

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT NO. 12	DATE
	TO LEASE NO. GS-03B-06460	

ADDRESS OF PREMISES
 201 Third Street
 Parkersburg, West Virginia 26101

THIS AGREEMENT, made and entered into this date by and between

LEASED HOUSING DEVELOPERS COMPANY
 whose address is 201 East Fourth Street, Suite 1700
 Cincinnati, Ohio 45202

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 alter the Tax and Operating Clause provisions and to adjust for the 10/21/83 thru 10/20/89 period. NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective October 21, 1986, as follows:

A. Paragraph 16, ESCALATION, is deleted in its entirety. All claims by the Government and the Lessor to future adjustments under this provision are hereby waived.

B. "The \$57,417.00 U.S. Government underpayment of taxes, operating costs and insurance accrued under the operation of Paragraph 16, ESCALATION, for the period of 10/21/83 to 10/20/86 is to be paid in a lump sum.

C. Paragraph 12, OPERATING COSTS ESCALATION, is amended by appending the following to it:

"Beginning with the 1986-1989 adjustment period and continuing every three years thereafter, the Government and the Lessor will adjust the operating and insurance cost bases for actual operating and insurance payments by the Lessor, of the type discussed above, in the following manner:

1. The operating cost and insurance cost bases for use in the three year negotiated cycle will be established as set forth above and will be formalized by Supplemental Lease Agreement.

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 above date.

LESSOR LEASED HOUSING DEVELOPMENT COMPANY	
BY _____	<i>General [Signature]</i> (Title)
IN PRESENCE OF _____	801 E. 4th St, Suite 1700 CINCINNATI OHIO 45202 (Address)
UNITED STATES OF AMERICA	ON, SHENANDOAH BRANCH
BY _____	500 512 #13 CONTRACTING OFFICER (Official Title)

2. At the conclusion of each three year period, the Lessor will submit to the Government GSA Form 1217's or their GSA equivalent to establish the actual operating cost and insurance cost paid by the Lessor for that period. The Government, at its discretion, may require supporting evidence to its satisfaction for all items claimed on the GSA 1217 as a condition of settlement.

3. If, as finally determined, the SUM TOTAL of the actual operating costs plus the SUM TOTAL of the actual insurance costs for the three year period exceed the SUM TOTAL of the bases for the three year period [i.e., (3 years x the annual operating cost base) + (3 years x the annual insurance cost base)], then the Government will pay the Lessor a lump sum equal to the difference (Government underpayment) between the two aggregate amounts.

4. Conversely, if as finally determined, the three year SUM TOTAL of the actual insurance costs plus the three year SUM TOTAL of the actual operating costs is less than the three year SUM TOTAL of the annual bases, then the Government may deduct a lump sum from the lease payment(s) equal to the difference (Government overpayment). "

C. Paragraph 11, TAX ESCALATION, is deleted in its entirety and the following is inserted in lieu thereof:

"11. The base for Real Estate Taxes for the period 10/21/86 to 10/20/87 is herewith established as \$108,591.00 (for computational convenience this base includes a fire fee that is fixed at \$14,007 per year and will not be adjusted, regardless of its actual future value). The first annual tax adjustment, NET OF REBATES, FINES AND LATE SURCHARGES, is due for the lease year of 10/20/87-10/21/88 in accordance with the provisions of Attachment One. 87

D. The base for Operating costs for the period 10/21/86-10/20/89 is herewith established as \$162,258.00.

E. The base for Insurance for the period of 10/21/86-10/20/89 is herewith established as \$24,434.00.

F. The new annual rental is \$1,339,515.56 as follows:

1. Old Rent:	\$1,277,792.11	
2. Tax Adjustment:	25,488.45	
3. Operating Cost Adjustment:	25,911.00	
4. Insurance Cost Adjustment:	10,342.00	10,324.00
	<hr/>	
	\$1,339,515.56	

ATTACHMENT NO. 1 TO SUPPLEMENTAL LEASE AGREEMENT NO. 12

TAX ADJUSTMENT

The Government shall pay additional rent for its share of increases in real estate taxes over the negotiated base amount. Payment will be in a lump sum and become due on the first workday of the month following the month in which paid tax receipts for the base year and the current year are presented.

The Government's share of the tax increase will be based on the ratio of the square feet occupied by the Government to the total rentable square feet in the building. If the Government's lease terminated before the end of the calendar year, payment will be based on the percentage of the year in which the Government occupied space. The payment will not include penalties for nonpayment or delay in payment. If there is any variance between the assessed value of the Government's space and other space in the building, the Government may adjust the basis for determining its share of the tax increase.

The Government may contest the tax assessment by initiating legal proceeding on behalf of the Government and the lessor or the Government alone. If the Government is precluded from taking legal action, the lessor shall contest the assessment upon reasonable notice by the Government. The Government shall reimburse the lessor for all costs and shall execute all documents required for the legal proceedings. The lessor shall agree with the accuracy of the documents. The Government shall receive its share of any tax refund. If the Government elects to contest the tax assessment, payment of the adjusted rent shall become due on the first workday of the month following conclusion of the appeal proceedings.

In the event of any decreases in real estate taxes occurring during the term of occupancy under the lease, the rental amount will be reduced accordingly. The amount of any such reductions will be determined in the same manner as increases in rent provided under this clause.

The percent of the building occupied by the Government, for purposes of tax adjustments, will be 100%.

INITIALS:


Lessor

Government