

LEASE NO. GS-GS-02B-19191

Standard Lease
GSA FORM L201C (December 2011)

This Lease is made and entered into between

Lessor's Name **Autoridad de Edificios Públicos, Gobierno de Puerto Rico - Public Buildings Authority (PBA)**
("the Lessor"), whose principal place of business is: **Government Center Roberto Sanchez Vilella, Avenida de Diego, Parada 22, Santurce, Puerto Rico 00940-1049**, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America herein called ("the 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:

The Lessor hereby leases to the Government **7,088 RSF / 7,088 ANSI/BOMA Office Area (ABOA) square feet** in the Premises described herein, being a portion of the Property located at: **the 10th floor of the Torre Norte of the Government Center Roberto Sanchez Vilella, Avenida de Diego, Parada 22, Santurce, Puerto Rico 00940-1049**, and more fully described in Section 1 and the floorplan attached as Exhibit A, together with rights to the use of parking spaces more fully described in the plan attached as Exhibit B, and other areas as set forth herein.

LEASE TERM: **Ten (10) years, five years firm, plus [redacted] renewal option after the [redacted].**

To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of **Ten (10) years, five years firm, plus [redacted] renewal option after the [redacted].**

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. The commencement date of this Lease, along with any applicable termination and renewal rights, shall more specifically be 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 THE LESSOR:

FOR THE GOVERNMENT:

[Redacted Signature]

[Redacted Signature]

Name: **Mr. Eduardo Rivera Cruz**

Ms. Ana M. de los Reyes

Title: **Executive Director PBA**

Contracting Officer

Date: Feb. 2, 2012

Date: Feb 2/2012

WITNESSED AND GUARANTOR:

[Redacted Signature]

gations here within:

Date: Feb 2, 2012

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (AUG 2011)

The Premises are described as follows:

Office and Related Space: 7,088 RSF of office space consisting of 7,088 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related space located on the 10th floor, and known as Suite 10A of the Torre Norte, as depicted on the floor plan(s) attached as Exhibit A ("the Building").

1.02 EXPRESS APPURTENANT RIGHTS (AUG 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

- A. Parking: two (2) parking spaces as depicted on the plan attached hereto as Exhibit B of which the two (2) shall be structured inside parking spaces on the entrance hallway of the garage reserved for the exclusive use of the Government. In addition, the 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 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 CONSIDERATION (AUG 2011)

A. In consideration of the rent commitment made by the [redacted] both parties agree hereto that:

The [redacted] will be responsible for and provide payment for all shell costs and cost of ownership to the Lessor for the full lease term. The Lessor acknowledges that the Government and the [redacted] will not be responsible for the payment of shell costs and cost of ownership at anytime during the full lease term which is represented as \$17.00 per ABOA Square foot for a total annual rental of \$120,496.00 as further defined below.

GSA will be responsible and provide payment to the Lessor of the operating rent for the full lease term the amount of \$81,512.00 per annum. The Lessor acknowledges that the [redacted] will not be responsible for the payment of operating rent at any time during the full lease term.

The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

The space leased to the Government must contain not less than 7,088 RSF of office space consisting of 7,088 ANSI/BOMA Office Area (ABOA) square feet of office space on the tenth floor of the Building. Rental payments will be made, by the U.S. General Services Administration (GSA), on the basis of multiplying the delivered square footage by the rate of \$11.50 per RSF / ABOA square foot during years 1 through 10, and during the renewal period of years 11 through 20, a total annual rent of \$81,512.00 or \$6,792.67 per month. In no event will the Government pay for more than the operating rental for 7,088 RSF / 7,088 ANSI/BOMA Office Area (ABOA) square feet of office space. The rate of \$11.50 per RSF / ABOA Square feet represents solely the operating rent associated with the leased premises.

The [redacted] will pay:

shell costs to PBA in the amount of \$13.00 per ANSI/BOMA (ABOA) square feet (\$92,144.00 per annum), plus

cost of ownership in the amount of \$4.00 per ANSI/BOMA (ABOA) square feet (\$28,352.00 per annum); for a total of \$17.00 per RSF / ANSI/BOMA (ABOA) square feet (\$120,496.00) per annum.

Lessor agrees that in the event the [redacted] fails to provide the rental consideration in the form of payment for all shell costs and cost of ownership as described above, in full or in part, the Government shall have the option to either, (a) terminate the Lease, at no additional cost to the Government, upon ninety (90) days written notice to the Lessor or (b) may continue to have the right to occupy the premises without disruption and the Lessor will continue to perform all obligations agreed to under this Lease.

Lessor further agrees that in the event the [redacted] fails to pay the rent consideration as outlined in this paragraph, in full or in part, Lessor's sole recourse and/or remedy for such unpaid amounts is against the [redacted].

The Tenant Improvements Allowance (TI) will not be amortized in the rent. All improvements required by the Government will be paid lump-sum to the Lessor in accordance with the Prompt Payment clause of this lease contract 552.232-75 paragraph number 23 of the General Clauses.

[Type text]

B. Rent is subject to adjustment based upon a physical mutual measurement of the Space upon acceptance, not to exceed 7,088 RSF of office space consisting of 7,088 ANSI/BOMA Office Area (AOA) square feet 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. 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.

E. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated by the Lessor in the Central Contractor Registration.

F. The 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 "Paragraph 1.01, THE PREMISES" created herein;

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.

