

**LEASE NO. GS-03P-LVA12168**

Standard Lease  
GSA FORM L201C (October 2012)

This Lease is made and entered into between

**Lessor's Name**

(Lessor), whose principal place of business is P.O. Box 13, Ivy, Virginia 22945-0013, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(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:

Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

Pantops Group Office Building  
1470 Pantops Mountain Place  
Charlottesville, Virginia 22911-4600

and more fully described in Section 1, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

**LEASE TERM**

To Have and To Hold the said Premises with its appurtenances for the term beginning November 1, 2014 and continuing for a period of 10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth.

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.

[Redacted Signature]

Title: Managing Member

Entity Name: \_\_\_\_\_

Date: 11/4/2014

FOR THE GOVERNMENT  
[Redacted Signature]

Name: Jean Starr Forcinito

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: NOV - 4 2014

WITNESSETH  
[Redacted Signature]

Name: Ellen K Turner

Title: Treasurer Turner Enterprises Ltd

Date: 11/4/2014

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES (JUN 2012)**

The Premises are described as follows:

A. **Office and Related Space:** 25,679 rentable square feet (RSF), yielding 22,329 ANS/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the first and second floor(s), of the Building. The lease square footage and rent shall be adjusted via a lease amendment upon completion, inspection and approval of the proposed [redacted] Field Office reduction (Refer to [redacted] Reduction Floorplan incorporated in Lease). Refer to Lease Paragraph 1.03, "Rent and Other Considerations" for more specific language.

B. **Common Area Factor:** The Common Area Factor (CAF) is established as 15 percent (1.15002911). This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

**1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. **Parking:** The Lessor has 132 parking spaces available on-site; 129 parking spaces are required per local code for the entire building. [redacted] requires a minimum of 67 surface/outside parking spaces reserved for the exclusive use of the Government based on the following minimum requirements: 20 parking spaces to accommodate daily visitors, 40 parking spaces for employees, 2 spaces for "in and out" business-loading/unloading space, and 5 spaces for handicapped individuals. These spaces must be secured and lit in accordance with the Security Requirements set forth in the Lease. Offeror shall include the cost of this parking as part of the rental consideration. 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 such may be 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 (SEP 2012)**

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

	FIRM TERM - EFFECTIVE 11/1/14	FIRM TERM	NON-FIRM TERM (YEARS 6-10)
	ANNUAL RENT	ANNUAL RENT	ANNUAL RENT
	PRIOR TO REDUCTION	AFTER REDUCTION	AFTER REDUCTION
SHELL RENT <sup>1</sup>	\$491,752.85	\$450,369.70	\$493,878.00
TENANT IMPROVEMENTS RENT <sup>2</sup>	\$0.00	TBD	\$0.00
OPERATING COSTS <sup>3</sup>	\$ 173,333.25	\$158,746.50	\$158,746.50
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) <sup>4</sup>	\$0.00	TBD	\$0.00
PARKING	\$0.00	\$0.00	\$0.00
<b>TOTAL ANNUAL RENT<sup>5</sup></b>	<b>\$665,086.10</b>	<b>\$609,116.20</b>	<b>\$652,624.50</b>

Shell rent calculation:  
 (Firm Term) prior to reduction: \$19.15 per RSF multiplied by 25,679 RSF  
 (Firm term) After reduction: \$19.15 per RSF multiplied by 23,518 RSF\* - \*Reduction SF shall be measured to confirm.  
 (Non Firm Term) \$21.00 per RSF multiplied by 23,518 RSF

<sup>2</sup>See Paragraph B below

<sup>3</sup>Operating Costs rent calculation:  
 Prior to reduction: \$6.75 per RSF multiplied by 25,679 RSF  
 After reduction: \$6.75 per RSF multiplied by 23,518 RSF

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$15,926.00 is amortized at a rate of 5 percent per annum over the remaining firm term; not to exceed 5 years.

<sup>5</sup>Plus BSAC and TI rental component

Lessor shall pursue a reduction in electrical costs (rate schedule change, etc.) with Dominion Virginia Power Company within three (3) months of lease commencement. The Lessor shall advise Government of results and pass cost savings, if applicable, to the Government in the form of a reduced operating rent.

