

**LEASE NO. GS-03B-12090**

Standard Lease  
GSA FORM L201C (June 2012)

This Lease is made and entered into between

Lessor's Name ARC-FD JV, LLC

(Lessor), whose principal place of business is 1054 31<sup>st</sup> St. NW, Suite 340, Washington, DC 20007-4453 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

**Lots 7 & 8 Burr Business Park  
Kearneysville, WV 25430-0000**

and more fully described in Section 1 and Exhibits C, G, H & I, 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 upon acceptance of the Premises as required by this Lease and continuing for a period of

**Ten (10) Years, Ten (10) 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



evidence their agreement to all terms and conditions set forth herein by their signatures below, to be executed Lease to the Lessor.

FOR



Name

Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date:

Entity Name:

ARC-FD JV, LLC

Date:

6-7-13

Date:

6/11/13

LESSOR BY:



Name:

1901/50/95

Title:

Senior Development Associate

Date:

6/7/13

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 (JUN 2012)**

The Premises are described as follows:

- A. **Office and Related Space:** 42,943 rentable square feet (RSF), yielding 38,730 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st floor of the Building, as depicted on the floor plan(s) attached hereto as Exhibit C.
- B. **Common Area Factor:** The Common Area Factor (CAF) is established as 11 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:** 302 parking spaces as depicted on the plan attached hereto as Exhibit G, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 302 shall be surface/outside parking spaces. In addition, the Lessor shall provide such additional 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 CONSIDERATION (JUN 2012)**

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

	YEARS 1 - 5	YEARS 6 - 10
	ANNUAL RENT	ANNUAL RENT
SHELL RENT <sup>1</sup>	\$863,532.00	\$906,475.00
OPERATING COSTS <sup>2</sup>	\$ 167,100.00	\$ 167,100.00
<b>TOTAL ANNUAL RENT</b>	<b>\$1,030,632.00</b>	<b>\$1,073,575.00</b>

**In accordance with the lease negotiations, the lessor has offered free rent to the Government for the first eight (8) months of the lease. Therefore, the first eight (8) months of the lease shall be provided at no cost to the Government.**

- B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 38,730 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.
- C. 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.
- D. 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.
- E. 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.
- F. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:
  - 1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

LESSOR: BN GOVERNMENT: MB

Lessor BN Government MB

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.

~~3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities (with the exclusion of XX), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Government shall be responsible for paying the cost of XX directly to the utility provider. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.~~

**1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)**

The Lessor and the Broker 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 accordance with the "Broker Commission and Commission Credit" paragraph in the RLP.

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:

Ninth Month's Rental Payment of \$85,886.00 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Ninth Month's Rent.

Tenth Month's Rental Payment \$85,886.00 minus prorated Commission Credit of [redacted] equals [redacted] adjusted Tenth Month's Rent

Eleventh Month's Rental Payment shall commence in full.

**1.05 TERMINATION RIGHTS (AUG 2011)**

The Government may terminate this Lease, in whole or in part, at any time effective after the tenth (10) full year of occupancy, by providing not less than ninety (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)**

This Lease may be renewed at the option of the Government for a term of [redacted] at the following rental rate(s):

	OPTION TERM, [redacted]
	ANNUAL RATE / RSF
SHELL RENTAL RATE	[redacted]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM YEAR [redacted] OF EXISTING LEASE TERM. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.

provided notice is given to the Lessor at least ninety (90) days before the end of the original Lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED IN THE LEASE (JUN 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
AGENCY SPACE ALLOCATION REQUIREMENTS	1	A
SECURITY REQUIREMENTS	4	B
FLOOR PLAN(S)	1	C
GSA FORM 3517B GENERAL CLAUSES	46	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
AMENDMENTS TO RLP NO. 1-4	14	F
SITE PLAN (INCLUDING PARKING PLAN)	3	G
ELEVATIONS	2	H
EXTERIOR RENDERINGS	7	I
WAGE DETERMINATION RATES DATED APRIL 5, 2012	12	J
ARC-FD JV, LLC'S TECHNICAL PROPOSAL DATED OCTOBER 22, 2012, AS AMENDED ON FEBRUARY 4, 2013 (INCORPORATED BY REFERENCE)	N/A	N/A

1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$107.00 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs.

1.09 TENANT IMPROVEMENTS RENTAL ADJUSTMENT (AUG 2012)

- A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA.
- B. The Government reserves the right to make cash payments for any or all work performed by the Lessor. **The Government shall pay lump sum for all of the Tenant Improvement Allowance.**
- C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to:
  - 1. Reduce the TI requirements
- D. Payment will not be made by the Government in instances where the Government accepts fixtures and/or other Tenant Improvements already in place. However, the Lessor will be reimbursed for costs to repair or improve the fixture(s) and/or any other improvements already in place.

1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (\$ PER ABOA SF DR.% OF TI CONSTRUCTION COSTS)	\$165,000.00
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	3.00%

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 42,943 RSF by the total Building space of 42,943 RSF.

1.12 REAL ESTATE 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 \$167,100.00 per annum.

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**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 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 \$1.25 per ABOA SF 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:"

- \$40.00 per hour for the entire space

**1.16 BUILDING/SITE REQUIREMENTS (JUN 2012)**

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

A. Public telephone service with copper and fiber optic circuits must be available at the property, at the sole cost of the Lessor, so that no offsite cable installation is required for the Government to establish campus connectivity with its leased facility located at 408 Coast Guard Drive, Martinsburg, WV.

**1.17 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)**

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.