

**US GOVERNMENT
LEASE FOR REAL PROPERTY**

DATE OF LEASE:

LEASE NO.

LNC48030

THIS LEASE, made and entered into this date by and between **Wise Developments, LLC**

whose address is c/o:

**Wise Developments, LLC
1219 North South Street / P.O. Box 804
Mount Airy, North Carolina 27030**

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 8,126 rentable square feet (RSF), consisting of 7,066 ANSI/BOMA Office Area square feet (USF) of office and related space located at Goldwater Trail & Freeway Drive, Reidsville, North Carolina 27320.

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 **05/01/2009**, through **04/30/2019**, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows: See Page 3. Paragraph 9.

TERM	ANNUAL RENT*	RATE Per RSF ¹	RATE Per OASF	MONTHLY
Years 05/01/2009 thru 04/30/2014	\$223,405.72	\$27.49	\$31.61	\$18,617.14
Years 05/01/2014 thru 04/30/2019	\$166,826.78	\$20.53	\$23.61	\$13,902.23

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

Note 2. The rate per BOMA office area square foot (OASF) is determined by dividing the total annual rental by the BOMA office area square footage set forth in Paragraph 1.

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 sixty (60) 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 day of mailing.

5. ~~This lease may be renewed at the option of the Government, for the following terms and at the following rentals:~~

TERM	ANNUAL RENT	RATE Per RSF	MONTHLY RATE
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~~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. Paragraph Deleted~~

6. Rental is subject to the Government's measurement of plans submitted by the Lessor and/or a mutual on-site measurement of the space and will be based on the rate, per BOMA office area square foot (POASF) as noted in Paragraph 3 above, in accordance with Clause 26 (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 office area 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:

E.D. Bray III
Wise Developments, LLC
1219 North South Street / P.O. Box 804
Mount Airy, North Carolina 27030

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) 7NC2063.
- B. Build-out in accordance with Solicitation for Offers 7NC2063. The Government shall prepare and provide the Design Intent Drawings (DID's) to the Government within sixty (60) working days subsequent to lease award (in coordination with the tenant agency). All tenant alterations to be completed within ninety (90) working days from receipt of award or receipt of notice to proceed to construct tenant improvements, whichever is later. Lease term to be effective and rental to begin on date of occupancy, if different from Paragraph 2.
- 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 or Representative.
- D. 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.

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

- A. Solicitation for Offers 7NC2063,
- B. Special Requirements – [REDACTED] - Atlanta Region, Office Space Specifications and Requirements, Reidsville, NC July 23, 2007
- C. GSA Form 3517B entitled General Clauses (Rev. 11/05),
- D. GSA Form 3518 entitled Representations and Certification (Rev. 1/07),
- E. Commission Agreement Dated May 8, 2008,
- F. Floor Plan entitled Goldwater Trail & Freeway Drive, Reidsville, NC.

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

LESSOR: **WISE DEVELOPMENTS, LLC**

[REDACTED]

Managing Member
(Title)

[REDACTED]

[REDACTED]

CRAIG THOMAS, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
(Official title)

9. In accordance with SOLICITATION FOR OFFERS 7NC2063, Paragraph 7.3 (Overtime Usage), the overtime usage is \$10.00 per hour to the Government. Normal hours of operation are established as 7:00 am to 6:00 pm, Monday through Friday and 7:00 am to 12:00 pm on Saturday.
10. In accordance with SOLICITATION FOR OFFERS 7NC2063, Paragraph 8.8 (Radon in Air) Radon Certification must be furnished within 30 days after occupancy. Any corrective action must be completed within 30 days after tests are completed at no additional costs to the Government. If re-testing is required, results shall be forwarded to the General Services Administration Contracting Officer.
11. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 3.11 (Common Area Factor), the common area factor (CAF) is established as 1.15 rounded.
12. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 1.10 (Tenant Improvement Rental Adjustment) and the rent rate in paragraph 3 of this Standard Form 2 for the period 05/01/2009 through 04/30/2014 includes \$240,809.28 Tenant Alterations Allowance (\$34.08 for 7,066 per ANSI/BOMA Office Area Usable square foot), amortized over the 5 year firm term period of the lease contract at an interest rate of 6.5% per year, using end of month payment computations (\$8.00 per ANSI/BOMA Office Area Usable square foot, \$6.96 per rentable square foot). The amortized cost of these improvements are included in the stated rent in Paragraph 3 above. If the entire tenant improvement allowance, as noted herein above, is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I.
13. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 3.8 (Operating Costs Base), are established as \$6.13 per BOMA office area square foot (\$5.33 per rentable square foot) rounded.
14. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 1.9 (Building Shell Requirements), the shell rate is established as \$15.35 per USF (\$13.35 RSF) for years 1 through 10.
15. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 3.14 (Adjustment for Vacant Premises), the rental rate reduction is established as \$3.00 per rentable square foot.
16. In accordance with the SOLICITATION FOR OFFERS 7NC2063, Paragraph 1.13. Broker Commission and Commission Credit, the projected commission is [REDACTED]. This amount is based on a total gross rental amount of [REDACTED] for the initial five (5) years firm term at [REDACTED] commission rate for [REDACTED] total commission. For the benefit of the Government, the Broker has agreed to forego [REDACTED] of any commission that it is entitled to receive in connection with this lease transaction. Broker shall be paid directly by Lessor, [REDACTED] of the Total Broker's Commission estimated to be [REDACTED] (the "Remaining Broker's Commission"). The resulting total dollar value of the foregone commission is estimated to be [REDACTED] (the "Commission Credit") which shall not be paid to Broker, but shall be applied in equal monthly amounts against shell rental payments due and owing under the Lease. The rental amount payable shall be reduced by the Commission Credit at the commencement of the Lease, over the minimum number of months that will not exceed the monthly shell rental, until the Commission Credit has been fully recaptured. The parties agree to execute a Supplemental Lease Agreement setting forth the full nature, extent, terms, and conditions of the Total Broker's Commission, Remaining Broker's Commission, and Commission Credit to be applied against the Government's rental payment obligations under the Lease.

In the event that the rental rate is adjusted due to an increase or decrease to the tenant build-out amount, square footage, or other item resulting in a change to the gross rental amount, the Total Broker's Commission, Remaining Broker's Commission and Commission Credit shall be recalculated based on the revised base rental rate.

Notwithstanding Paragraph 3 of this Standard Form 2, the 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 \$18,617.14 (including \$9,040.18 shell rental rate) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment \$18,617.14 (including \$9,040.18 shell rental rate) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

17. In accordance with SOLICITATION FOR OFFERS 7NC2063, Paragraph 3.5 (Tax Adjustment), the percentage of Government occupancy is established as 100% rounded (Based on Government occupancy of 8,126 rentable square feet and total building area of 8,126 rentable square feet). 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 BOMA office area square feet stated in the SOLICITATION FOR OFFERS 7NC2063, and in accordance with GSAF 3517, GENERAL CLAUSES

INITIALS: CT DB
Gov't Lessor