

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-05B-18625
ADDRESS OF PREMISES 962-B North Shore Place Lake Bluff, IL 60044-2202	PDN Number: <i>PS0025311</i>

THIS AMENDMENT is made and entered into between TCI Properties, LLC

whose address is: 523 E. Scranton Avenue
Lake Bluff, IL 60044-2202

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

WHEREAS, the parties hereto desire to amend the above Lease dated June 1, 2012.

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 Government execution as follows:

The purpose of this Lease Amendment (LA) one (1) is to provide beneficial occupancy and provide Notice to Proceed for Change Orders one (1) and three (3).

Paragraph 2 is deleted in its entirety and hereby replaced with the following:

2. TO HAVE AND TO HOLD the said premises with their appurtenances for a term of ten (10) years, five (5) years firm, commencing May 7, 2013 and continuing through May 6, 2023, subject to renewal rights as may be hereinafter set forth.

Paragraph 3 is deleted in its entirety and hereby replaced with the following:


3. The Government shall pay the Lessor annual rent of \$129,026.23 at the rate of \$10,752.19 per month in arrears for May 7, 2013 through May 6, 2018. The Government shall pay the Lessor annual rent of \$88,983.95 at the rate of \$7,415.33 per month in arrears for May 7, 2018 through May 6, 2023. (see table on following page)

(Continued on Page 2)

This Lease Amendment contains {4} 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.




Title: President
Entity Name: T.C.I. Properties LLC
Date: 5/15/13

FOR THE GOVERNMENT:

Signature: _____
Name: _____
Title: Lease Contracting Officer
GSA, Public Buildings Service,
Date: 5/21/2013

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: _____
Title: PRINCIPAL - BUILD CORPS, INC.
Date: MAY 15, 2013

Lease Dates May 7, 2013 through
May 6, 2018

	RSF	USF
Warm Lit Shell	\$18.17	\$18.17
Real Estate Taxes	\$ 1.08	\$ 1.08
Operating Expenses	\$10.90	\$10.90
Tenant Improvements	\$ 8.06	\$ 8.06
Total	\$38.21	\$38.21

Lease Dates May 7, 2018 through
May 6, 2023

	RSF	USF
Warm Lit Shell	\$14.37	\$14.37
Real Estate Taxes	\$ 1.08	\$ 1.08
Operating Expenses	\$10.90	\$10.90
Tenant Improvements	\$ 0	\$ 0
Total	\$26.35	\$26.35

Accumulated operating cost adjustments will be included in the stated per annum rates at the time they become effective. Rent for a lesser period of time shall be prorated. Rent checks shall be made payable to:

TCI Properties, LLC
523 E. Scranton Avenue
Lake Bluff, Illinois 60044-2202

Paragraph 4 is deleted in its entirety and hereby replaced with the following:

4. The Government may terminate this lease at any time after May 6, 2018 by giving at least ninety (90) days' notice 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 16 is deleted in its entirety and hereby replaced with the following:

16. The tenant build out will conform to the specifications in the Lease and all attachments, and are to be provided by the Lessor as part of the total rental payment. In accordance with Paragraph 3.2 of the SFO, the Lessor agrees to provide up to \$123,168.65 toward the cost of the Tenant Improvements. The tenant build out cost of \$123,168.65 (based on \$36.47 per ANSI/BOMA Office Area square foot) is amortized for a period of sixty (60) months at 4.0%. Therefore, the amortized tenant build out costs are \$27,220.06 per annum or \$8.06 per rentable square foot.

Pursuant to Paragraph 3.3 of the SFO, in the event the Tenant Improvement Cost is less than the amount provided above, the Lessor agrees to refund such difference in the form of reduction of base rent using a 4.0% amortization rate. The refund will be a credit of the rent equally spread out throughout the firm lease term on which the Government is paying rent (60 months). In the event that the Tenant Improvement Cost is greater than the amount provided above the Government can (1) reduce the Tenant Improvement requirements, (2) pay lump sum for the overage upon completion and acceptance of the improvements, or (3) have the Lessor amortize the additional cost at 4.0% throughout the firm lease term. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.

Paragraph 25 is deleted in its entirety and hereby replaced with the following:

25. **CBRE, INC.** ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is [REDACTED] (see table on the following page) and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] 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.