4. ~~All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the leased 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.~~

G. Two (2) structured inside parking spaces shall be provided at no cost to the Government as depicted on "Exhibit B" and for security reasons they will always be available to the tenant during the lease term.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (AUG 2011) INTENTIONALLY OMITTED

~~A. [NBC2 Broker Name] ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is \$XX and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Only \$XX of the Commission will be payable to [NBC2 Broker Name] with the remaining \$XX, 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 X Rental Payment \$XX,XXX minus prorated commission credit of \$XX,XXX equals \$XX,XXX adjusted Xth Month's Rent.~~

~~Month X Rental Payment \$XX,XXX minus prorated commission credit of \$XX,XXX equals \$XX,XXX adjusted Xth Month's Rent.~~

~~Month X Rental Payment \$XX,XXX minus prorated commission credit of \$XX,XXX equals \$XX,XXX adjusted Xth Month's Rent.~~

1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in parts, at any time after the 5th year of this Lease by providing no 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 2011)

This Lease may be renewed at the option of the Government for a term of [redacted] at the [redacted], provided notice is given to the Lessor at least 90 days before the end of the original lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term. The Government has the right to terminate the lease at anytime during the renewal term by providing no less than 90 days' prior written notice to the Lessor.

1.07 DOCUMENTS INCORPORATED BY REFERENCE (SEPT 2011)

The following documents are incorporated by reference, as fully set forth herein: Exhibit A - Office Floor Plans, Exhibit B - Parking Floor Plans, Exhibit C - List of Certified Fire Protection Engineering Firms, Exhibit D - Security Clauses, Exhibit E - Agency Specifications, GSA Form 3517 B - General Clauses, and GSA Form 3518 - Representations and Certifications.

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1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011) INTENTIONALLY OMITTED

~~The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$XX.XX per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for the TI. This amount is amortized in the rent over the firm term of this Lease at an annual interest rate of X percent.~~

1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

~~A. The Government, at its sole discretion, shall make all decisions as to the use of the TI Allowance. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed upon amortization rate over the firm term.~~

~~B. The Government shall have the right to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may choose to pay lump sum for any part or all of the remaining unamortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the firm term of the Lease.~~

~~C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:
1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the lease paragraph entitled "Acceptance of Space and Certificate of Occupancy;" or
3. Negotiate an increase in the rent.~~

1.10 TENANT IMPROVEMENT FEE SCHEDULE (AUG 2011) INTENTIONALLY OMITTED

~~FOR PRICING TI COSTS AS DEFINED HEREIN, THE FOLLOWING RATES SHALL APPLY FOR THE INITIAL BUILD-OUT OF THE SPACE~~

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF OR % OF CONSTRUCTION COSTS)	\$XX OR XX%
LESSOR'S PROJECT MANAGEMENT FEE (% OF CONSTRUCTION COSTS)	XX%

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (AUG 2011)

There will be NO taxes paid or tax adjustments in this lease contract as it is signed with an agency of the Government of Puerto Rico, Public Buildings Administration (PBA).

1.12 OPERATING COST BASE (AUG 2011)

The parties agree that the operating costs shall be \$11.50 per ANS/BOMA Office Area (ABOA) square feet without escalations for the term of the lease as it is signed with an agency of the Government of Puerto Rico, Public Buildings Administration (PBA).

1.13 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (AUG 2011)

In accordance with the section 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 11.50 per ABOA square feet of space vacated by the Government.

1.14 HOURLY overtime HVAC RATES (AUG 2011) INTENTIONALLY OMITTED

~~The following rates for "Hourly Overtime HVAC Rate"~~

1.15 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 cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designed rooms or areas of the Premises, such as the computer room, that service shall be provided by the Lessor for the area receiving the 24-hour HVAC, and it shall be included in the base operating cost.~~

1.16 ADDITIONAL BUILDING IMPROVEMENTS (AUG 2011)

In addition to construction of the Tenant Improvements as required in this Lease, the Lessor shall be required to complete the following additional building improvements (e.g., Fire/Life Safety, Seismic, and Energy Efficiency) prior to completion of the renovation of the building, and acceptance of the space.

- A. Compliance with Fire and Life Safety as described under this Lease Contract.
- B. Compliance with Architectural Barriers Act Accessibility Standard (ABAAS) as described under this Lease Contract
- C. All perimeter walls shall be slab to slab construction with a minimum of 5/8 inch fire code gypsum board.

1.17 FIRE AND LIFE SAFETY UPGRADES

The Lessor shall hire at its own cost a licensed fire protection engineer from the list of qualified fire protection engineering firms, attached hereto as Exhibit C, or their technical equivalent to provide a Fire Protection Report, sealed by a certified fire protection engineer, which contains: (1) a survey of the Building, (2) identifies, in writing, any deficiencies with respect to the Fire and Life Safety requirements contained in this Lease ; (3) identifies, in writing, the required remedies to correct such deficiencies identified and (4) provides a signed statement of correction (GSA Form 12001) which states that the Lessor will apply all remedies identified to correct those findings. The Fire Protection Report shall be furnished to and received by the Government within 30 calendar days of the execution of the Lease. If the Lessor fails to provide the required, completed report and statement of correction within the specified time frame then the Government has the right to terminate this Lease at no cost to the Government, for default.

1.18 ARCHITECTURAL BARRIERS ACT ACCESSIBILITY STANDARD (ABAAS) UPGRADES

The Lessor agrees that the premises shall comply with the standards set forth in paragraph 3.21, entitled Accessibility, of this Lease. Should the Lessor fail to comply with these standards, the Government has the right to terminate this Lease, at no cost to the Government, for default.