


GENERAL SERVICES ADMINISTRATION PUBLIC BUILDING SERVICES <b>SUPPLEMENTAL LEASE AGREEMENT</b>	SUPPLEMENTAL AGREEMENT <b>No. 2</b>	DATE <b>APR 19 2011</b>
TO LEASE NO. <b>GS-03B-09473</b>		
ADDRESS OF PREMISE <b>John Hanson Business Center  339 Busch's Frontage Road  Annapolis, MD 21409-5543</b>	<b>PDN # PS0018950</b>	Page 1 of 2
THIS AGREEMENT, made and entered into this date by and between		
<p style="text-align: center;"><b>Bayswater Corporation</b></p>		
whose address is <b>12070 Old Line Centre, Suite 303  Waldorf, MD 20602-3535</b>		
hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:		
<b>WHEREAS, the parties hereto desire to amend the above Lease; to establish the Lease term, the annual rental payments, and the total amount spent for Tenant Improvements.</b>		
<b>NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective <u>March 18, 2010</u>, as follows:</b>		
<b>A. Paragraph 1 of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:</b>		
<p>"1. The Lessor hereby leases to the Government the following described premises: 10,741 ANSI/BOMA Office Area (ABOA) square feet of office and related space, which yields 11,172 rentable square feet (RSF) of space located at the John Hanson Business Center, 339 Busch's Frontage Road, Annapolis, MD 21409-5543 to be used for such purposes as may be determined by the U.S. General Services Administration. Included in the rent at no additional cost to the Government are 15 parking spaces for the general use of Government employees and patrons. These parking spaces shall be located in the adjacent surface parking lot for the building."</p>		
<b>B. Paragraph 2 of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:</b>		
<p>"2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on March 18, 2011 through March 17, 2021, subject to termination and renewal rights as may be hereinafter set forth."</p>		
<b>C. Paragraph 3 of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:</b>		
<p>"3. For the period beginning March 18, 2011 through March 17, 2016, the Government shall pay the Lessor annual rent of \$392,651.83 at the rate of \$32,720.98 per month in arrears, plus accrued escalations. For the period beginning March 18, 2016 through March 17, 2021, the Government shall pay the Lessor annual rent of \$369,382.99 at the rate of \$30,781.91 per month in arrears, plus accrued escalations. Rent checks shall be made payable to: <b>Bayswater Corporation, 12070 Old Line Centre, Suite 303, Waldorf, MD 20602-3535.</b>"</p>		
All other terms and conditions of the lease shall remain in force and effect.		
IN WITNESS WHEREOF, the parties have hereunto set their names as of the above date.		
LESSOR		
BY _____		
IN THE _____	(Title)	
_____	12070 Old Line Centre #303	
(_____)	Waldorf MD 20602	
(Signature)	(Address)	
<b>UNITED STATES OF AMERICA - General Services Administration</b>		
BY _____	<b>Contracting Officer</b>	
_____	(Official Title)	

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D. Paragraph 4 of the Lease is hereby amended by deleting the existing text and inserting in lieu thereof the following:

"4. The Government may terminate this lease in whole or in part any time after March 18, 2016 by giving at least 90 calendar days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computer commencing with the day after the date of mailing."

E. Paragraph 10 of the Rider to the Lease is hereby deleted in its entirety and the following is inserted in lieu thereof:

"10. Rental shall be paid in accordance with clauses 23 and 24 of the General Clauses, GSA Form 3517, entitled "Prompt Payment" and "Electronic Funds Transfer Payment," based on the following schedule:

**March 18, 2011 through March 17, 2016:**

Shell Rent:	\$287,214.34	(\$26.74 per ABOA)
Annual Cost of Services*:	\$ 82,168.65	(\$ 7.65 per ABOA)
<u>Amortized annual cost for TI Allowance:</u>	<u>\$ 23,268.84</u>	
Gross Annual Rental**:	\$392,651.83	

**March 18, 2016 through March 17, 2021:**

Shell Rent:	\$287,214.34	(\$26.74 per ABOA)
<u>Annual Cost of Services*:</u>	<u>\$ 82,168.65</u>	<u>(\$ 7.65 per ABOA)</u>
Gross Annual Rental**:	\$369,382.99	

\*Annual Cost of Services is adjusted each year in accordance with Paragraph 4.3 of the Lease, entitled 'OPERATING COSTS (AUG 2008).'

\*\*Gross Annual Rental will change each year on the anniversary date of the lease as a result of the Cost of Services adjustment."

In a separate correspondence dated 11/10/2010, the Government issued a Notice to Proceed for Tenant Improvements in the amount of \$322,126.83. The parties agree that the actual amount of tenant improvements (TI) spent for construction was \$390,197.55. The cost of the construction and installation of the tenant improvements to the leased premises above the base building shell includes the following: the cost of all alterations outlined in the design intent drawings for the interior office space, the preparation of the drawings, all approved Change Orders, construction administration, and the Lessor's overhead and profit. Of that amount, \$94,512.63 will be amortized over the 5-year firm term period of the lease contract at an interest rate of 8.5%. The tenant improvement allowance will be fully paid at completion of Year 5 of the lease and shall be eliminated from the Gross Annual Rental for Years 6 through 10 of the lease.

The remaining balance of \$295,684.92 has been paid to the Lessor in adherence to the stipulations outlined in Supplemental Lease Agreement #1. "

INITIALS:

LESSOR

TB

U.S. GOVERNMENT

JB