

LEASE AMENDMENT

LEASE AMENDMENT NO. 2	TO LEASE NO. GS-10B-07293	DATE 11-12-12	PAGE 1 of 2
ADDRESS OF PREMISES 5200 Industrial Way, Ferndale, WA 98248		BUILDING NO.: WA8027	

THIS AGREEMENT, made and entered into this date by and between SYB HOLDING CO., INC.

whose address is 1440 ADMIRAL PLACE
FERNDALE, WASHINGTON 98248-8965

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 correct the tenant improvement allowance and amend the annual rent accordingly,

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective November 6, 2012 as follows:

- The Government shall pay the Lessor annual rent per the table below.

Rent Period	Shell Rent ¹	Operating Rent ²	Tenant Improvement Costs ³	Total Annual Rent ⁴
Year 1	\$82,375.25	\$44,909.03	\$61,376.25	\$188,660.53
Year 2	\$84,836.44	\$44,909.03	\$61,376.25	\$191,121.72
Year 3	\$87,035.71	\$44,909.03	\$61,376.25	\$193,320.99
Year 4	\$89,982.53	\$44,909.03	\$61,376.25	\$196,267.81
Year 5	\$92,671.93	\$44,909.03	\$61,376.25	\$198,957.21
Year 6	\$95,106.27	\$44,909.03	\$-0-	\$140,015.29
Year 7	\$97,959.46	\$44,909.03	\$-0-	\$142,868.48
Year 8	\$100,898.24	\$44,909.03	\$-0-	\$145,807.27
Year 9	\$103,925.18	\$44,909.03	\$-0-	\$148,834.21
Year 10	\$107,042.93	\$44,909.03	\$-0-	\$151,951.96

¹ Shell rent starts at \$82,039.50 in year 1 and steps 3% annually beginning year 2. Shell rate for years 1 – 5 includes cost for Building Specific Security (BSS) in the amount of \$335.75 annually based on \$1,413.00 amortized over 5 years at 7% interest. 3% Annual step rents are based on shell rent only, excluding BSS.

² Base Operating Rent is subject to adjustments in accordance with paragraph 12 of this SF-2.

³ Tenant Improvement Costs are calculated in accordance with paragraph 8 of this SF-2.

⁴ Rent for the first three lease months is adjusted pursuant to paragraph 17 below.

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IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

SIGNATURE	NAME OF SIGNER
[Redacted] 11-12-12	M. B. Boulos President
ADDRESS 1440 ADMIRAL PL Ferndale, wa 98248	

IN PRESENCE OF

[Redacted]	NAME OF SIGNER
[Redacted]	Shannon Keplinger
1440 Admiral Place Ferndale, WA 98248	

UNITED STATES OF AMERICA

[Redacted]	NAME OF SIGNER
[Redacted]	TERRIA HEINLEIN
[Redacted]	CONTRACTING OFFICER
[Redacted]	OFFICIAL TITLE OF SIGNER
[Redacted]	11/15/12

Rent shall be paid monthly, in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

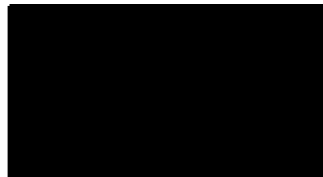
SYB HOLDING CO., INC.
PO BOX 189
FERNDAL, WASHINGTON 98248-0189

8. In accordance with the SFO paragraph 3.2 entitled *Tenant Improvements Included in Offer*, Tenant Improvements in the total amount of \$258,301.91 (6,077 ABOA SF x \$42.504839) shall be amortized through the rent for five (5) years at the rate of 7%. The total annual cost of Tenant Improvements for the amortization period shall be \$61,376.25.

17. Adjusted monthly rent payments (application of commission credit):

The commission credit shall be applied in equal monthly amounts against the shell rental payments over the minimum number of months that will not exceed the monthly shell rental per SFO subparagraph 2.3 B. The monthly rent is \$15,721.71. The monthly shell rent is \$6,836.61. The commission credit is [REDACTED] and is calculated as follows:

Commission Year 1:
Commission Year 2:
Commission Year 3:
Commission Year 4:
Commission Year 5:
TOTAL COMMISSION:
GSA Commission Credit:



The monthly rent payments adjusted for the commission credit are as follows:

<u>Rent Period</u>	<u>Scheduled Monthly Rent</u>	<u>Scheduled Mo. Shell Rent</u>	<u>Commission Credit</u>	<u>Commission Credit Remaining</u>	<u>Adjusted Monthly Rent Payment</u>
Month 1	\$15,721.71	\$6,836.61	[REDACTED]	[REDACTED]	[REDACTED]
Month 2	\$15,721.71	\$6,836.61	[REDACTED]	[REDACTED]	[REDACTED]
Month 3	\$15,721.71	\$6,836.61	[REDACTED]	[REDACTED]	[REDACTED]
Month 4	\$15,721.71	\$6,836.61	\$-0-	\$-0-	\$15,721.71

All other terms and conditions remain in full force and effect.

INITIALS: MAJ LESSOR JH GOVT