

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

09/14/11

LEASE NO.

GS-04-B-61183

THIS LEASE, made and entered into this date by and between: SCOTT STREET AND LAND CO, LTD.

Whose address is 1885 DIXIE HWY, SUITE 110
COVINTON, KENTUCKY 41011

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 that the said Lease is amended, effective September 1, 2011, as follows:

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

1. A total of 13,296 rentable square feet (RSF) of office and related space, which yields 12,000 ANSI/BOMA Office Area square feet (USF) of space located at to the Gateway Center West, 3rd and Madison Avenue, Covington, Kentucky to be used for office and related space.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 1, 2011 and continuing through August 31, 2016. The Government's termination rights are hereinafter set forth in paragraph 4.
3. The Government shall pay the Lessor annual rent of for the entire term, monthly, in arrears, as follows:

TERM	ANNUAL RENT	RATE PRSF	MONTHLY RATE
09/01/11 - 08/31/13	\$372,553.92	\$28.02	\$31,046.16
09/01/11 - 08/31/16	\$300,090.72	\$22.57	\$25,007.56

All services/utilities that are being paid for currently by the government will continue to be paid by the government in the Gateway Center West building with the exception of natural gas usage, which will now be paid for by the Lessor and is included in the rental payment above.

4. The Government may terminate this lease in whole or in part on the anniversary date of August 31, 2013 by giving at least 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. Rental is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space. Rent will be based on the rate on the rate per rentable square foot (RSF. In accordance with Clause 26 (PAYMENT), GSA Form 3517B, entitled General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum square footage requested. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

SCOTT STRRET LAND CO. LTD.
1885 DIXIE HWY SUITE 110
COVINGTON, KENTUCKY 41011

INITIALS:

RSU
LESSOR

& SEM
GOVT

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

Request for Lease Proposal 1KY2068

Lease Contract GS-04B-61183

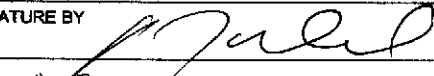
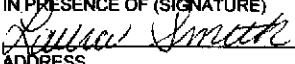
GSA Form 3517 entitled GENERAL CLAUSES

GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS


7. In accordance with Section 1.6 of the Lease, the percentage of Government occupancy is established as 9.23%.
8. In accordance with Section 1.7 of the Lease, the escalation base is established as \$4.57 per rentable square feet.
9. In accordance with Section 1.0 of the Lease, common area factor is established as 10.8%.
10. Parking arrangements/agreements currently in place for the adjacent church to utilize a small portion of the parking garage on Sunday mornings will remain in place.
11. Space is being accepted in "as is" condition. No tenant improvement allowances or security upgrade are included in rental payment. Also, Energy Star upgrades are not included or anticipated.

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

LESSOR

LESSOR SIGNATURE BY	NAME OF SIGNER
	RICHARD J. WESSELS
ADDRESS	
1885 DIXIE HIGHWAY	SOUTHELLO, FT. WRIGHT, KY, 41011
IN PRESENCE OF (SIGNATURE)	TITLE OF SIGNER
	AUTHORIZED REP.
ADDRESS	
1885 DEXIE HWY S 110 FT WRIGHT, KY 41011	

UNITED STATES OF AMERICA

SIGNATURE	NAME OF SIGNER
	Shontise C. Mangham
	OFFICIAL TITLE OF SIGNER
	CONTRACTING OFFICER

This Lease is made and entered into between

Scott Street Land Co., LTD

("the Lessor"), whose principal place of business is **Dixie Highway, Suite 110, Fort Wright, Kentucky, 41011-2600** and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

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

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**Gateway Center West
3rd And Madison Avenue
Covington, Kentucky 41011-1152**

together with rights to the use of parking and other areas as set forth herein.

