

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

June 17, 2010

LEASE NO.

GS-07B-16750

THIS LEASE, made and entered into this date by and between **SSA BROWNSVILLE, LLC**

Whose address is 8100 MACOMB STREET  
GROSSE ILE, MI 48138-1574

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 16,573 rentable square feet (RSF) of office and related space, which yields 15,645 ANSI/BOMA Office Area square feet (USF) of space at the [REDACTED] Building located at 1735 Coffee Port Road, Brownsville, TX 78520 to be used for such purposes as determined by the General Services Administration. The 15,645 ANSI/BOMA Office Area square feet (USF) is comprised of 13,639 ANSI/BOMA Office Area square feet (USF) of office space and 2,006 ANSI/BOMA Office Area square feet (USF) of vault (light industrial) space. The legal description of the property is also provided in Attachment A to the lease. Included in the rent at no additional cost to the Government are 52 on-site surface parking spaces for use by Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning upon completion and acceptance of the work required by this lease and continuing for a period of ten (10) years, with a firm term of five (5) years, subject to termination rights as may be hereinafter set forth. The actual lease term dates will be forth established by Supplemental Lease Agreement upon beneficial occupancy.

3. The Government shall pay the Lessor annual rent of \$509,735.07 at the rate of \$42,477.92 per month in arrears for years 1 - 2, which consists of annual shell rent of \$360,794.21 at the rate of \$30,066.18 per month, annual operating costs of \$109,460.00 at the rate of \$9,121.67 per month, and annual amortized tenant improvements of \$39,480.86 at the rate of \$3,290.07 per month.

For years 3 - 10, the Government shall pay the Lessor annual rent of \$470,254.21 at the rate of \$39,187.85 per month in arrears, which consists of annual shell rent of \$360,794.21 at the rate of \$30,066.18 per month, annual operating costs of \$109,460.00 at the rate of \$9,121.67 per month. This amount does not include the cumulative annual CPI adjustments paid under this lease

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

SSA BROWNSVILLE, LLC  
8100 MACOMB STREET  
GROSSE ILE, MI 48138-1574

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

LESSOR  
SSA BR

BY

IN PRESEN

[REDACTED SIGNATURE]

(Signature) Gail L. Bavaird

*Manager*

(Title)

[REDACTED ADDRESS]

(Address)

UNITED STATES OF AMERICA

BY

[REDACTED SIGNATURE]

Contracting Officer, General Services Administration

*ADDED*

4. Government may terminate this lease in whole or in part at any time on or after fifth (5<sup>th</sup>) year by giving at least 90 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.
5. Paragraph 5 is INTENTIONALLY DELETED.
6. 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 5TX0343 dated January 5, 2010, as amended in Amendment 1, dated February 12, 2010.
  - B. Build out in accordance with standards set forth in SFO 5TX0343 dated January 5, 2010, as amended in Amendment 1, dated February 12, 2010 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. The Lessor hereby waives restoration
  - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
7. The following are attached and made a part hereof:
  - A. Solicitation for Offers 5TX0343 dated January 5, 2010, as amended in Amendment 1, dated February 16, 2010.
  - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 6/08)
  - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07)
  - D. Sheet No. 3, Paragraphs 16 – 20 were added.
  - E. Attachment A - Legal Description of Property
8. The following changes were made in this lease prior to its execution:
  - A. Paragraph 5 was intentionally deleted.
  - B. Paragraphs 9 through 20 were added.
9. In accordance with the SFO paragraph entitled Tenant Improvements Included In Offer, Tenant Improvements for the required vault in the total amount of \$74,993.55 (15,645 USF x \$37.38462) shall be amortized through the rent for 2 years at the rate of 5.00%. The total annual cost of Tenant Improvements for the amortization period shall be \$39,480.86. All Tenant Improvements required to alter the existing building will be paid in lump sum.
10. Government funds for this project are limited to a total of \$1,395,000 in tenant improvements for both the alterations to the existing space and the vault tenant improvements. The total cost of all alterations, tenant improvements, and associated overhead and fees must remain below this threshold. The Lessor is required to ensure all tenant improvement and alterations pricing is provided to the Government to ensure this requirement will be met prior to the issuance of the Notice to Proceed.
11. Tax Adjustment: Pursuant to Paragraph 4.2, "Tax Adjustment (AUG 2008)," for purposes of tax escalation, the Government occupies 16,573 / 16,573 (100.0%) rentable square feet. Base year taxes are established at \$26,000.00 (\$1.5688/RSF). Taxes shall be increased or decreased from the base pursuant to annual adjustment per Section 4.2 of the SFO.
12. In accordance with the SFO paragraph entitled *Operating Costs Base*, the escalation base is established as \$6.6047/RSF (\$109,460.00/annum). Cost of Living Index adjustments will apply.
13. In accordance with the SFO paragraph entitled *Common Area Factor*, the common area factor is established as 1.0593 (16,573 RSF/15,645 USF).
14. In accordance with the SFO paragraph entitled *Adjustment for Vacant Premises*, the adjustment is established as \$2.64/USF for vacant space (rental reduction).
15. In accordance with the SFO Paragraph entitled *Overtime Usage*, The rate for overtime usage is established as \$30.00 per hour for the entire building or any portion thereof. If ordered and authorized by the Contracting Officer, or his designated representative, the Lessor will provide overtime HVAC services beyond the normal building hours of 8:00 a.m. to 6:00 p.m. Monday through Friday of each week, except for federal holidays.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_

(Initial)

BY \_\_\_\_\_

(Initial)

16. The Lessor hereby waives restoration.
17. All questions pertaining to this Lease shall be referred to the Contracting Officer of the General Services Administration (GSA) or their designee. The Government occupant is not authorized to administer this lease and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or any other authorized cost in writing by the GSA Contracting Officer. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to; repairs, changes of scope of work, alterations, and overtime services without the written authorization of a Contracting Officer. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
18. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED]<sup>®</sup> 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 accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to 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 of \$42,477.92 minus one half of the Commission Credit ([REDACTED]) equals \$ [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$42,477.92 minus one half of the Commission Credit ([REDACTED]) equals \$ [REDACTED] adjusted Second Month's Rent.

19. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.
20. 24 Hour Rooms: The "Overtime Usage" Rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day as specified by the Lease. The charges for heating and cooling of these areas shall be provided at the rate of \$0.00 per hour after "Normal Hours."

INITIALS: LESSOR                      & GOV'T