

<b>GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE</b>  <b>LEASE AMENDMENT</b>	LEASE AMENDMENT No. <u>1</u>
	TO LEASE NO. <u>GS-04P - 62634</u>
ADDRESS OF PREMISES: 518 Lewis Street Oxford, NC 27565-3580	PDN Number:

**THIS AMENDMENT** is made and entered into between **Charles E. Hester Sr.**

whose address is: [REDACTED]

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) Start rental payments for 3780 RSF of space at the current shell, Tenant Improvements, and BSAC rate. 2) Delete sections 6.17 from the lease in their entirety and 6.18 amended as follows.

NOW THEREFORE, these parties for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, covenant and agree that the said Lease is amended, effective August 4<sup>th</sup>, 2015 as follows:

- A. This Lease Amendment (LA) **No. 1** has been prepared to start rental payments for 3780 RSF of space at the current shell, Tenant Improvements, and BSAC rate.
- B. **Paragraph 1** is hereby deleted and replaced with the following:

The lessor hereby leases to the Government the following described premises:

A total of 3780 rentable square feet (RSF) of office and related space, which yields 3780 ANSI/BOMA Office Area square feet (ABOASF) to be located at **518 Lewis St. Oxford, NC 27565-3580**, to be used for such purposes as determined by the General Services Administration. The percentage of Government Occupancy is established at 100% (Based on Government Occupancy of 3780 rsf and total building area of 3780 rsf). The base cost of taxes remains unchanged.

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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** [REDACTED]

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: OWNER  
Entity Name: HESTER PROPERTIES  
Date: 08/31/15

**FOR THE GOVERNMENT** [REDACTED]

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Lease Contracting Officer  
GSA, Public Buildings Service,  
Date: 9/1/15

**WITNESSED FOR THE LESSOR BY** [REDACTED]

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: 08/31/15

Block A	2,280 RSF	2,280 ABOA
Block B	1,500 RSF	1,500 ABOA
Total	3,780 RSF	3,780 ABOA

C. Section 1.03 is hereby deleted and replaced with the following:

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

	8/4/15 -8/3/20		8/4/20 -8/3/25	
	Block A 2,280 rsf)	Block B 1500 rsf)	Block A 2,280 rsf)	Block B 1500 rsf)
	Annual Rent	Annual Rent	Annual Rent	Annual Rent
Shell Rent <sup>1</sup>	\$27,360.00	\$18,000.00	\$27,360.00	\$18,000.00
Tenant Improvements rent <sup>2</sup>	\$18,836.57	\$12,557.71	\$00.00	\$00.00
Operating Costs <sup>3</sup>	\$00.00	\$00.00	\$00.00	\$00.00
Building Specific Amortized Capital (BSAC) <sup>4</sup>	\$427.71	\$285.14	\$00.00	\$00.00
Parking <sup>5</sup>	\$00.00	\$00.00	\$00.00	\$00.00
<b>Annual Rent</b>	<b>\$46,624.28</b>	<b>\$30,842.85</b>	<b>\$27,360.00</b>	<b>\$18,000.00</b>
<b>Total Annual Rent (Blocks A &amp; B)</b>	<b>\$77,467.13</b>		<b>\$45,360.00</b>	

<sup>1</sup>Shell rent calculation:

(Firm Term) \$12 per RSF multiplied by 3780 RSF

(Non Firm Term) \$12 per RSF multiplied by 3780 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$132,123.00 (\$79,273.80 for Block A and \$52,849.20 for Block B) is amortized at a rate of 7 percent per annum over 5 years.

<sup>3</sup>Operating Costs rent calculation: \$0 per RSF multiplied by 3780 RSF.

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$3000 (\$1800 for Block A and \$1200 for Block B) are amortized at a rate of 7 percent per annum over 5 years

<sup>5</sup>Parking costs are for 0 reserved parking spaces and 0 structured parking spaces reflecting a rate of \$0 per reserved space and \$0 per structured space per month.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 3780 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date. <sup>2</sup>The Tenant Improvement Allowance of \$132,123.00 is amortized at a rate of 7 percent per annum over 5 years.

D. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date. <sup>4</sup>Building Specific Amortized Capital (BSAC) of \$3000 are amortized at a rate of 7 percent per annum over 5 years

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

INITIALS:  &   
LESSOR & GOVT

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. Parking shall be provided at a rate of \$0 per parking space per month (structured/inside), and \$0 per parking space per month (surface/outside).

~~6.17 LANDSCAPING (JUN 2012) INTENTIONALLY DELETED~~

**6.18 LANDSCAPE MAINTENANCE (APR 2011)**

Landscape maintenance will be the responsibility of the Government and shall be performed during the growing season at not less than a weekly cycle and shall consist of watering, weeding, mowing, and policing the area to keep it free of debris. Pruning and fertilization shall be done on an as-needed basis.

**SECTION 7 ADDITIONAL TERMS AND CONDITIONS**

**7.02 I.T. Wiring & Contractor Payments**

The Government agrees to contract a vendor to install the I.T. wiring in the premises and will hold the lessor harmless as to the quality and repair of the work performed, with the lessor being responsible for payment of the vendor within 90 days of completion of work. Lessor shall pay the vendor [REDACTED] directly with the costs billed to the Government by inclusion in the amortized tenant improvement allowance.

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INITIALS:  &   
LESSOR GOVT