

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-LCO-14319

THIS LEASE, made and entered into this date by and between CHARTER NEWPORT, L.P.

Whose address is 1845 WOODALL RODGERS FWY, SUITE 1700
DALLAS, TX 75201-2288

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 45,000 rentable square feet (RSF) of office and related space, which yields 40,179 ANSI/BOMA Office Area square feet (USF) of space at Northrop Grumman Campus, 1555 North Newport Road, Colorado Springs, Colorado 80916-2727 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 230 parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 1, 2010 and continuing through August 31, 2018, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$ (\$16.00/RSF) at the rate of \$720,000.00 per year for years 1 - 5 and (\$16.50/RSF) at the rate of \$742,500.00 per Year for years 6 - 8.

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

CHARTER NEWPORT, L.P.
1845 WOODALL RODGERS FWY, SUITE 1700
DALLAS, TX 75201-2288

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

LESSOR

CHARTER NEWPORT, L.P.

BY

Philip Schibye
(Signature)

IN PRESENCE OF

Robert [illegible]
(Signature)

Vice President
(Title)

1845 WOODALL RODGERS Fwy
SUITE 1700, DALLAS, TX 75201-2288
(Address)

UNITED STATES OF AMERICA

BY

Donna [illegible]
(Signature)

Contracting Officer, General Services Administration
(Official Title)

4. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
 - A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8CO2256 dated July 20, 2010.
 - B. Build out in accordance with standards set forth in SFO 8CO2256 dated July 20, 2010, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
5. The following are attached and made a part hereof:
 - A. Solicitation for Offers 8CO2256 dated July 20, 2010.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
6. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 70%.
7. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$7.10/RSF (\$319,500.00/annum).
8. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.12 (45,000 RSF/40,179 USF).
9. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$1.00/USF for vacant space (rental reduction).
10. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$50.00 per hour for the entire building or any portion thereof.
11. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment (2.3 A5.)* The total improvement amount will be negotiated and approved by the Contracting Officer once bids have been submitted and a fair and reasonable determination has been performed. The Tenant Improvements Costs will be paid via Lump Sum Payment to the Lessor, by the Government upon acceptance of the space.
12. The building architect shall provide a Certificate of Substantial Completion for the TI's contracted for by Offeror. The Certificate of Substantial Completion will adequately meet the requirement for a Certificate of Occupancy in the SFO paragraph *Acceptance of Space and Certificate of Occupancy*.
13. Antennae and/or satellite equipment must be removed by the Government at the time the premises are vacated and the roof and/or building structure shall be repaired appropriately at the time of removal. The Lessor waives restoration of all other Tenant Improvement work as described in the SFO paragraph *Waiver of Restoration*.
14. The Government waves the SFO requirement for Ceiling Height to be at least 9 feet high, and accepts ceiling heights of 8 feet 6 inches.
15. The Government accepts the air intakes which are located at ground level with a locked covered grate, and waves the security requirements in the SFO paragraph *Outdoor Air Intake*.

The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY


(Initial)

BY


(Initial)