

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

7/18/2008

LEASE NO.

GS-04B-48850

THIS LEASE, made and entered into this date by and between WESTERN DEVCON INCORPORATED

Whose address is 10525 VISTA SORRENTO PARKWAY, SUITE 110
SAN DIEGO, CALIFORNIA 92121

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 33,500 rentable square feet (RSF) of office and related space, which yields 29,130 ANSI/BOMA Office Area square feet (USF) of space in a building to be constructed at on approximately 3.5 acres of vacant land identified as Parcel "A", (Plat Book 166, page 31), on SW 145th Avenue, Miramar, Florida 33027-4145 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 145 on-site surface parking spaces (65 spaces secure fenced; 80 spaces unsecured) for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term of 10 years, 7 years firm, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent in accordance with Paragraph 8 of said lease.

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

WESTERN DEVCON INCORPORATED
10525 VISTA SORRENTO PARKWAY, SUITE 110
SAN DIEGO, CALIFORNIA 92121

4. The Government may terminate this lease in whole or in part at any time on or after the firm term 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

WESTERN DEVCON INCORPORATED

BY

IN PRESENCE OF

(Signature)

UNITED STATES OF AMERICA

BY

(Signature)

VICA PRESIDENT
(Title)

WESTERN DEVCON INC.

10525 Vista Sorrento Parkway Suite 110
San Diego, California 92121
(Address)

GLYNDA M. GRIEVE

Contracting Officer, General Services Administration

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 7FL2232 dated MARCH 3, 2008, as amended.
 - B. Build out in accordance with standards set forth in SFO 7FL2232 dated MARCH 3, 2008, as amended, 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. A SUPPLEMENTAL LEASE AGREEMENT SHALL BE EXECUTED TO ESTABLISH RENT COMMENCEMENT DATE.
 - 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 7FL2232 dated March 3, 2008, and Amendment(s) 01 dated March 13, 2008, Amendment 02 dated May 20, 2008.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 01/07))
 - D. Parcel "A" Site Plan dated March 14, 2008.
 - E. Davis Bacon; Department of Labor Wage Determinations, FL20080009 dated May 23, 2008.
 - F. GSA Form 12000 entitled Prelease Fire Protection and Life Safety Evaluation
 - G. Prelease Building Security Plan

7. In accordance with the SFO paragraph entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$1,139,670.00 (\$34.02 RSF shall be amortized through the rent for 7 years at the rate of 7%).

8. The rent schedule is as follows:

*Years 1-7	Base Rate	*Operating Rate	TI Rate	Monthly Rent	Annual Rent
	\$21.41 RSF	\$7.33 RSF	\$6.16 RSF	\$97,429.1667	\$1,169,150.00
Years 8-10	\$21.41 RSF	\$7.33 RSF	\$0	\$80,232.50	\$ 962,790.00

*Year 1- First three months are "free rent". Lessor shall not receive rents to include base rent, operating rent, and tenant alteration amortization rent

**Operating Rate is subject to annual CPI adjustments in accordance with the SFO

9. In accordance with the SFO paragraph entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 100%.

10. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$7.33/RSF (\$245,555.00/annum).

11. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 15 percent (33,500 RSF/29,130 USF).

12. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$7.33 RSF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph entitled *Overtime Usage*, the rate for overtime usage is established as \$10.00 per hour/per zone for the entire building or any portion thereof.

14. The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

WESTERN DEVCON INC. BY Joseph Beauchamp V.P.

BY

(Initial)



(Initial)