Tenant improvements shall be completed after the 11/1/14 lease commencement date. Lessor is responsible for funding [redacted] tenant improvements in the rent over the firm term at 5% amortization rate. Upon completion, inspection and approval of the tenant improvements, Lessor and Government shall confirm square foot measurement and a separate lease amendment shall be done to reflect revised square footage and rental rate.

BSAC Costs shall be completed after the 11/1/14 lease commencement date. Lessor is responsible for funding the security window film over the firm term at 5% amortization rate. Upon completion, inspection and approval of the [REDACTED], a separate lease amendment shall be done to reflect revised rental rate.

B. The TI rent component, to commence upon completion of the alterations, is subject to adjustment based upon (1) the final Tenant Improvement (TI) cost, as agreed upon by the parties, and (2) the amortization period, not to exceed the firm term of the lease. Tenant Improvements shall be completed after the 11/1/14 Lease Commencement Date. Upon completion, inspection and approval of the tenant improvements, the Lessor and Government shall confirm the square foot measurement and execute a separate Lease Amendment to reflect revised square footage, tenant improvement expenditure, and rental rate. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 20,450 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. 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.

D. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR). If the payee is different from the Lessor, both payee and Lessor must be registered in CCR.

E. 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 the paragraph entitled "The Premises."
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.

**1.04 BROKER-COMMISSION-AND-COMMISSION-CREDIT (JUN 2012) "INTENTIONALLY DELETED"**

**1.05 TERMINATION RIGHTS (AUG 2011)**

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 180 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 2014) "INTENTIONALLY DELETED"**

**1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)**

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES
[REDACTED] SPECIAL REQUIREMENTS	38
SECURITY REQUIREMENTS	6
SECURITY UNIT PRICE LIST	3
GSA FORM 3517B GENERAL CLAUSES	47
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10
AMENDMENT #1 TO RLP No. 2VA0461	2
LESSOR'S LETTER (RE: TENANT IMPROVEMENTS) - DATED 10/15/14	1
ENERGY EFFICIENCY LETTER - DATED 10/24/14	1
[REDACTED] FIELD OFFICE FLOOR PLAN - PROPOSED REDUCTION	1

**1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)**

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$802,867.00 (\$39.26 per ABOA SF, multiplied by the square footage after reduction, 20,450 ABOA SF). The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the remaining Firm Term of this Lease (calculated from the commencement date of the reduction through October 31, 2019) at an annual interest rate of 5 percent.

Tenant Improvements shall be completed after the 11/1/14 lease commencement date. Lessor is responsible for funding [redacted] tenant improvements in the rent over the firm term at 5% amortization rate. Upon completion, inspection and approval of the tenant improvements, Lessor and Government shall confirm square foot measurement and a separate lease amendment shall be done to reflect revised square footage and rental rate.

**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 TIA. 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 may elect 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 elect to pay lump sum for any part or all of the remaining unpaid amortized 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 "Acceptance of Space and Certificate of Occupancy" paragraph;
  3. Negotiate an increase in the rent.

**1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)**

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES ( \$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$2.75 PER ABOA SF
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	5%

**1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 89.76 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 25,878 RSF by the total Building space of 28,809 RSF.

**1.12 REAL ESTATE TAX BASE (JUN 2012) "INTENTIONALLY DELETED"**

**1.13 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$173,454.00 per annum.

**1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012) "INTENTIONALLY DELETED"**

**1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$45.00 per hour per floor.

**1.16 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 heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$0.00 per ABOA SF of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

**1.17 BUILDING IMPROVEMENTS (SEP 2012)**

Before the Government accepts the space, the Lessor shall complete the following additional Building Improvements:

- A. Submit Fire Alarm & Sprinkler Maintenance Records & Floorplans (Within 1 month of lease commencement)

B. Energy Efficient Upgrades in Letter Dated 10/24/14 - As Described in the Attached Exhibit "X" (Within one (1) year of lease commencement, with exception of Dominion Virginia Power Company).

1.18 ~~HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012) "INTENTIONALLY DELETED"~~