

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

03/01/2011

LEASE NO.

GS-04B-61037

THIS LEASE, made and entered into this date by and between KING & QUEEN COMPANY

Whose address is 145 KING STREET, SUITE 100
CHARLESTON SC 29401-2228

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 3,577 rentable square feet (RSF) of office and related space, which yields 3,194 ANS/BOMA Office Area square feet (USF) of space at King & Queen Building, 145 King Street, Charleston, SC 29401 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 four (4) 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 on July 1, 2011 and continuing through June 30, 2021, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of \$107,524.62 (\$30.06/RSF - \$33.67/USF) at the rate of \$8,960.39 per month in arrears for years 1 - 5 (July 1, 2011 - June 30, 2016) and \$89,425.00 (\$25.00/RSF - \$28.00/USF) at the rate of \$7,452.08 per month arrears for years 6 - 10 (July 1, 2016 - June 30, 2021.)

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

KING & QUEEN COMPANY
145 KING STREET, SUITE 100
CHARLESTON, SC 29401-2228

4. The Government may terminate this lease in whole or in part at any time on or after June 30, 2016 by giving at least ninety (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.

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

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(Signature)

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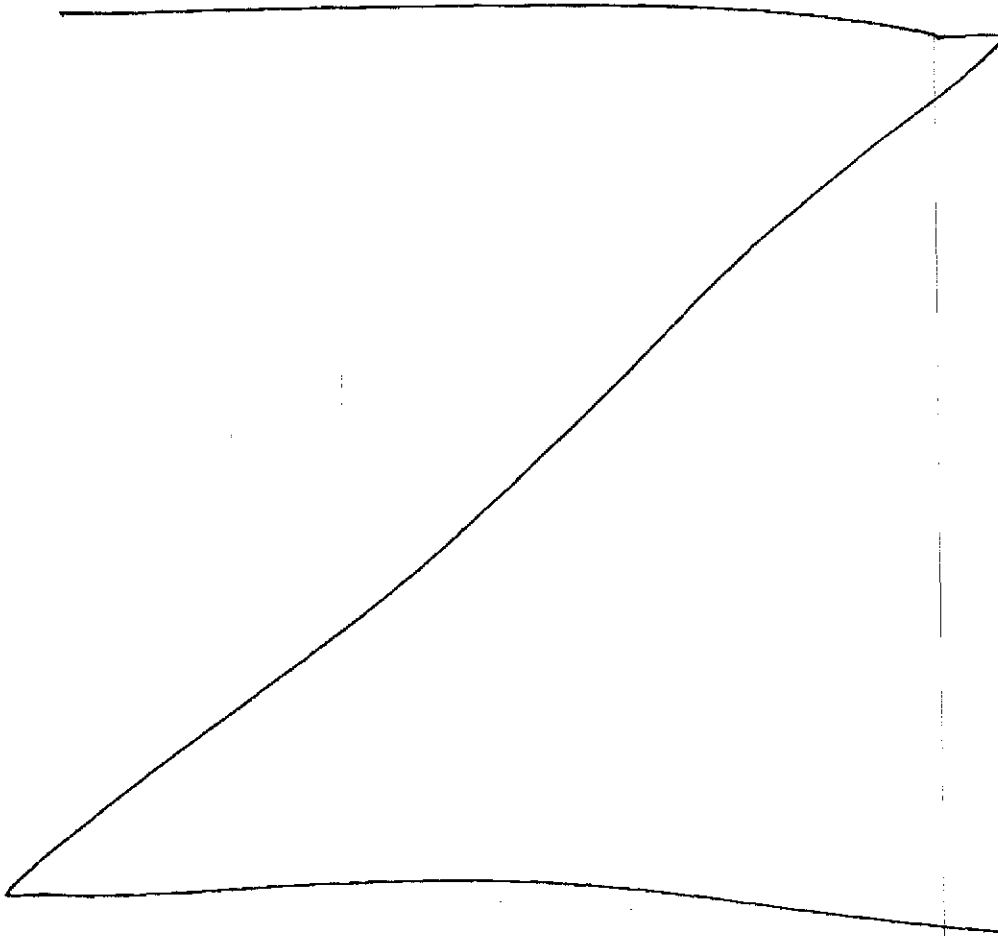
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Contracting Officer, General Services Administration

5. Paragraph 5 is hereby deleted in its entirety.
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 8SC2128 dated June 2010.
 - B. Build out in accordance with standards set forth in SFO 8SC2128 dated June 2010, 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. The Lessor hereby waives restoration.
 - 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 8SC2128 dated June 2010 and Special Requirements "Federal Defender Office".
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
 - D. Exhibit A: Floor Plan



LESSOR

BY

(initials)

UNITED STATES OF AMERICA

BY

(initials)

