

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 2
	TO LEASE NO. GS-04B-62156
ADDRESS OF PREMISES 1980 Nonconnah Blvd Memphis, TN 38132-2115	PDN Number: <u>N/A</u>

THIS AMENDMENT is made and entered into between Nonconnah Holdings, LLC

whose address is: 2329 Nostrand Avenue, Suite 500, Brooklyn, NY 11210

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 establish beneficial occupancy.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended upon the Government's execution of this Supplemental Lease Agreement (SLA) to establish beneficial occupancy effective November 15, 2013.

Paragraph 1.03 of the Lease is hereby restated:

1.03 RENT AND OTHER CONSIDERATION

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

	11/15/2013 – 11/14/2018		11/15/2018 – 11/14/2023	
	ANNUAL RENT	ANNUAL RATE/RSF	ANNUAL RENT	ANNUAL RATE/RSF
SHELL RENTAL RATE	\$139,418.50	\$8.90	\$192,209.55	\$12.27
TENANT IMPROVEMENTS RENTAL RATE*	\$121,142.13	\$7.73	\$0.00	\$0.00
OPERATING COSTS*	\$105,425.45	\$6.73	\$105,425.45	\$6.73
FULL SERVICE RATE	\$365,986.08	\$23.36	\$297,635.00	\$19.00

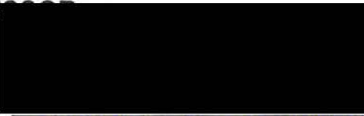
*The Tenant Improvements Allowance is amortized at a rate of 6 percent per annum for 5 years.

This Lease Amendment contains 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: TOMAS ROSENTHAL
 Title: MANAGING MEMBER
 Entity Name: NONCONNAH HOLDINGS LLC
 Date: 12/10/13

FOR THE GOVERNMENT:

Signature: 
 Name: HANDELL G. MILLS
 Title: Lease Contracting Officer
GSA, Public Buildings Service
 Date: 12/13/13

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: AVI PEISON
 Title: GENERAL COUNSEL
 Date: 12/10/13

- B. Rent is subject to adjustment based upon a physical mutual measurement of the Space upon acceptance, not to exceed 14,100 ABOA sq. ft. based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. Rent is subject to adjustment based upon the final Tenant Improvement cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- D. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.
- E. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.
- F. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:
 - 1. The leasehold interest in the Property described in "Paragraph 1.01 THE PREMISES" created herein;
 - 2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
 - 3. Performance or satisfaction of all other obligations set forth in this Lease; and
 - 4. All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

Paragraph 1.04 of the Lease is hereby restated:

1.04 BROKER COMMISSION AND COMMISSION CREDIT

Studley, 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 **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.

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:

Commission Credit: [REDACTED]
Months to Amortize: 4
Monthly Amortization: [REDACTED]

- Month 1 Rental Payment \$30,498.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.
- Month 2 Rental Payment \$30,498.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.
- Month 3 Rental Payment \$30,498.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.
- Month 4 Rental Payment \$30,498.84 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.

INITIALS: TA LESSOR & HW GOV'T

Paragraph 1.05 of the Lease is hereby deleted in its entirety and replaced with:

1.05 TERMINATION RIGHT

The Government may terminate this Lease, in whole or in part, at any time effective after the October 31, 2018 by providing not less than ninety (**90**) days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

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INITIALS: TR & BT
LESSOR GOV'T