

## SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT

TO LEASE NO.

DATE

PAGE

NO. 2

GS-04B-50038

02/03/2011

1 of 3

ADDRESS OF PREMISES

Sterling Centre, 4121 Carmichael Road, Montgomery, AL 36106-2872

THIS AGREEMENT, made and entered into this date by and between Summit Centre Associates, LLC

whose address is 2660 Eastchase Lane, Ste 100  
Montgomery, AL 36117-7024

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

WHEREAS, the parties hereto desire to amend the above Lease contract to include amended contract to Tenant Improvement Allowance for Blocks A and C, and break down Lessor's cost.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective January 3, 2011, as follows:

This Supplemental Lease Agreement (SLA) No. 2 has been prepared to issue acceptance and Notice to Proceed of the Lessor's proposals, indicated in Exhibit "A-D" attached to this SLA, in the total amount of \$309,990.68. The IGE's have been received and the cost has been determined to be fair and reasonable.

Payment will be due only for items which are listed in the Scope of Work, Exhibit "A-D" attached to this SLA or requested in writing by the Contracting Officer."

BLOCKS	Sq. FT	TI RATE	TI Costs	Architectural Costs	ADP Costs*	Approved TI (NTE)
A	10,872	1.00541	\$40,218.33	\$2,260.00	\$12,175.57	\$54,653.90
B	932	0.00000	\$0.00	\$0.00	\$0.00	\$0.00
C	10,378	3.40388	\$164,451.70	\$0.00	\$12,175.57	\$176,627.27
D	3,752	2.31968	\$43,517.25	\$0.00	\$0.00	\$43,517.25
E	167	4.03249	\$3,367.13	\$0.00	\$0.00	\$3,367.13
F	5,431	1.10745	\$10,504.13	\$0.00	\$0.00	\$10,504.13
G	1,897	2.24787	\$21,321.00	\$0.00	\$0.00	\$21,321.00
Total	33,429		\$283,379.54	\$2,260.00	\$24,351.14	\$309,990.68

- ADP costs include .025 construction management fee and a 10% Overhead and Profit.
- The Lessor hereby waives restoration for all areas affected by this alteration.

Except as modified in this Agreement, all terms and conditions of the Lease shall remain in full force and effect, and in the event that any of the terms and conditions of this Agreement conflict with any terms and conditions of the Lease or any previous supplemental lease agreements, the terms and conditions of this Agreement shall control and govern.

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

SIGNATURE

NAME OF SIGNER

JAMES W. WILSON, III

ADDRESS 2660 EASTCHASE LANE, Suite 100, MONTGOMERY, AL 36117

IN PRESENCE OF

SIGNATURE

NAME OF SIGNER

Carl J. Bartlett, Jr.

ADDRESS 2660 EASTCHASE LANE, Suite 100, MONTGOMERY, AL 36117

UNITED STATES OF AMERICA

SIGNATURE

NAME OF SIGNER

ROBERT E. SCOTT

OFFICIAL TITLE OF SIGNER

Contracting Officer

## Detailed Lessor's Cost Proposal and Breakdown

BLOCKS	Sq. FT	TI Costs	TI Cost w/ Const. Mgt Fee 2.5%	OH & Profit (10% of TI Cost)	Architectural Costs	ADP Costs*	Approved TI (NTE)
A	10,872	\$35,883.70	\$998.13	\$3,336.50	\$2,260.00	\$12,175.57	\$54,653.90
B	932	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C	10,378	\$146,314.70	\$3,758.00	\$14,379.00	\$0.00	\$12,175.57	\$176,627.27
D	3,752	\$43,517.25	\$967.05	\$3,868.20	\$0.00	\$0.00	\$43,517.25
E	167	\$3,367.13	\$74.83	\$299.30	\$0.00	\$0.00	\$3,367.13
F	5,431	\$10,504.13	\$233.43	\$933.70	\$0.00	\$0.00	\$10,504.13
G	1,897	\$21,321.00	\$473.80	\$1,895.20	\$0.00	\$0.00	\$21,321.00
<b>Total</b>	<b>33,429</b>	<b>\$260,907.91</b>	<b>\$6,505.24</b>	<b>\$24,711.90</b>	<b>\$2,260.00</b>	<b>\$24,351.14</b>	<b>\$309,990.68</b>

\*ADP Cost includes a 2.5 Construction management fee of \$ 541.13 OH & Profit (10 %) in the amount of \$ 2,165.00

Paragraph 4 of the original lease is hereby deleted and replaced with the following:

4. The Government may terminate this lease in whole or in part at any time on or after April 14, 2016, by giving at least 60 days' notice in writing to the Lessor, and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

