

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 10 TO LEASE NO. GS-07P-LNM17308
ADDRESS OF PREMISES 2509 N. TELSHOR BLVD. LAS CRUCES, NM 88011	PDN Number: PS0032623

THIS AGREEMENT is made and entered into between John and Karen Curry Enterprises LLC,

whose address is: 2511 N. Telshor Blvd., Las Cruces, NM 88011

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

WHEREAS, the parties hereto desire to amend the above Lease. The purpose of this Lease Amendment is to accept the leased premise as substantially complete.

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


- 1.) To accept the Tenant Improvements as substantially complete; and
- 2.) Establish the Commencement Date of the lease rental payments; and
- 3.) Re-state the expiration of the firm term of the lease; and
- 4.) Establish the square footages of the leased space; and
- 5.) Provide the annual rental schedules and amounts; and
- 6.) Establish the Governments' Percentage of Occupancy for Property Tax purposes; and
- 7.) To provide for the rental reduction amount for vacant space; and
- 8.) Establish the Base amount for the Operating Cost adjustments; and
- 9.) Establish the Common Area Factor; and
- 10.) To provide for the payment of the Tenant Improvements; and
- 11.) To state the Broker Commission and the Commission Credit; and
- 12.) All other terms and conditions are in full force and effect.

See Attached

This Lease Amendment contains 10 pages, including Exhibit A.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.


FOR THE LESSOR:

Signature: 
Name: John Curry
Title: Managing Member
Entity Name: John and Karen Curry Enterprises LLC
Date: August 18, 2016

FOR THE GOVERNMENT:

Signature: 
Name: Jeff Navarro
Title: Lease Contracting Officer
GSA, Public Buildings Service, 819 Taylor St., Room 11B
Fort Worth, TX. 76102-0181
Date: 8-29-2016

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: Corina M. Kinnerup
Title: Property Manager
Date: August 18, 2016

- 1.) The tenant improvements for the Original Space have been *substantially* completed and the Government accepts the Original Space on August 17, 2016. The acceptance date and commencement of rental for the Expansion Area shall be established in a subsequent Lease Amendment. The Lessor and the Government agree that the requirements specifically identified in Attachment "A", *GSA Form 1204 - Condition Survey Report* of this lease amendment have not been met and these items are deficiencies. The Lessor is required to cure these deficiencies as part of the negotiated lease contract within 30 calendar days September 17, 2016. Within 7 calendar days of the completion date for the Lessor to cure the deficiencies in Attachment "A" of this lease amendment, the Lessor must coordinate a follow-up inspection with the Lease Contracting Officer to ensure all corrective action has been completed. In the event of any failure by the Lessor to cure the deficiencies or to provide any required repair or modernization under this lease, the Government will perform the work and deduct these amounts from the rent, including all administrative costs. No extensions will be granted.
- 2.) The Commencement Date of the rental on the demised premise shall be August 17, 2016 and shall expire on August 16, 2028, subject to the termination rights set forth in the lease.
- 3.) The firm term of the lease expires on August 16, 2023.
- 4.) The square footage of the Original Space shall be 15,847 Rentable Square Feet (RSF) yielding 14,259 ANSI/BOMA Office Area (ABOA).
- 5.) The Government shall pay the Lessor annual rent as follows:

From August 17, 2016 through August 16, 2023, the total annual rental shall be \$456,101.07 at the rate of \$38,008.42 paid monthly in arrears. The total annual rent consists of annual Shell Rent of \$247,544.00, annual Operating Costs of \$113,078.42 plus annual Operating Cost adjustments, annual Tenant Improvement Amortization cost of \$87,134.77, and annual Building Specific Amortized Capital (BSAC) amortization of \$8,343.88.

From August 17, 2023 through August 16, 2028, the total annual rent shall be \$398,608.88 at the rate of \$33,217.41 per month in arrears. The total annual rent consists of Shell Rent of \$285,530.46 and Operating Costs of \$113,078.42 plus annual Operating Cost adjustments. There are no annual Tenant Improvement or BSAC amortization costs.

- 6.) The Governments' Percentage of Occupancy for Property Tax Reimbursement purposes shall be 68.20% ((15,847 RSF (Original Space) / 23,235 RSF (Building total RSF) X 100).
- 7.) The Government's Adjustment for Vacant Space shall be a reduction of \$3.00/ABOA. 8.) In accordance with the Lease paragraph entitled "Operating Cost Base", the escalation base shall be \$113,078.42 (15,847 RSF X \$7.02).
- 9.) The Common Area Factor shall be 1.10 (((15,847 RSF – 14,259 ABOA) / 15,847 RSF X 100 {rounded to the nearest whole percentage point per the lease agreement})).
- 10.) The Government and the Lessor have agreed that the total cost of the TIs and BSAC for the Original Space, and including all approved change orders (CO1 and CO2), is [REDACTED]. The TI and BSAC costs include all the Lessor's fees for general and administrative costs, profit and any and all other fees associated with the completion of the TIs and BSAC.

The amortized TI's, per the lease paragraph 1.08 Tenant Improvement Allowance, in the amount of \$497,053.39 shall be amortized over the first seven (7) years of the term at an interest rate of 6%. The amortized BSAC, per the lease paragraph 1.03 Rent and Other Consideration (Sep 2013), in the amount of \$47,597.00 shall be amortized over the first seven (7) years, at an interest rate of 6%.

The Government and Lessor acknowledge that a portion of the TIs in the amount of \$256,004.15, authorized under Lease Amendment No. 3, have been previously invoiced and paid to the Lessor.

The remaining balance of \$1,030,157.05 [\$1,830,811.59 (Total TI and BSAC Cost) – \$497,053.39 (TI amortized) – \$47,597.00 (BSAC amount amortized) – \$256,004.15 (LA2 amount paid) = \$1,030,157.05] will be paid by lump-sum, upon the completion and acceptance by the Government of the TIs and BSAC for the Original Space.

INITIALS: JC
LESSOR

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Upon completion, inspection, and acceptance of the work by the authorized GSA representative, the Government shall reimburse the Lessor in a lump sum payment in the amount of \$1,030,157.05 upon receipt of an original invoice. The Lessor agrees that the invoice shall be printed on the same letterhead as the Lessor named on this lease, shall include the Lease number, building address, and a price and quantity of the items delivered. **The invoice shall reference the number PS0032623** and shall be sent electronically to the GSA Finance Website at <http://www.finance.gsa.gov/defaultexternal.asp>. Instructions for invoice submission are included on the website. Additional assistance is available from the Finance Customer Service line at 817-978-2408.

If the Lessor is unable to process the invoice electronically, then the invoice may be mailed to:

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

Lessor also agrees that a copy of the invoice shall be sent simultaneously to the GSA Project Manager electronically at toni.bezio@gsa.gov or the invoice may be mailed to the following address:

General Services Administration
ATTN: Toni Bezio
819 Taylor St, Room 11A01
Fort Worth, TX 76102
817-978-0607

11.) **Savills Studley, Inc.** (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission (Original Space) 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 **Savills Studley, 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.

A. 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 \$38,008.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1ST Month's Rent.*

Month 2 Rental Payment \$38,008.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2ND Month's Rent.*

Month 3 Rental Payment \$38,008.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3RD Month's Rent.*

Month 4 Rental Payment \$38,008.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4TH Month's Rent.*

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

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

INITIALS:

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