

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

MARCH 23, 2010

LEASE NO.

GS-04B-59104

THIS LEASE, made and entered into this date by and between BRASWELL PROPERTIES, LLC

Whose address is BRASWELL PROPERTIES LLC
11 HAMPTON WAY
DOTHAN, AL 36305-6319

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 25,508 rentable square feet (RSF) of office and related space, which yields 23,195 ANS/BOMA Office Area square feet (ABOASF) of space in a building to be constructed at Papermill Place Lot #5, Knoxville, TN 37919-4867 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 60 covered parking spaces and 50 surface parking spaces for exclusive use by the Government for a total of 110 parking spaces.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on December 1, 2010, and continuing through November 30, 2025, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay Lessor annual rent for the entire term, monthly, in arrears, as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>PRSF RATE</u>	<u>MONTHLY RATE</u>
12/01/10 - 11/30/20	\$806,129.37	\$31.60	\$67,177.45
12/01/20 - 11/30/25	\$697,324.95	\$27.34	\$58,110.41

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

BRASWELL PROPERTIES, LLC
11 HAMPTON WAY
DOTHAN, AL 36305-6319

4. The Government may terminate this lease in whole or in part at any time on or after December 1, 2020 by giving at least 120 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.

LESSOR

[Redacted Signature]

member
(Title)

[Redacted Signature]

(Signature)

Contracting Officer, General Services Administration
(Official Title)

5. 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 9TN2001 dated 8/25/2009, as amended by Amendment 1 (9/25/2009) and Amendment 2 (10/9/2009).
 - B. Build out in accordance with standards set forth in SFO 9TN2001 dated 8/25/2009, as amended via Amendment 1 (9/25/2009) and Amendment 2 (10/9/2009), 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.

6. The following are attached and made a part hereof:
 - A. Solicitation for Offers 9TN2001 dated 8/25/2009, as amended by Amendment 1 (9/25/2009) and Amendment 2 (10/9/2009).
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
 - D. Exhibit A – Building Shell Drawings

7. In accordance with the SFO Paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$780,910.70 (23,195 ABOASF x \$33.6672) shall be amortized through the rent for 10 years at the rate of 7%. The total annual cost of Tenant Improvements for the amortization period shall be \$108,804.42 (\$4.69 PABOASF / \$4.27 PRSF).

8. In accordance with GSA Form 1364A, the shell rate is \$25.25 per ABOASF (\$22.96 per RSF) for years 1-15 or \$585,663.68 per annum.

9. In accordance with the SFO Paragraph 4.2 entitled *Tax Adjustment*, the percentage of Government occupancy is established as 100%.

10. In accordance with the SFO Paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$4.38/RSF (\$4.81/ABOASF; \$111,661.27/annum).

11. In accordance with the SFO Paragraph 4.1 entitled *Measurement of Space*, the common area factor is established as 1.0997 (25,508 RSF/23,195 ABOASF).

12. In accordance with the SFO Paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$3.50/ABOASF for vacant space (rental reduction).

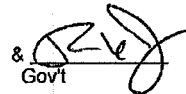
13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$40.00 per hour for the entire building or any portion thereof.

14. Security costs in the total amount of \$0.00 shall be amortized through the rent for 0 months at the rate of 0%.

INITIALS


Lessor

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Govt



15. In accordance with The Commission Agreement (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 1.13, only [REDACTED] which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED] which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the Government as follows:

The shell rental portion of the annual rental payments ($\$585,663.68 / 12 \text{ months} = \$48,805.31$ per month) due and owing 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 throughout the fourth month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

Month 1: $\$67,177.45$ minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Month 2: $\$67,177.45$ minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

Month 3: $\$67,177.45$ minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

Month 4: $\$67,177.45$ minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent

The Lessor hereby waives restoration.

INITIALS:

JLB
Lessor

& *RJD*
Govt