

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE	LEASE AMENDMENT No. 7
LEASE AMENDMENT	TO LEASE NO. GS-04P-LGA62337
ADDRESS OF PREMISES 1875 CENTURY BOULEVARD ATLANTA, GA 30345-3325	PDN Number:

**THIS AMENDMENT** is made and entered into between **Highwoods Realty Limited Partnership** whose address is:

3100 Smoke Tree Court, Suite 600  
Raleigh, NC 27604

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

**WHEREAS**, the parties hereto desire to amend the above Lease to: **(1) ESTABLISH THE COMMENCEMENT DATE AND LEASE TERM (2) ESTABLISH THE FINAL TENANT IMPROVEMENT COSTS AND (3) ESTABLISH THE ANNUAL RENT.**

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 **September 1, 2016** as follows:


- A. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 1, 2016 through August 31, 2026 with termination rights defined herein by Paragraph 1.05 of the Lease. The office square footage shall be 62,685 rentable square feet yielding 56,494 ANSI/BOMA Office Area Square Feet (ABOASF) of office and related space located on the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> floors and warehouse space. Total space under Lease shall be divided as such (57,785 Office (Bldg 1875), 1,440 Storage (Bldg 1875) and 3,460 warehouse space rentable square feet).

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 subscribed their names as of the below date.


**FOR THE LESSOR:**

Signature:   
Name: Jim Bacchetta  
Title: VP  
Entity Name: Highwoods Realty Limited Partnership  
Date: 10/12/16

**FOR THE GOVERNMENT:**

Signature:   
Name: Johnetta Regal  
Title: Contracting Officer  
GSA, Public Buildings Service  
Date: 10-13-16

**WITNESSED FOR THE LESSOR BY:**

Signature:   
Name: Susan Howard  
Title: Mgr-Lease Administration  
Date: 10.12.16

- B. Per Lease Section 1.03 (RENT AND OTHER CONSIDERATION (AUGUST 2011)), the Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates for both Firm and Non Firm terms:

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$573,814.71	\$876,983.25
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$464,342.28	\$0.00
OPERATING COSTS <sup>3</sup>	\$329,703.00	\$329,703.00
BUILDING SPECIFIC SECURITY <sup>4</sup>	\$33,149.74	\$0.00
PARKING <sup>5</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$1,401,009.73</b>	<b>\$1,206,686.25</b>

<sup>1</sup>Shell rent calculation:

(Firm Term) calculation: \$9.15394 per RSF multiplied by 62,685 RSF.

(Non-Firm Term) calculation: \$13.99032 per RSF multiplied by 62,685 RSF.

<sup>2</sup>The Tenant Improvement Allowance of \$2,101,112.81 is amortized at a rate of 4 percent per annum over 5 years.

<sup>3</sup>Operating Cost rent calculation: \$5.25968 per RSF multiplied by 62,685 RSF.

<sup>4</sup>Building Specific Security Costs of \$150,000.00 are amortized at a rate of 4 percent per annum over 5 years.

<sup>5</sup>There are no parking costs associated with this lease.

- C. The Lessor and the Government hereby agree that the final cost of the tenant improvement allowance is \$2,251,112.82 (TI and BSAC), which will be amortized over five (5) years at a rate of 4%.
- D. Lease Paragraph 1.04, *Broker Commission and Commission Credit*, is not affected by this Amendment. Commission amount and payment schedule is reiterated below:

- DTZ Americas Inc (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission 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 DTZ Americas 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.
- 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 of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment \$116,750.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$116,750.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2<sup>nd</sup> Month's Rent.

INITIALS:

  
LESSOR

&

  
GOV'T



Month 3 Rental Payment \$116,750.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3<sup>rd</sup> Month's Rent.

Month 4 Rental Payment \$116,750.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4<sup>th</sup> Month's Rent.

The Revised Rental Payment of \$116,750.81, plus accumulated operating costs adjustments, will resume with the Government's payment for Month 5 through end of lease term.

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

- E. 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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