

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-07B-16936
ADDRESS OF PREMISES Poage Building 101 S. Main Street Temple, TX 76501-7602	PDN Number:N/A

THIS AMENDMENT is made and entered into between R.G.R. Inc.

whose address is: 1918 N. 11th Street
Muskogee, OK 74401-3507

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

WHEREAS, the parties hereto desire to amend the above Lease.

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 August 1, 2013 as follows:

- A. Use of the GSA Form 276, Supplemental Lease Agreement has been discontinued. All references in the lease to "GSA Form 276" or "Supplemental Lease Agreement" shall now herby construed to mean "Lease Amendment".
- B.
- 1) Description of Tenant Improvements to be constructed; and
 - 2) Remove all requirements for LEED CI and provide a credit to the Government for the removal of LEED CI requirements; and
 - 3) Approve alternate lighting lenses per paragraph 8.19, Lighting: Interior and Exterior; and
 - 4) Establish the Tenant Improvement and BSAC Allowance and to provide for the payment of the Tenant Improvements and Building Specific Security alterations; and
 - 5) Issue Notice to Proceed; and
 - 6) Acknowledge exemption from seismic standards; and
 - 7) Address carpet maintenance requirements for areas where carpet is not being immediately replaced; and
 - 8) Delete and replace SFO Section 8.7, Toilet Rooms: Fixture Schedule; and
 - 9) Delete and replace Lease Paragraph 1 in order to address ADA parking spaces; and
 - 10) Accept substantially complete space; and Restate total square footage, restate rent, space, and parking; and
 - 11) Establish the Broker Commission Credit; and

This Lease Amendment contains 5 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: _____
Title: PRESIDENT
Entity Name: RGR, INC
Date: 8/1/2013

FOR THE GOVERNMENT

Signature: _____
Name: _____
Title: Lease Contracting Officer
GSA, Public Buildings Service,
Date: 8/8/13

WITNESS FOR LESSOR BY:

Signature: _____
Name: A LAMBERT
Title: MANAGER
Date: 8/1/2013

- 12) Establish the Percent of Occupancy; and
- 13) Establish the Common Area Factor; and
- 14) Establish the Base Cost of Services; and
- 15) All other terms and conditions are in full force and effect.

1.) The Lessor shall provide all the materials, labor, and services required to provide the completion of the Tenant Improvements depicted and according to the Construction Drawings created by Tim Risley and Associates dated April 16, 2013 and amended May 28, 2013 and is attached as Exhibit "A", and Addendum No. 1 attached as "Exhibit B" and Addendum No. 2 as "Exhibit C"..

The Lessor remains responsible for the accuracy of the Construction Drawings as stated in the Solicitation For Offer under "Construction Schedule and Acceptance of Tenant Improvements (TI), Review of Working/Construction Drawings" when compared to the Government approved Design Intent Drawings. This Supplemental Lease Agreement does not release the Lessor for liability for accuracy of the Construction Drawings when compared to the Government approved Design Intent Drawings.

2.) All requirements for LEED CI are hereby deleted in their entirety. LEED CI is not required under this lease. In exchange for removing the LEED-CI requirement the lessor is providing a credit (equal to 15% of the total cost for paint and carpet) of \$58,619.36 that shall be applied as a reduction to the approved total TI Cost herein.

3.) In reference to paragraph 8.19A.1.a., acrylic light lenses are approved for use in lieu of deep-cell parabolic lenses as required by the original lease, provided that 1: the Lessor installs energy efficient LED bulbs throughout the leased space and, 2: Lessor shall install an egress stairwell outside of the tenants' space at no additional cost to the Government in accordance with the attached Construction Drawings.

4.) The Lessor and the Government have agreed that the total cost of the Tenant Improvements (TI) (including all BSAC costs) is \$1,315,032.35. The total cost includes a credit of \$58,619.36 for the removal of LEED-CI requirements from the Lease (\$1,373,651.71 - \$58,619.36 = \$1,315,032.35). It is agreed that the total cost of the Tenant Improvements shall be amortized over the remaining total term of the lease agreement following completion of tenant improvements, and paid monthly in arrears at an annual interest rate of 7.25%. The Tenant Improvement cost includes all the Lessor's fees for general and administrative costs, profit and any and all other fees associated with the completion of the Tenant Improvements by the anticipated date of completion.

Any changes of the Construction Drawings which result in a financial adjustment of any type must be approved, in writing, by the GSA Contracting Officer.

