

U.S. GOVERNMENT  
LEASE FOR REAL PROPERTY

DATE OF LEASE

4/6/10

LEASE NO.

GS-03B-09448

THIS LEASE, made and entered into this date by and between A & M Enterprises, LP

1306 Municipal Road NW  
whose address is Roanoke, VA 24012-1308

and whose interest in the property hereinafter described is that of owner

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

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

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

13,640 Rentable Square Feet yielding 12,500 ANSI/BOMA Office Area square feet and related space located on the first Floor, at the 810 Connecticut Ave NE, Roanoke, Virginia 24012-5318, together with 35 parking spaces (5 fenced) to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on

See Lease Rider Paragraph 13 through See Lease Rider Paragraph 13, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ See Lease Rider Paragraph 13

at the rate of See Lease Rider Paragraph 13 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

A & M Enterprises, LP  
1306 Municipal Road NW  
Roanoke, VA 24012-1308

4. The Government may terminate this lease in whole or in part effective at any time after the tenth full year of occupancy by giving at least thirty (30) days notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

5. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

6. The following are attached and made a part hereof:

- A. Standard Form 2
- B. Rider to Lease GS-03B-09448
- C. Solicitation for Offers #9VA2202 and Amendments #1-3
- D. GSA Form 3517, "General Clauses"
- E. GSA Form 3518, "Representations and Certifications" version dated March 1, 2010
- F. Floor Plan

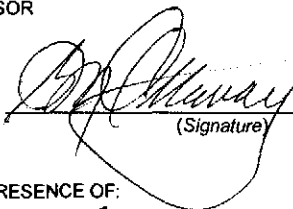
7. The following changes were made in this lease prior to its execution:

This lease contains 64 pages

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

LESSOR

BY

  
(Signature)

(Signature)

IN PRESENCE OF:

  
(Signature)

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY

  
(Signature)

Contracting Officer

(Official title)

8. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

9. The total percentage of space occupied by the Government under the terms of the lease is equal to 100% percent of the total space available in the lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 13,640 rentable square feet by the total building space of 13,640 rentable square feet.

10 Common Area Factor

The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area square feet (ABOA) to determine the rentable square feet is 1.0912 (13,640 RSF/12,500 ABOA SF).

11. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$5.87 per ANSI/BOMA Office Area (ABOA) square foot, is acceptable. This figure includes the Government's pro-rata share of operating costs.

12. Notwithstanding any other provision of this agreement requiring the Government to give notice to exercise any option contained herein for extension of the lease for additional space in the facility, or for purchase of the facility, the lessor shall notify the Contracting Officer, in writing, at least thirty (30) calendar days and no more than sixty (60) calendar days prior to the time the option must be exercised. In the event the lessor fails to notify the Government, as required by this paragraph, the Government shall have the right to exercise the option at anytime prior to the expiration of the lease. If GSA exercises the option to renew the lease, said rental will be based on the amount of operating cost adjustments accrued up to date of renewal and calculation on the basis of the new adjusted base rate for services and utilities.

13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within 120 calendar days from the date of notice to proceed with the construction of the

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tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected.

Upon the date of completion of such alterations, improvements, and repairs and inspection and acceptance by the Government, the term of this lease shall commence and shall continue for 15 consecutive calendar years (subject to termination rights within). The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid up to and no more than 12,500 ANSI/BOMA Office Area (ABOA), in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

**Years 1 through 10:**

**Shell Rent:** \$189,875 per year/\$15.19\* ABOA square foot

\*Shell rent steps 3% annually for Years 1 -10.

**Amortized annual cost for Tenant Improvement Allowance\*:**

\$82,125 per year/\$6.57 ABOA square foot

**Interest rate** at which Tenant Alterations are amortized: 9%

**Annual Cost of Services:** \$73,375 per year, plus accrued escalations per Paragraph 4.3 "Operating Costs"/\$5.87 ABOA square foot

**Parking:** \$0.00 per year or \$0.00 per space/annually

**Years 11 through 15:**

**Shell Rent** \$255,125 per year/\$20.41\* ABOA square foot

\*Shell rent steps 3% annually for Years 11-15.

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**Annual Cost of Services:** \$ 73,375 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs"/\$5.87 ABOA square foot

**Parking:** \$0.00 per year or \$0.00 per space/annually

\*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$540,125.00 (\$43.21 X 12,500 ANSI/BOMA Office Area Square Feet), which is included in the rent, using the 9% amortization rate over the firm term of 10 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 9% amortization rate.



If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

14. In accordance with Paragraph 3.4 "GSA Forms and Pricing Information" and Paragraph 5.2 "Tenant Improvements Pricing Requirements" of the Lease, the overhead and profit charged by the Lessor for Tenant Improvements requested by the Government is 19.5% of Total Construction costs.

15. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime use of Government leased space is \$30.00 per hour.

16. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy any portion of the lease premises or vacates the premises in whole or in part prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$0.00 per ANSI/BOMA Office Area square foot.

17. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of

Lessor  Government 

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this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

18. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

Lessor  Government 