

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-04B-61970
ADDRESS OF PREMISES: 262-264 Black Gold Blvd Hazard, KY 41701-2603	PDN Number: N/A

THIS AMENDMENT is made and entered into between **BLACK GOLD SPE, LLC**

whose address is: **1630 TOWN SQUARE SW, CULLMAN, AL 35055-5263**

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

WHEREAS, the parties hereto desire to amend the above Lease as indicated below.

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, 2011** as follows:

The purpose of this Lease Amendment is to amend the Tenant Improvement Allowance in the Lease Contract.

NOTICE TO PROCEED

The Government hereby issues a Notice to Proceed in the amount of \$122,594.58 for the Small Business Administration agency's Lease Contract in Hazard, Kentucky. The Tenant Improvement Allowance will be amortized at two (2) different amortization rates, \$107,594.58 will be amortized at six (6%) percent and \$15,000.00 will be amortized at eight (8%) percent over sixty (60) month, the Firm Term (September 1, 2011 – August 31, 2016) of the Lease Contract.

The amended Tenant Improvement Allowance Budget, titled Exhibit E is hereby made apart of the Lease Contract.


The Lessor hereby acknowledges that this Lease Amendment does not authorize the expenditure of funds in excess of the amortized Tenant Improvement Allowance of \$143,055.05. Any additional expenditure made but not first authorized by a General Services Administration Lease Contracting Officer in writing will be made at the Lessor's risk.

The occupying tenant agency does not have the contractual authority to enter into any agreements with the Lessor or the Lessor's representatives for improvements, changes, or modifications of this Lease Amendment unless approved by a General Services Administration Lease Contracting Officer. To enter into such agreements with the occupying tenant agency may result in unrecoverable costs for the Lessor.

This Lease Amendment contains three (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: Roy H. Drinkard
Title: _____
Entity Name: Black Gold SPE LLC
Date: 7/02/13

FOR THE GOVERNMENT:

Signature: _____
Name: Teverra E. Pittman
Title: Lease Contracting Officer
GSA, Public Buildings Service
Date: 07/10/2013

WITNESS:

Signature: _____
Name: H. Susan Gammert
Title: _____
Date: 7/02/13

By acceptance of this Lease Amendment, the Lessor further substantiates that no costs associated with the building shell items have been knowingly included in the tenant improvement pricing. If there are additional change orders to the original construction cost, they will also be incorporated by a Lease Amendment and a Notice To Proceed will be issued.

Paragraph 1.03 A of the Lease (GSA Form L202) is hereby deleted in its entirety and replaced with the following:

1.03 A The Government shall pay the Lessor annual rent, payable monthly, in arrears, at the following rates:

	YEARS 1 – 5	
	TERM: SEPTEMBER 1, 2011 – AUGUST 31, 2016	
	Annual Rent	Annual Rate Per ABOASF / RSF
Shell Rent	\$84,490.00	\$17.50
Tenant Improvements Rent ¹	\$24,961.26	\$5.17*
Bathroom Tenant Improvements ²	\$3,649.75	\$0.76*
Operating Costs	\$21,291.48	\$4.41
Building Specific Security	\$0.00	\$0.00
Total Annual Rent	\$134,392.49	\$27.84*

*Rates rounded.

¹ The Tenant Improvements of \$107,594.58 are amortized at a rate of six (6%) percent per annum over five (5) years.

² Separate bathroom Tenant Improvements of \$15,000.00 are amortized at a rate of eight (8%) percent per annum over five (5) years.

	YEARS 6 – 10	
	TERM: SEPTEMBER 1, 2016 – AUGUST 31, 2021	
	Annual Rent	Annual Rate Per ABOASF / RSF
Shell Rent	\$84,490.00	\$17.50
Tenant Improvements Rent	\$0.00	\$0.00
Bathroom Tenant Improvements	\$0.00	\$0.00
Operating Costs	\$21,291.48	\$4.41
Building Specific Security	\$0.00	\$0.00
Total Annual Rent	\$105,781.48	\$21.91

Paragraph 1.04 of the Lease (GSA Form L202) is hereby deleted in its entirety and replaced with the following:

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SEPT 2011)

A. 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] 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 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.

B. 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 \$11,199.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent

Month 2 Rental Payment \$11,199.37 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

INITIALS:  LESSOR &  GOVT

Paragraph 7.04 of the Lease (GSA Form L202) is hereby deleted in its entirety and replaced with the following:

TENANT IMPROVEMENTS TO THE LEASED SPACE

The Lessor shall complete the following items listed below for the Government as part of the Tenant Improvement:

- A. Provide a separate HVAC unit for the LAN rooms, a solid door and a cipher lock.
- B. Replace and/or repair the electrical circuits in all cubicles, as needed.
- C. Provide one (1) RJ45 connection in each cubicle.
- D. Provide new paint and carpet throughout the leased space.
- E. Provide a generator with autotrip and full capabilities.
- F. Provide a generator enclosure.
- G. Convert the current men's restroom to the women's restroom with two (2) stalls and convert the women's restroom to the men's restroom with one (1) stall.
- H. Install two (2) dedicated outlets in the breakroom.

INITIALS:  & 
LESSOR GOV'T