

**LEASE NO. GS-04P-
LMS60126**

Succeeding/Superseding Lease
GSA FORM L202 (October 2012)

INSTRUCTIONS TO OFFERORS: Do not attempt to complete this lease form (GSA Lease Form L202). Upon selection for award, GSA will transcribe the successful Offeror's final offered rent and other price data included on the lease proposal form (GSA Lease Proposal Form 1364-S, hereinafter Lease Proposal Form) into a Lease Form, and transmit the completed Lease Form, together with appropriate attachments, to the successful Offeror for execution.

This Lease is made and entered into between

Lessor's Name: **Welsh Properties Limited Partnership**

(Lessor), whose principal place of business is 1811 Tower Drive, Suite B, Monroe, LA 71201-4965 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:

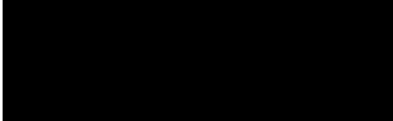
Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at 407 Industrial Parkway, Cleveland, MS 38732-2115.

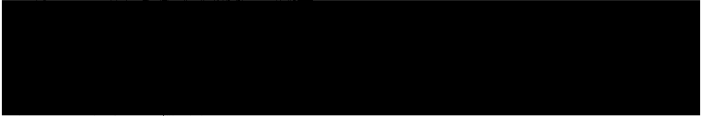
and more fully described in Section 1, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.


LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning July 17, 2014 and continuing through July 16, 2024, 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.


Name: DEBORAH L. RYAN
Title: MANAGING PARTNER
Date: 8-11-2014


Brenda Driskell-Griffie
Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 8/11/14

WITNESSED FOR THE LESSOR BY

Name: ANTHONY WATSON
Title: Office Manager
Date: 8-11-2014

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 (SUCCEEDING) (JUN 2012)

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: 407 Industrial Parkway, Cleveland, Mississippi 38732-2115.

A. **Office and Related Space:** 6,864 rentable square feet (RSF), yielding 6,427 ANS/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the First floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit 1.

B. **Common Area Factor:** The Common Area Factor (CAF) is established as 1.0679 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 (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:** 50 parking spaces as depicted on the plan attached hereto as Exhibit 1, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 50 shall be surface/outside parking spaces. 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:** 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 CONSIDERATIONS (SEP 2012)

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

| | FIRM TERM 7/17/2014-7/16/2019 | NON FIRM TERM 7/17/2019-7/16/2024 |
|--|--|--|
| | ANNUAL RENT | ANNUAL RENT |
| SHELL RENT ¹ | \$104,539.00 | \$111,403.00 |
| TENANT IMPROVEMENTS RENT ² | \$ 36,304.62 | \$0.00 |
| OPERATING COSTS ³ | \$46,332.00 | \$46,332.00 |
| BUILDING SPECIFIC AMORTIZED CAPITAL ⁴ | \$ XXX,XXX.XX | \$ XXX,XXX.XX |
| PARKING ⁵ | \$ XXX,XXX.XX | \$ XXX,XXX.XX |
| TOTAL ANNUAL RENT | \$187,175.62 | \$157,735.00 |

¹Shell rent (Firm Term) calculation: \$15.23 per RSF multiplied by 6,864 RSF/ (Non-firm term) \$16.23 per RSF multiplied by 6,864 RSF.

²The Tenant Improvement Allowance of \$157,245 is amortized at a rate of 5.8 percent per annum over 5 years.

³Operating Costs rent calculation: \$6.75 per RSF multiplied by 6,864 RSF

B. 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.

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.

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 which is July 16, 2019, by providing not less than 90 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 2011)~~ INTENTIONALLY DELETED

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 |
|---|--------------|
| FLOOR PLAN(S) | |
| SECURITY REQUIREMENTS (LEVEL 2) | |
| GSA FORM 3517B GENERAL CLAUSES | |
| GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS | |
| LOBBY MOD | |
| LOBBY MOD PHASING | |
| LOBBY MOD PHASING (2) | |

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEPT 2011)

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 ~~BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)~~

1.10 ~~BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)~~ 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 6,864 RSF by the total Building space of 6,864 RSF.

1.12 ~~ESTABLISHMENT OF 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 \$6.75 per RSF (\$46,332.00/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)

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 leased 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 \$3.56 per RSF 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:"

- \$8.11 per hour for the entire Space.

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 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)

The Lessor shall complete the following additional Building improvements prior to acceptance of the Space:

- A. Carpet _____
 - B. Paint _____
- MB BDC*

SECTION 2 GENERAL TERMS, CONDITIONS AND STANDARDS

2.01 DEFINITIONS AND GENERAL TERMS (JUN 2012)

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.
- H. FAR/GSAR. All references to the FAR shall be understood to mean the Federal Acquisition Regulation, codified at 48 CFR Chapter 1. All references to the GSAR shall be understood to mean the GSA supplement to the FAR, codified at 48 CFR Chapter 5.
- I. Firm Term/Non-Firm Term. The Firm Term is that part of the Lease term that is not subject to termination rights. The Non-Firm Term is that part of the Lease term following the end of the Firm Term.
- J. Lease Term Commencement Date. The Lease Term Commencement Date means the date on which the Lease term commences.