Continuation of SF-2, GS-04B-61037

8. The premises described in Paragraph 1 of this Standard Form 2 shall contain 3,194 ABOASF of office and related space, as identified in SFO No. 8SC2128.
9. The rental rate in Paragraph 3 for the period 07/01/2011 through 06/30/2016 includes all Tenant Improvements (TI). In accordance with Paragraph 3.2 of SFO No. 8SC2128, the TI allowance provided in the lease is \$33.66 per ABOASF, or a total of \$107,510.04 amortized at an interest rate of 6.75% over five (5) years yielding an annual cost of \$25,396.70 at a rate of \$7.95 per ABOASF (\$7.10 per RSF). The TI allowance will be used to construct the interior space in accordance with the approved DIDs provided by the Government. If the TI cost exceeds \$33.66 per ABOASF (for up to 3,194 ABOASF), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire TI allowance of \$33.66 per ABOASF is not used, the Government will adjust the rental rate downward to off-set the difference. The Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. This does not apply to the shell build-out.
10. In accordance with Paragraph 1.11 (Building Shell Requirements) of SFO No. 8SC2128, the annual shell cost is established as \$63,491.75, yielding \$19.88 per ABOASF (\$17.75 per RSF) which is included in the rental rate in Paragraph 3 for the period 07/01/2011 through 06/30/2016. The annual shell cost for the period 07/01/2016 through 06/30/2021 is established as \$70,788.83, yielding \$22.16 per ABOASF (\$19.79 per RSF).
11. In accordance with Paragraph 4.1 C. (Measurement of Space) of SFO No. 8SC2128, the common area factor (CAF) is established as 11.99% or 1.1199, based on 3,577 RSF and 3,194 ABOASF.
12. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 8SC2128, the percentage of Government occupancy is established as 6.099% (based on total building area of 58,649 RSF and the Government's occupancy of approximately 3,577 RSF). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in the SFO, and in accordance with GSA Form 3517B, GENERAL CLAUSES.
13. In accordance with Paragraph 4.3 (Operating Costs) of SFO No. 8SC2128, the annual operating cost is established as \$18,645.23 yielding an escalation base of \$5.84 per ABOASF (5.21 per RSF) which is included in the rental rate in Paragraph 3 for the period 07/01/2011 through 06/30/2021.

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Continuation of SF-2, GS-04B-61037

14. In accordance with Paragraph 4.4 (Adjustment for Vacant Premises) of SFO No. 8SC2128, the rental rate reduction is established as \$1.25 per ABOASF.
15. In accordance with Paragraph 4.6, (Overtime Usage) of SFO No. 8SC2128, the hourly overtime usage for the entire space is established as \$0.00.
16. In accordance with Paragraph 5.16 (Waiver of Restoration) of SFO No. 8SC2128, the Lessor hereby waives all restoration rights.
17. In accordance with Paragraph 9.7 (Radon in Air) of SFO No. 8SC2128, the Lessor shall complete the short test before occupancy and the standard test not later than 90 days after occupancy, with results forwarded to the Contracting Officer. Any corrective action must be completed within 30 days after tests are completed at no additional cost to the Government. Re-testing is required with results forwarded to the Contracting Officer.
19. Any deviation from approved construction plans or tenant alterations require approval by the Contracting Officer or Contracting Officer's Designee. Should Lessor make changes without approval, the Government will not be responsible for the cost of those changes and Lessor will not be reimbursed.
20. All fire and life-safety deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 8SC2128:
 - A. Provision of emergency illumination in corridors, stairways, and office space.
 - B. Provision of exit lights in corridors.
 - C. Provision of two (2) exits on each floor occupied by the Government.
 - D. Provision of a fire extinguisher near every exit.
21. All handicapped accessibility deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 8SC2128:
 - A. Door Entrances.
 - B. Exit Doors.
 - C. Parking Areas/Curb Cuts.
 - D. Restrooms.
 - E. Width of Exit Doors.
22. Within five (5) days after lease occupancy, the Lessor shall provide the tenant agency representative (with a copy forwarded to the GSA Government Representative), on site, a copy of the name and

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phone number of maintenance personnel in order that any cleaning, maintenance, janitorial, etc. problems can be rectified immediately.

23. In accordance with SFO No. 8SC2128, Paragraph 2.3, 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] 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. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: The Lessor agrees to pay the commission less the Commission Credit to the Broker in accordance to Paragraph 2.3, "Broker Commission and Commission Credit," (fifty percent (50%) of the commission shall be due upon execution of the Lease, and the remaining fifty percent (50%) shall be due at occupancy.

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 \$8,960.39 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED].

Second Month's Rental Payment of \$8,960.39 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent of [REDACTED].

Third Month's Rental Payment of \$8,960.39 minus the prorated Commission Credit of [REDACTED] equals the adjusted Third Month's Rent of [REDACTED].

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