

**US GOVERNMENT  
LEASE FOR REAL PROPERTY**

DATE OF LEASE

LEASE NO.

**GS-04B-50068**

**THIS LEASE**, made and entered into this date by and between **Buck Shoals Partners, LLC**

whose address is

2 Walden Ridge Drive, Suite 70  
Asheville, N. C. 28803-8598

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:

3,529 ANSI BOMA Office Area Square Feet (3,600 Rentable Square Feet) of office and related space located in the Buck Shoals Business Park, Building A, at 44 Buck Shoals Road, Arden, North Carolina 28704-3385 as outlined on the demising plan labeled Exhibit "A" attached hereto and made a part hereof, together with 8 surface parking spaces located on-site of the leased location for exclusive Government use. The leased space includes approximately 500 sf of fenced storage area for exclusive use of the tenant at no additional cost to the Government."

"2. TO HAVE AND TO HOLD the said premises with their appurtenances for Ten (10) Years, Five (5) Years firm term to begin December 1, 2010. The Government may terminate this lease, in whole or in part, at any time on or after November 30, 2015, by giving the Lessor at least sixty (60) days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the day of mailing."

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

TERM	ANNUAL RENT	MONTHLY RATE
12/01/2010 - 11/30/2015	\$78,048.00	\$6,504.00
12/01/2015 - 11/30/2020	\$51,336.00	\$4,278.00

The above annual rent is inclusive of the annual operating rental rate indicated in Paragraph 7 of this lease contract."

"4. Rental is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate, per BOMA rentable square foot (PRSF) as noted in Paragraph 3 above, in accordance with Clause 23 (PAYMENT), GSA Form 3517B, General Clauses. The lease contract and the amount of rent will be adjusted accordingly. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

**Buck Shoals Partners, LLC**  
2 Walden Ridge Drive, Suite 70  
Asheville, N. C. 28803-8598

"5. The DUNS number for **Buck Shoals Partners, LLC** is 606256246."

"6. The tenant improvement cost is established at \$7.42 per ANSI/BOMA Office Area Square Foot. The rental set forth above is based upon the Lessor providing a tenant improvement allowance of \$114,444.00 for the construction of the tenant improvements which shall be amortized into the annual rental at an interest rate of 6.25% over years 1-5 at \$26,710.22 per annum or \$2,225.85 per month. All tenant improvement cost must be reviewed and given written approval by the Government prior to construction."

"7. For the purpose of the operating cost escalation, in accordance with Solicitation For Offers 7NC2016, Paragraph 4.3 of this lease agreement, the annual base cost of services is established as \$4.76 per rentable square foot."

"8. For the purpose of the Real Estate Tax Adjustment, in accordance with Solicitation For Offers 7NC2016 Paragraph 4.2 of this lease agreement, the base year tax amount is \$2,880.00 (\$0.80 RSF) and the Government will occupy 37.5% of the rentable square feet of the building. (Based on Government occupancy of 3,600 Rentable square feet of a building with a total of 9,600 Rentable square feet) Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum BOMA usable square footage stated in the SFO, and in accordance with the GSA Form 3517B, GENERAL CLAUSES."

"9. Lessor shall furnish to the Government, as part of the rental consideration, the following:

- A. Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers (SFO) 7NC2016.
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas and related facilities ready for occupancy in accordance with the requirements of this lease stated in the SFO 7NC2016 and the Government's space layout drawings.
- C. Build out shall be in accordance with SFO 7NC2016 and Government approved space layouts.
- D. Deviations to the approved space layouts furnished by the GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
- E. Lessor shall provide eight (8) on-site surface parking spaces at no additional cost to the Government in accordance with SFO 7NC2016."

INITIALS:      &       
LESSOR      GOV'T

LEASE NO. GS-04B-50068

"10. The following are attached and made a part hereof:

- a) SF-2 Portion of the Lease (pages 1-2)
- b) SFO Amendment No. 1 dated 1/12/2010 (1 page)
- c) SFO Portion of the Lease, 7NC2016 dated 9/14/09 (pages 1-43)
- d) GSA form 3517B (rev. 11/05) (pages 1-33)
- e) GSA form 3518 (rev. 1/07) (pages 1-7)
- f) Plans, title Exhibit "A", by reference
- g) Commission Agreement dated 8/6/09 (pages 1-3), SFO 7NC2016."

"11. In accordance with Solicitation For Offers 7NC2016, Paragraph 4.1, the Common Area Factor (CAF) is a conversion factor(s) determined by the building owner and applied by the owner to the ANSI/BOMA Office Area square feet to determine the rentable square feet for the offered space. The CAF is established as 1.02% based on 3,529 ABOA square feet of office space and 3,600 rentable square feet."

"12. For the purpose of the Adjustment for Vacant Premises, in accordance with Solicitation For Offers 7NC2016, Paragraph 4.4 of this lease agreement, the reduction in operating costs shall be \$2.50 per ABOA square foot of vacant space."

"13. In accordance with Solicitation For Offers 7NC2016 Paragraph 4.5, the normal business hours for the office space is 6:30 AM TO 5:30 PM Monday Through Friday."

"14. The rental set forth above is based upon the Lessor providing no additional building specific security items except for those provided in shell or tenant improvement costs."

