

# U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE <div style="font-size: 1.2em; margin-left: 100px;">3-2-2010</div>	LEASE NO. <div style="text-align: right; margin-right: 50px;">GS-04B-48841</div>
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THIS LEASE, made and entered into this date by and between **PROCACCI FORT MYERS, LLC**

whose address is **925 South Federal Highway, Suite 400  
Boca Raton, FL 33432-6145**

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 considerations hereinafter mentioned, covenant and agree as follows:

**1. LOCATION AND SQUARE FOOTAGE:**

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


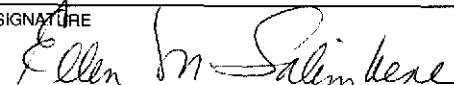
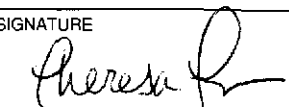
- A. A total of 34,312 rentable square feet (RSF) of office and related space, which yields 29,837 ANSI/BOMA Office Area square feet (BOSF) of space at 8860-8870 Salrose Lane, Fort Myers, FL 33912 as indicated on the attached Floor Plan marked Exhibit A along with fifty-three (53) non-reserved and forty-six (46) secured, reserved surface parking spaces to be used for such purposes as determined by the General Services Administration. Also included in the rent at no additional cost to the Government is space on the roof for installation of a roof-mounted antenna.

**2. TERM:**

TO HAVE AND TO HOLD the said premises with their appurtenances for the FIFTEEN (15) YEAR, TEN (10) YEAR FIRM term beginning upon the substantial completion of the space, and acceptance by the Government as satisfactorily complete. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

- Continued on Page 2 -

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

<b>LESSOR</b>			
SIGNATURE <div style="font-size: 1.2em; margin-left: 50px;"></div>	SIGNATURE		
NAME OF SIGNER Philip J. Procacci, Managing Member	NAME OF SIGNER		
<b>IN PRESENCE OF</b>			
SIGNATURE <div style="font-size: 1.2em; margin-left: 50px;"></div>	SIGNATURE		
NAME OF SIGNER Ellen M. Salimbene	NAME OF SIGNER		
<b>UNITED STATES OF AMERICA</b>			
SIGNATURE <div style="font-size: 1.2em; margin-left: 50px;"></div>	NAME OF SIGNER Theresa Fung		
	OFFICIAL TITLE OF SIGNER Contracting Officer		

3. **RENTAL RATES:**

- A. The Government shall pay the Lessor annual rent of \$1,286,700.00 (\$37.50 / RSF) at the rate of \$107,225.00 per month in arrears for years one (1) through fifteen (15). The rate per rentable square foot (PRSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1.

The amount of annual rent is determined as follows:

<u>Term: Years 1 – 10</u>		<u>Term: Years 11-15</u>	
Base:	\$ 983,431.44 (\$28.66 prsf)		\$1,132,296.00 (\$33.00 prsf)
Operating:	\$ 154,404.00 (\$ 4.50 prsf)		\$ 154,404.00 (\$ 4.50 prsf)
TI:	\$ 148,864.56 (\$ 4.34 prsf)		\$ -0-
TOTAL:	\$1,286,700.00 (\$37.50 prsf)		\$1,286,700.00 (\$37.50 prsf)

4. **RENTAL PAYMENTS:**

Rental is based on the rate, per rentable square foot (PRSF) as noted in Paragraph 3 above, in accordance with Clause 27 (PAYMENT), GSA form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum BOMA usable square footage requested in SFO Paragraph 1.1, (Amount and Type of Space). Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

**Procacci Fort Myers, LLC**  
**925 South Federal Highway, Suite 400**  
**Boca Raton, FL 33432-6145**

5. **TERMINATION NOTICE:**

The Government may terminate this lease [in whole or in part] at any time on or after the tenth full year, by giving the Lessor at least sixty (60) days notice in writing. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

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

- (a) Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with SFO 7FL2119 dated February 5, 2009, as amended by Amendment No. 1, Amendment No. 2 and Amendment No. 3 dated March 3, 2009, (1 page), March 10, 2009 (1 page) and September 9, 2009 (1 page), respectively.
- (b) Buildout in accordance with Solicitation for Offers 7FL2119. Lease term to be effective on date of occupancy, and established by SLA.
- (c) Deviations to the approved space layouts furnished by GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. **ATTACHMENTS:**

The following are attached and made a part hereof:


- (a) Rider to Lease GS-04B-48841, Solicitation for Offers 7FL2119 including special requirements, and Amendment No. 1, Amendment No. 2 and Amendment No. 3 dated March 3, 2009, (1 page), March 10, 2009 (1 page) and September 9, 2009 (1 page), respectively;
- (b) GSA Form 3518 entitled Representations and Certification
- (c) GSA Form 3517B entitled General Clauses
- (d) The Offeror's Source Selection Technical Submissions, by reference

