

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

10/8/10

LEASE NO.

LGA50121

THIS LEASE, made and entered into this date by and between Highwoods Realty Limited Partnership

whose address is: 3100 Smcketree Court  
 Suite 600  
 Raleigh, NC 27604

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 60,005 rentable square feet (RSF) of office and related space, which yields 57,604 ANSI/BOMA Office Area square feet (USF) located at 4221 International Parkway in Atlanta, GA 30354-3914 together with a minimum of 270 parking spaces located on-site of the leased location to be used for such purposes as determined by the General Services Administration. Of these 270 parking spaces, 50 are to be in a fenced area and 2 are included in the sally port.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the fifteen (15) years, fifteen (15) years firm, subject to termination and renewal rights as may be hereinafter set forth. The Lessor shall deliver the premises to the Government substantially complete no later than November 1, 2011.

The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

Term	Annual Rent	RATE Per RSF	RATE Per ABOASF	Monthly Rent
11/1/2011-10/31/2016	\$1,285,113.63	\$21.42	\$22.23	\$107,092.50
11/1/2016-10/31/2021	\$1,477,129.63	\$24.62	\$25.55	\$123,094.14
11/1/2021-10/31/2026	\$1,596,147.88	\$26.27	\$29.34	\$141,345.66

The above annual rent is inclusive of the annual operating rental rate indicated in Paragraph 4.3 of this lease contract.

3. The rental rate is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate, per BOMA rentable square foot (PRSF) as noted above, in accordance with Clause 23 (PAYMENT), GSA Form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly. Rent for a lesser period shall be prorated. Rent checks shall be sent via Electronic Funds Transfer to:

Highwoods Realty Limited Partnership



LESSOR

SIGNATURE Lessor

*James V. Bacchetta*

NAME OF SIGNER James V. Bacchetta

ADDRESS

2000 Conshing Parkway, Suite 200 Atlanta GA 30345

IN THE PRESENCE OF (SIGNATURE)

*Susan Howard*

NAME OF SIGNER

*Susan Howard*

UNITED STATES OF AMERICA

SIGNATURE

*Pamela Murphy*

NAME OF SIGNER

Pamela Murphy

OFFICIAL TITLE OF SIGNER

CONTRACTING OFFICER

4. The DUNS number for leasing entity, is 53-293-9651
5. The Government may not terminate this lease in whole or in part at any time during the fifteen (15) year term.
6. The following are attached and made a part hereof:
- SF-2 Portion of the Lease (Page 1-3)
  - Solicitation for Offers OGA2008; (Pages 1-53); Amendment 1 (dated 5/30/2010)
  - GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-21)
  - GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07) (Pages 1-7)
  - Site Plans included with Final Proposal dated 8/25/2010 and the Initial Proposal dated 7/7/2010.
7. Lessor shall furnish to the Government, as part of rental consideration, the following:
- Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers OGA2008
  - All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas and related facilities ready for occupancy in accordance with the requirements of this lease stated in the Solicitation for Offers OGA2008 and the design intent drawings.
  - Build out shall be in accordance with Solicitation of Offers OGA2008 and Government approved design intent drawings.
  - Deviations to the approved space layouts furnished by the GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
8. The rental set forth in Paragraph 2 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$1,844,739.51 to be amortized through the rent over the term of the Lease (180 months) at the rate of 5.0% (\$3.03 PABOASF (rounded) / \$2.92 PRSF (rounded)). In accordance with Solicitation for Offers OGA2008 paragraph 3.3, *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly. Anything above the TI Allowance above will be reimbursed by lump sum payment upon completion, inspection, and acceptance by the Government.
9. In accordance with Solicitation for Offers OGA2008 paragraph 4.1, *Measurement of Space*, the common area factor is established as 1.0387 (57,804 ABOASF / 60,005 RSF).
10. In accordance with Solicitation for Offers OGA2008 paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 100%.
11. In accordance with Solicitation for Offers OGA2008 paragraph 4.3, *Operating Costs*, the escalation base is established as \$308,936 (\$5.35 PABOASF (rounded) / \$5.15 PRSF (rounded)). Lessor will receive annual CPI adjustments in accordance with SFO Section 4.3.
12. In accordance with Solicitation for Offers OGA2008 paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$2.00 per ABOA for vacant space (rental reduction).
13. In accordance with Solicitation for Offers OGA2008 Paragraph 4.6, *Overtime Usage*, the rate for overtime usage is established as \$60.00 per hour beyond the *Normal Hours* (Solicitation for Offers OGA2008 Paragraph 4.5) of operation of 8:00 AM to 5:00 PM (Monday – Friday) and 9:00 AM – 5:00 PM (Saturday). Areas requiring 24/7 HVAC will be provided to the Government at a rate of \$0.49 PRSF (\$0.47 PABOASF) per month billed pursuant to Paragraph 4.6 of the SFO.
14. Cleaning services requiring access to the Government's leased space shall be performed in accordance with Solicitation for Offers OGA2008 paragraph 4.8, *Janitorial Services*.
15. This lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implied, shall be admissible to contradict the provisions of this lease. Wherever there is a conflict between the SF-2 and the Solicitation for Offers OGA2008, the SF-2 shall take precedence.
16. In accordance with Solicitation for Offers OGA2008 paragraph 2.4, *Broker Commission and Commission Credit*, 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 the [REDACTED] this lease ("Commission"). The total amount of the Commission is [REDACTED] occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.4, only [REDACTED] Studley when the Lease is awarded. The remaining [REDACTED] which is [REDACTED] of the Commission ("Commission Credit") shall be credited to the shell rental portion of the annual rental payments due and owing 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 until the credit has been fully recaptured. The total initial annual shell rent is [REDACTED] which equals

[REDACTED] (rounded) per month. The commission credit will be taken over the first nine (9) months of the lease term with a monthly credit of [REDACTED]

First month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted first month's shell rent).

Second month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted second month's shell rent).

Third month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted third month's shell rent).

Fourth month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted fourth month's shell rent).

Fifth month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted fifth month's shell rent).

Sixth month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted sixth month's shell rent).

Seventh month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted seventh month's shell rent).

Eighth month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted eighth month's shell rent).

Ninth month's shell rental payment of \$64,855.40 minus the prorated commission credit of [REDACTED] equals [REDACTED] (adjusted ninth month's shell rent).

17. Lessor hereby waives restoration

18. The following Building Specific Security items are included in the Building Shell costs:

[REDACTED]

- Dedicated HVAC systems for the lobby and loading dock areas.

[REDACTED]