"15. Cleaning services requiring access to the Government's leased space shall be performed in accordance with Paragraph 4.8 of the Solicitation for Offers 7NC2016."

"16. In accordance with Solicitation for Offers 7NC2016, Paragraph 4.6 (Overtime Usage), the cost for overtime utilities beyond the normal hours of operation shall be \$0.00 per hour (no additional charge) for the entire space, including any areas requiring 24/7 HVAC."

"17. New paint and carpet throughout the leased space is tenant improvement cost."

"18. Restrooms will meet Architectural Barriers Act Accessibility Standard (ABAAS) in accordance with Paragraph 6.1 of the Solicitation for Offers. To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent shall apply. Cost of any required upgrades is included in shell rate. Compliance is required prior to occupancy."

"19. In accordance with Solicitation for Offers 7NC2016, Paragraph 2.2 (Seismic Safety for Existing Construction), the Lessor shall provide a Seismic Certification from a licensed engineer within 30 days of award. If the building does not meet seismic compliance, the Lessor is required to make all necessary alterations required to meet seismic compliance and any associated costs to do so are Lessor costs. The Lessor will provide to the Government a detailed list of the alterations and a construction schedule depicting timeframes in which the alterations will be completed. Seismic Certification is required prior to occupancy."

"20. This lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implied, shall be admissible to contradict the provisions of this lease. Wherever there is a conflict between the SF-2 and the SFO, the SF-2 shall take precedence."

"21. In accordance with the Solicitation for Offers 7NC2016, paragraph 2.3 the lessor and the broker have agreed to a SFO cooperating lease commission of [redacted] of the firm term value of this lease. The total amount of the commission is [redacted]. The lessor shall pay the broker no additional commissions associated with this lease transaction. In accordance with the "broker commission and commission credit" paragraph, the broker has agreed to forego [redacted] of the commission that it is entitled to receive in connection with this lease transaction ("commission credit"). The commission credit is [redacted] per month rounded, for three (3) months of the lease. The lessor agrees to pay the commission less the commission credit [redacted], to the broker in accordance with the "broker commission and commission credit" paragraph and forming a part of this lease. Notwithstanding paragraph 3 of this standard form 2, the shell rental payments due and owing under this lease 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 as indicated in this schedule for adjusted monthly rent:

First month's rental payment \$6,504.00 minus prorated commission credit of [redacted] equals [redacted] adjusted first month's rent;  
 Second month's rental payment \$6,504.00 minus prorated commission credit of [redacted] equals [redacted] adjusted second month's rent;  
 Third month's rental payment \$6,504.00 minus prorated commission credit of [redacted] equals [redacted] adjusted third month's rent."

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR **Buck S** [redacted]  
BY [redacted]

(Signature)  
132 Springside Rd Asheville  
(Address) NC 28803

[redacted]  
[redacted] 6/8/10

GSA Contracting Officer

**Amendment Number 1**  
**Solicitation for Offers 7NC2016 – Arden, North Carolina**

[REDACTED]  
**January 12, 2010**

The SFO has been amended as follows:

**1.2 LEASE TERM (SEP 2000)**

The lease term is for ten (10) years, five (5) years firm. GSA may terminate this lease in whole or in part after the 5th year on sixty (60) days' written notice to the Lessor. All the terms and conditions contained herein shall prevail throughout the term of the lease.

**3.2 TENANT IMPROVEMENTS INCLUDED IN OFFER (AUG 2008)**

A. The Tenant Improvement Allowance is \$31.79 per ANSI/BOMA Office Area square foot, total of **\$114,444.00** (Tenant improvements are the finishes and fixtures that typically take space from the "shell" condition to a finished, usable condition.) The Tenant Improvement Allowance shall be used for the buildout of the Government-demised area in accordance with the Government-approved design intent drawings. All Tenant Improvements required by the Government for occupancy shall be performed by the successful Offeror as part of the rental consideration, and all improvements shall meet the quality standards and requirements of this solicitation and its attachments.

B. The Tenant Improvement Allowance shall include all the Offeror's administrative costs, general contractor fees, subcontractor's profit and overhead costs, Offeror's profit and overhead, design costs, and other associated project fees necessary to prepare construction documents and to complete the tenant improvements. It is the successful Offeror's responsibility to prepare all documentation (working/construction drawings, etc.) required to receive construction permits. **NO COSTS ASSOCIATED WITH THE BUILDING SHELL SHALL BE INCLUDED IN THE TENANT IMPROVEMENT PRICING.**

All respondents to this Solicitation for Offers to lease shall acknowledge receipt of this Amendment by signature on one copy in the space provided below. The acknowledged copy, hard copy only, of this Amendment must be received by the GSA and CBRE no later than **3:00pm EST, January 19, 2010.**

Alvin P. Jackson Jr. General Services Administration  
Realty Specialist - North Carolina  
Real Estate Division (4PEA)  
77 Forsyth St. Suite 500  
Atlanta, GA 30303

Elaine C. Moniri, CBRE Real Estate Services, Inc.  
GSA - National Broker Contract  
8270 Greensboro Drive, Suite 620  
McLean, VA 22102

RECEIPT OF AMENDMENT NO. 1  
IS HEREBY ACKNOWLEDGED:

OFFEROR [REDACTED]

DATE: 6/4/10 *MA*