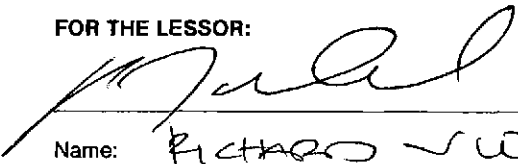
To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

5 Years, 2 Years Firm,


subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by the General Services Administration.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:


Name: RICHARD V. WEST
Title: AUTHORIZED REP
Date: 9/13/11

FOR THE GOVERNMENT:


Shontise C. Mangham
Lease Contracting Officer
Date: 09/14/11

WITNESSED BY:



Name: LAURA SMITH
Title: BOOKKEEPER
Date: 9/13/11

TABLE OF CONTENTS

SECTION 1	THE PREMISES, RENT, AND OTHER TERMS.....	4
1.01	THE PREMISES—SUCCEEDING (APR 2011).....	4
1.02	EXPRESS APPURTENANT RIGHTS (APR 2011).....	4
1.03	RENT AND OTHER CONSIDERATION—SUCCEEDING (APR 2011).....	4
1.04	TERMINATION RIGHT (APR 2011).....	5
1.05	DOCUMENTS INCORPORATED BY REFERENCE.....	5
1.06	PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (APR 2011).....	5
1.07	OPERATING COST BASE (APR 2011).....	5
SECTION 2	GENERAL TERMS, CONDITIONS AND STANDARDS	5
2.01	DEFINITIONS AND GENERAL TERMS (APR 2011)	5
2.02	AUTHORIZED REPRESENTATIVES (APR 2011)	6
2.03	WAIVER OF RESTORATION (APR 2011)	6
2.04	CHANGE OF OWNERSHIP (APR 2011)	6
2.05	REAL ESTATE TAX ADJUSTMENT (APR 2011).....	6
2.06	OPERATING COSTS ADJUSTMENT (APR 2011).....	8
SECTION 3	CONSTRUCTION STANDARDS AND SHELL COMPONENTS.....	8
3.01	WORK PERFORMANCE (APR 2011).....	8
3.02	RECYCLED CONTENT PRODUCTS (COMPREHENSIVE PROCUREMENT GUIDELINES) (APR 2011)	8
3.03	WOOD PRODUCTS (APR 2011)	9
3.04	ADHESIVES AND SEALANTS (APR 2011)	9
3.05	BUILDING SHELL REQUIREMENTS (APR 2011).....	9
3.06	RESPONSIBILITY OF THE LESSOR AND LESSOR'S ARCHITECT/ENGINEER—SUCCEEDING (APR 2011)	9
3.07	QUALITY AND APPEARANCE OF BUILDING—SUCCEEDING (APR 2011)	9
3.08	MEANS OF EGRESS (APR 2011).....	9
3.09	EXITS AND ACCESS (DEC 2007).....	10
3.10	AUTOMATIC FIRE SPRINKLER SYSTEM (APR 2011).....	10
3.11	FIRE ALARM SYSTEM (APR 2011)	10
3.12	ENERGY INDEPENDENCE AND SECURITY ACT (APR 2011)	10
3.13	ELEVATORS—SUCCEEDING (APR 2011).....	10
3.14	DEMOLITION—SUCCEEDING (APR 2011)	11
3.15	ACCESSIBILITY (APR 2011).....	11
3.16	CEILINGS—SUCCEEDING (APR 2011).....	11
3.17	DOORS: SUITE ENTRY AND INTERIOR – SUCCEEDING (APR 2011)	11
3.18	DOORS: EXTERIOR—SUCCEEDING (APR 2011)	11
3.19	WINDOWS—SUCCEEDING (APR 2011)	11
3.20	PARTITIONS – SUCCEEDING (APR 2011)	11
3.21	INSULATION: THERMAL, ACOUSTIC, AND HVAC (APR 2011)	11
3.22	WALL FINISHES (AUG 2008).....	12
3.23	PAINTING (APR 2011)	12
3.24	FLOORS AND FLOOR LOAD—SUCCEEDING (APR 2011).....	12
3.25	FLOOR COVERING AND PERIMETERS—SHELL—SUCCEEDING (APR 2011)	12
3.26	MECHANICAL, ELECTRICAL, PLUMBING: GENERAL (APR 2011)	12
3.27	BUILDING SYSTEMS (APR 2011).....	12
3.28	ELECTRICAL (APR 2011)	12
3.29	ELECTRICAL: GENERAL (APR 2011).....	12
3.30	DRINKING FOUNTAINS (APR 2011)	12
3.31	TOILET ROOMS—SUCCEEDING (APR 2011)	12
3.32	JANITOR CLOSETS (APR 2011)	13
3.33	HEATING VENTILATION AND AIR CONDITIONING (APR 2011)	13
3.34	HEATING AND AIR CONDITIONING (APR 2011)	13
3.35	VENTILATION (APR 2011).....	13
3.36	TELECOMMUNICATIONS: LOCAL EXCHANGE ACCESS (APR 2011)	13
3.37	LIGHTING: INTERIOR AND PARKING—SUCCEEDING (APR 2011).....	14
3.38	ACOUSTICAL REQUIREMENTS (SEP 2009)	14
3.39	GREEN LEASE SUBMITTALS – SUCCEEDING (APR 2011).....	14
3.40	DETERRENCE TO UNAUTHORIZED ENTRY (APR 2011)	15
3.41	ACCESS TO UTILITY AREAS (NOV 2005)	15
3.42	MECHANICAL AREAS AND BUILDING ROOFS (APR 2011).....	15
3.43	ACCESS TO BUILDING INFORMATION (APR 2011)	15
3.44	IDENTITY VERIFICATION OF PERSONNEL (APR 2011).....	15
3.45	SYSTEMS COMMISSIONING—SUCCEEDING (APR 2011).....	16
3.46	SECURE HVAC: AIRBORNE HAZARDS (APR 2011)	16
3.47	EMERGENCY POWER TO CRITICAL SYSTEMS (APR 2011)	16

