

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

January 5, 2011

LEASE NO.

GS-07B-16803

THIS LEASE, made and entered into this date by and between CITY OF DURANT

Whose address is 300 W. EVERGREEN ST.
 DURANT, OK 74701-4742

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 1,466 rentable square feet (RSF) of office and related space, which yields 1,466 ANSI/BOMA Office Area square feet (USF) of space at Durant City Hall, 300 W. Evergreen St., Durant, OK 74701 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 three (3) surface 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 upon completion and acceptance of the work required by this lease and continuing for a period of fifteen (15) years, ten (10) years firm, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent, on a monthly basis in arrears, according to the following schedule:

Years 1 – 5	
	Annual
Shell Rent	\$16,941.45
Operating Cost Base	\$ 4,399.61
Amortized TI Allowance	\$ 6,969.85
Amortized Security Costs	\$ 3,090.81
Total	\$31,401.72

Years 6 – 10	
	Annual
Shell Rent	\$18,647.52
Operating Cost Base	\$ 4,399.61
Amortized TI Allowance	\$ 6,969.85
Amortized Security Costs	\$ 3,090.81
Total	\$33,107.79

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

LESSOR
 CITY OF D

BY
 IN

Mayor, City of Durant
(Title)

300 W. Evergreen, Durant OK
(Address) *74701*

UNITED

BY

Contracting Officer, General Services Administration

Years 11 – 15	
	Annual
Shell Rent	\$20,509.34
Operating Cost Base	\$ 4,399.61
Total	\$24,908.95

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

CITY OF DURANT
 300 W. EVERGREEN ST.
 DURANT, OK 74701-4742

4. The Government may terminate this lease in whole or in part at any time on or after Year 10 by giving at least 90 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:~~

~~provided notice be given in writing to the Lessor at least XX 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 SFO 6OK0011 dated November 30, 2007, as amended.
 - B. Build out in accordance with standards set forth in SFO 6OK0011 dated November 30, 2007, as amended, 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.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. The following are attached and made a part hereof:
- A. Solicitation for Offers 6OK0011 dated November 30, 2007, Amendment 1 dated June 19, 2009, Amendment 2 dated March 18, 2010, Amendment 3 dated March 18, 2010, and Amendment 4 dated November 10, 2010.
 - B. Agency Special Requirements dated September 21, 2007.
 - C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05).
 - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 01/07).
 - E. Attachment 1, Floor Plan.

8. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$52,316.50 (1,466 USF x \$35.686563) shall be amortized through the rent for 10 years at the rate of 6.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$6,969.85.

9. The following change was made to this Lease prior to its execution:
- A. Paragraph 5 was intentionally deleted in its entirety.

10. In accordance with Subsection B(9) of the SFO paragraph entitled *Tax Adjustment*, the percentage of Government occupancy is established as 7.223% (1,466 RSF/20,296 RSF).

LESSOR

UNITED STATES OF AMERICA

BY _____



(Initial)

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11. In accordance with the SFO paragraph entitled *Operating Costs*, the escalation base is established as \$4,399.61 per annum.

12. In accordance with Subsection C of the SFO paragraph entitled *Measurement of Space*, the common area factor is established as 1.00 (1,466 RSF/1,466 USF).

13. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$2.15/USF for vacant space (rental reduction).

14. In accordance with the SFO Paragraph entitled *Overtime Usage*, overtime shall be provided at no additional cost to the Government.

15. Security costs in the total amount of \$23,200.00 shall be amortized through the rent for 10 years at the rate of 6.0%. The total annual security costs for the amortization period shall be \$3,090.81.

16. The Lessor and the Broker have agreed to a cooperating lease commission of [redacted] of the firm term value of this lease. The total amount of the commission is [redacted]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [redacted] percent of the commission that it is entitled to receive in connection with this lease transaction (Commission Credit). The Commission Credit is [redacted]. The Lessor agrees to pay the commission less the Commission Credit to the broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell 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 of \$2,616.81 minus one third of the Commission Credit [redacted] equals [redacted] adjusted First Month's Rent.

Second Month's Rental Payment of \$2,616.81 minus one third of the Commission Credit [redacted] equals [redacted] adjusted Second Month's Rent.

Third Month's Rental Payment of \$2,616.81 minus one third of the Commission Credit [redacted] equals [redacted] adjusted Second Month's Rent.

17. All questions pertaining to this Lease shall be referred to the Contracting Officer of the General Services Administration (GSA) or their designee. The Government occupant is not authorized to administer this lease and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or any other authorized cost in writing by the GSA Contracting Officer. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to repairs, changes of scope of work, alterations, and overtime services without the written authorization of a Contracting Officer. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.

18. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

19. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this lease or any extensions, and for alterations completed by either the Government or Lessor including initial build out of the lease space and/or any subsequent modifications required during the lease period. At the Government's sole discretion, alterations that remain in the leased space after termination of the lease contract will become property of the Lessor.

20. The Lessor and GSA agree that the design of the space is subject to review and approval by the Oklahoma State Historic Preservation Office (SHPO). If the SHPO does not approve the design then GSA has the right to unilaterally terminate the lease.

LESSOR

UNITED STATES OF AMERICA

BY



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BY



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21. Unauthorized Improvements: All questions pertaining to this lease agreement shall be referred in writing to the General Services Administration Contracting Officer. This contract is between GSA and the City of Durant. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.

22. The Lessor's Tenant Improvement Fees shall not exceed the following:
- A. General Conditions will not exceed 0.0% of the Tenant Improvements.
 - B. General Contractor's fee will not exceed 7.0% of the Tenant Improvements.
 - C. Architectural/Engineering fees will not exceed 7.0% of the Tenant Improvements.
 - D. Lessor's Project Management fees shall not exceed 0.0% of the Tenant Improvements.

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(Initial)

UNITED STATES OF AMERICA



BY _____
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