

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

12/17/2010

LEASE NO.

GS-04B-59201

THIS LEASE, made and entered into this date by and between
GREENSBORO OFFICE INVESTMENT, LLC

whose address is

121 WEST TRADE STREET, SUITE 2020
CHARLOTTE, NC 28202-1161

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 agrees as follows:

1. The lessor hereby leases to the Government the following described premises:

A total of 10,828 rentable square feet (RSF) of office and related space, which yields 9,416 ANSI/BOMA Office Area square feet (ABOASF) to be located at 1801 Stanley Road, Suite 400, Greensboro (Guilford County), North Carolina 27407-2644, along with 15 reserved surface parking spaces, as outlined on the demising plans labeled Exhibit "A" attached hereto and made a part hereof, to be used for such purposes as determined by the General Services Administration.

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

October 1, 2011 through September 30, 2026, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$

at the rate of \$ per in arrears.

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

Paragraph 3 is deleted in it's entirety and replaced with Paragraph 9.

4. The Government may terminate this lease at any time by giving at least Deleted 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. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

Paragraph 5 is deleted in it's entirety.

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.



6. 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 9NC2164.
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas and related facilities ready for occupancy in accordance with the requirements of this lease stated in the Solicitation for Offers 9NC2164 and the design intent drawings.
- C. Build out shall be in accordance with Solicitation for Offers 9NC2164 and Government approved design intent drawings.
- D. Deviations to the approved space layouts furnished by the GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
- E. Lessor shall provide 15 reserved surface parking spaces for Government vehicles at no additional cost to the Government.

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

The General Provisions and Instructions


- A. Continuation of Lease Contract No. GS-04B-59201, (Page 3-4)
- B. Solicitation for Offers 9NC2164 dated 1/20/2010; (Pages 1-52)
- C. GSA Form 3517B entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-33)
- D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07) (Pages 1-7)
- E. Exhibit A – Base Shell Plans

8. The following changes were made in this lease prior to its execution:


NONE.

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

LESSOR

SIGNATURE		SIGNATURE	
NAME OF SIGNER	Christopher R. Smith c/o Allegiance Realty Corporation 121 West Trade Street Ste. 2020 Charlotte, NC 28202	NAME OF SIGNER	

IN PRESENCE OF

SIGNATURE		SIGNATURE	
NAME OF SIGNER	Bonnie Maclean	NAME OF SIGNER	

UNITED STATES OF AMERICA

NAME OF SIGNER	ROBERT E. SCOTT
OFFICIAL TITLE OF SIGNER	CONTRACTING OFFICER

STANDARD FORM 2 (REV. 6/2003) BACK

9. 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>PRSF RATE</u>	<u>POASF RATE</u>	<u>MONTHLY RATE</u>
10/1/2011 - 09/30/2021	\$220,330.91	\$20.34	\$23.39	\$18,360.90
10/01/2021-09/30/2026	\$203,349.84	\$18.78	\$21.59	\$16,945.82

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. The Base Rate years 1-10 is determined to be \$140,764.00 per annum (\$13.00 per rsf rounded). The Base Rate years 11-15 is determined to be \$170,107.88 per annum (\$15.71 per rsf rounded).



Note 2. The rate per ANSI/BOMA office area square foot (OASF) is determined by dividing the total annual rental by the ANSI/BOMA office area square footage set forth in Paragraph 1. The Base Rate years 1-10 is determined to be \$140,764.00 per annum (\$14.95 per oasf rounded). The Base Rate years 11-15 is determined to be \$170,107.88 per annum (\$18.07 per oasf rounded).

The above annual rent is inclusive of the base annual operating rental rate indicated in Paragraph 16 of this lease contract.

- 10. The Government may terminate this lease in whole or in part at any time on or after the tenth year by giving at least sixty (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.
- 11. The rental rate 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 ANSI/BOMA rentable square foot (PRSF) as noted above, in accordance with Clause 23 (PAYMENT), GSA Form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

GREENSBORO OFFICE INVESTMENT, LLC
 121 West Trade Street, Suite 2020
 Charlotte, NC 28202-5399

- 12. The DUNS number for leasing entity is 181444014.
- 13. The rental set forth in Paragraph 2 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$347,720.73 to be amortized through the rent over the firm term of the Lease (120 months) at the rate of 6% (\$4.28 prsf, \$4.92 poasf rounded). In accordance with Solicitation for Offers 9NC2164 Paragraph 3.3, *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly.
- 14. In accordance with Solicitation for Offers 9NC2164 Paragraph 4.1.C, *Measurement of Space*, the common area factor is established as 1.15 (10,828 RSF / 9,416 ABOASF).
- 15. In accordance with Solicitation for Offers 9NC2164 Paragraph 4.2.B.9, *Tax Adjustment*, the percentage of Government occupancy is established as 8.437% (10,828 RSF/128,339 RSF).
- 16. In accordance with Solicitation for Offers 9NC2164 Paragraph 4.3, *Operating Costs*, the escalation base is established as \$33,292.00 per annum (\$3.07 prsf, \$3.54 poasf rounded).
- 17. In accordance with Solicitation for Offers 9NC2164 Paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$2.50 per ABOA for vacant space (rental reduction).
- 18. In accordance with Solicitation for Offers 9NC2164 Paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$25.00 per hour beyond the *Normal Hours* (Solicitation for Offers 9NC2164 Paragraph 4.5) of operation are Monday through Friday 8:00am to 6:00pm and Saturday 9:00am to 1:00pm. Areas requiring 24/7 HVAC will be provided at no additional cost to the Government.

INITIALS  & 
 Lessor Government

- 19. Cleaning services requiring access to the Government's leased space shall be performed in accordance with Solicitation for Offers 9NC2164 Paragraph 4.8, *Janitorial Services*.
- 20. This lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implied, shall be admissible to contradict the provisions of this lease. Wherever there is a conflict between the SF-2 and the Solicitation for Offers 9NC2164, the SF-2 shall take precedence.
- 21. In accordance with Solicitation for Offers 9NC2164 Paragraph 2.3, *Broker Commission and Commission Credit*, Gwen E. Fogel is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Gwen E. Fogel have agreed to a cooperating lease commission of [redacted] percent of the firm term value of this lease ("Commission"). The total amount of the Commission is [redacted]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.3, only [redacted] 4 which is [redacted] of the Commission, will be payable to , Gwen E. Fogel when the Lease is awarded. The remaining [redacted] which is [redacted] of the Commission ("Commission Credit"), shall be credited to the shell rental portion of the annual rental payments due and owing 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 until the credit has been fully recaptured.

First month's rental payment of \$18,360.90 minus the prorated commission credit of [redacted] equals [redacted] (adjusted first month's rent).

Second month's rental payment of \$18,360.90 minus the prorated commission credit of [redacted] equals [redacted] (adjusted second month's rent).

Third month's rental payment of \$18,360.90 minus the prorated commission credit of [redacted] equals [redacted] (adjusted third month's rent).

Fourth month's rental payment of \$18,360.90 minus the prorated commission credit of [redacted] equals [redacted] (adjusted fourth month's rent).

Fifth month's rental payment of \$18,360.90 minus the prorated commission credit of [redacted] equals [redacted] (adjusted fifth month's rent).

=====END OF SF-2=====

INITIALS &
Lessor Government