3.48	SECURE HVAC: SECURE RETURN-AIR GRILLES (APR 2011).....	16
3.49	SECURE HVAC: OUTDOOR AIR INTAKES (APR 2011).....	16
3.50	EXISTING FIT-OUT, SALVAGED, OR REUSED BUILDING MATERIAL (SEP 2000).....	16
3.51	CONSTRUCTION WASTE MANAGEMENT (AUG 2008).....	16
3.52	3.50 INDOOR AIR QUALITY DURING CONSTRUCTION (DEC 2007).....	17
SECTION 4 DESIGN, CONSTRUCTION, AND POST AWARD ACTIVITIES.....		18
SECTION 5 TENANT IMPROVEMENT COMPONENTS.....		18
5.01	FINISH SELECTIONS – SUCCEEDING (APR 2011).....	18
5.02	FLOOR COVERING AND PERIMETERS—TI (APR 2011).....	18
5.03	CARPET SPECIFICATIONS (APR 2011).....	18
SECTION 6 UTILITIES, SERVICES, AND OBLIGATIONS DURING THE LEASE TERM.....		19
6.01	PROVISION OF SERVICES, ACCESS, AND ROUTINE HOURS (APR 2011).....	19
6.02	UTILITIES (APR 2011).....	19
6.03	UTILITIES SEPARATE FROM RENTAL/BUILDING OPERATING PLAN (APR 2011).....	19
6.04	HEATING AND AIR CONDITIONING (APR 2011).....	19
6.05	OVERTIME HVAC USAGE (APR 2011).....	19
6.06	JANITORIAL SERVICES (APR 2011).....	20
6.07	SELECTION OF CLEANING PRODUCTS (APR 2011).....	20
6.08	SELECTION OF PAPER PRODUCTS (APR 2011).....	20
6.09	SNOW REMOVAL (APR 2011).....	20
6.10	MAINTENANCE AND TESTING OF SYSTEMS (APR 2011).....	21
6.11	MAINTENANCE OF PROVIDED FINISHES (APR 2011).....	21
6.12	ASBESTOS ABATEMENT (APR 2011).....	21
6.13	ONSITE LESSOR MANAGEMENT (APR 2011).....	21
6.14	SCHEDULE OF PERIODIC SERVICES (APR 2011).....	21
6.15	LANDSCAPE AND LANDSCAPE MAINTENANCE – SUCCEEDING (APR 2011).....	21
6.16	RECYCLING (APR 2011).....	22
6.17	RANDOLPH-SHEPPARD COMPLIANCE (APR 2011).....	22
6.18	SAFEGUARDING AND DISSEMINATION OF SENSITIVE BUT UNCLASSIFIED (SBU) BUILDING INFORMATION (APR 2011).....	22
6.19	INDOOR AIR QUALITY (APR 2011).....	23
6.20	RADON IN AIR (APR 2011).....	24
6.21	RADON IN AIR (APR 2011).....	24
6.22	RADON IN WATER (APR 2011).....	25
6.23	HAZARDOUS MATERIALS (APR 2011).....	25
6.24	MOLD (APR 2011).....	25
6.25	OCCUPANT EMERGENCY PLANS (APR 2011).....	25
6.26	FLAG DISPLAY (APR 2011).....	26
SECTION 7 ADDITIONAL TERMS AND CONDITIONS.....		26

