

**U.S. GOVERNMENT LEASE FOR REAL PROPERTY**

DATE OF LEASE 9/29/10 LEASE NO. GS-02B-19160 Building Number: PR3953

THIS LEASE, made and entered into this date by and between **OCHOA REALTY CORPORATION**

whose address is Mailing Address: **P.O. Box 9020083  
San Juan, Puerto Rico 00902-0083**

Physical Address: **500 Tanca St, 6<sup>th</sup> Floor  
San Juan, P. R. 00902-0083**

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. LOCATION AND SQUARE FOOTAGE:**

The Lessor hereby leases to the Government the following described premises:

A. A total of 1,555 rentable square feet (RSF) of office and related space, which yields 1,330 ANSI/BOMA Office Area square feet (BOSF) of space on the fifth floor at Ochoa Building, 500 Tanca Street, San Juan, Puerto Rico 00902-0083 as indicated on the attached Floor Plan marked Exhibit A, to be used for such purposes as determined by the General Services Administration.



**2. TERM:**

TO HAVE AND TO HOLD the said premises with their appurtenances for a term of ten (10) years, five (5) years firm beginning upon the substantial completion of the space and acceptance by the Government as satisfactorily complete. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

- Continued on Page 2 -

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


**LESSOR**

SIGNATURE 	SIGNATURE
NAME OF SIGNER 	NAME OF SIGNER

**IN PRESENCE OF**

SIGNATURE	SIGNATURE
NAME OF SIGNER	NAME OF SIGNER

**UNITED STATES OF AMERICA**

SIGNATURE 	NAME OF SIGNER <i>Wanda A. Cadilla</i>
	OFFICIAL TITLE OF SIGNER <i>Senior Contracting Officer</i>

3. **RENTAL RATES:**

The Government shall pay the Lessor annual rent of \$72,146.11 (\$46.40 / RSF yielding \$54.25/ BOSF) at the rate of \$6,012.18 per month in arrears for years 1 through 5 and \$48,250.10 (\$31.03/ RSF yielding \$36.28 / BOSF) at the rate of \$4,020.84 per month in arrears for years 6 through 10. For any period less than one full year, the rental rates have been annualized.

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

**OCHOA REALTY CORPORATION**  
(Mailing address)  
P.O. Box 9020083  
San Juan, Puerto Rico 00902-0083

500 Tanca Street, 6<sup>th</sup> Floor  
San Juan, P. R. 00902-0083  
787-474-4907

4. **TERMINATION NOTICE:**

The Government may terminate this lease in whole or in part at any time after the firm term upon 120 days written notice to the Lessor. 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. **RENEWAL OPTION(S):** N/A

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:  
Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with this Lease.

7. **ATTACHMENTS:**

The following are attached and made a part hereof:

- (a) Rider to Lease GS-02B-19160, Solicitation for Offers 9PR2127 including special requirements, Design Guide, LAN/Cable Specifications;
- (b) GSA Form 3517B entitled GENERAL CLAUSES (Rev. [11/05]), 21 pages;
- (c) GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07]), 5 pages;
- (d) Pre-lease Fire Protection and Life Safety Evaluation for a Low-Rise Building, 4 pages;
- (e) Certification that the Building is in full compliance with all local zoning regulations, dated 9/14/10.
- (f) ABAAS Compliance Checklist – Lease Facilities, with 5<sup>th</sup> floor public restroom layout - 17 pages
- (g) Certificate Seismic Compliance 1 pages.
- (h) Pre-lease Building Security Plan, 14 pages;
- (i) Floor Plan, 5<sup>th</sup> Floor, attached as Exhibit A., 1 page – supersedes Exhibit III of the SFO.
- (j) Site Plans, attached as Exhibit B, 2 pages
- (k) Form B, Document Security, 2 pages

8. **CHANGES:**

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

Paragraph 5 of this STANDARD FORM 2 was deleted in its entirety.

