

STANDARD FORM 2 (SF-2)
FEBRUARY 1965 EDITION
GENERAL SERVICES
ADMINISTRATION
FPR (41 CFR) 1-16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE
AUGUST 19, 2010

LEASE NO. GS-02B-19170
Building NO. PR4022

THIS LEASE, made and entered into this date by and between Almazón, Inc., whose postal address is: PO Box 11406, San Juan, Puerto Rico, 00922-1406; and whose interest in the property hereinafter described is that of the 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 agrees as follows:

1. The Lessor hereby leases to the Government the following described premises:

A total of approximately 82,135 rentable square feet (RSF) or approximately 82,135/ANSI BOMA Office Area square feet (ABOASF), with 74,045 ABOASF of warehouse space offered on part of the ground floor and 8,090 ABOASF of office space offered on two levels (4,045 on ground and 4,045 on mezzanine) in the building known and designated as the Main Building at San Juan Industrial Park, Road #1, Km 25.5, Quebrada Arenas Ward, San Juan, Puerto Rico, 00926. Additionally, approximately 68,564 square feet of outdoor space for loading, parking and staging will be available at no additional cost to the Government. The premises is shown on the plans labeled Exhibit "A".

2. The Government shall pay the Lessor annual rent of:

SEE PARAGRAPH 12 OF THE RIDER. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Almazón, Inc., PO Box 11406, San Juan, Puerto Rico, 00922-1406.
The Lessor's physical address is: Road #1, Km 25.5, Quebrada Arenas Ward, San Juan, Puerto Rico, 00926

3. **TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning on:

SEE PARAGRAPH 8 OF THE RIDER

4. The Government may terminate this lease:

SEE PARAGRAPH 9 OF THE RIDER

Lessor

Government

5. Studley, Inc. is the authorized real estate broker representing the Government in connection with this lease transaction. The Lessor and Studley, Inc. have agreed to a 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]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in the amount of [redacted]. Fifty percent (50%) of the commission shall be due upon the execution of the Lease, and the remaining (50%) shall be due at the lease commencement, in accordance with the Broker Commission and Commission credit to the Broker paragraph in the SFO portion of this Lease.

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 \$188,294.49 minus prorated Commission Credit of [redacted] equals [redacted] adjusted first month's rent.

Second Month's rental payment \$188,294.49 minus prorated Commission Credit of [redacted] equals [redacted] adjusted second month's rent.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
SEE RIDER TO THE LEASE

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

LESSOR - Almazón, Inc

[Redacted signature area for Lessor]

V.P. & General Manager

(Title)

*PO BOX 11406
San Juan, PR 00922-1406*

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

B [Redacted signature area for Government]

Contracting Officer
(Official Title)

