph 7 of the lease is deleted in its entirety and replaced with the following:

7. **BROKER COMMISSION AND COMMISSION CREDIT:** The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED].⁽⁴⁾ The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, 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 to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease. The shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in the schedule for Monthly Rent.

Month 1 Rental Payment \$9,979.78 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$9,979.78 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment \$9,979.78 minus prorated Commission Credit of [REDACTED] equals [REDACTED] ^{NET(4)} adjusted 3rd Month's Rent.

All other terms and conditions of the lease shall remain in force and effect.

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INITIALS

LESSOR

GOVT