

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT	SUPPLEMENTAL AGREEMENT No. 1	DATE <i>4/21/2011</i>
	TO LEASE NO. GS-07B-16682	

ADDRESS OF PREMISES:
 Fairmont Business Center, 11810 West Fairmont Parkway, Suite 400, La Porte, TX 77571-6016

THIS AGREEMENT, made and entered into this date by and between. **KELLEY FAIRMONT, INC.**

whose address is 3140 Peacekeeper Way
 McClellan, CA 95652-2508

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

WHEREAS, the parties hereto agree to supplement the above Lease.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective March 15, 2011, as follows:

- 1) Description of the Tenant Improvements to be constructed, and
- 2) To provide a Notice to proceed; and
- 3) To provide for the payment of the Tenant Improvements; and
- 4) To correct the city and address of the leased premises;
- 5) All other terms and conditions are in full force and effect.

See Attached

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

BY: KELLY FAIRMONT, INC.

[Handwritten Signature]

 Signature

Vice President

 Title

DENTON KELLEY

 Printed Name

Witnessed in the presence of :

Jolie Dietz

 Signature



Jolie Dietz

 Printed Name

City, State, Zip

UNITED STATES OF AMERICA

[Handwritten Signature]

 Don W. Day

General Services Administration
 819 Taylor St.
 Fort Worth, TX 76102
 Contracting Officer

 (Official Title)

Supplemental Lease Agreement #1
Lease GS-07B-16682
Fairmont Business Center
11810 Fairmont Parkway, Suite 400
La Porte, TX 77507

- 1) The Lessor shall provide all the materials, labor, and services required to provide the completion of the Tenant Improvements depicted and according to the Construction Drawing (Revision 1) created by Powers Brown Architecture dated February 1, 2011 for ICAT at Fairmont Business Center, 11810 Fairmont Parkway, Suite 400, La Porte, TX 77507, and referenced as Exhibit "A".

The Lessor remains responsible for the accuracy of the Construction Drawings as stated in the Solicitation for Offers under "Construction Schedule and Acceptance of Tenant Improvements, Review of Working/Construction Drawings." This SLA does not release the Lessor from liability for accuracy of the Construction Drawings when compared to the GSA approved Design Intent Drawings.

- 2) Upon full execution and delivery of this SLA, the Lessor can consider this as a Notice to Proceed with the Tenant Improvement construction. The anticipated date of completion and acceptance by the Government is on or before June 1, 2011.
- 3) The Government shall pay the Lessor for the total cost of the Tenant Improvements as follows:

The Government and the Lessor have agreed that the total cost of the Tenant Improvements shall change from \$414,187.56 to **\$550,228.00**. The Tenant Improvement cost includes all the Lessor's fees for general and administrative costs, profit, and any and all other fees associated with the completion of the Tenant Improvements by the anticipated date of completion.

Any changes to the Construction Drawings which result in a financial change to the lease agreement, of any type, must be approved, in writing, by the GSA Contracting Officer.

A portion of the Tenant Improvement costs, \$414,187.56, shall be amortized over the first seven (7) year firm term of the lease agreement at an interest rate of seven and three quarters percent (7.75%), paid monthly in arrears. The annual cost of the amortized portion of the Tenant Improvement cost is \$76,849.78, paid monthly in arrears in the amount of \$6,404.15 and shall be part of the total monthly rental payment.

The remaining balance of the total cost of the Tenant Improvements is **\$136,040.44** [\$550,228.00 - \$414,187.56] and shall be paid by a lump-sum-payment upon the substantial completion and acceptance by the Government of the tenant improvements necessary to finish the interior of the leased space as depicted on the attached Exhibit "B." All fees, permits, and architectural plans are the responsibility of the Lessor and are included in the lump-sum-payment amount.

To submit for payment of the lump-sum-payment, the Lessor agrees that the invoice shall be printed on the same letterhead as the Lessor named on this lease, and shall include the Lease number, building address, price, and quantity of the items delivered. **The invoice shall reference the number PS0020030** and shall be sent electronically to the GSA Finance Website at <http://www.finance.gsa.gov/defaultexternal.asp>. Instructions for invoice submission are included on the website. Additional assistance is available from the Finance Customer Service line at 817-978-2408.

Gov't Initials al

Lessor Initials: MP

If the Lessor is unable to process the invoice electronically, then the invoice may be mailed to:

General Services Administration
FTS and PBS Payment Division (7BCP)
P.O. Box 17181
Fort Worth, TX 76102-0181

Lessor also agrees that a copy of the invoice shall be sent simultaneously to the GSA Contracting Officer/Realty Specialist at the following address:

General Services Administration
ATTN: Don Day
819 Taylor St., Room 5A18
Fort Worth, TX 76102

Upon the completion of the Tenant Improvements and the acceptance thereof by the Government, the rent commencement date and the rent schedule (including the Shell Rent, Operating Costs, and the amortized Tenant Improvement Cost) shall be established by a subsequent SLA.

- 4) Paragraph 1 of Lease GS-07B-16682 is hereby amended to correct the address of the leased premises. The address is hereby changed from "Fairmont Business Center, 11810 Fairmont Parkway, Suite 500, Pasadena, TX 77507-0000" to "Fairmont Business Center, 11810 Fairmont Parkway, Suite 400, La Porte, TX 77571-6016."
- 5) All other terms and conditions of this lease shall remain in full force and effect.

Gov't Initials W

Lessor Initials: LD