

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

9/23/09

LEASE NO.

GS-03B-09349

THIS LEASE, made and entered into this date by and between

Preferred Development, LLC

whose address is

702 N. Foxcroft Avenue
Martinsburg, WV 25401

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:

1,438 rentable square feet yielding 1,250 ANSI/BOMA (BOAF) office area square feet of office and related space and three (3) secure parking spaces, located at North Mall Plaza - E Building, 796 N. Foxcroft Avenue Suite 202, Martinsburg, West Virginia 25401.

to be used for such purposes as may be determined by the General Services Administration

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on See Rider Paragraph 12 through See Rider Paragraph 12, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of See Rider Paragraph 12 at the rate of See Rider Paragraph 12 per See Rider Paragraph 12 in arrears.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Preferred Development, LLC
702 N. Foxcroft Avenue
Martinsburg, WV 25401

4. The Government may terminate this lease at any time after the fifth (5th) full year of occupancy by giving at least sixty (60) 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. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

One (1) five (5) year renewal options at \$27.71 BOAF (plus accrued escalations to the \$4.99 base cost of services, shell rate set at \$22.72) notice be given in writing to the Lessor at least sixty (60) days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.

Lessor

Government

6. 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.
- B. The overtime rate is \$12.50 per hour.
- C. This Lease No. GS-03B-09349 consists of 58 pages

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

- A. Rider to Lease No. GS-03B-09349 being Paragraphs 9 through 17
- B. Solicitation for Offers 8WV2041 (now Lease No. GS-03B-09349)
- C. General Clauses (GSA Form 3517 rev 11/05)
- D. Representations and Certifications (GSA 3518A rev 01/07)
- E. Floorplans

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

- A. NONE

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

LESSOR Preferred Development, LLC

BY

(Signature)

(Signature)

IN PRESENCE OF:

(Signature)

(Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION, PBS, ALLEGHENY SERVICE CENTER

BY

(Signature)

Contracting Officer

(Official title)

STANDARD FORM 2
FEBRUARY 1965 EDITION

Lessor  Government 

RIDER TO LEASE GS-O3B-09349

9. 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.

10. The total percentage of space occupied by the Government under the terms of the lease is equal to 2.084 % 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 1,438 rentable square feet by the total building space of 69,000 rentable square feet.

11. For purposes of determining the base rate for future adjustments to the operating cost the Government agrees that the base rate quoted on the "Lessor's Annual Cost Statement", (GSA Form 1217) dated, 05/07/2009 which is \$6,227.00 a year is acceptable. This figure includes the Government's pro-rata share of operating costs. The Government retains the right to inspect and review the Lessor's records to verify the costs listed on the GSA Form 1217 and/or to require a certified audit report. The basis for annual operating costs escalations will be the revised U.S. All Cities Average Consumer Price Index for Wage Earners and Clerical Workers.

12. 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 90 calendar days from the date of notice to proceed with the construction of the 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 10 years (5 years firm). The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Lessor  Government 

RIDER TO LEASE GS-03B-09349

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 3.7 of the lease, "ANSI/BOMA Office Area Square Feet" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 5: \$31.85 per BOAF (\$27.68 per RSF)

Shell Rent \$18.50 per BOAF,

Amortized annual cost per BOAF for Tenant Alteration Allowance*:
\$8.36 per BOAF.

Interest rate at which Tenant Alterations are amortized: 8.00 %

Annual Cost of Services: \$4.99 per BOAF

Years 6 through 10: \$27.71 per BOAF (\$24.08 per RSF)

Shell Rent \$22.72 per BOAF,

Amortized annual cost per BOAF for Tenant Alteration Allowance:
\$0.00 per BOAF.

Annual Cost of Services: \$4.99 per BOAF, plus accrued escalations
per Paragraph 3.4, Operating Costs

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$42,950.00 or \$34.36 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 8.00 % amortization rate over the firm term of 5 years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 8.00 % 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.

Lessor  Government 

RIDER TO LEASE GS-O3B-09349

13. The Government may terminate this lease at any time after the fifth (5th) full year of occupancy upon sixty (60) days written notice to the lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

14. Common Area Factor

The Common Area Factor of this building for this Government lease that is applied to the BOAF to determine the rentable square feet is 15%.

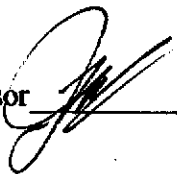
15. In accordance with Paragraph 7.3 of the lease, the additional cost to the Government for overtime use of Government leased space is \$12.50 per hour.

16. 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 this lease term, or any extension thereof, title shall rest on the Lessor and all right of restoration waived.

17. 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

