

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE 1/28/11 LEASE NO. GS-04B-61016

THIS LEASE, made and entered into this date by and between **RONNIE B. FOWLER**

whose address is [REDACTED]

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. LOCATION AND SQUARE FOOTAGE:

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

A. A total of 7,481 rentable square feet (RSF) of office and related space, which yields 7,388 ANSI/BOMA Office Area square feet (ABOSF) of space at 62 Dominion Dr. in Jackson, TN 38305-8503. The space is allocated into four (4) separate blocks of space; 1,388 ANSI/BOMA Area square feet of office space, 3,000 ANSI/BOMA Area square feet of warehouse space, 1,500 ANSI/BOMA Area square feet of covered storage and 1,500 ANSI/BOMA Area square feet wareyard space, as indicated on the attached Floor Plan marked Exhibit A. Thirteen (13) parking spaces will be provided in accordance with this lease at no extra cost to the Government.

2. TERM:

TO HAVE AND TO HOLD the said premises with their appurtenances for the TEN (10) YEAR, FIVE (5) YEAR FIRM term beginning upon the substantial completion of the space, and acceptance by the Government as satisfactorily complete. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

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

LESSOR	
[REDACTED]	SIGNATURE
NAME OF SIGNER <u>Ronnie B. Fowler</u>	NAME OF SIGNER
IN PRESENCE OF	
SIGNATURE [REDACTED]	SIGNATURE
NAME OF SIGNER <u>Paige Hadley</u>	NAME OF SIGNER
UNITED STATES OF AMERICA	
[REDACTED]	NAME OF SIGNER <u>Marcus Skinner</u>
[REDACTED]	OFFICIAL TITLE OF SIGNER <u>Contracting Officer</u>

3. **RENTAL RATES:**

A. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows. The rate per rentable square foot (PRSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1. The rate per ANSI/BOMA office area square foot (ABOASF) is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 1.

Term:	Years 1 – 5	Term: Years 6-10
Base:	\$ 48,077.26 (\$6.43 prsf/ \$6.51 paboasf)	\$ 48,077.26 (\$6.43 prsf/ \$6.51 paboasf)
Operating:	\$ 34,649.72 (\$4.63 prsf/ \$4.69 paboasf)	\$ 34,649.72 (\$4.63 prsf/ \$4.69 paboasf)
TI:	\$ 10,977.01 (\$1.47 prsf/ \$1.49 paboasf)	
Bldg Security:	\$8,119.78 (\$1.09 prsf/ \$1.10 paboasf)	
TOTAL:	\$101,823.77 (\$13.61 prsf/ \$13.78 paboasf)	\$82,726.98 (\$11.06 prsf/ \$11.20 paboasf)

4. **RENTAL PAYMENTS:**

Rental is based on the rate, per rentable square foot (PRSF) as noted in Paragraph 3 above, in accordance with Clause 27 (PAYMENT), GSA form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum BOMA usable square footage requested in SFO Paragraph 1.1, (Amount and Type of Space). Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Ronnie B. Fowler
[REDACTED]

5. **TERMINATION NOTICE:**

The Government may terminate this lease [in whole or in part] at any time on or after the fifth full year, by giving the Lessor at least one hundred and twenty (120) days notice in writing. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

- (a) Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with SFO 9TN2073 dated May 2010.
- (b) Buildout in accordance with Solicitation for Offers 9TN2073. Lease term to be effective on date of occupancy, and established by SLA.
- (c) Deviations to the approved space layouts furnished by GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. **ATTACHMENTS:**

The following are attached and made a part hereof:

- (a) Rider to Lease GS-04B-61016, Solicitation for Offers 9TN2073 including special requirements.
- (b) GSA Form 3518 entitled Representations and Certification (revised 7/29/10)
- (c) GSA Form 3517B entitled General Clauses (submitted 7/29/10)
- (d) Floor Plan
- (e) Site Plan

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8. **CONSTRUCTION SCHEDULE:** Pursuant to Paragraph 5.11, "Construction Schedule and Acceptance of Tenant Improvements", the Lessor shall have 120 days from the receipt of the Government Notice to Proceed to complete the build-out of the entire space and have the space available for inspection and acceptance by the Government. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
9. **PERCENT OF OCCUPANCY:** The percentage of Government occupancy is established as 100% based on a building size of 7,481 RSF and a Government occupied area of 7,481 RSF.
10. **OPERATING COST:** In accordance with the SFO paragraph entitled *Operating Costs*, the escalation base is established as \$4.63 per RSF or \$4.69 per ABOASF (totaling \$34,649.72) per annum.
11. **SHELL BUILD OUT COST:** In accordance with the SFO paragraph entitled *Shell Build Out Costs*, the escalation base is established as \$6.43 per RSF or \$6.51 per ABOASF (totaling \$48,077.26) per annum.
12. **TAX ADJUSTMENT:** In accordance with SFO Paragraph 4.2 (Tax Adjustment) the percentage of occupancy is established as 100%, sole tenant in the building (based on Government occupancy of 7,481 rentable square feet). Percentage of occupancy is subject to revisions based on actual measurement by the Government occupied space at time of final inspection, not to exceed the maximum OASF stated in the SFO, and in accordance with GSA Form 3517, General Clauses.
13. **OVERTIME USAGE:** Pursuant to Paragraph 4.6, "Overtime Usage", upon request by an employee of the General Services Administration (GSA), the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal (10 hour day) service hours 7:00 a.m. - 5:00 p.m., Monday through Friday, except Federal Holidays ("Normal Hours"), at a rate of \$15.00 per hour per floor for anything over the 10 hour day. The Lessor will not charge the Government for anything over the 10 hour day if Lessor otherwise provides these services to other building tenants during the Government's overtime hours.
14. **Common Area Factor**
The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area² square feet (ABOA) to determine the rentable square feet is 1.01 (7,481 RSF/7,388 ABOA SF).
15. **TENANT IMPROVEMENT ALLOWANCE:** Pursuant to Paragraph 3.2, "Tenant Improvements Included in Offer", the maximum Tenant Improvement Allowance shall be \$47,316.00 (\$34.09 / ABOASF), for the office space only, amortized over 60 months at 6.0% payable monthly at the rate of \$914.75083 ABOASF or \$10,977.01 annually and is included in the annual rent payment identified in Paragraph 3 of this lease. Pursuant to Paragraph 3.3, "Tenant Improvements Rental Adjustment", the Government, at its sole discretion, shall make all decisions as to the usage and payment for said Tenant Improvement Allowance. If the T/I cost exceeds \$47,316.00, the balance due the Lessor will be paid by rental adjustment, or lump sum, to be determined by the Government. If the entire T/I of \$34.09 ABOASF or \$47,316.00 is not used, the Government will adjust the rental rate downward to off-set the difference in the tenant improvement. The Lessor understands, in lieu of Cost and Pricing Data, each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted."
16. **UNAUTHORIZED IMPROVEMENTS:** All questions pertaining to this lease agreement shall be referred in writing to the GSA Contracting Officer. This contract is between GSA and Ronnie B. Fowler. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.
17. **DEFINITIONS:** Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "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 "Premises".
18. **COMMISSION AND CREDIT:** The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the average firm term value of this lease. The commission is [REDACTED] (Annual Rent for Years one (1) through five (5) of [REDACTED] multiplied by [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 accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: Fifty percent (50%) is due and payable within 30 days after lease award and the remaining fifty percent (50%) is payable at occupancy.
19. 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 of \$8,485.31 (of which \$4,006.44 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first month's rent.

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Second month's rental payment of \$8,485.31 (of which \$4,006.44 is shell rent) minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted first month's rent.

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