

**SUPPLEMENTAL LEASE AGREEMENT**

SUPPLEMENTAL LEASE AGREEMENT NO. 1	TO LEASE NO. GS-09B-03185	DATE 7/8/16	PAGE 1 of 3
ADDRESS OF PREMISES 3240 S. Higuera Street, San Luis Obispo, CA 93401			

**THIS AGREEMENT**, made and entered into this date by and between: **Walter Bros. Construction Co., Inc.,**  
**DBA: Charles I Walter Center**

whose address is P.O. Box 809  
San Luis Obispo, CA 93406

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 issue a Notice to Proceed to build out ODAR space and barrier wall.

**NOW THEREFORE**, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective upon execution of the Government as follows:

**§A. BARRIER WALL/SECURITY REQUIREMENTS**


Lessor to remodel space as shown in attached floor plans, statement of work, IWS/LAN drawings, etc. The following documents are attached to and made part of the Lease:

DOCUMENT	PAGES	EXHIBIT
Floorplan	1	A
SmithGroup Drawings	16	B
SmithGroup Specifications	40	C
ODAR Security Requirements	17	D
Tenant Improvement Price Proposal	1	E

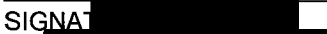
Continued on Pages 2-4.

**IN WITNESS WHEREOF**, the parties hereto have hereunto subscribed their names as of the date first above written.

**LESSOR**

SIGNATURE 	NAME OF SIGNER Donald C. Walter
ADDRESS 3220 S. Higuera St. Suite 302 San Luis Obispo CA 93401	

**IN PRESENCE OF**

SIGNATURE 	NAME OF SIGNER Takhvar
ADDRESS 3220 S. Higuera St. Suite 302 San Luis Obispo CA 93401	

**UNITED STATES OF AMERICA**

SIGNATURE 	NAME OF SIGNER SAMANTHA J. SINGLETON
	OFFICIAL TITLE OF SIGNER LEASE CONTRACTING OFFICER

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## §B. Notice to Proceed

B.1. Notice to Proceed is issued for the Barrier Wall and ODAR Alterations in the amount of **\$1,031,225.29** (including Lessor fee). The Government approves the following TI construction costs and Lessor fees (copy attached):

Description	Cost
TI Price, including A/E fees to prepare construction drawings, building permits, materials & construction, and General Contractor fee.	\$963,761.95
Lessor Fee	\$67,463.34
Total	\$1,031,225.29

TI design, permits, and construction will be completed in accordance with the schedule in Section C of this lease amendment.

\*\*\* The total cost for Tenant Improvements in the amount of **\$1,031,225.29** exceeds the tenant improvement allowance of ~~\$464,758.94~~ which was been amortized into the rental rate. Upon completion, inspection, and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment in the amount of **\$569,466.35**. The Lessor hereby waives restoration as a result of all improvements. *Lessor agrees to forgo \$16.61 difference.*

B.2. INVOICE FOR LUMP-SUM PAYMENT. Upon completion and acceptance of Tenant Improvements identified herein, the Lessor shall submit for Lump Sum payment, an original and one copy of the invoice. Lessor shall contact the GSA Contracting Officer for the "PS Number", which must be annotated on the invoice. The Original Invoice, in the amount **not to exceed \$569,466.35** shall be submitted to:

GSA, Greater Southwest Finance Center (7BCP)  
PO BOX 17181  
Fort Worth, TX 76102

Alternatively, the Lessor may submit the Invoice electronically, via the GSA Finance website at [www.finance.gsa.gov](http://www.finance.gsa.gov)

A copy of the Invoice shall be simultaneously submitted to the Contracting Officer at:

GSA, Real Estate Division – Los Angeles  
Attention: Samantha Singleton  
300 N Los Angeles Street, Suite 4300  
Los Angeles, CA 90012

A proper invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price and quantity of the items delivered
- The invoice will reference GSA PS # (to be provided by GSA upon completion of COs)

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contact is made must sign it. The Lessor hereby waives restoration as a result of all improvements.

## §C. Construction – Refer to Section 4 of the Lease (GS-09P-LCA03185)

In addition to what is stated in the Lease:

C.1. The construction schedule shall commence upon Notice to Proceed (NTP) which is the date this lease amendment is executed by the Government.

INITIALS:

*h*

LESSOR

&

*SSS*

GOVT

C.2. Government Provided Drawings: The Government has provided the attached drawings for the barrier wall project, including IWS/LAN documentation, and statement of work for:

- Furniture layout, wall, door and millwork locations;
- Telephone, electrical and data outlet types and locations; and
- Work related to security requirements.

C.3. Lessor's preparation and submission of TI price proposal: A copy of the reviewed and approved TI price proposal is attached to this lease amendment.

C.4. Project progress calls: After start of construction, the Lessor shall coordinate bi-weekly project progress conference calls to brief Government personnel regarding the progress of construction. The Lessor shall be responsible for taking and distributing minutes of these meetings. The LCO or the LCO's designated technical representative may periodically inspect construction work to review compliance with Lease requirements and CDs.

**§D. Contingency for Additional Building Improvements Required for Building Permits**

In the event that approval of building permits will require additional building improvements (such as energy efficiency enhancements), the Lessor will immediately notify the Government and within **Five (5)** working days provide a cost estimate to construct the additional improvements. Within **Five (5)** working days from receipt of the cost estimate, the Government will either issue a lease amendment to increase project construction costs or terminate this project. If the project is terminated, the Government will reimburse actual costs incurred by the Lessor and General Contractor plus fees based on the actual cost.

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

INITIALS: W & STF  
LESSOR GOV'T