

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 2
	TO LEASE NO. GS-07P-LTX17225
ADDRESS OF PREMISES 601 P STREET HARLINGEN, TX 78550-5946	PDN Number: PS0030614

THIS AMENDMENT is made and entered into between Gajanan, Inc.

whose address is: 260 Resaca Point Rd
Brownsville, TX 78526-4091

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 issue Notice to Proceed with tenant improvements (TIs), to approve the total TI costs, to provide for payment of TIs above the allowance, to adjust the BSAC rental rate, and to revise the lease and Exhibit D, Agency Specific Requirements, to remove the specialty lighting requirement, Exhibit 16, Lighting.


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 upon execution by the Government as follows:

- 1) To provide for a Notice to Proceed for construction of TIs and Building Specific Amortized Capital (BSAC) and provide for a date of substantial completion; and
- 2) To approve the total cost of the TIs and BSAC; and
- 3) To adjust the BSAC rental rate, and
- 4) To provide for the method of payment of the TI costs above the allowance, and
- 5) To remove the special lighting requirement from Exhibit D to the lease.


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: _____
 Title: PRESIDENT
 Entity Name: Gajanan Inc
 Date: 12/4/14

FOR THE GOVERNMENT:

Signature: 
 Name: _____
 Title: Lease Contracting Officer
GSA, Public Buildings Service,
 Date: 12-5-2014

WITNESSED FOR THE LESSOR BY:

Signature: 
 Name: _____
 Title: Broker Agent
 Date: 12/4/14

- 1) Upon this Lease Amendment (LA) being fully executed and delivered, the Lessor shall consider this a Notice to Proceed with construction of TIs and BSAC; all of which are depicted in Lessor's Construction Documents dated 9/17/14, addendum dated 10/14/14, and Government-approved DID's dated 12/6/13. The total cost of the TIs and BSAC shall not exceed \$483,965.63. The anticipated date of substantial completion of all the TIs and BSAC and acceptance by the Government is on or before 45 working days from the date of execution of this Lease Amendment. The Lessor shall provide all the materials, labor, and services required to provide for the completion of the TI's and BSAC.
- 2) The Government and the Lessor have agreed that the total cost of the TIs shall not exceed \$471,471.63 and the total cost of the BSAC shall not exceed \$12,494.00 for a total cost of construction of tenant improvements not to exceed \$483,965.63. The TI and BSAC 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 TI and BSAC by the agreed to date of substantial completion.
- 3) Pursuant to Paragraph A of lease section 1.03, Rent and Other Consideration (Sep 2012), the amortized TI's in the amount of \$203,185.41 shall be amortized over the first five (5) years of the firm term at an interest rate of 6%. The BSAC, Building Specific Amortized Capital, in the amount of \$12,494.00 shall be amortized over the first five (5) years at an interest rate of 6%.
- 4) Paragraph A of Lease Section 1.03 Rent and Other Consideration (SEP 2012) is deleted and replaced with the following:

1.03 RENT AND OTHER CONSIDERATION (SEP 2012)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$113,473.32	\$113,473.32
TENANT IMPROVEMENTS RENT ²	\$47,137.73	\$0.00
OPERATING COSTS ³	\$43,004.22	\$43,004.22
BUILDING SPECIFIC AMORTIZED CAPITAL ⁴	\$2,898.53	\$0.00
TOTAL ANNUAL RENT	\$206,513.80	\$156,477.54

¹Shell rent (Firm Term) calculation: \$18.84 per RSF multiplied by 6,023 RSF

²The Tenant Improvement Allowance of \$203,185.41 is amortized at a rate of 6 percent per annum over 5 years.

³Operating Costs rent calculation: \$7.14 per RSF multiplied by 6,023 RSF

⁴Building Specific Amortized Capital (BSAC) of \$12,494.00 are amortized at a rate of 6 percent per annum over 5 years

In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

The remaining balance of \$268,286.23 [\$471,41.63 (Total TI) – \$203,185.41 (TI amortized)] will be paid by lump-sum, upon substantial completion and acceptance of the space by the Government. (The overage is in the TI not the BSAC.)

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 \$268,286.23 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 PS0030614 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:

INITIALS: &
LESSOR & GOVT

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:

(UPS or FedEx only)
General Services Administration
ATTN: Toni Bezio
819 Taylor St, Room 11A01
Fort Worth, TX 76102
817-978-0607

(US Mail only)
General Services Administration
ATTN: Toni Bezio
819 Taylor St, Room 11B
Fort Worth, TX 76102

You must not perform any alterations nor install any lump sum items not approved in writing by the Contracting Officer. This includes any additional items which are not covered by this lease and for which an award has not specifically been made. Failure to adhere to these instructions could result in lengthy delays in payment of invoices for such work.

- 5) Exhibit D, Agency Specific Requirements, page 43, Exhibit 16, Lighting, is deleted. The lighting requirement is substituted with building standard lighting.

INITIALS: *au* LESSOR & *MS* GOVT