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES—SUCCEEDING (APR 2011)

Unless otherwise noted, the Government accepts the leased premises and tenant improvements in their current existing condition, with the following exceptions further outlined more thoroughly in this solicitation. These exceptions include, but are not limited to, security improvements, National Fire Protection Association (NFPA) requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The Lessor shall be responsible for continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set in the below Lease Contract paragraphs and attached General Clauses.

The Premises are described as follows:

Office and Related Space: 13,296 rentable square feet (RSF), yielding 12,000 ANSI/BOMA Office Area (ABOA) square feet (sq. ft.) of office and related space (based upon a Common Area Factor of 10.8 percent).

1.02 EXPRESS APPURTENANT RIGHTS (APR 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

- A. Parking: 70 parking spaces shall be structured inside spaces reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.
- B. Antennae, Satellite Dishes and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATION—SUCCEEDING (APR 2011)

- A. The Government shall pay the Lessor annual rent payable monthly in arrears at the following rates:

	YEARS 1 - 2		YEARS 3 - 6	
	ANNUAL RENT	ANNUAL RATE / RSF	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	\$311,791.20	\$23.45	\$239,328.00	\$18.00
OPERATING COSTS*	\$60,762.72	\$4.57	\$60,762.72	\$4.57
SERVICE RATE	\$372,553.92	\$28.02	\$300,090.72	\$22.57

- B. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

- C. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

- D. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in Paragraph 1.01, "The Premises," created herein.
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.
3. Performance or satisfaction of all other obligations set forth in this Lease.
4. All services, utilities (with the exclusion of the electricity) and maintenance required for the proper operation of the Property, the Building, and the Leased Premises, in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements and improvements required to be made thereto to meet the requirements of this Lease. The Government shall be responsible for paying the cost of electricity directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the Contracting Officer, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

1.04 TERMINATION RIGHT (APR 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the firm term of this Lease by providing not less than 60 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.05 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	NO. OF PAGES
GSA FORM 3517B GENERAL CLAUSES	33
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	7

1.06 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (APR 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 9.23 percent. The percentage of occupancy is derived by dividing the total Government space of 13,296 rentable square feet by the total building space of 143,990 rentable square feet.

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment clause of the Lease is based on first full Tax Year following the commencement of the Lease term.

1.07 OPERATING COST BASE (APR 2011)

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$4.57 per rentable sq. ft.

SECTION 2 GENERAL TERMS, CONDITIONS AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (APR 2011)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and Express Appurtenant Rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the Commission Credit.
- D. Days. All references to days in this Lease shall be understood to mean calendar days.
- E. FAR/GSAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- F. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- G. Lease Term Commencement Date. The Lease Term Commencement Date means the date on which the lease term commences.
- H. Lease Award Date. The Lease Award Date means the date that the Lease is signed by the Lease Contracting Officer (LCO or Contracting Officer) (and on which the Lessor's obligations under the Lease commence).
- I. The Premises. The Premises are defined as the total Office Area or other type of Space, together with all associated Common Areas, described in Section I of this Lease, and delineated by plan on Exhibit B. Parking and other areas to which the Government has rights under this Lease are not included in the Premises.