

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 02	TO LEASE NO. GS-04B-48134	DATE 8/20/2010	PAGE 1 of 5
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ADDRESS OF PREMISES 2600 Thousand Oaks Boulevard, Memphis, TN 38118-2461

THIS AGREEMENT, made and entered into this date by and between **TALCOTT III THOUSAND OAKS LIMITED PARTNERSHIP**

whose address is C/O TALCOTT CORPORATION
ONE FINANCIAL PLAZA
HARTFORD, CT 06103-2608

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

WHEREAS, the parties hereto desire to amend the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, May 27, 2010, as follows:

Paragraphs 1, 2, 3, 4, 5, 8, 9, 11, 13 and 19 of the lease is hereby deleted in its entirety and replaced as follows:

"1. The Lessor hereby leases to the Government the following described premises: A total of 9,067 Rentable Square Feet (RSF) of office and related space, yielding 7,953 ANSI/BOMA Office Area Square Feet (ABOASF) as shown per the attached. Space shall consist of two sections: Section 1 shall be composed of 7,202 RSF yielding 6,317 ABOASF; Section 2 shall consist of a total of 1,865 RSF yielding 1,636 ABOASF, per the attached floor plan, along with 24 parking spaces of which 13 shall be deemed reserved parking for the Government owned vehicles (GOV). All parking spaces shall be provided at no additional cost to the Government and the office space shall be located at 2600 Thousand Oaks Boulevard, Second Floor, Suite 2300, and Memphis, TN 38118-2461, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION."

"2. TO HAVE AND TO HOLD the said Premises with their appurtenances for the term beginning on December 1, 2010 through November 30, 2020, 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 TALCOTT III THOUSAND OAKS LIMITED PARTNERSHIP

SIGNATURE 	NAME OF SIGNER MICHAEL J. MIHALEK Senior Vice President
ADDRESS T III THOUSAND OAKS GP, LLC, GENERAL PARTNER ONE FINANCIAL PLAZA, HARTFORD, CT 06103	
IN PRESENCE OF	

SIGNATURE 	NAME OF SIGNER JAMES H. KIMENKER SENIOR VICE PRESIDENT
ADDRESS ONE FINANCIAL PLAZA, HARTFORD, CT 06103	
UNITED STATES OF AMERICA	

SIGNATURE 	NAME OF SIGNER Craig Thomas Contracting Officer
	OFFICIAL TITLE OF SIGNER

"3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows and attached Exhibit A):

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>RATE PER RSF¹</u>	<u>RATE PER ABOASF²</u>	<u>MONTHLY</u>
12/1/2010 – 11/30/2015	\$222,535.91	\$24.54	\$27.98	\$18,544.66
12/1/2015 – 11/30/2020	\$220,600.11	\$24.33	\$27.74	\$18,383.34

Note 1: The rate per rentable square foot (RSF) is determined by dividing the annual rent by the rentable square footage set forth in paragraph 1.

Note 2: The rate per BOMA office area square foot (BOASF) is determined by dividing the annual rent by the BOMA office area square footage (ABOASF) set forth in paragraph 8."

"4. The Government may terminate this lease, in whole or in part, at any time on or after December 1, 2015, by giving the Lessor at least sixty (60) days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the day of mailing."

"5. Rental is subject to the Governments' measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate per ABOASF as noted in Paragraph 3 above, in accordance with Clause 26 (PAYMENT), GSA form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly; but not to exceed the maximum ABOASF requested in SFO Paragraph 1.1 (Amount and Type of Space). Rent for a lesser period shall be prorated. Rent checks shall be made payable to: TALCOTT III THOUSAND OAKS LIMITED PARTNERSHIP
C/O TALCOTT CORPORATION
ONE FINANCIAL PLAZA
HARTFORD, CT 06103-2608"

"8. The premises described in Paragraph 1 of this SLA shall contain 7,953 ABOASF of office and related space."

"9. The rental rate in paragraph 3 for years 1-5 includes all Tenant Improvements.

Section 1: The total costs for construction of tenant improvements are \$537,803.70. In accordance with Paragraph 1.9 of SFO 6TN0023, the Tenant Improvement Allowance (T/I) provided in the lease is **\$40,120,080** per ABOASF or \$253,438.55 to be amortized at an interest rate of 0% over the first five (5) years leaving a balance of \$284,365.15 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.

Section 2: The Tenant Improvement Allowance (T/I) of **\$40,120,080** per ABOASF is \$65,636.45. The amount of \$50,489.58 will be amortized at an interest rate of 0% over the first five (5) years leaving a balance of \$15,146.87 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 T/I will be used to construct the interior space in accordance with the Government approved lease contract, Design Intent Drawings and Construction Drawings, accordingly. If the T/I cost exceeds \$65,636.45 (for up to 1,636 ABOASF), the balance due the Lessor will be paid by rental adjustment, or lump sum, to be determined by the Government. If the entire T/I of \$65,636.45 is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I. The Lessor understands, in lieu of Cost and Pricing Data, each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. This does not apply to the shell build out.

"11. In accordance with SOLICITATION FOR OFFERS 6TN0023, Paragraph 3.5 (Tax Adjustment), the percentage of Government occupancy is established as 7.73879% (Based on Government occupancy of 9,067 out of total building square footage of 117,153). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in the SOLICITATION FOR OFFERS 6TN0023, and in accordance with GSA Form 3517, GENERAL CLAUSES."

"13. In accordance with the SOLICITATION FOR OFFERS 6TN0023, Paragraph 3.10 (Common Area Factor), the common area factor (CAF) is established as 14% or 1.14, based on 9,067 RSF and 7,953 ABOASF."

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"19. 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 which totals [REDACTED] to the Broker inclusive of [REDACTED] already paid with a net balance of [REDACTED] 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.

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 \$18,544.66 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment \$18,544.66 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent."

This SLA serves as notice to proceed with construction of tenant improvements for Section 1 and for compiling construction cost and drawings for Section 2.

The Lessor hereby waives restoration as a result of all improvements.

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