

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 7	TO LEASE NO. GS-04B-61037	DATE 06/15/2012	PAGE 1 of 3
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ADDRESS OF PREMISES
145 King Street, Charleston, SC 29401

THIS AGREEMENT, made and entered into this date by and between **KING & QUEEN COMPANY**

whose address is 145 KING STREET, SUITE 100
CHARLESTON, SC 29401-2228

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 establish beneficial occupancy, lease commencement date, term, actual tenant improvement costs and revised Broker Commission and Commission Credit.

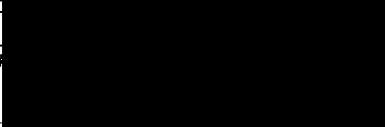


NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective February 1, 2012, as follows:

Paragraphs 1, 2, 3, 4, 9, 23 of the Lease are hereby deleted in their entirety and replaced with the following:

- EFFECTIVE AUG. 1, 2011**, The Lessor hereby leases to the Government the following described premises:
A total of 2,276 Rentable Square Feet (RSF) of office and related space, which yields 1,979 ANSI/BOMA Office Area square feet (USF) of space at the King & Queen Building, 145 King Street, Charleston, SC 29401, to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are four (4) parking spaces for the exclusive use of Government employees and patrons.
- EFFECTIVE FEB. 1, 2012**, The Lessor hereby leases to the Government the following described premises:
A total of 5,699 Rentable Square Feet (RSF) of office and related space, which yields 5,089 ANSI/BOMA Office Area square feet (USF) of space at the King & Queen Building, 145 King Street, Charleston, SC 29401, to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are four (4) parking spaces for the exclusive use of Government employees and patrons.
- TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning on August 1, 2011 and continuing through July 31, 2021, subject to termination and renewal rights as may be hereinafter set forth.

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

LESSOR	
SIGNATURE 	NAME OF SIGNER
ADDRESS 145 King St Suite 100 Charleston SC 29401	
IN PRESENCE OF	
SIGNATURE 	NAME OF SIGNER
ADDRESS 145 King St Suite 100	
UNITED STATES OF AMERICA	
SIGNATURE 	NAME OF SIGNER ROBERT E. SLOTT
	OFFICIAL TITLE OF SIGNER CONTRACTING OFFICER
AUTHORITY Previous	

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

<u>TERM</u>	<u>SHELL RENT</u>	<u>OPERATING COSTS</u>	<u>AMORTIZED TI</u>	<u>ANNUAL RENT</u>	<u>RATE per RSF</u>	<u>RATE per ABOA</u>	<u>MONTHLY RENT</u>
08/01/2011-1/31/2012	\$40,399.00	\$11,857.96	\$0.00	\$52,256.96	\$22.96	\$26.41	\$4,354.75
02/01/2012-1/31/2017*	\$101,157.25	\$29,691.79	\$40,460.32	\$171,309.36	\$30.06	\$33.66	\$14,275.78
2/01/2017-07/31/2021	\$112,783.21	\$29,691.79	\$0.00	\$142,475.00	\$25.00	\$28.00	\$11,872.92

* Five (5) Year Amortization.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

KING & QUEEN COMPANY
 145 KING STREET, SUITE 100
 CHARLESTON, SC 29401-2228

4. The Government may terminate this lease in whole or in part at any time on or after January 31, 2017 by giving at least ninety (90) days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
9. The rental rate in Paragraph 3 for the period 02/01/2012 through 1/31/2017 includes all Tenant Improvements (TI). In accordance with Paragraph 3.2 of SFO No. 8SC2128, the TI allowance provided in the lease is \$33.66 per ANSI/BOMA, or a total of **\$171,295.74** (5,089 ANSI/BOMA X \$33.66) amortized at an interest rate of 6.75% over five (5) years yielding an annual cost of \$40,460.32 at a rate of \$7.95 per ANSI/BOMA (\$7.10 per RSF). The TI allowance will be used to construct the interior space in accordance with the approved DIDs provided by the Government.

The total costs for construction of tenant improvements including change orders per SLA No. 5 and 6 equates to **\$242,626.89** of which **\$171,295.74** will be amortized at an interest rate of 6.75% over the first five (5) years leaving a balance of **\$71,331.15** to be reimbursed to the Lessor in a one-time lump sum payment due upon receipt of an original invoice submitted after completion, inspection, and acceptance of the space by the Contracting Officer. The payment of these Tenant Improvement costs shall be broken down as follows:

Amortized over the 5 year term of the lease:	\$171,295.74
Via lump sum as described in this agreement	\$ 71,331.15
Total:	\$242,626.89

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INITIALS: DPB & [Signature]
 LESSOR & GOV'T

23. In accordance with SFO No. 8SC2128, Paragraph 2.3, the Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [REDACTED]. 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 [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: The Lessor agrees to pay the commission less the Commission Credit to the Broker in accordance to Paragraph 2.3, "Broker Commission and Commission Credit," (fifty percent (50%) of the commission shall be due upon execution of the Lease, and the remaining fifty percent (50%) shall be due at occupancy.

Notwithstanding Paragraph 3 of this Standard Form 2, 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 this schedule for adjusted monthly rent.

First Month's Rental Payment of \$14,275.78 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED].

Second Month's Rental Payment of \$14,275.78 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED].

All other terms and conditions remain in full force and effect.

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INITIALS: DAS & [Signature]
LESSOR & GOVT