Upon the completion of the Tenant Improvements and the acceptance thereof by the Government, the rent commencement date and the adjusted rent schedule (if required due to the amount amortized) shall be established by a separate Lease Amendment. The subsequent Lease Amendment shall include the term of the scheduled total rent, the annual Shell Rent amount, the annual Operating Cost amount, and the annual amortized TI costs. Should the lease be terminated after the firm term, the Government shall not be responsible for payment of the unamortized tenant improvements.

5.) Upon full execution and delivery of this Lease Amendment (LA) the Lessor can consider this as a Notice to Proceed with the Tenant Improvement construction described in Paragraph 1 above. The anticipated date of completion and acceptance by the Government is within 190 working days from the execution date of this Lease Amendment (includes 10 working days to obtain permit), estimated to be on or before April 1, 2014. The Lessor and Government agree that if the Lessor is delayed in obtaining a building permit from the City of Temple, the lease will be amended to adjust the number of working days.

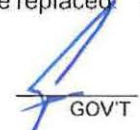
6.) Pursuant to SFO Section 2.2 Seismic Safety for Existing Construction and the referenced RP6 document. This building is considered exempt from the standards because it is located in a zone of low seismicity.

7.) The parties mutually agree and understand that areas of the building that are not being re-carpeted prior to lease acceptance contain carpet that was installed 15 or more years ago and neither party expects these areas to look and feel new. The lessor is required to maintain the carpet as described in Section 7.13, however, the lessor will not be required to replace the carpet for noticeable variations in surface color or texture in these particular areas nor will the lessor be required to move or return any furnishings, including disassembly and reassembly of systems furniture for the repair or replacement of carpet in these particular areas.. Addendum No. 2 attached as "Exhibit C" identifies those areas that have carpet that are not going to be replaced. Lessor

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shall maintain a reasonable attic stock of removed carpet to make any necessary repairs and will make all efforts to match the carpet color with said attic stock but will not be required to match the color if such stock does not exist.

8.) SFO Section 8.7 "Toilet Rooms: Fixture Schedule" is hereby deleted in its entirety and replaced with the following

8.7 TOILET ROOMS: FIXTURE SCHEDULE (SEP 2000)

- A. The toilet fixture schedule specified below shall be applied to each full floor.
- B. Refer to the schedule separately for each sex (per the Approved Fixture Schedule column).

Floor	Number	Required per IBC	Required per original SFO	Approved Fixture Schedule
1st	Men - 95	1-Water Closets 2 - Urinals 3 - Lavatories	3 -Water Closets 2 - Urinals 5 - Lavatories	4-Water Closets 2 - Urinals 4 - Lavatories
	Women - 95	3-Water Closets 3 - Lavatories	5 -Water Closets 5 - Lavatories	5 - Water Closets 4 - Lavatories
2nd	Men - 118	2-Water Closets 2 - Urinals 3 - Lavatories	4 -Water Closets 2 -Urinals 5 - Lavatories	4 - Water Closets 2 - Urinals 4 - Lavatories
	Women - 118	4 - Water Closets 3 - Lavatories	6 -Water Closets 5 - Lavatories	6 -Water Closets 5 - Lavatories
3rd	Men - 84	1 - Water Closet 2 - Urinals 3 - Lavatories	3 - Water Closets 2 - Urinals 4 - Lavatories	5 -Water Closets 2 - Urinals 5 - Lavatories
	Women - 84	3 - Water Closets 3 - Lavatories	5 - Water Closets 4 - Lavatories	6 - Water Closets 5 - Lavatories



- 3. For new installations:
 - a. Water Closets shall not use more than 1.6 gallons per flush.
 - b. Urinals shall not use more than 1.0 gallons per flush. Waterless urinals are acceptable.
 - c. Faucets shall not use more than 2.5 gallons per minute at a flowing water pressure of 80 pounds per square inch.

9.) Paragraph 1 of the Lease is deleted in its entirety and replaced with the following:

1. The Lessor hereby leases to the Government the following described premises:

92,148 rentable square feet of office and related space, which yields 79,990 ANSI/BOMA Office Area square feet of space and an additional 1,493 rentable square feet (yielding 1,297 ANSI/BOMA Office Area SF) of free space in excess of the total 92,148 rentable/ 79,990 ANSI/BOMA square footage indicated above, for a total of 93,641 rentable square feet, (yielding 81,287 ANSI/BOMA Office Area square feet) under lease, at Poage Building, 101 S. Main Street, Temple, Texas 76501-7602 to be used for such purposes as determined by the General Services Administration. The total square footage includes 5,000 rentable and 4,934 ANSI/BOMA square feet of warehouse space.