Lessor *[Signature]* Government *[Signature]*

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7. The following are attached and made a part hereof:
 1. Lease Rider, containing paragraphs 7 through 25;
 2. Section 1.0, Summary, paragraphs 1.1 through 1.2, 1.5 through 1.6, 1.9, and 1.11 through 1.12;
 3. Section 2.0, Miscellaneous, paragraphs 2.2 through 2.3;
 4. Section 3.0, How to Offer and Submittal Requirements, paragraphs 3.2 through 3.3 and 3.5 through 3.7;
 5. Section 4.0, Utilities, Services, and Lease Administration, paragraphs 4.1 through 4.6, and 4.8 through 4.14;
 6. Section 5.0, Design, Construction, and Other Post Award Activities, paragraphs 5.1 through 5.12;
 7. Section 6.0, General Architecture, paragraphs 6.1 through 6.11;
 8. Section 7.0, Architectural Finishes, paragraphs 7.1 through 7.13;
 9. Section 8.0, Mechanical, Electrical, and Plumbing, paragraphs 8.1 through 8.19;
 10. Section 9.0, Fire Protection, Life Safety, and Environmental Issues, paragraphs 9.1 through 9.13;
 11. Section 10.0, Lease Security Standards, paragraphs 10.1 through 10.31;
 12. Section 11.0, Special Requirements, See Attachment # 1
 13. Physical Security Requirements
 14. General Clauses, GSA Form 3517B, paragraphs 1 through 48;
 15. Representations and Certifications, GSA Form 3518, paragraphs 1 through 11;
 16. Exhibit "A" Floor Plan showing the demised premises.
8. The term of the Lease shall commence upon completion of the leased space by the Lessor, and acceptance thereof by the Government as "substantially completed" as set forth in Paragraph 1 552.270-4- DEFINITIONS (SEP 1999) of the General Clauses. All work shall be delivered by the Lessor as substantially complete no later than one hundred (100) working days from the notice to proceed in accordance with paragraph 5.8 Construction Schedule and Acceptance of Tenant Improvements, in the SFO portion of this Lease. The Government shall inspect the leased premises within ten (10) working days of its receipt from the Lessor of a statement that the demised premises are completed and ready for occupancy. The actual commencement date shall be set forth by a Supplemental Lease Agreement to be executed by the parties hereto.
9. The Government may terminate this Lease in whole or in part at any time after the fifth (5th) year, by giving not less than 120 days prior written notice to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the first (1st) day after the date of mailing.
10. The Lessor shall be solely responsible for the technical accuracy of the construction documents to be developed by the Lessor from the approved layout drawings and the construction of the leased premises as required by this Lease, including, but not limited to air conditioning requirements, lighting placement, plumbing and fire and safety requirements.
11. A. The Lessor agrees to contribute a TI allowance of \$1,178,637.25 or \$14.35/ANSI/BOMA office area square foot (ABOASF) toward the cost of the TI to be provided hereunder. The TI will be amortized over the firm term compounded at an interest rate of 0% per annum. In the event that the TI cost is less than \$1,178,637.25, it is understood that the actual TI cost balance will be amortized into the annual rent in the same manner as set forth herein. In the case that the balance of the TI cost exceeds the total TI allowance of \$1,178,637.25, the Government shall pay the overage by either a one-time lump sum payment or increasing the cost to be amortized during the firm term of the lease agreement. Such additional payment(s) or rental reduction, if applicable, will be

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memorialized in a subsequent Supplemental Lease Agreement (SLA).

12. The Government shall pay the Lessor annual rental as follows:
 - A. For years 1 through 5 of the lease term, a total annual rental of \$27.51/rentable square foot (RSF) or \$27.51/ABOASF for a total of \$2,259,533.85 per annum at the rate of \$188,294.49 per month in arrears as adjusted by operating costs escalations; provided, however, that the rent for the first two (2) months shall be reduced in accordance with paragraph 5 hereof. Years 1 through 5 of the annual rental includes \$2.87/RSF (\$235,727.45 per annum) for the amortization at an interest rate of 0.00 % per annum for the Lessor's contribution to the TI cost.
 - B. For years 6 through 10 of the lease term a total annual rental of \$22.29/RSF or \$22.29/ABOASF for a total of \$1,830,789.12 per annum at the rate of \$152,565.76 per month plus accrued annual adjustments for operating costs escalations.
13. For the purpose of the Operating Cost Escalations, in accordance with Paragraph 4.3 of the Solicitation for Offers (SFO) portion of the lease, the base cost of services is \$6.54/RSF or \$6.54/ABOASF for a total annual amount of \$537,162.90 at the commencement of the Lease.
14. The operating expenses in paragraph 13 above include tenant electric, which shall be \$3.24/ABOASF, or \$266,117.40 per annum, or \$22,176.45 per month. This estimate is based providing light and power to the office space and warehouse space 10 hours per day, 5 days per week with the exception of the MRE (Meals Ready to Eat) storage area of approximately 6,533 ABOASF which will have 24/7 ventilation and air conditioning at no additional cost to the Government.