Paragraph 9 of the original lease is hereby deleted and replaced with the following:

9. Calculation for Tenant Improvement composite rates are as follows:

BLOCKS	ANSI BOMA Sq. FT	Annual TI Rate		Approved TI (NTE)
		Usable	Rentable	
A	10,872	\$1.00541	\$ 0.87427	\$54,653.90
B	932	\$0.00000	\$0.00000	\$0.00
C	10,378	\$3.40388	\$2.95989	\$176,627.27
D	3,752	\$2.31968	\$2.01713	\$43,517.25
E	167	\$4.03249	\$3.50655	\$3,367.13
F	5,431	\$1.10745	\$0.96301	\$10,504.13
G	1,897	\$2.24787	\$1.95469	\$21,321.00
<b>Total</b>	<b>33,429</b>			<b>\$309,990.68</b>

The Tenant Improvement (TI) of \$309,990.68 which will be included in the rent will be amortized at 0% interest over the firm term of 5 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs the rent shall be reduced proportionately using the 0% amortization rate.

Paragraph 11 of the original lease is hereby deleted and replaced with the following:

11. The Government shall hereby pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

Term	RSF	Shell Rate	Operating Rate	TI Rate	Rental Rate RSF (OAF)	Annual Rent	Monthly Rate
04/15/2011-04/14/2016	38,443.35	\$10.36	\$4.49	\$1.61*	\$16.46 (\$18.93)	\$632,777.54	\$52,731.46
04/15/2016-04/14/2021	38,443.35	\$13.51	\$4.49	\$0.00	\$18.00 (\$20.70)	\$691,974.00	\$57,664.50

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\*TI Rate 10 and calculated as follows:  $\$309,990.68 / 5 = \$61,998.14$   
 $\$61,998.14 / 38,443 \text{ SF} = \$1.61$

Rent for lesser period shall be prorated. Rent check shall be made payable to:

Summit Centre Associates, LLC  
2660 Eastchase Lane, Ste 100  
Montgomery, AL 36117-7024

The original lease is hereby amended to add the following paragraph:

**18. TENANT IMPROVEMENTS PRICING REQUIREMENTS**

- A. Under the provisions of FAR Subpart 15.4, the Lessor must submit information that is adequate for the Government to evaluate the reasonableness of the price or determining cost realism in conjunction with the Tenant Improvements.
- B. In lieu of submitting detailed cost or pricing data and entering into negotiations to determine a final cost for the subject work, the Government (in accordance with FAR 15.403) is willing to negotiate a price based upon the results of a competitive proposal process if the following conditions are met:
  1. The Lessor shall submit to the Government a proposal for all Tenant Improvements. The proposal shall include the overhead, profit, and architectural-engineering fees as agreed upon in the Lease, as well as permits and regulatory fees for tenant improvements.
  2. The Tenant Improvements scope of work includes the lease, the SFO, all SFO attachments, the construction drawings/documents, and written specifications. In cases of discrepancies, the Lessor shall immediately notify the Contracting Officer for resolution. All differences will be resolved by the Contracting Officer in accordance with the terms and conditions of the lease.
  3. No building shell items shall be included in the pricing for the Tenant Improvements
  4. A general contractor shall be selected by Lessor to prepare a detailed proposal package. The proposal package shall include at least two (2) bids for each segment of work in the scope of work. The proposal package shall utilize competitive subcontractor bids from qualified subcontractors and shall include copies of the submitted bids.
  6. The Government reserves the right to be represented at all negotiation sessions between the Lessor and potential contractors.
  7. The Lessor shall demonstrate to the Government that best efforts have been made to obtain the most competitive prices possible, and the Lessor shall accept responsibility for all prices through direct contracts with all contractors.
  8. The Lessor shall complete the competition and the cost proposal process in the time frame specified in the "Construction Schedule of Tenant Improvements" paragraph in this section and submits to the Government. The Government shall review the submittal within thirty (30) days of receipt
  9. Once the Government determines that there is adequate competition, and upon the Government's acceptance of the Lessor's cost proposal based upon that competition (provided the Lessor selects the competition's lowest priced bid of a contractor qualified to perform the subject work), the Contracting Officer shall issue to the Lessor a notice to proceed for the subject work.
  10. The Lessor shall complete the work within the time frame requirements illustrated in the "Construction Schedule and Acceptance of Tenant Improvements" paragraph in this section."
- Except as modified in this Agreement, all terms and conditions of the Lease shall remain in full force and effect, and in the event that any of the terms and conditions of this Agreement conflict with any terms and conditions of the Lease or any previous supplemental lease agreements, the terms and conditions of this Agreement shall control and govern.

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