All rights, responsibilities, and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other attachments hereto, shall pertain to the entire space under lease, including the free space. Included in the rent at no additional cost to the Government are 232 onsite surface parking spaces, including: 31 reserved spaces, 115 general spaces, 8 handicap spaces (3 parking spaces provided on site and 5 parking spaces provided on city property adjacent to the building and will include signage designating these spaces as solely for Government use during normal business hours), and 78 secured wareyard spaces, for the exclusive use of the Government.

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10.) The Government accepts the substantially complete lease space (not including the warehouse -5,000 RSF / 4,934 ABOA SF or [redacted] space 294 RSF / 253 ABOA SF) of 86,854 rentable square feet of office and related space, which yields 74,803 ANSI/BOMA Office Area square feet of space and an additional 1,493 rentable square feet (yielding 1,297 ANSI/BOMA Office Area SF) of free space in excess of the total 86,854 rentable/ 74,803 ANSI/BOMA square footage indicated above, for a total of 88,347 rentable square feet, (yielding 76,100 ANSI/BOMA Office Area square feet).

The Government shall pay the lessor annual rents as follows (rent is paid monthly in arrears):

August 1, 2013 – March 31, 2014 (estimated date)	Annual Amount	Monthly Amount
Shell	\$1,202,212.00 \$1,202,210.08	\$100,184.17
Operating Costs (plus applicable CPI adjustments)	\$639,210.91	\$53,267.58
Tenant Improvement	\$0.00	\$0.00
Total Annual Rent	\$1,841,420.99	\$153,451.75

April 1, 2014 – July 31, 2022		
Shell	\$1,284,836.64	\$107,069.72
Operating Costs (plus applicable CPI adjustments)	\$662,436.00	\$55,203.00
Tenant Improvement	\$147,780.97	\$12,315.08
Total Annual Rent	\$2,095,053.61	\$174,587.80

August 1, 2022 – July 31, 2028		
Shell	\$1,379,402.55	\$114,950.21
Operating Costs (plus applicable CPI adjustments)	\$662,436.00	\$55,203.00
Tenant Improvement	\$147,780.97	\$12,315.08
Total Annual Rent	\$2,189,619.52	\$182,468.29

* - Dates are estimated based on Paragraph 5 of this Lease Amendment. Once TIs are substantially complete and accepted by the Government, the Contracting Officer will issue a Lease Amendment to start the amortization of the TIs and the firm term of the lease. It is agreed that the firm term will begin August 1, 2013 and will end 10 years after the acceptance date of the TIs.

11.) In accordance with Paragraph 2.5 (Broker Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [redacted] of the firm term value of the lease ("Commission"). The total amount of the commission is [redacted]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the lease is awarded and (ii) one-half (1/2) upon earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.5, only [redacted], which is [redacted] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [redacted], which is [redacted] of the Commission ("Commission Credit"), shall be credited to the Government. The Lessor agrees to pay the commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 10 of the Lease Amendment #1, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first full month following acceptance of the TI work and commencement of the firm term (10 year) rental payments (est. April 1, 2014) and continue as indicated in the schedule for adjusted Monthly Rent.

Ninth Month's Rental Payment of \$174,587.80 minus the Commission Credit ([redacted]) equals [redacted] adjusted First Month's Rent.

Tenth Month's Rental Payment of \$174,587.80 minus the Commission Credit ([redacted]) equals [redacted] adjusted First Month's Rent.

Eleventh Month's Rental Payment of \$174,587.80 minus the Commission Credit ([redacted]) equals [redacted] adjusted First Month's Rent.

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Twelfth Month's Rental Payment of \$174,587.80 minus the Commission Credit ([REDACTED]) equals [REDACTED] adjusted First Month's Rent.

Thirteenth Month's Rental Payment of \$174,587.80 minus the Commission Credit ([REDACTED]) equals [REDACTED] adjusted First Month's Rent.

12.) In accordance with SFO Paragraph 4.2, Tax Adjustment, the percentage of Government occupancy is established at 100% (93,641 RSF / 93,641 RSF).

13.) In accordance with SFO Paragraph 4.1, Measurement of Space, the common area factor is established as 1.15198% (93,641 RSF / 81,287 ABOA SF).

14.) In accordance with the SFO Paragraph 4.3, Operating Costs Base, the escalation base is established as \$662,436.00 per year.

15.) All other terms and conditions are in full force and effect.

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