

LEASE NO. GS-04P-LKY60040

Succeeding/Superseding Lease
GSA FORM L202 (September 2014)

This Lease is made and entered into between

Drinkard Development Company, Inc.

whose principal place of business is 1630 Town Square SW, Cullman, AL 35055 and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

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

7 Youell Street, Florence, KY

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 **September 1, 2015 through August 31, 2025**, of the said Premises as required by this Lease, for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically 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.

<p>FOR _____ OR THE GOVERNMENT:</p> <p>Name: <u>[Redacted]</u> Name: <u>[Redacted]</u></p> <p>Title: <u>President</u> Title: <u>Lease Contracting Officer</u> GSA, PBS, Leasing Division (4PR1C)</p> <p>Date: <u>06-30-2015</u> Date: <u>09.09.15</u></p>	<p>_____</p> <p>Name: _____ Name: _____</p> <p>Title: _____ Title: _____</p> <p>Date: _____ Date: _____</p>
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WITNESSED FOR THE LESSOR BY:

Name: _____ Name: _____

Title: VP Lease Admin.

Date: 06/30/2015

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 (SUCCEEDING) (SEP 2013)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the Lease paragraphs and attached General Clauses.

The Premises are described as follows:

- A. Office and Related Space: 13,607 rentable square feet (RSF), yielding 12,938 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st floor(s), of the Building, as depicted on the floor plan(s) attached hereto as Exhibit E
- B. Common Area Factor: The Common Area Factor (CAF) is established as 1.0517 percent. 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 (SEP 2013)

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: 00 parking reserved for the exclusive use of the Government, of which 00 shall be structured/inside parking spaces, and 00 shall be surface/outside parking spaces. In addition, the Lessor shall provide 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: (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment, (2) the right to access the roof of the Building, and (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	09/01/15-08/31/20	09/01/20-08/31/25
	FIRM TERM	NON-FIRM TERM
SHELL RENT ¹	\$186,871.06	\$186,871.06
TENANT IMPROVEMENTS RENT ²	\$81,221.82	\$0.00
OPERATING COSTS ³	\$92,193.51	\$92,193.51
TOTAL ANNUAL RENT	\$360,286.39	\$279,064.57

¹Shell rent calculation:

(Firm Term) \$186,871.06 divided by 13,607 RSF or \$13.73 per RSF
 (Non Firm Term) \$186,871.06 divided by 13,607RSF or \$13.73 per RSF

²The Tenant Improvement Allowance of \$350,102.70 is amortized at a rate of 6 percent per annum over 5 years.

³Operating Costs rent calculation: \$92,193.51 divided by 13,607 RSF or \$6.78 per RSF

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 12,938 ABOA SF 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. **THIS SUB-PARAGRAPH WAS INTERNTIONALLY DELETED.**
- E. 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.
- F. 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), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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.

H. THIS SUB-PARAGRAPH WAS INTENTIONALLY DELETED.

1.04 THIS PARAGRAPH WAS 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 60 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 (SEP 2013)

This Lease may be renewed at the option of the Government for a term of [REDACTED] at the following rental rate(s):

	1 OPTION TERM, [REDACTED]	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	[REDACTED]	[REDACTED]
OPERATING COSTS	[REDACTED]	[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 full force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
AGENCY REQUIREMENTS	14	A
GSA FORM 3517B GENERAL CLAUSES	47	B
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	C
AGENCY SECURITY REQUIREMENTS	10	D
FLOOR PLAN(S)	1	E

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEP 2013)

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs 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 TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

1.09 THIS PARAGRAPH WAS INTENTIONALLY DELETED.

1.10 THIS PARAGRAPH WAS INTENTIONALLY DELETED.

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 100 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 13,607 RSF by the total Building space of 13,607 RSF.

1.12 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment paragraph of the Lease is \$20,950.00. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.13 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$6.78 per RSF (\$92,193.51/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the 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 \$1.00 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$25.00 per hour for the entire Space.

1.16 24-HOUR HVAC REQUIREMENT (SEP 2014)

A. The Data Communications Room (DCR) 200 ABOA SF shall receive cooling at all times (24 hrs a day, 365 days a year) for purposes of cooling the designated server room. The BTU output of this room is established as: 1 Modem (s) at 0.8 AMPs, 360 BTUs; 1 LAN rack equipment (routers, switches, KVM switches, keyboard/monitor, servers and tap backup) 1000 BTUs, 1 TSRP equipment at 5.0 AMPs, 1000 BTUs; 1 Battery Back-u(s) at 5.0 AMPs, 300 BTUs. The relative humidity will be maintained no greater than 60% regardless of outside temperature or seasonal changes. 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 prior to acceptance of the Space:

- A. See Attached Scope of Work

SECTION 2 GENERAL TERMS, CONDITIONS, AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (SEP 2013)

Unless otherwise specifically noted, all terms and conditions set forth in this Lease shall be interpreted by reference to the following definitions, standards, and formulas:

- A. Appurtenant Areas. Appurtenant Areas are defined as those areas and facilities on the Property that are not located within the Premises, but for which rights are expressly granted under this Lease, or for which rights to use are reasonably necessary or reasonably anticipated with respect to the Government's enjoyment of the Premises and express appurtenant rights.
- B. Broker. If GSA awarded this Lease using a contract real estate broker, Broker shall refer to GSA's broker.
- C. Building. The building(s) situated on the Property in which the Premises are located shall be referred to as the Building(s).
- D. Commission Credit. If GSA awarded this Lease using a Broker, and the Broker agreed to forego a percentage of its commission to which it is entitled in connection with the award of this Lease, the amount of this credit is referred to as the Commission Credit.
- E. Common Area Factor (CAF). The Common Area Factor (CAF) is a conversion factor determined by the Building owner and applied by the owner to the ABOA SF to determine the RSF for the leased Space. The CAF is expressed as a percentage of the difference between the amount of rentable SF and ABOA SF, divided by the ABOA SF. For example 11,500 RSF and 10,000 ABOA SF will have a CAF of 15% [(11,500 RSF- 10,000 ABOA SF)/10,000 ABOA SF]. For the purposes of this Lease, the CAF shall be determined in accordance with the applicable ANSI/ BOMA standard for the type of space to which the CAF shall apply.
- F. Contract. Contract and contractor means Lease and Lessor, respectively.
- G. Days. All references to "day" or "days" in this Lease shall mean calendar days, unless specified otherwise.