

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	Lease Amendment No. 002
	To Lease No. GS-09P-LAZ03229
	Building Number:
ADDRESS OF PREMISES: BLM-7341 7341 East 30 th Street, Suite A Yuma, Arizona 85385-6552	

THIS AMENDMENT is made and entered into between **INGOLD FAMILY INVESTMENTS, LLC**

whose address is: **304 North Orange Avenue**
Fallbrook, California 92088-0400

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

WHEREAS, the parties hereto desire to amend the Lease to modify the Special Requirements, adjust the BSAC amount, modify the Broker Commission and Commission Credit, and issue a Notice to Proceed for Tenant Improvements:

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 upon execution by the Government as follows:

Paragraphs 1.03 and 1.04 are deleted in their entirety and the following substituted therefore. Paragraphs 1.21 and 1.22 are hereby added. Exhibit D of the Lease is hereby modified:

Exhibit D

Attachment 10 [REDACTED] (10 pages) is replaced with "Attachment 10 [REDACTED]
 [REDACTED] V9 03 24 2015"

Attachment 11 Telecommunications Wiring System Specifications (15 pages) replaced with "Attachment 11 V1 Telecommunications Wiring System Specifications Revised on 2.09.15"

CONTINUED ON PAGE 2

This Lease Amendment contains 3 pages.

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribe their names as of the below date.

FOR THE LESSOR:

Signature: [REDACTED]
 Name: [REDACTED]
 Title: [REDACTED]
 Entity Name: Ingold Family LLC
 Date: 6/9/15

FOR THE GOVERNMENT:

Signature: [REDACTED]
 Name: Ryan G. [REDACTED]
 Title: Lease Contracting Officer
 Entity Name: GSA, Public Buildings Service
 Date: 6/10/15

WITNESSED FOR THE LESSOR BY:

Signature: [REDACTED]
 Name: [REDACTED]
 Title: [REDACTED]
 Date: June 9, 2015

1.03 RENT AND OTHER CONSIDERATION (SEP 2013)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

	Firm Term Annual Rent			Non-Firm Term Annual Rent
	Years 1-5	Years 6-10	Years 11-15	Years 16-20
Shell Rent ¹	\$257,466.00	\$283,243.14	\$311,584.71	\$342,688.28
Tenant Improvement Rent ²	\$45,774.06	\$45,774.06	\$45,774.06	\$0.00
Operating Costs ³	\$73,153.50	\$73,153.50	\$73,153.50	\$73,153.50
Building Specific Amortized Capital (BSAC) ⁴	\$13,241.92	\$13,241.92	\$13,241.92	\$0.00
Total Annual Rent⁵	\$389,635.48	\$415,412.62	\$443,734.19	\$415,841.76

¹Shell Calculation:

(Firm Term-Years 1-5) \$16.54* per RSF multiplied by 15,569 RSF
 (Firm Term - Years 6-10) \$18.19* per RSF multiplied by 15,569 RSF
 (Firm Term - Years 11-15) \$20.01* per RSF multiplied by 15,569 RSF
 (Non-Firm Term Years 16-20) \$22.01* per RSF multiplied by 15,569 RSF

²The Tenant Improvement Allowance of \$437,891.48 is amortized at a rate of 6.5% (percent) per annum over fifteen (15) years

³Operating Costs rent calculation. \$4.6987* per RSF multiplied by 15,569 RSF

⁴Building Specific Amortized Capital (BSAC) of \$126,677.08 is amortized at a rate of 6.5% (percent) per annum over fifteen (15) years

⁵Rates may be rounded

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 15,000 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA form 3517B.

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.

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.

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.

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, (with the exclusion of electric and gas), 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.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2014)

A. CBRE, Inc. (Broker) is the authorized real estate Broker representing the GSA in connection with this Lease transaction. The total amount of the Commissions is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to CBRE, Inc. with the remaining [REDACTED], which is the commission credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

INITIALS:

LESSOR

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence with the first month rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$32,469.62 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Months' Rent.*

Month 2 Rental Payment \$32,469.62 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Months' Rent.*

Month 3 Rental Payment \$32,469.62 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Months' Rent.*

Month 4 Rental Payment \$32,469.62 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Months' Rent.*

*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.21. NOTICE TO PROCEED

Following a Government review of the submitted cost proposal, the Government has determined that the bid submitted is fair and reasonable and a Notice to Proceed is hereby issued for the construction of Tenant Improvements, as identified on Exhibit H "Pricing", at a total cost not to exceed \$929,873.28, inclusive of all fees. The total cost for Tenant Improvements in the amount of \$928,873.28 exceeds the tenant improvement allowance of 437,891.48, which has been amortized into the rental rate. The Government hereby orders the excess balance in the amount of \$491,981.80. The Lessor shall construct all Tenant Improvements in accordance with Section 5 of the Lease, and all terms and conditions of the lease package. Upon completion, inspection, and acceptance of the space, the Government shall reimburse the Lessor in a lump sum payment in the amount of \$491,981.80 pursuant to Paragraph 1.23, herein. The Lessor hereby waives restoration as a result of all improvements.

1.22. Upon completion and acceptance of Tenant Improvements identified herein, the Lessor shall submit for Lump Sum payment, an original and one copy of the invoice. The Original Invoice, in the amount not to exceed \$491,981.80 shall be submitted to:

GSA, Greater Southwest Finance Center (7BCP)
PO BOX 17181
Fort Worth, TX 76102

Alternatively the Lessor may submit the Invoice electronically, via the GSA Finance website at www.finance.gsa.gov

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

GSA, Real Estate Acquisition Division
Attention: Ryan Geertema
333 W. Broadway, Suite 1001
San Diego, CA 92101

A proper Invoice must include the following:

- Invoice date
- Name of the Lessor as shown on the Lease
- Lease contract number, building address, and a description, price and quantity of the items delivered
- Annotation of GSA PS Number (will be sent after Government executes this Supplemental Lease Agreement)

If the invoice is not submitted on company letterhead, the person(s) with whom the Lease contract is made must sign it.

All other terms and conditions of the Lease shall remain in force and effect.

INITIALS:

LESSOR