8. **CONSTRUCTION SCHEDULE:** Pursuant to Paragraph 5.14, "Construction Schedule and Acceptance of Tenant Improvements", the Lessor shall have 180 days from the receipt of the Government Approved Construction Drawings to complete the build-out of the entire space and have the space available for inspection and acceptance by the Government. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
9. **PERCENT OF OCCUPANCY:** The percentage of Government occupancy is established as 90.2% based on a building size of 38,029 RSF and a Government occupied area of 34,312 RSF.
10. **OPERATING COST:** In accordance with the SFO paragraph entitled *Operating Costs*, the escalation base is established as \$4.50 per rentable square foot (totaling \$154,404.00) per annum.
11. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises", in the event of the Government vacating the premises in whole or in part prior to lease expiration, the rental will be reduced by \$3.48. per rentable square foot (equating to \$2.50 per ANSI/BOMA Office Area square foot) per annum for operating expenses.
12. **OVERTIME USAGE:** Pursuant to Paragraph 4.6, "Overtime Usage", upon request by an employee of the General Services Administration (GSA), the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours 7:00 a.m. - 6:00 p.m., Monday through Friday, except Federal Holidays ("Normal Hours"), at a rate of \$20.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice quarterly to the GSA Building Manager or designee located at 501 East Polk Street, Suite 600, Tampa, Florida 33602, to receive payment.
13. **24 Hour Rooms:** The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. The charges for heating and cooling of these areas shall be provided at the actual charges from the utility company for the electric consumed by the supplemental units for the after hours usage in the 24 hour rooms.
14. **TENANT IMPROVEMENT ALLOWANCE:** Pursuant to Paragraph 3.2, "Tenant Improvements Included in Offer", the maximum Tenant Improvement Allowance shall be \$1,117,395.65 (\$37.45 / BOSF) amortized over 120 months at 6.0% payable monthly at the rate of \$12,405.38 or \$148,864.59 annually and is included in the annual rent payment identified in Paragraph 3 of this lease. Pursuant to Paragraph 3.3, "Tenant Improvements Rental Adjustment", the Government, at its sole discretion, shall make all decisions as to the usage and payment for said Tenant Improvement Allowance.
15. **INSPECTION OF PREMISES:**
  - A. The Lessor shall notify the Government five (5) working days in advance of the anticipated substantial completion date as defined in Paragraph 1 of the GSA Form 3517. Within ten (10) working days after the date the Lessor notifies the Government that the space is "substantially complete," the Government shall inspect the Premises and appurtenances. Within five (5) working days after the inspection, the Government shall notify the Lessor of any deficiencies in the Premises and appurtenances and the Lessor shall thereafter diligently pursue remedying any defects. If any subsequent Government inspection is required to confirm conformance with the results of a prior inspection, any such subsequent inspection and notification of the results of such inspection shall be made in accordance with the foregoing procedure and the time frames.
  - B. The period during which rent shall be deemed to have commenced for the Premises shall be the date that the entire space is accepted for occupancy by the Government (or the date accepted for occupancy, subject to completion of a written punchlist of items not materially affecting beneficial occupancy which are yet to be finished.) The space will not be considered acceptable for occupancy until the Government receives the final tenant improvement cost. Any items to be completed or corrected that have been identified at the acceptance of the space as a punchlist item and which do not affect beneficial occupancy shall be completed by the Lessor within 10 working days of acceptance.
  - C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.
16. **OCCUPANCY REPORTS:**
  - A. **Building Systems:** In accordance with Paragraph 8.2, "Building Systems," of the Solicitation for Offers No. 7FL2119, the Lessor shall furnish, at the Government's Request, at no cost to the Government the required building system reports.
17. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the GSA Contracting Officer. This contract is between GSA and Procacci Fort Myers, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term of the lease agreement or authorized in writing by the GSA Contracting Officer. **If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.**
18. **DEFINITIONS:** Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

INITIALS:

  
LESSOR

&amp;

  
GOVT

19. COMMISSION AND CREDIT: The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the average firm term value of this lease. The commission is [REDACTED] (Annual Rent for Years one (1) through ten (10) of \$1,286,700.00 multiplied by [REDACTED]). The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit of [REDACTED] (half at lease execution and half at lease occupancy) to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 4 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First month's rental payment of \$107,225.00 (of which \$81,952.62 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first month's rent.


Second month's rental payment of \$107,225.00 (of which \$81,952.62 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted second month's rent.

The Lessor hereby waives restoration

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