Every month, the Lessor shall bill the Government for the overtime power used, based on the difference between the estimated consumption stated above and the actual consumption from the Puerto Rico Power Authority submeter to be installed by the Lessor, and [REDACTED] will pay the Lessor directly every month for any underpayment. Any overpayment will be reimbursed to the Government in the form of a rent credit.

15. If the Government vacates the premises in whole or in part, assuming the services to said part can be separated from the balance of the premises, during years 1 through 5 of the term of the Lease, operating expenses will be reduced by \$2.40/RSF or \$2.40/ABOASF.
16. The Lessor shall not be reimbursed for any services not provided for in the Lease including, but not limited to, repairs and alterations, nor will any rental be paid for occupancy in whole or in part except for the Lease term specified in this Lease, unless approved in advance and in writing by an authorized official of the General Services Administration.
17. Wherever the words "offeror" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "Solicitation for Offers" or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "leased premises", "premises" or "Premises", and wherever the word "Lessee" is used herein it shall be deemed to mean the "Government".
18. If during the term of this Lease including extensions, title to this property is transferred to another party either by sale, foreclosure, condemnation or other transaction, the Lessor shall promptly notify the Contracting Officer of said transfer. The following information shall accompany this notification:
 - a. A certified copy of the deed transferring title to the property from the owner to the new owner.
 - b. A letter from the new owner assuming, approving, and agreeing to be bound by the terms of this Lease.
 - c. A letter from the Lessor waiving all rights under this Lease against the Government up to the effective date of the transfer provided that the Government is current on rent and all other obligations under this Lease.
 - d. The new owner's employer identification or Social Security Number.

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- e. The new owner's full legal name. If a corporation, indicate the state of incorporation. If a partnership, list all partners fully. If a limited partnership, list all general partners fully and identify under the laws of which state the limited partnership is created. If a realty trust, give names of all trustees and the recording date of the trust.
- f. the new owner must provide a DUNS number
- g. the new owner must be registered in the Central Contractor Registration System (CCR)

The foregoing information must be received by the fifteenth day of the month in which the transfer of title will be effectuated. The rent for that month, adjusted in accordance with the effective date of the transfer will be processed to the Lessor. Initial rental payment to the new owner will be processed on the first day of the second month following the transfer of title. If the notification of transfer and related information is not received until the sixteenth day of the month (or later), in which the transfer of title will be effected, the full contract rental for that month will be forwarded to the Lessor. In this instance, it will be the responsibility of both the Lessor and the new owner to submit, in conjunction with other requested information, a letter of agreement regarding disposition of the monthly rent with respect to the effective date of transfer. In any instance, failure to submit the documentation required for transfer of title will result in a stop payment of rent until such time as all documentation is received by the Contracting Officer.

- 19. For the purposes of the Real Estate Tax Adjustment, the percentage of building occupancy by the Government per Paragraph 4.2 of the Lease is 19.7%. In the event the Government relinquishes or requests expansion of space the percentage of occupancy will be adjusted accordingly.
- 20. The Lessor agrees to provide parking spaces for 100 cars and 30 semi-trailers per Exhibit "A" at no additional cost to the Government for years 1-10.
- 21. If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.
- 22. The Lessor attests that all work required to bring the offered space into full compliance with applicable fire safety criteria and handicapped accessibility requirements will be completed at the Lessor's sole expense prior to the Government's acceptance of the space under the terms of the Lease.
- 23. The Lessor shall not enter into negotiations concerning the space leased or to be leased with representatives of Federal agencies other than the officers or employees of the General Services Administration or personnel authorized by the Contracting Officer.
- 24. Each employee of the Lessor and/or its contractor(s) employed in connection with the operation of the Building shall be (1) a citizen of the United States of America; (2) an alien who has been lawfully admitted for permanent residence as evidenced by Alien Registration Receipt Card, Form I-151; or (3) an alien who presents other evidence from the Immigration and Naturalization Service that employment will not affect his/her immigration status.
- 25. The Lease shall not be binding on either party until it has been executed by a duly authorized official of the General Services Administration and Lessor.

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