

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT</b>	LEASE AMENDMENT No 3
ADDRESS OF PREMISES:  501 South Flager Drive, West Palm Beach, FL 33401-5949	TO LEASE NO:GS-04P-LFL60477  PDN Number:

**THIS AMENDMENT** is made and entered into between **Flager Center Properties, LLP**

Whose address is: 505 South Flager Drive, Suite 1010, West Palm Beach, FL 33401-5949

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: (1) establish the commencement date of the Tenant Improvements; (2) Consolidate all Change Orders cost, (3) establish the annual rental rate and to (4) establish the final Broker Commission and Commission Credit of the Lease.

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

1. TO HAVE AND TO HOLD the said premises with their appurtenances as required per this lease for the term beginning on August 1, 2016 through and including July 31, 2031, subject to the termination rights set forth in the Lease.

This Lease Amendment contains 2 pages.

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

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

**FOR THE LESSOR**

Signature:

Name:

Title:

Entity Name:

Date:

*Richard C. Johnson Jr.*  
*Co-Managing Partner*  
*Flager Center Properties, LLP*  
*9-28-2017*

**FOR THE GOVERNMENT:**

Signature:

Name:

Title:

Date:

*James F. Thompson*  
 James F. Thompson  
 Lease Contracting Officer  
 GSA, Public Buildings Service  
*10/4/17*

**WITNESSED FOR THE LESSOR BY:**

Signature:

Name:

Title:

Date:

*Annette Devlin*  
*ACCIS*  
*9-28-2017*



2. Lease Paragraphs 1.03 A, is hereby deleted in its entirety and replaced as follows:

**1.03 A. RENT AND OTHER CONSIDERATION (SEP 2012)**

	FIRM TERM	FIRM TERM	FIRM TERM		NON-FIRM TERM
	<u>YEAR 1</u> <u>8/1/2016 To</u> <u>7/31/2017</u>	<u>1-MONTH</u> <u>8/1/2017 To</u> <u>8/31/2017</u>	<u>YEAR 2-5</u> <u>9/1/2017 To</u> <u>7/31/2021</u>	<u>YEAR 6-10</u> <u>8/1/2021 To</u> <u>7/31/2026</u>	<u>YEAR 11-15</u> <u>8/1/2026 To</u> <u>7/31/2031</u>
	Annual Rent	Monthly Rent	Annual Rent	Annual Rent	Annual Rent
SHELL RENT <sup>1</sup>	\$689,236.40	\$57,436.37	\$689,236.40	\$749,588.96	\$815,137.78
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$0.00	\$0.00	\$40,790.42	\$40,790.42	\$0.00
OPERATING COSTS <sup>3</sup>	\$158,715.06	\$13,442.93	\$161,315.12	\$161,315.12	\$161,315.12
BUILDING SPECIFIC AMORTIZED CAPITAL <sup>4</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PARKING <sup>5</sup>	\$0.00	\$0.00	\$0.00	\$ 0.00	\$ 0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$847,951.46</b>	<b>\$70,879.30</b>	<b>\$891,341.94</b>	<b>\$951,694.50</b>	<b>\$976,452.90</b>

- Shell rent calculation:  
Years 1-5: **\$34.28** per RSF multiplied by 20,107 RSF  
Years 6-10: **\$37.28** per RSF multiplied by 20,107 RSF  
Years 11-15: **\$40.54** per RSF multiplied by 16,184 RSF
- The Tenant Improvement Allowance of **\$305,498.71** is amortized at a rate of 4% percent per annum over 107-Months
- Operating Costs rent calculation: **\$7.89** per RSF multiplied by 20,107 RSF (The operating costs- rent for 2017-2031 include CPI escalation)
- Building Specific Amortized Capital (BSAC) of **\$0.00** is amortized at a rate of 0% percent per annum over 0- months
- Parking costs at **\$0.00**
- The Lessor and the Government agree that the total cost of all improvements paid for by the Government is \$305,498.71. The total cost consists of \$246,556.44 of TIs and \$58,942.27 for (13) change orders. The original TI allowance of \$431,625.91 has been reduced on the above rent schedule.

The Government shall pay for the total TI and Change Order cost of \$305,498.71 by amortizing the full amount of \$305,498.71 in the rent monthly for the remaining firm term of 107-months of the lease, in arrears, at four percent (4%) interest rate.



INITIALS:  LESSOR &  GOVT

Approved Change Orders:	Total Cost of Change Orders:	Description
Change order#1		Ceiling and Hardware Changes
Change Order #3		Additional Exit Light fixtures requested by Tenant.
Change Order #4		Labor to Install Exit light Fixture requested by Tenant.
Change Order#6		Three empty boxes and conduit stubs for telephone and data outlets.
Change Order #8		Adding Frame, Door and Hardware # 416A. (Non ballistic)
Change Order#9		Adding new hardware to existing doors (Labor and Installation)
Change Order #10		Labor and Material to install (7) empty boxes and conduit stubs for installation of card readers.
Change Order # 11		Relocation of sprinkler system in the corridors to accommodate new ceiling grid.
Change Order#12		Add two flex conduits from top of door jam to above ceiling (stub ups)
Change Order#13		Plumbing change on the water heater
Change Order#15		Install (1) new 30-amp circuit, includes a breaker/conduit and wiring.
Change Order#17		Install power circuits to (5) furnished and installed cubicles.
Change Order#20		Permit Fees

4. Lease Paragraphs 1.04, is hereby deleted in its entirety and replaced as follows:

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)**

- A. 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.
- B. Notwithstanding the "Rent and Other Consideration" paragraph of this 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:
- C. The adjusted commission credit now due is [REDACTED] the Government has received a commission credit to date of [REDACTED]. The Government now owes a commission credit of [REDACTED] to the Lessor, which will be paid in one time lump sum payment.
5. 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 previous supplemental lease agreements, the terms and conditions of this Agreements shall control and govern.

INITIALS:  LESSOR &  GOVT