

US GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE 12/18/10

LEASE NO. GS-04B- 61033

THIS LEASE, made and entered into this date by and between **Cabot Turfway Ridge LeaseCo LLC**

Whose address is c/o Cabot Investment Properties, LLC
55 Fifth Avenue, 13th Floor
New York, NY 10003

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 9,964 rentable square feet (RSF), consisting of 8,748 ANSI/BOMA Office Area Square Feet (ABOASF) of office and related space on the fourth floor of a five story building known as Turfway Ridge Office Park I plus five (5) on-site reserved parking spaces, located at 7300 Turfway Road, Boone County, Florence, KY 41042-1375.

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

July 1, 2011 through June 30, 2021 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>
7/1/11 – 6/30/16	\$204,361.64	\$20.51	\$23.36	\$17,030.14
7/1/16 – 6/30/21	\$179,352.00	\$18.00	\$20.50	\$14,946.00

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, at any time on or after the first day of the sixth (6th) full lease year after the lease commencement date, by giving the Lessor at lease ninety (90) 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. The Government has no options to renew this lease.
- 

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: **Cabot Turfway Ridge LeaseCo LLC**
- P. O. Box 601904 – Attn: Lockbox No. 5000000150625
Charlotte, NC 28260-1904
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.0KY2024.
 - B. Buildout in accordance with SFO No.0KY2024. Design Intent Drawings (DIDs) shall be prepared by the Lessor and due to the Government within sixty (60) calendar days subsequent to lease award. All tenant alterations are to be completed within sixty (60) calendar 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. Deviations to the approved DIDs furnished by the Lessor to the Government and reviewed/approved by the Government subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
 - D. Lessor shall provide five (5) reserved, on-site parking spaces. The cost of parking to the Government is zero per space, per annum. Additionally twenty-one (21) surface spaces (unreserved) are included at no cost for employees/visitors on site.
8. The following are attached and made a part hereof:
- A. Solicitation for Offers No.0KY2024 dated September 16, 2010
 - B. Amendment No. 1 dated September 30, 2010
 - C. GSA Form 3517B entitled General Clauses (Rev. 11/05).
 - D. GSA Form 3518 entitled Representations and Certifications (Rev. 1/07).
 - E. Floor Plan entitled GSA SFO 0KY2024.

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

LESSOR: **Cabot Turfway Ridge LeaseCo LLC, a Delaware Limited Liability Company**
By: Cabot Investment Properties, LLC, Its Manager

BY


(Authorized Signature) Timothy Kroll, Its Chief Operating Officer

(Signature)

IN THE PRESENCE OF:


(Signature) Albert Brayson

55 Fifth Avenue, 13th Floor, NY, NY 10011

(Address)

UNITED STATES OF AMERICA

BY


(Signature)

SHONTISE MANGHAM, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION

(Official title)

9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 8,748 ABOASF of office and related space, as identified in SFO No.0KY2024.
10. The rental rate in Paragraph 3 of this Standard Form 2 for the period 7/1/11 through 6/30/16 includes all Tenant Improvements (TI). In accordance with Paragraph 3.2.A (Tenant Improvements Included In Offer) of SFO No.0KY2024, the TI allowance provided in the lease is **\$32.264400 PABAOSF rounded to \$32.26 for 8,748 ABOASF = \$282,210.48** amortized at an interest rate of 6% over five (5) years yielding an annual cost of \$65,477.22 at a rate of \$6.57 per RSF (\$7.4848 rounded to \$7.49 per ABOASF). The TI allowance will be used to construct the interior space in accordance with the approved DIDs provided by the Lessor. If the TI cost exceeds **\$32.26** per ABOASF (for up to 8,748 ABOASF), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire TI allowance of **\$32.26** per ABOASF is not used, the Government will adjust the rental rate downward to off-set the difference. 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.
11. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No.0KY2024, the annual shell cost is established as \$89,177.80 yielding \$8.95 per RSF (\$10.19 per ABOASF) which is inclusive of the rental rate in Paragraph 3 for the period 7/1/11 through 6/30/16. For the period 7/1/16 through 6/30/21, the annual shell cost changes to \$129,631.64 yielding \$13.01 per RSF (\$14.82 per ABOASF) which is inclusive of the rental rate in Paragraph 3.
12. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No.0KY2024, the percentage of Government occupancy is established as 9.1% (based on total building area of 109,359 RSF and the Government's occupancy of approximately 9,964 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 3517, GENERAL CLAUSES.
13. In accordance with Paragraphs 4.3 (Operating Costs) of SFO No.0KY2024, the annual operating cost is established as \$49,720.36 yielding an escalation base of \$4.99 per RSF (\$5.68 per ABOASF) which is included in the rental rate in Paragraph 3 for the period 7/1/11 through 6/30/2021.
14. In accordance with Paragraph 4.1.C (Common Area Factor) of SFO No.0KY2024, the common area factor (CAF) is established as 13.9003% rounded to 13.9% based on 9,964 RSF and 8,748 ABOASF.

INITIALS:


Lessor

&


Gov't

15. In accordance with Paragraph 4.4 (Adjustment for Vacant Premises) of SFO No.0KY2024, the rental rate reduction is established as \$1.25 per ABOASF.
16. In accordance with Paragraph 5.15 (Restoration Waiver) of SFO No.0KY2024, the Lessor hereby waives all restoration rights.
17. In accordance with Paragraph 4.6 (Overtime Usage) of SFO No.0KY2024, the hourly overtime usage for the entire space is established as \$35.00. Standard building hours are 7:00 am – 6:00 pm Monday through Friday, and 9:00 am – 1:00 pm on Saturdays, excluding Federal Holidays.
18. In accordance with Paragraph 9.7 (Radon in Air) of SFO No.0KY2024, the Lessor shall complete the short test before occupancy and the standard test not later than 90 days after occupancy, with results forwarded to the Contracting Officer. Any corrective action must be completed within 30 days after tests are completed at no additional cost to the Government. Re-testing is required with results forwarded to the Contracting Officer.
19. 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.
20. 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.0KY2024:
- A. Provision of emergency illumination in corridors, stairways, and office space.
 - B. Provision of exit lights in corridors.
 - C. Provision of two (2) exits on each floor occupied by the Government.
 - D. Provision of a fire extinguisher near every exit.
21. 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.0KY2024:
- A. Door Entrances.
 - B. Exit Doors.
 - C. Parking Areas/Curb Cuts.
 - D. Restrooms.
 - E. Width of Exit Doors.
22. 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

INITIALS: AK & SM
Lessor Gov't