

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
LEASE AMENDMENT

LEASE AMENDMENT NO. 3

TO LEASE NO. GS-07B-16960

ADDRESS OF PREMISES

1100 FM 802, Brownsville, TX 78521-0905

THIS AGREEMENT, made and entered into this date by and between B.P. and Peggy Newman Properties, LP whose address is 2801 E. Montgomery St., Laredo, TX, 78043-1402

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

- 1.) To change the amount of area leased by the Government; and
- 2.) To change the rental payment schedule; and
- 3.) To revise the Broker Commission and Credit; and
- 4.) To change the percentage of government occupancy for tax purposes.

Continued on Sheets 2-4, attached hereto and made a part of the lease.

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:

FOR THE

Signature: _____

Name: _____ NEWMAN

Title: Limited Partner

Entity Name: B. P. and Peggy Newman

Date: 9-4-12 Properties L.P.

FOR THE G

Signature: _____

Name: A

Title: Lease Contracting Officer

GSA, Public Buildings Service

Date: 9-24-12

WITN

Signature: _____

Name: _____

Title: _____

Date: 9-4-12

Lease Amendment #3
 GS-07B-16960
 1100 FM 802
 Brownsville, TX 78521

1.) Lease section 1.01, THE PREMISES, is hereby deleted and replaced with the following:

The Premises are described as follows:

Office and Related Space: 8,685 rentable square feet (RSF), yielding 7,926 ANSI/BOMA Office Area (ABOA) square feet of office and related space (based upon a Common Area Factor of 1.0957607%, located on the 2nd floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

2.) Lease section 1.03, RENT AND OTHER CONSIDERATION, paragraphs A and B are hereby deleted and replaced with the following:

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

	YEARS 1 - 5		YEARS 6 - 10	
	ANNUAL RENT	ANNUAL RATE/RSF	ANNUAL RENT	ANNUAL RATE/RSF
SHELL RENTAL RATE	\$88,727.00	---	\$114,782.00	---
TENANT IMPROVEMENTS RENTAL RATE*	\$31,910.36	---	\$31,910.36	---
OPERATING COSTS*	\$37,171.80	---	\$37,171.80	---
BUILDING SPECIFIC SECURITY COSTS	\$2,429.09	---	\$2,429.09	---
FULL SERVICE RATE	\$160,238.25	\$18.45	\$186,293.25	\$21.45

*The Tenant Improvements Allowance is amortized at a rate of 0 percent per annum for 10 years.

	YEARS 11 - 15	
	ANNUAL RENT	ANNUAL RATE/RSF
SHELL RENTAL RATE	\$124,108.65	---
TENANT IMPROVEMENTS RENTAL RATE	\$0	---
OPERATING COSTS*	\$37,171.80	---
BUILDING SPECIFIC SECURITY COSTS	\$0	---
FULL SERVICE RATE	\$161,280.45	\$18.57

B. Rent is subject to adjustment based upon a physical mutual measurement of the Space upon acceptance, not to exceed 7,926 ABOA sq. ft. based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

3.) Lease section 1.04, BROKER COMMISSION AND COMMISSION CREDIT, is hereby deleted and replaced with the following:

CB Richard Ellis ("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 CB Richard Ellis 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.

INITIALS  & 
 LESSOR GOVT

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 \$13,353.19 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment \$13,353.19 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment \$13,353.19 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.

Month 4 Rental Payment \$13,353.19 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 4th Month's Rent.

4.) Lease section 1.11, PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE, is hereby deleted and replaced with the following:

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 50.75 percent. The percentage of occupancy is derived by dividing the total Government space of 8,685 RSF by the total building space of 17,113 rentable square feet.

INITIALS DM & Dcj
LESSOR GOVT