

# SUPPLEMENTAL LEASE AGREEMENT

Number 1

Lease Number: LIL18498

Date: 2-6-2012

Building Location: 308 W. State Street, Rockford, IL 61101-1019

THIS AGREEMENT, made and entered into this date by and between **Fridh Corporation** whose address is **1111 S. Alpine Road, Suite 401, Rockford, IL 61108-3948**

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

WHEREAS, the parties hereto desire to amend the above Lease LIL18498 to amend the amount of Tenant Improvement cost amortized into the rent.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective **May 1, 2011** as follows:

Paragraph 2 of Standard Form 2 is deleted in its entirety and replaced with the following:

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on May 1, 2011 and continuing through April 30, 2021, subject termination and renewal rights as may be hereinafter set forth. The date of this lease is hereby established as May 1, 2011.

Paragraph 3 of Standard Form 2 is deleted in its entirety and replaced with the following:

3. The Government shall pay the Lessor annual rent of \$22,513.66 at the rate of \$1,876.14 per month in arrears during Years 1-5. Years 6-10: the annual rent shall decrease to \$21,952.00. Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Fridh Corporation  
1111 S. Alpine Road, Suite 401  
Rockford, IL 61108

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

Lessor, Mr. Jeff Holt, Fridh Corporation

By

(Signature)

(Title)

In Presence of

(Signature)

(Address)

United States Of America, General Services Administration, Public Buildings Service.

(Signature)

(Official Title)

Paragraph 10 of Standard Form 2 is deleted in its entirety and replaced with the following:

10. In accordance with the lease paragraph entitled, Tenant Improvement Rental Adjustment, the Lessor agrees to provide \$10,068.43 toward the cost of Tenant Improvements. The costs of the Tenant Improvements are amortized at 0% over 60 months which equates to \$167.81 per month. The amortized cost of these improvements is included in the stated rent in Paragraph 3 above.

Fees applicable to Tent Improvements shall not exceed:

- General Conditions five (5) percent of subcontractors cost
- General Contractor ten (10) percent of subcontractors cost
- Architectural/Engineering \$2.00 per usable square foot
- Lessor Project Management Fees zero (0) percent of subcontractors cost

Paragraph 26 of Standard Form 2 is deleted in its entirety and replaced with the following:

26. The Lessor and Government Broker Representative have agreed to a cooperating lease commission of [REDACTED] of the scheduled total annual rent per year for the initial term of the lease, or [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 Commission paid to the Broker is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit 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 in equal installments with the first month of the rental payments and will continue until the commission credit has been accounted for. Given that the total Commission Credit is [REDACTED], the shell rental rate shall be reduced by \$956.83 in Months 1 and 2.

The monthly rent adjusted for the commission credit is as follows:

Rent Period	Scheduled Total Monthly Rent	Scheduled Monthly Shell Rent	Commission Credit	Adjusted Monthly Rent Payment
Month 1	\$1,876.14	\$1,141.44	[REDACTED]	[REDACTED]
Month 2	\$1,876.14	\$1,141.44	[REDACTED]	[REDACTED]
Month 3	\$1,876.14	\$0.00	\$0.00	\$1,876.14

INITIALS:

  
Government


  
Lessor


The following Paragraph 27 is added to Standard Form 2 of the lease:

27. The lease is subject to annual tax escalation s in accordance with Section 4.2 of SFO No. GS-05B-18498.

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

INITIALS:

  
Government

  
Lessor