

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No. 1
	TO LEASE NO. GS-04B-62437
ADDRESS OF PREMISES 1821 SAM RITTENBERG BLVD CHARLESTON, SC 29407-4823	PDN Number: N/A

THIS AMENDMENT is made and entered into between SKYLINE HOLDINGS, LLC

whose address is: 9595 Wilshire Blvd., Suite 1010
Beverly Hills, CA 90212-2512

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

WHEREAS, the parties hereto desire to amend the above Lease as indicated below:


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 February 11, 2015, as follows:

- A. **Issuance of Notice to Proceed:** This Lease Amendment serves as Notice to Proceed (NTP) to begin Tenant Improvement construction, per the approved construction drawings dated 2/11/15 (Rev 2)-(email sent on 2/24/15).
- B. **Project Delivery:** Lessor must provide "substantially completed" space by 7/21/15. The space must fully completed by 7/31/15, as discussed.


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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.

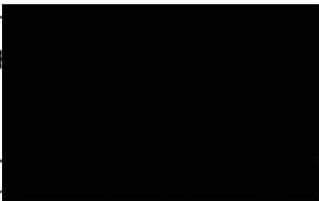
FOR THE LESSOR:

Signature: 
Name: Steven Doherty
Title: Partner
Entity Name: Skyline Holdings, LLC
Date: 6/26/15

FOR THE GOVERNMENT:

Signature: 
Name: [Redacted]
Title: Lease Contracting Officer
GSA, Public Buildings, Service,
Date: 6/29/15

WITNESSED FOR THE LESSOR:

Signature: 
Name: _____
Title: _____
Date: 1/26/2015

- C. **Incorporate 24 Hr. HVAC Amount in Rent:** The Government shall incorporate the cost for 24 HR HVAC services for specific areas of the space, i.e. LAN room, in the rent structure, per the lease.

As such, the following paragraph of the Lease document, GSA Form L201B, has been deleted in its entirety and replaced by the following:

1. 1.03 - "Rent and Other Consideration (2013)". A :

	FIRM TERM (Yr 1-10)	NON-FIRM TERM (Yr 11-15)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$317,547.00	\$484,677.00
TENANT IMPROVEMENTS RENT ²	\$ 84,735.00	\$0.00
OPERATING COSTS ³	\$ 133,536.87	\$ 133,536.87
OPERATING COST – 24 HR HVAC ⁶	\$24,820.00	\$24,820.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 29,503.66	\$0.00
PARKING ⁵	\$ 0.00	\$0.00
TOTAL ANNUAL RENT	\$590,143.43	\$643,033.87

¹Shell rent calculation:

(Firm Term) \$19.00 per RSF multiplied by 16,713 RSF – Yrs 1 – 10

(Non-Firm Term) \$29.00 per RSF multiplied by 16,713 RSF – Yrs 11 – 15

²The Tenant Improvement Allowance of \$636,037.92 is amortized at a rate of 6 percent per annum over 10 years.

³Operating Costs rent calculation: \$7.99 per RSF multiplied by 16,713 RSF

⁴Building Specific Amortized Capital (BSAC) of \$221,458 are amortized at a rate of 6 percent per annum over 10 years

⁵Parking: No additional cost for parking for the full term of the lease and beyond.

⁶Operating Cost – 24 HR HVAC: \$68.00/day x 365 days/year (per lease)

- D. **Re-establish the Operating Cost Base:** The Government shall provide annual CPI adjustments to incorporate adjustments to both the "Operating Cost – 24 HR HVAC" and the "Operating Costs" portion of the rent (per rent structure noted above);

Therefore, the following paragraph of the Lease document, GSA Form L201B, has been deleted in its entirety and replaced by the following:

1. 1.15 - "Operating Cost Base (SEP 2013)" :

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate of Operating Costs shall be \$9.48/RSF (rounded) or \$158,356.87/annum (Operating Costs = \$133,536.87 + Operating Costs-24 HR HVAC = \$24,820.00).

INITIALS:  & 
LESSOR & GOV'T

E. Incorporate the following CPI paragraph(s) as part of the lease document (GSA Form L201B - 09/13): The Government agrees to incorporate the below noted paragraph in the lease contract (GSA Form L201B):

1. 2.09 - "OPERATING COSTS ADJUSTMENT (JUN 2012)" :

A. Beginning with the second year of the Lease and each year thereafter, the Government shall pay annual incremental adjusted rent for changes in costs for cleaning services, supplies, materials, maintenance, trash removal, landscaping, water, sewer charges, heating, electricity, and certain administrative expenses attributable to occupancy.

B. The amount of adjustment will be determined by multiplying the base rate by the annual percent of change in the Cost of Living Index. The percent change will be computed by comparing the index figure published for the month prior to the Lease Term Commencement Date with the index figure published for the month prior which begins each successive 12-month period. For example, a Lease which commences in June of 2005 would use the index published for May of 2005, and that figure would be compared with the index published for May of 2006, May of 2007, and so on, to determine the percent change. The Cost of Living Index will be measured by the Department of Labor revised Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), U.S. city average, all items, (1982 to 1984 = 100) published by the Bureau of Labor Statistics. Payment will be made with the monthly installment of fixed rent. Rental adjustments will be effective on the anniversary date of the Lease; however, payment of the adjusted rental rate will become due on the first workday of the second month following the publication of the Cost of Living Index for the month prior to the commencement of each 12-month period.

C. In the event of any decreases in the Cost of Living Index occurring during the term of the occupancy under the Lease, the rental amount will be reduced accordingly. The amount of such reductions will be determined in the same manner as increases in rent provided under this paragraph.

D. If the Government exercises an option to extend the Lease term at the same rate as that of the original term, the option price will be based on the adjustment during the original term. Annual adjustments will continue.

F. **Addition of 'Exit Turn Styles':** The Lessor shall provide Government requested 'Exit Turn Styles'. Lessor is obligated to provide, at minimum, a basic set of 'Exit Turn Styles', regardless of cost, but should the Government elect to upgrade beyond the basic set of 'Exit Turn Styles', the Government shall pay for upgrade amount.

G. **Hourly Overtime HVAC Rates:** Should the Government require additional HVAC services, the Lessor shall provide such services, per the lease agreement. Lessor must comply with the process/guidelines, per the lease, for reimbursement of costs associated with such additional services provided. Lessor must attain annual approval from a GSA LCO prior to providing services, or otherwise agreed upon in writing, to ensure availability of funding.

By executing this LA, the Lessor agrees that any materials provided and installed under the GSA Contract GS-04B-62437, have been provided at no additional cost to the Government, other than that what has been approved by the LCO in writing at the time of award. The Lessor also releases the Government from all claims, including but not limited to claims for time, material, etc..., under the Lease arising in whole or in part from all events and circumstances existing prior to the date of execution of this LA by Lessor.

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