(Continued on Page 3)

INITIALS:

LESSOR

&

GOVT

5 Firm Term									
0	Shell Original (RSF)	Op Costs (RSF)	Amortized Security	Amortized TIs	Free Rent	Gross/SF	Annual Amount	Annual % Change (Shell)	\$/SF Shell Increase
1	\$19.25	\$10.90	\$0.00	\$8.06		\$38.21	\$129,026.23	\$0.00	\$0.00
2	\$19.25	\$10.90	\$0.00	\$8.06		\$38.21	\$129,026.23	\$0.00	\$0.00
3	\$19.25	\$10.90	\$0.00	\$8.06		\$38.21	\$129,026.23	\$0.00	\$0.00
4	\$19.25	\$10.90	\$0.00	\$8.06		\$38.21	\$129,026.23	\$0.00	\$0.00
5	\$19.25	\$10.90	\$0.00	\$8.06		\$38.21	\$129,026.23	\$0.00	\$0.00

Lump Sum and Broker Credit Calculation					
Rentable SF	Rental Rate per RSF	# Yrs	Rate is Effective	Broker %	Total Lump Sum
3,377		5			

Aggregate Firm Term Value	\$645,131.14	Total Commission Due	
Commission - Blended Average	5.00%	CBRE Pricing Max	2.75%
		% Credited to GSA	2.25%
		Commission Credit to GSA	
		Commission to Broker	

Commission Credit Calculation for SF2	
Total Monthly Rent	\$10,752.19
Monthly Shell Rent (Less RE Taxes)	\$5,111.60
# of Months Credit Deducted	3 Month(s)
Monthly Credit	
Adjusted Shell Rent	
RE Taxes, Opex, TI & BS	
Adjusted Monthly Rent	

Notwithstanding Paragraph 3 of this Standard Form 2, 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 \$10,752.19 minus prorated commission credit of [redacted] equals [redacted] adjusted 1st Month's Rent.
- Month 2 Rental Payment \$10,752.19 minus prorated commission credit of [redacted] equals [redacted] adjusted 2nd Month's Rent.
- Month 3 Rental Payment \$10,752.19 minus prorated commission credit [redacted] equals [redacted] adjusted 3rd Month's Rent.

Paragraph 29 is hereby added to the lease as follows:

29. This serves as the official approval for change orders numbered one (1) and three (3), in the amount not to exceed \$21,790.96. This amount shall include all materials, labor, and overhead, as described further in Lessor's change order proposals, to complete the work to the Government's satisfaction.

Item	Description of Work	Cost
Change Order 1	Data Cabling	[redacted]
Change Order 3	Credit for Epoxy Flooring	[redacted]
Total		\$21,790.96

The Government shall reimburse the Lessor via a lump sum payment not to exceed \$21,790.96 upon receipt of an original invoice. This additional lump sum payment increases the agency's total lump sum made to \$172,914.75. The Lessor shall not construct any tenant improvements not approved in writing by the Contracting Officer.

(Continued on Page 4)

INITIALS: MB & JK
LESSOR & GOVT

Invoice for payment shall be submitted directly to:

GSA Greater Southwest Finance Center electronically on the Finance Website at www.finance.gsa.gov.

Lessors who are unable to process the invoice electronically, may mail the original invoice to the following address:

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

A copy of the invoice must be provided to the Contracting Officer at the following address:

General Services Administration
Attn: Joanne Ladwig
230 S. Dearborn Street Suite 3300
Chicago, IL 60604

A proper invoice must include the following:

- Invoice date
- Unique invoice #
- Name of the Lessor as shown on the Lease
- Lease contract number, building address; and a description, price, and quantity of the items delivered
- GSA PS#: 0025311

The invoice must be submitted on company letterhead.

Payment will be due within thirty (30) days after GSA's designated billing office receives a properly executed invoice or acceptance of the work by the Government, whichever is later.

Full execution of this agreement by the Government will serve as the Lessor's Notice to Proceed.

Change orders or variances to the scope of work, without obtaining approval in writing by the Government's Contracting Officer, may be rejected by the Government.

The Lessor hereby waives restoration as a result of all improvements.

INITIALS:  & 
LESSOR GOVT