

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

10/25/2010

LEASE NO.

GS-04B-50119

THIS LEASE, made and entered into this date by and between CAPITAL COMMERCIAL HOLDINGS, LLC

Whose address is CAPITAL COMMERCIAL HOLDINGS, LLC
3523 STRATFORD COURT
MARTINEZ, GA 30907-8938

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 18,928 rentable square feet (RSF) of office and related space, which yields 18,027 ANS/BOMA Office Area square feet (ABOASF) of space in the building located at 1058 Claussen Road, Augusta, GA 30907-0300 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 86 parking spaces for exclusive use by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on April 4, 2011, and continuing through April 3, 2025, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay Lessor annual rent for the entire term, monthly, in arrears, as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>PRSF RATE</u>	<u>MONTHLY RATE</u>
04/04/11 - 04/03/16	\$532,942.77	\$28.1563	\$44,411.90
04/04/16 - 04/03/21	\$542,406.77	\$28.6563	\$45,200.56
04/04/21 - 04/03/26	\$459,004.00	\$24.2500	\$38,250.33

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

CAPITAL COMMERCIAL HOLDINGS, LLC
3523 STRATFORD COURT
MARTINEZ, GA 30907-8938

4. The Government may terminate this lease in whole or in part at any time on or after January 1, 2021 by giving at least 120 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.

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

LESSOR

Hafeez S. Chaudhry - CAPITAL COMMERCIAL HOLDINGS, LLC

BY *Hafeez S. Chaudhry*
(Signature)

President
(Title)

IN PRESENCE OF *[Signature]*
(Signature)

3523 Stratford Ct., Martinez, GA
(Address)

UNITED STATES OF AMERICA
Craig Thomas

BY *[Signature]*
(Signature)

Contracting Officer, General Services Administration
(Official Title)

5. 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 9GA2184 dated 03/12/2010, as amended by Amendment 1 (07/01/2010) and Amendment 2 (09/23/10).
 - B. Build out in accordance with standards set forth in SFO 9GA2184 dated 03/12/10, as amended by Amendment 1 (07/01/2010) and Amendment 2 (09/23/10) 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.
6. The following are attached and made a part hereof:
 - A. Solicitation for Offers 9GA2184 dated 03/12/2010, as amended by Amendment 1 (07/01/2010) and Amendment 2 (09/23/10).
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
 - D. Exhibit A -- Building Shell Drawings
7. In accordance with the SFO Paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$644,851.03 (18,027 ABOASF x \$34.7714) shall be amortized through the rent for 10 years at the rate of 7.75%. The total annual cost of Tenant Improvements for the amortization period shall be \$92,866.77 (\$5.15 PABOASF / \$4.91 PRSF).
8. In accordance with GSA Form 1364A, the shell rate is \$17.85 per ABOASF (\$17.00 per RSF) for years 1-5 or \$321,776.00 per annum. The shell rate is \$18.37 per ABOASF (17.50 per RSF) for years 6-10 or \$331,240.00 per annum. The shell rate is \$18.90 per ABOASF (18.00 per RSF) for years 11-15 or \$340,704.00 per annum.
9. In accordance with the SFO Paragraph 4.2 entitled *Tax Adjustment*, the percentage of Government occupancy is established as 58.33% (based on a building square footage of 32,448 RSF and offered square footage of 18,928 RSF).
10. In accordance with the SFO Paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$6.25/RSF (\$6.56/ABOASF; \$118,300.00/annum).
11. In accordance with the SFO Paragraph 4.1 entitled *Measurement of Space*, the common area factor is established as 1.05 (18,928 RSF/18,027 ABOASF).
12. In accordance with the SFO Paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$3.00/ABOASF for vacant space (rental reduction).
13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$45.00 per hour for the entire building or any portion thereof.

INITIALS:


Lessor

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Gov't

14. In accordance with The Commission Agreement (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.5, only [REDACTED] which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED] which is [REDACTED] of the Commission ("Commission Credit") shall be credited to the Government as follows:

The shell rental portion of the annual rental payments (\$321,776.00 / 12 months = \$26,814.67 per month) due and owing shall be reduced to fully recapture this Commission Credit in equal monthly installments of [REDACTED]. The reduction in shell rent shall commence with the first month of the rental payments and continue throughout the fifth month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

- Month 1: \$44,411.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.
- Month 2: \$44,411.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent
- Month 3: \$44,411.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent
- Month 4: \$44,411.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent
- Month 5: \$44,411.90 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent

15. The Lessor hereby waives restoration for any alterations over the term of this lease.

INITIALS: JEC
Lessor

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