STANDARD FORM 2 (REV. 6/2003) BACK

INITIALS:

LESSOR



GOVT

- 9. **OPERATING COST:** The base rate for operating costs is established at \$9.52 per rentable square foot (totaling \$14,803.60) per annum.
- 10. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 4.4, "Adjustment for Vacant Premises", in the event of the Government vacating the premises in whole or in part prior to lease expiration, the rental will be reduced by \$9.52 per rentable square foot (equating to \$11.13 per ANSI/BOMA Office Area square foot) per annum for operating expenses.
- 11. **OVERTIME USAGE:** Pursuant to Paragraph 7.3, "Overtime Usage", upon request by an employee of the General Services Administration (GSA), the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours 7:00 a.m. - 5:00 p.m., Monday through Friday, except Federal Holidays ("Normal Hours"), at a rate of \$50.00 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours. The Lessor must submit a proper invoice monthly to the GSA Finance office the GSA Greater Southwestern Division (7BCP), P.O. Box 17181, Fort Worth Texas, 76102,, with duplicate copy to the GSA Building Manager or designee located at the Federico Degetau Federal Building, 150 Carlos Chardon Avenue, Room 359, Attn: Alexis Lopez, Hato Rey, Puerto Rico 00918-1746, to receive payment. Requests and payment for these services will be made in accordance with paragraph 4.6, Overtime Usage (Aug 2008) of the lease contract.
- 12. **24 HOUR ROOMS:** N/A
- 13. **TENANT IMPROVEMENT ALLOWANCE:** Pursuant to Paragraph 1.9, "Tenant Improvements Included in Offer", the maximum Tenant Improvement Allowance shall be \$74,440.10 (\$55.97 / BOSF), or \$47.87 / RSF, amortized over 60 months at 6.00% payable monthly at the rate of \$1,439.18 or \$ 17,270.16 annually and is included in the annual rent payment identified in Paragraph 3 of this lease. The rental rates will be adjusted accordingly in a Supplemental Lease Agreement so as to amortize the cost of the Tenant Improvements from the commencement date of the Lease. Pursuant to Paragraph 3.3, "Tenant Improvements Rental Adjustment", the Government, at its sole discretion, shall make all decisions as to the usage and payment for said Tenant Improvement Allowance.
- 14. **INSPECTION OF PREMISES:**
  - A. The Lessor shall notify the Government five (5) working days in advance of the anticipated substantial completion date as defined in Paragraph 1 of the GSA Form 3517B. Within five (5) working days after the date the Lessor notifies the Government that the space is "substantially complete," the Government shall inspect the Premises and appurtenances. Within five (5) working days after the inspection, the Government shall notify the Lessor of any deficiencies in the Premises and appurtenances and the Lessor shall thereafter diligently pursue remedying any defects. If any subsequent Government inspection is required to confirm conformance with the results of a prior inspection, any such subsequent inspection and notification of the results of such inspection shall be made in accordance with the foregoing procedure and the time frames.
  - B. The period during which rent shall be deemed to have commenced for the Premises shall be the date that the entire space is accepted for occupancy by the Government (or the date accepted for occupancy, subject to completion of a written punchlist of items not materially affecting beneficial occupancy which are yet to be finished.) The space will not be considered acceptable for occupancy until the Government receives the final tenant improvement cost. Any items to be completed or corrected that have been identified at the acceptance of the space as a punchlist item and which do not affect beneficial occupancy shall be completed by the Lessor within 30 calendar days of acceptance.
  - C. Neither the Government's acceptance of the Premises for occupancy or acceptance of related appurtenances, nor the Government's occupancy of the Premises, shall be construed as a waiver of any requirement or right of the Government under this lease, or as otherwise prejudicing the Government with respect to any such requirement or right, or as an acceptance of any latent defect or condition.
- 15. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the GSA Contracting Officer. This contract is between GSA and Ochoa Realty Corporation. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term 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.**
- 16. **DEFINITIONS:** Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
- 17. **MODIFICATION TO THE SOLICITATION FOR OFFERS:** As part of this lease package, the following paragraphs or subparagraphs have been deleted in their entirety: 1.1(A), 2.3, 3.1(B).
- 17. In accordance with Paragraph 4.2 (B) (9) "Percentage of Occupancy" of the SFO, the Government's percentage of occupancy is agreed to be 1.3 % based on 1,555 rentable square feet leased to the Government and a total of 122,010 rentable square feet for the entire Building.

INITIALS: \_\_\_\_\_ & \_\_\_\_\_  
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The Ochoa Building is a historic building and has a real property tax exemption of 100% for a period of ten years ending on December 31, 2014. The lessor plans to continue the exemption for another 10 year period. The government of Puerto Rico may or may not extend this exemption. Adjustments for real estate taxes will apply upon expiration of any exemption period and in accordance with Paragraph 4.2, Tax Adjustments (Aug 2008) of the SFO.

All structural corrections to the building as recommended in the Seismic Evaluation for the Ochoa Building Engineer's Report will be completed no later than thirty (30) calendar days after the effective date of the lease.

INITIALS:  \_\_\_\_\_ &  \_\_\_\_\_  
LESSOR GOVT