

**LEASE NO. GS-04P-LNC62546**

Succeeding/Superseding Lease  
GSA FORM L202 (October 2012)

This Lease is made and entered into between

**Seamist Properties, LLC**

(Lessor), whose principal place of business is 3807 Peachtree Avenue, Suite 200, Wilmington, NC 28403-6273, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(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:

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

**721 Medical Center Drive, Wilmington, NC 28401-7596**

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

**LEASE TERM**

To Have and To Hold the said Premises with its appurtenances for the term beginning on February 1, 2014 and continuing for a period of

**10 Years, 5 Years Firm,**

through January 31, 2024, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

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

Name: \_\_\_\_\_

Title: Manager

Date: 4/11/14

[Redacted Signature]

LeShaundra Greer

Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: 4/11/2014

WITNE

Name: WALTER VICK JERRY

Title: ASSOCIATE AUTHORIZED AGENT  
REP

Date: 4-11-14

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

*[Handwritten signatures: MJD and LA]*

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (SUCCEEDING) (JUN 2012)**

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

A. Office and Related Space: 23,420 rentable square feet (RSF), yielding 20,791 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the First floor(s) and known as Suite(s) 100, 200 & 300, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

A more detailed description of the space occupied by each of the three (3) Agencies within the Premises is summarized in the following table:

Block	Agency	ABOASF	Total RSF
Block A	[REDACTED]	11,242	12,664
Block B	[REDACTED]	5,078	5,720
Block C	[REDACTED]	4,471	5,036

B. Common Area Factor: The Common Area Factor (CAF) is established as 12.65 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: 31 parking spaces as depicted on the plan attached hereto as Exhibit B, reserved for the exclusive use of the Government, of which Zero shall be structured/inside parking spaces, and 31 shall be surface/outside parking spaces. In addition, Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, 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 CONSIDERATIONS (SEP 2012)**

A. Each Occupying Agency is responsible for the following:

**Block A - [REDACTED]**

	2/1/2014 - 1/31/2019 (FIRM TERM)	2/1/2019 - 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1,5</sup>	\$224,777.82	\$238,960.98
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$0.00	\$0.00
OPERATING COSTS <sup>3</sup>	\$79,147.12	\$79,147.12
PARKING <sup>4</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$303,924.94</b>	<b>\$318,108.10</b>

<sup>1</sup>Shell rent calculation:  
 (Firm Term) \$17.75 per RSF multiplied by 12,664 RSF  
 (Non-firm Term) \$18.87 per RSF multiplied by 12,664 RSF  
<sup>2</sup>The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 6.0 percent per annum over 5 years.  
<sup>3</sup>Operating Costs rent calculation: \$6.25 per RSF multiplied by 12,664 RSF. Operating costs are subject to CPI increases starting in 2015.  
<sup>4</sup>Parking costs are for 24 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.  
<sup>5</sup>A detailed explanation of the \$14,183.16 (\$1.12 PRSF multiplied by 12,664 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

**Block B -**

	2/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1,5</sup>	\$101,531.91	\$107,938.43
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$41,421.66	\$0.00
OPERATING COSTS <sup>3</sup>	\$35,750.67	\$35,750.67
PARKING <sup>4</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$178,704.24</b>	<b>\$143,689.10</b>

<sup>1</sup>Shell rent calculation:

(Firm Term) \$17.76 per RSF multiplied by 5,720 RSF  
(Non-firm Term) \$18.87 per RSF multiplied by 5,720 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$178,546.58 will be amortized at a rate of 6.00 percent per annum over 5 years.

<sup>3</sup>Operating Costs rent calculation: \$6.25 per RSF multiplied by 5,720 RSF. Operating costs are subject to CPI increases starting in 2015.

<sup>4</sup>Parking costs are for 4 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

<sup>5</sup>A detailed explanation of the \$6,406.52 (\$1.12 PRSF multiplied by 5,720 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

**Block C -**

	2/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1,5</sup>	\$89,395.27	\$95,035.99
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$0.00	\$0.00
OPERATING COSTS <sup>3</sup>	\$31,477.21	\$31,477.21
PARKING <sup>4</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$120,872.48</b>	<b>\$126,513.20</b>

<sup>1</sup>Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 5,036 RSF  
(Non-firm Term) \$18.87 per RSF multiplied by 5,036 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 6.0 percent per annum over 5 years.

<sup>3</sup>Operating Costs rent calculation: \$6.25 per RSF multiplied by 5,036 RSF. Operating costs are subject to CPI increases starting in 2015.

