

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

September 17, 2010

LEASE NO.

GS-03B-09486

THIS LEASE, made and entered into this date by and between

220 Church LLC
whose address is **310 First Street, Suite 450**
Roanoke, VA 24011-1923

and whose interest in the property hereinafter described is that of the owner,

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WITNESSETH: The parties hereto for the consideration hereinafter mentioned, covenant and agree as follows:

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

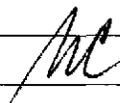
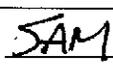
26,796 rentable square feet (RSF) yielding approximately 23,301 ANSI/BOMA Office Area (ABOA) square feet
and related space located on the first and third floors, at the

The Commonwealth Building
220 Church Street S.W.
Roanoke, VA, 24011-1510

to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on See Lease Rider Paragraph 11 through See Lease Rider Paragraph 11, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor annual rent of \$ See Lease Rider Paragraph 11 at the rate of See Lease Rider Paragraph 11 per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to
220 Church LLC
310 First Street, Suite 450
Roanoke, VA 24011-1923
4. The Government may terminate this lease in whole or in part effective at any time after the second (2nd) full year of occupancy by giving at least ninety (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. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - A. All services, utilities, maintenance, operations, and other considerations as set forth in this lease.

INITIALS:

 & 
LESSOR GOVT

LEASE NO. GS-03B-09486

Page 1 of 101

B. 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 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 73,532.69 minus prorated Commission Credit of [redacted] equals [redacted] adjusted First Month's Rent.*

Second Month's Rental Payment shall commence in full.

6. The following are attached and made a part hereof:
- A. Rider to Lease GS-03B-09486
 - B. Solicitation for Offers # 9VA2362, and Amendments #1
 - C. GSA Form 3517, "General Clauses"
 - D. GSA Form 3518, "Representations and Certifications"
 - E. Floor Plans Exhibit A

7. The following changes were made in this lease prior to its execution:

- A. The following paragraphs were deleted in their entirety from the Solicitation for Offers #9VA2362
1.3, 1.6, 1.7, 1.9, 2.4, 3.1
- B. The following paragraphs were deleted in part and/or amended in the Solicitation for Offers #9VA2362
3.5.A, 3.6.A

This lease contains 101 pages

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

LESSOR **220 Church LLC**

BY [Signature]
(Signature)

(Signature)

IN PRESENCE OF: [Signature]
(Signature)

310 1st St. Rkella
(Address)

UNITED STATES OF AMERICA **GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE**

BY [Signature]
(Signature)

Contracting Officer
(Official title)

8. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

9. The total percentage of space occupied by the Government under the terms of the lease is equal to 38.82 percent of the total space available in the lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 26,796 rentable square feet by the total building space of ~~65,868~~ ^{69,028} rentable square feet.

10. For purposes of determining the base rate for future adjustments to the operating cost, the Government agrees that the base rate of \$5.03 per ANSI/BOMA Office Area (ABOA) square foot is acceptable. This figure includes the Government's pro-rata share of operating costs.

11. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within ninety (90) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected.

Upon the date of completion of such alterations, improvements, and repairs and inspection and acceptance by the Government, the term of this lease shall commence and shall continue for four (4) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

Upon acceptance of the leased premises by the Government, the same shall be measured and rental shall be paid, in accordance with Paragraph 4.1 of the lease, "Measurement of Space" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 4:

Shell Rent: \$765,293.76 per year

Annual Cost of Services: \$117,098.52 per year, plus accrued escalations per Paragraph 4.3, "Operating Costs"

All rights, responsibilities, and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other

Lessor *[Signature]* & Government *[Signature]*

RIDER TO LEASE GS-03B-09486

attachments hereto, shall pertain to the entire space under lease, including the free space

12. In accordance with Paragraph 3.4, "GSA Forms and Pricing Information" and Paragraph 5.2, "Tenant Improvements Pricing Requirements" of the Lease, the Lessor's Tenant Improvement Fees are established as follows:

- 1) General Conditions charged by the Lessor's General Contractor for Tenant Improvements requested by the Government is 4% of Total Subcontractors' costs.
- 2) General Contractor's fee charged by the Lessor for Tenant Improvements requested by the Government is 3% of Total Subcontractors' costs.
- 3) Architectural/engineering fees charged by the Lessor for Tenant Improvements are \$40,000.00.
- 4) Project Management fees charged by the Lessor for Tenant Improvements requested by the Government is 10% of Total Tenant Improvement Construction Costs.

13. In accordance with Paragraph 4.6, "Overtime Usage", of the lease, the additional cost to the Government for overtime HVAC services is \$55.00 per hour.

14. In accordance with Paragraph 4.4, "Adjustment for Vacant Premises", of the lease, if the Government fails to occupy any portion of the lease premises or vacates the premises in whole or in part prior to expiration of the terms of the lease, the rental rate for the vacated portion of the space will be reduced by \$2.81 per ANSI/BOMA Office Area square foot.

15. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

16. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

Lessor



& Government



Page 4 of 101