

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE: 7/31/11

LEASE NO: GS-O4B-50125

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

Whose address is: [REDACTED]

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 1,500 Rentable Square Feet (RSF) of office and related space (1,500 ANSI/BOMA Office Area Square Feet (OASF) at 807 Donnell Boulevard, Daleville, Alabama 36322-2068.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the ten (10) years, five (5) 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 eighty (80) days subsequent to the Government's approval of design intent drawings.

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

TERM	SHELL RENT	OPERATING RENT	TENANT IMPROVEMENT	ANNUAL RENT	PRSF RATE	PUSF RATE
Months 1-60	\$19,494.64	\$10,140.00	\$11,915.36	\$41,550.00	\$27.70	\$27.70
Months 61-120	\$19,494.64	\$10,140.00	\$0.00	\$29,634.64	\$19.76	\$19.76

Rent checks shall be made payable to:

GENE HUGHES
[REDACTED]

4. The DUNS number for this leasing entity is 136606563
5. The Government may terminate this lease in whole or in part at any time after the fifth lease year by giving at least sixty (60) 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.

LESSOR

Signature

Name of Signer

Gene Hughes

ADDRESS

In the Presence of (Signature)

[REDACTED]

Name of Signer

Dee Hughes

UNITED STATES OF AMERICA

Signature

Name of Signer

OFFICIAL TITLE OF SIGNER:

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STANDARD FORM 2 (REV. 12/2006)
PRESCRIBED BY GSA - FPR (41 CFR) 1-16.60

6. The Following are attached and made a part hereof:
 - a. Solicitation for Offers 9AL2054 dated 6/9/2010 (Pages 1-49, which also includes GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05) and GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07).
 - b. Exhibit A – Base Plans
7. Lessor Shall furnish to the Government, as part of rental consideration, the following:
 - c. Those facilities, services, utilities, and maintenance in accordance with Solicitation for Offers 9AL2054.
 - d. 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 Solicitation for Offers 9AL2054 and the design intent drawings.
 - e. Build out shall be in accordance with Solicitation for Offers 9AL2054 and Government approved design intent drawings.
 - f. Deviations to the approved space layouts furnished by GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
8. A total of one (1) parking space will be available for government use.
9. The rental set forth in Paragraph 3 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$54,919.62 to be amortized through the rent over the firm term of the Lease (60 Months) at the rate of 3.25%. Pursuant to this calculation, the portion of the annual rent amortized as annual tenant improvement rental is \$11,915.36 per annum or \$992.95 per month. In accordance with Solicitation for Offers 9AL2054 paragraph 3.3, *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly.
10. In accordance with Solicitation for Offers 9AL2054 paragraph 4.1, *Measurement of Space*, the common area factor is established as 1.00 (1,500 RSF / 1,500 USF).
11. In accordance with Solicitation for Offers 9AL2054 paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 100%.
12. In accordance with Solicitation for Offers 9AL2054 paragraph 4.3, *Operating Costs*, the escalation base is established as \$6.76 per rentable square foot per annum.
13. In accordance with Solicitation for Offers 9AL2054 paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$3.00 per ABOA for vacant space (rental reduction).
14. In accordance with Solicitation for Offers 9AL2054 paragraph 4.6, *Overtime Usage*, there is no overtime usage charged for HVAC usage beyond the *Normal Hours* (Solicitation for Offers 9AL2054 paragraph 4.5) of operation of 8:00 AM to 5:00 PM. Areas requiring 24/7 HVAC will be provided at no additional cost to the Government.
15. Cleaning services requiring access to the Government's leased space shall be performed in accordance with Solicitation for Offers 9AL2054 paragraph 4.8, *Janitorial Services*.
16. 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 conflict between the SF-2 and the Solicitation for Offers 9AL2054, the SF-2 shall take precedence."
17. Window glazing shall be provided by the Lessor in accordance with Solicitation for Offers 9AL2054 paragraph 10.17, *Shatter-Resistant Window Protection Requirements*. This cost is included in the shell rate.
18. The lessor hereby waives restoration.

INITIALS  LESSOR &  GOV'T

STANDARD FORM 2 (REV. 12/2006) CONTINUATION

19. 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.
20. In accordance with the SOLICITATION FOR OFFERS 9AL2054, Paragraph 2.3 the Lessor and the Broker have agreed to a SFO 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] per month rounded, for three (3) months of the lease. 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 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 \$3,462.50 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent;

Second Month's Rental Payment \$3,462.50 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent;

Third Month's Rental Payment \$3,462.50 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

Fourth Month's Rental Payment shall commence in full.

-LAST ITEM-

INITIALS: Gitt LESSOR & Gov't GOV'T