

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL
AGREEMENT No. 2

DATE

9/29/2011

TO LEASE NO. **GS-09B-02525**

ADDRESS OF PREMISES: 7431 East 30th Street
Yuma, AZ 85365-6530

THIS AGREEMENT, made and entered into this date by and between **Ingold Family Investments, LLC**

whose address is: 304 N Orange Avenue
Fallbrook, CA 92028-2153

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the Lease to, establish the Government Termination Rights date, establish Beneficial Occupancy, add actual dates in the rent schedule, establish the amount of Tenant Improvement Allowance to be amortized, include Change Order Work as identified herein this Supplemental Lease Agreement, and provide a means of payment for the Change Order Work.

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

Paragraphs 4, 9, 10, and 17 are deleted in their entirety, and the following new Paragraphs 4, 9, 10, and 17 are substituted therefore; and Paragraph 28 has been added.

"4. The Government may terminate this lease in whole or in part effective any time on or after September 6, 2016 by giving at least 90 days prior notice in writing to the Lessor. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

"9. **TO HAVE AND TO HOLD** the said Premises with their appurtenances for the term beginning on September 6, 2011 through September 5, 2021 subject to termination rights as may be hereinafter set forth.

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

LESSOR: Ingold Family Investments, LLC

BY

(Signature)

(Title)

IN THE PRESENCE OF (witnessed by:)

(Signature)

(Address)

UNITED STATES OF AMERICA, GENERAL SERVICES ADMINISTRATION, Public Buildings Service.

BY

(Daniel J. McGrath)

Contracting Officer, GSA

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF SUPPLEMENTAL LEASE AGREEMENT NUMBER 2 TO LEASE NUMBER GS-09B-02525

"10. The Government shall pay the Lessor annual rent as follows:

Years	Annual Shell Rent/ RSF	Annual Base Year Operating Costs/ RSF	Annual Amortized TI's/ RSF	Total Annual Rent/ RSF	Total Monthly Rent	Total Annual Rent
1-5	\$20,353842	\$5.118726	\$9,113370	\$34,585938	\$68,336.05	\$820,032.59
6-10	\$18,475116	\$5.118726	\$0.00	\$23,593842	\$46,629.67	\$559,410.00

Effective September 6, 2011 through September 5, 2016 annual rent of \$820,032.59 at the rate of \$68,336.05 per month in arrears.

Effective September 6, 2016 through September 5, 2021 annual rent of \$559,410.00 at the rate of \$46,629.67 per month in arrears.

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

Ingold Family Investments, LLC
350 W. 16th Street, Suite 332
Yuma, AZ 85364-4646

"17. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 3.2, "Tenant Improvements Included in Offer". The Tenant Improvement Allowance in the amount of \$888,052.36 shall be amortized over the five (5) year firm term of the lease agreement at an interest rate (amortization rate) of 8% per year.

"28. CHANGE ORDER WORK

A. Upon Government execution of this Supplemental Lease Agreement, the Lessor shall provide all labor, materials, and equipment to install the following numbered and referenced Change Orders (CO) into the Premises.

<u>Item</u>	<u>Change Order Costs</u>
CO # 01: Add (2) power and data drops in room 111A.....	
CO # 02: Cabling per plans.....	
CO # 03: Add data drop in RM #163.....	
CO # 04: Install cabling and power to rooms 127 and 170 and provide backing for monitors.....	
CO # 05: Add cabling from the IT room to the wire & Pen Register Room.....	
Total Change Order Costs.....	<u>\$44,400.74</u>

B. The Government shall make a "LUMP SUM" payment of \$44,400.74 within 30 days upon receipt of an invoice after completion and acceptance of the work and the space by the Government. Payment will be due only for items which are both: (a) listed in this paragraph, and (b) (i) shown on the Government's approved layouts or (ii) changes requested in writing by the Contracting Officer.

C. Invoicing for completion of alterations: The invoice shall annotate the name and address of the Lessor (the Lessor must match the name and address in the Governments vendor file), an invoice number (PS#) will be sent to you after the Government executes this Supplemental Lease Agreement. The Lessor shall submit an original and one copy of the invoice for the alterations. The Original Invoice shall be submitted either electronically to the Finance Website at <http://www.finance.gsa.gov> or mailed to:

GSA, Greater Southwest Finance Center (7BCP)
P.O. Box 17181
Fort Worth, TX 76102

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

Daniel J. McGrath
General Services Administration
401 West A Street, Suite 2075
San Diego, California 92101

D. Title to items for which the Government makes a "LUMP SUM" payment shall vest in the Government. These items can be removed in a commercially reasonable fashion by the Government at any time. The Lessor waives any restoration in connection with these items. Unless the Government has removed the items from the Premises, the Lessor shall remain responsible for maintenance and repair of all items provided by the Lessor under this lease. If, after the lease term, any extensions or succeeding lease term, the Government elects to abandon any items in place, title shall pass to the Lessor.

Initials: Lessor  / Government 

SHEET NUMBER 2 ATTACHED TO AND FORMING A PART OF SUPPLEMENTAL LEASE AGREEMENT NUMBER 2 TO LEASE NUMBER GS-09B-02525

This paragraph shall also apply throughout the term of the lease to any work requested by the Government after occupancy.
All other terms and conditions of the lease shall remain in force and effect.

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Initials: Lessor AW / Government PM