<sup>4</sup>Parking costs are for 3 reserved parking spaces and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

<sup>5</sup>A detailed explanation of the \$5,640.72 (\$1.12 PRSF multiplied by 5,036 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

The resulting rental summary for the Government occupied space shall be paid by the Government to the Lessor in monthly installments as follows:

**TOTAL**

	2/1/2014 – 1/31/2019 (FIRM TERM)	2/1/2019 – 1/31/2024 (NON-FIRM TERM)
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1,5</sup>	\$415,705.00	\$441,935.40
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$41,421.66	\$0.00
OPERATING COSTS <sup>3</sup>	\$146,375.00	\$146,375.00
PARKING <sup>4</sup>	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT</b>	<b>\$603,501.66</b>	<b>\$588,310.40</b>

<sup>1</sup>Shell rent calculation:

(Firm Term) \$17.75 per RSF multiplied by 23,420 RSF  
(Non-firm Term) \$18.87 per RSF multiplied by 23,420 RSF

<sup>2</sup>The Tenant Improvement Allowance of \$178,546.58 is amortized at a rate of 6.00 percent per annum over 5 years.

<sup>3</sup>Operating Costs rent calculation: \$6.25 per RSF multiplied by 23,420 RSF. Operating costs are subject to CPI increases starting in 2015.

<sup>4</sup>Parking costs are for 31 reserved parking spaces (24 for [redacted], 4 for [redacted] 3 for [redacted] and Zero structured parking spaces reflecting a rate of \$0.00 per reserved space and \$0.00 per structured space per month.

<sup>5</sup>A detailed explanation of the \$26,230.40 (\$1.12 PRSF multiplied by 23,420 RSF) increase in shell rent for years 6-10 can be found in Lease Paragraph 7.04 below.

In instances where the Lessor amortizes either the TI or Building Specific Amortized Capital for a period exceeding the Firm Term of the Lease, should the Government terminate the Lease after the Firm Term or does not otherwise renew or extend the term beyond the Firm Term, the Government shall not be liable for any costs, including unamortized costs beyond the Firm Term.

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 20,791 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

- C. Rent is subject to adjustment based upon the final Tenant Improvement (TI) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- D. Rent is subject to adjustment based on the final Building Specific Amortized Capital (BSAC) cost to be amortized in the rental rate, as agreed upon by the parties subsequent to the Lease Award Date.
- E. 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.
- F. Rent shall be paid to 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 (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.
- G. 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 the paragraph entitled "The Premises."
  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; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the 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.
- H. ~~Parking shall be provided at a rate of \$XX per parking space per month (Structure), and \$XX per parking space per month (Surface).~~

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)**

A. Studley, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission, will be payable to Studley, Inc. with the remaining [REDACTED], which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing 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 in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully 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:

Month 1 Rental Payment \$50,291.80 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1<sup>st</sup> Month's Rent.\*

Month 2 Rental Payment \$50,291.80 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2<sup>nd</sup> Month's Rent.\*

\*Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

**1.05 TERMINATION RIGHTS (AUG 2011)**

The Government may terminate this Lease, in whole or in part, at any time effective after January 31, 2019, by providing not less than 90 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.

**1.06 RENEWAL RIGHTS (AUG 2014) INTENTIONALLY DELETED**

**1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)**

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	EXHIBIT
FLOOR PLAN(S)	A
PARKING PLAN(S)	B
SECURITY REQUIREMENTS	C
AGENCY SPECIAL REQUIREMENTS – BLOCK B	D
GSA FORM 3517B GENERAL CLAUSES	E
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	F
SEISMIC FORM C, BUILDING RETROFIT OR NEW CONSTRUCTION PRE-AWARD COMMITMENT	G
AMENDMENTS TO RLP NO. 2NC0292	H

**1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)**

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

**1.09 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP-2012) INTENTIONALLY DELETED**

**1.10 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP-2012) INTENTIONALLY DELETED**

**1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 20,794 RSF by the total Building space of 23,420 RSF.

**1.12 ESTABLISHMENT OF TAX BASE (JUN-2012) INTENTIONALLY DELETED**

**1.13 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$6.25 per RSF (\$146,375.00/annum).

**1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)**

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$3.24 per ABOA SF of Space vacated by the Government, provided that a minimum of 5,000 RSF of space is vacated.

**1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$13.00 per hour per zone
- Number of zones: 1
- \$13.00 per hour for the entire Space (this does not include the 4,300 SF [REDACTED] network operation center discussed in Paragraph 1.16 below).

**1.16 24-HOUR HVAC REQUIREMENT (APR 2011)**

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$12.07 per ABOA SF of the area receiving the 24-hour HVAC (this rate is specific to the 4,300 SF [REDACTED] network operation center). Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.