

US GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

11/4/2011

LEASE NO. GS-04B-61816

THIS LEASE, made and entered into this date by and between **Rutherford & Strickland Elkton, Inc.**

Whose address is 362 SW Atwater Way
Madison, Florida 32340

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

A total of 16,236 Rentable Square Feet (RSF) of contiguous office and related space, consisting of 16,173 ANSI/BOMA Office Area Square Feet (ABOASF) to be constructed at US 40 Silver Springs & NE 10th Avenue, Ocala, FL 34471.

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 of ten (10) years, beginning Year 1 through Year 10, subject to termination and renewal rights as may be hereafter set forth.

3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>RATE per RSF¹</u>	<u>RATE per ABOASF²</u>	<u>MONTHLY RATE</u>
Year 1 – Year 5	\$542,769.48	\$33.43	\$33.56	\$45,230.79
Year 6 – Year 10	\$416,970.35	\$25.68	\$25.77	\$34,747.53

Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1 above.

Note 2. The rate per ABOASF is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 9.

4. The Government may terminate this lease, in whole or in part, at any time on or after the 5th year, by giving the Lessor at least one hundred twenty (120) days notice in writing. No rent 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:~~

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>RATE per RSF</u>	<u>RATE per ABOASF</u>	<u>MONTHLY RATE</u>
DELETED	DELETED	DELETED	DELETED	DELETED

~~provided notice be given in writing to the Lessor at least _____ 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.~~

INITIALS:

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6. Rental is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate per ABOASF as noted in Paragraph 3 above, in accordance with Clause 27 (PAYMENT), GSA Form 3517B, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum ABOASF 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:

Rutherford & Strickland Elkton, Inc.
362 SW Alwater Way
Madison, Florida 32340

7. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers (SFO) No. 9FL2325, as amended with Amendments No. 1 and No. 2 to SFO 9FL2325.
 - B. Buildout in accordance with Solicitation for Offers 9FL2325. Construction Drawings (CDs) shall be prepared by the Lessor and due to the Government within twenty (20) working days subsequent to receipt of Government approved Design Intent Drawings (DIDs). All tenant alterations are to be completed within one hundred twenty (120) working days of receiving notice to proceed from the Government with agency approved working/construction drawings. Lease term to be effective and rental to begin on date of occupancy, if different from Paragraph 2.
 - C. Lessor shall provide eighty (80) surface parking spaces as part of the lease, at no additional cost to the Government.
8. The following are attached and made a part hereof:
- A. Solicitation for Offers (SFO) 9FL2325.
 - B. Amendments No. 1 and No. 2 to SFO 9FL2325
 - C. Special Requirements [REDACTED] - Atlanta Region - Office Space Specifications & Requirements Ocala, FL
 - D. GSA Form 3517B entitled General Clauses (Rev. 06/08).
 - E. GSA Form 3518 entitled Representations and Certifications (Rev. 1/07).
 - F. Exhibit A: Floor Plan.

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

LESSOR: Rutherford & Strickland Elkton, Inc.

BY Walter G. Rutherford, Jr. Walter G. Rutherford, Jr.
(Authorized Signature) (Signature)

IN THE PRESENCE OF:

Phyllis L. Williams
(Signature)

[REDACTED]

UNITED STATES OF AMERICA

BY Glyndam Grieve
(Signature)

GLYNDAM GRIEVE, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
(Official title)

9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 16,173 ABOASF of office and related space, as identified in SFO 9FL2325.
10. The rental rate in Paragraph 3 for the period of Year 1 through Year 5 includes all Tenant Improvements. In accordance with Paragraph 3.2 of SFO 9FL2325, the Tenant Improvement allowance (T/I) provided in the lease is \$37.45 per ABOASF, or a total of \$526,285.00 amortized at an interest rate of 7.25% over five (5) years yielding an annual cost of \$125,799.13 at a rate of \$7.78 per ABOASF (\$7.75 per RSF). The T/I will be used to construct the interior space in accordance with the approved Design Intent Drawings. If the T/I cost exceeds \$37.45 per ABOASF (for up to 16,173 ABOASF), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire tenant improvement allowance of \$37.45 per ABOASF is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I. The Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. This does not apply to the shell build-out. 9. Lessor agrees that should the Government vacate the premises after the fifth year, the Government is not responsible for any unamortized unpaid T/I.
11. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No. 9FL2325, the annual shell rent for Year 1 through Year 10 is established as \$335,303.27 yielding \$20.73 per ABOASF (\$20.65 per RSF) which is inclusive of the rental rate in Paragraph 3.
12. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 9FL2325, the percentage of Government occupancy is established as 100% (based on total building area of 16,236 RSF and the Government's occupancy of approximately 16,236 RSF). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in the SFO, and in accordance with GSA Form 3517B, GENERAL CLAUSES.
13. In accordance with Paragraphs 4.3 (Operating Costs) of SFO No. 9FL2325, the annual operating rent is established as \$81,667.08 yielding an escalation base of \$5.05 per ABOASF (\$5.03 per RSF) which is inclusive of the rental rate in Paragraph 3 for the period of Year 1 through Year 10.
14. In accordance with Paragraph 4.1 (Measurement of Space) of SFO No. 9FL2325, the common area factor (CAF) is established as 1% or 1.0, based on 16,236 RSF and 16,173 ABOASF.
15. In accordance with Paragraph 4.4 (Adjustment for Vacant Premises) of SFO No. 9FL2325, the rental rate reduction is established as \$2.25 per ABOASF (\$2.24 per RSF).

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16. In accordance with Paragraph 5.14 (Waiver of Restoration) of SFO No. 9FL2325, the Lessor hereby waives all restoration rights.
17. In accordance with Paragraph 4.6, (Overtime Usage) of SFO No. 9FL2325, the hourly overtime usage for the entire space is established as \$0.00 per hour.
18. Any deviation from approved construction plans or tenant alterations require approval by the Contracting Officer or Contracting Officer's Designee. Should Lessor make changes without approval the Government will not be responsible for the cost of those changes and Lessor will not be reimbursed.
19. All fire and life-safety deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 9FL2325.
- A. Provision of emergency illumination in corridors, stairways and office space.
 - B. Provision of exit lights in corridors.
 - C. Provision of (2) exits on each floor occupied by the Government.
 - D. Provision of a fire extinguisher near every exit.
20. All handicapped accessibility deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 9FL2325.
- A. Door Entrances.
 - B. Exit Doors.
 - C. Parking Areas/Curb Cuts.
 - D. Restrooms.
 - E. Width of Exit Doors.
21. Within five (5) days of lease occupancy, the Lessor shall provide the tenant agency representative (with a copy forwarded to the GSA Government Representative), on site, a copy of the name and phone number of maintenance personnel in order that any cleaning, maintenance, janitorial, etc. problems can be rectified immediately.
22. In accordance with Paragraph 2.3, the Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. The total amount of the commission is [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

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pay the Commission less the Commission Credit 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. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: Fifty percent (50%) is due and payable within 30 days after lease award and the remaining fifty percent (50%) is payable at occupancy.

Notwithstanding Paragraph 3 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 \$45,230.79 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED]

Second Month's Rental Payment of \$45,230.79 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent of [REDACTED]

INITIALS: WCR & MS
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