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| GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE SUPPLEMENTAL LEASE AGREEMENT | SUPPLEMENTAL LEASE AGREEMENT (SLA) No. 3 | DATE 6/28/2012 |
| | TO LEASE NO. GS-03B-10302 | |
| ADDRESS OF PREMISE 4440 Buckeystown Pike Frederick, Maryland 21704-7542 | PDN Number: PS0023687 | |

THIS AGREEMENT, made and entered into this date by and between

85 SOUTH, LLC

whose address is: 4600 Wedgewood Boulevard, Suite A
Frederick, MD 21703-7167

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 reflect expansion space of approximately 29,753 ANSL/BOMA Office Area Square Feet and establish pricing for tenant improvement alterations in the expansion space.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution of this Supplemental Lease Agreement by the Government, as follows:

A. Lessor shall furnish, install, and maintain, all labor, materials, tools, equipment, services, and associated work to perform the necessary alterations as outlined in this Supplemental Lease Agreement. This SLA consists of the following documents hereto attached and incorporated into the Lease Contract:

- 1) GSA Form 276
- 2) Scope of Work for Tenant Improvement Alterations (paragraph G)
- 3) Exhibit A: General Conditions for Lease Alterations
- 4) Lessor's firm, fixed price proposal and subcontractor breakdown, provided to GSA on May 23, 2012

B. The total cost to the Government for the alterations to the expansion space is \$305,970.33 and shall be paid via a one-time lump sum payment to the Lessor upon the Government's inspection, acceptance, and approval of the said alterations. Change orders shall require separate approval and notice to proceed (NTP) from the GSA Contracting Officer prior to being performed. Additional costs shall not be paid unless approved in writing by the GSA Contracting Officer.

This Supplemental Lease Agreement contains 19 pages.

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

described their names as of the above date.

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| | NAME AND TITLE OF SIGNER <i>Mark C. Minch Manager</i> <i>Frederick, MD 21703</i> |
| | PRESENCE OF |

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| | NAME OF SIGNER <i>Christine E. Blackwood</i> |
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| | UNITED STATES OF AMERICA |
| SIGNATURE | NAME OF SIGNER <i>Christian Evans</i> |
| | OFFICIAL TITLE OF SIGNER CONTRACTING OFFICER |

- C. Upon substantial completion of the alterations to the expansion space, and inspection and acceptance of such by the Government, the Lease shall be amended to reflect the additional space occupied by the Government under this Lease, and the lessor shall be paid the same rental rate per ANSI/BOMA Office Area (ABOA) Square Foot for the new expansion area of 29,753 ABOA Square Feet (30,000 RSF). The expansion also includes 25 additional surface parking spaces at no additional expense. The exact rental and commencement date for the expansion space shall be set forth in a future supplemental lease agreement. The annual rental shall be increased as follows:

- Shell Rent: \$316,872.30 per year increase (approximately \$10.65 per ABOA Square Foot)
- Operating Rent: \$104,649.57* per year increase (approximately \$3.52 per ABOA Square Foot)
- Tenant Improvements: \$0.00 per ABOA Square Foot
- Total Annual Increase: \$421,521.87 (\$14.17 per ABOA Square Foot)

***Subject to annual operating cost escalations**

- D. Upon acceptance of the expansion space, Paragraph 10 of the Rider of the lease shall be modified to reflect a new percentage of occupancy by the Government for purposes of real estate tax adjustments. Following acceptance of the expansion space by the Government, the total percentage of space occupied by the Government under the terms of the lease shall be equal to 100% percent of the total space available in 4440 Buckeystown Pike and 20.00% of the total space available in 4510 Buckeystown Pike. This represents 36.42% of the Real Estate tax bill for Parcel 01-038877, and 36.42% will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause.

- E. Miscellaneous – Upon receipt of a fully executed copy of this SLA, the Lessor shall develop a construction schedule. Within five (5) calendar days of receipt of a fully executed SLA, the lessor shall submit to the Government for review and acceptance the proposed construction schedule.

Progress meetings shall be held as necessary, at the discretion of the GSA Contracting Officer.

All security requirements of the Government shall be adhered to for the length of the work contained in this SLA.

- F. The Lessor shall complete all alterations, improvements, and repairs required by this Supplemental Lease Agreement (SLA) and deliver the space alterations within sixty (60) days of issuance of Notice to Proceed by the Government.

- G. The following is a General Scope of Work for the minimum required alterations for the expansion space. The scope of work to be completed by the lessor, as required by this SLA, was developed during the onsite meeting on February 22, 2012, attended by [REDACTED], GSA, and the Lessor, and is reflected in the Lessor's Firm Fixed Price Proposal, submitted via email on May 23, 2012, and attached to this SLA.

Scope of Work
Required Improvements

1. Remove two existing sectional doors and enlarge openings. Stiff back supports to be installed at enlarged openings. Furnish and install insulated sectional overhead doors with side mount operators at new openings.
2. Two drive-in dock ramps shall be installed at the new enlarged openings. Ramps to be designed to handle 72,000 lbs.
3. Remove 3 existing office doors and replace with hollow metal, 90-minute labeled door and frame assemblies.
4. To meet security requirements, furnish and install [REDACTED] on existing exterior store front entrances of expansion space.
5. The Warehouse space needs to be altered to achieve a 2 hour fire rating. At a minimum this shall include the following:
 - a) furnish and install fire dampers in existing ducts penetrating the demising wall, complete with fire caulking, sheet metal duct framing, and access doors.
 - b) demising walls shall be upgraded to provide a 2 hour fire rating

INITIALS:


LESSOR

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GOVT