

US GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

3/2/11

LEASE NO. GS-04B- 50846

THIS LEASE, made and entered into this date by and between Procacci Parcel F, LLC

Whose address is 925 South Federal Highway, Suite 400
Boca Raton, FL 33432-6145

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 12,695 rentable square feet (RSF), consisting of 11,039 ANSI/BOMA Office Area (ABOA) square feet of office and related space located on the first floor (Suite No. to be determined) at an existing building known as Crossroads Commerce Center, Building 3, located at 11232 NW 20th Street, Dade County, Miami, FL 33172-1862. In addition one (1) reserved parking plus 50 additional parking spaces are included at no additional cost

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 acceptance of tenant improvements through ten years subject to termination and renewal rights as may be hereafter set forth.

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

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>Annual Base</u>	<u>Annual Op Costs</u>	<u>Annual T/I</u>
Months 1-8	Rent Free	Includes	Govt. Broker's	Fee
Months 9-60	\$335,580.94	\$201,401.35	\$50,653.05	\$83,526.54
Months 61-120	\$352,286.25	\$301,633.20	\$50,653.05	zero


Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1 above.

Note 2. The rate per ABOASF is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 9.

4. The Government may terminate this lease, in whole or in part, at any time on or after the 5th year, by giving the Lessor at 60 days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>RATE per RSF</u>	<u>RATE per ABOASF</u>	<u>MONTHLY RATE</u>
DELETED	DELETED	DELETED	DELETED	DELETED

provided notice be given in writing to the Lessor at least ____ days before the end of the original lease term or any renewal term; all other terms and conditions of this lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing.



6. Rental 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 ABOASF as noted in Paragraph 3 above, in accordance with Clause 27 (PAYMENT), GSA Form 3517B, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum ABOASF requested in SFO Paragraph 1.1 (Amount and Type of Space). Rent for a lesser period shall be prorated. Rent checks shall be made payable to: **Procacci Parcel F, LLC**

925 South Federal Highway, Suite 400

Boca Raton, FL 33432-6145

7. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

- A. Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers (SFO) No. 0FL2071, dated 7/26/10 as amended on December 2, 2010.
- B. Buildout in accordance with Solicitation for Offers 0FL2071, as amended. Design Intent Drawings (DIDs) shall be prepared by the Lessor and due to the Government within thirty (30) calendar days subsequent to lease award. All tenant alterations are to be completed within one-hundred twenty (120) calendar days of receiving notice to proceed from the Government with agency approved working/construction drawings. Lease term to be effective and rental to begin on date of Government acceptance, if different from Paragraph 2.
- C. Deviations to the approved Design Intent Drawings reviewed and furnished by the Government to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
- D. Lessor shall provide one (1) on-site reserved parking space plus 50 additional parking spaces at no additional cost to the Government.

8. The following are attached and made a part hereof:

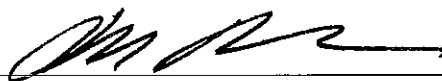
- A. Solicitation for Offers 0FL2071 and SFO Amendment No. 1 dated December 2, 2010
- B. GSA Form 3517B entitled General Clauses (Rev. 06/08).
- C. GSA Form 3518 entitled Representations and Certifications (Rev. 1/07).
- D. Floor Plan entitled GSA SFO 0FL2071

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

LESSOR: **Procacci Parcel F, LLC**

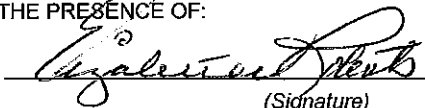
By: Philip J. Procacci, Managing Member

(Authorized Signature)



(Signature)

IN THE PRESENCE OF:



(Signature)

925 South Federal Highway, Suite 400
Boca Raton, FL 33432

(Address)

UNITED STATES OF AMERICA

BY



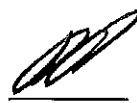
(Signature)

JAMES F. THOMPSON, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION

(Official title)

9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 11,039 ABOASF of office and related space, as identified in SFO 0FL2071, as amended.
10. The rental rate in Paragraph 3 for the period 09/01/11 through 08/31/21 includes all Tenant Improvements. In accordance with Paragraph 3.2 of SFO 0FL2071, as amended, the Tenant Improvement allowance (T/I) provided in the lease is \$32.6151 or \$360,038.09 for 11,039 ABOASF amortized at an interest rate of 6% over five (5) years yielding an annual cost of \$83,526.54 at a rate of \$7.57 per ABOASF (\$6.58 per RSF). The T/I will be used to construct the interior space in accordance with the approved Design Intent Drawings provided by the Lessor. If the T/I cost exceeds \$32.6151 PABOASF for 11,039 ABOASF (Total for Blocks A and B), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire tenant improvement allowance of \$32.6151 PABOASF is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I. The Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. This does not apply to the shell build-out.
11. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No. 0FL2071, as amended, the annual shell cost is established as \$201,401.35 yielding \$18.24 per ABOASF (\$15.86 per RSF) which is inclusive of the rental rate in Paragraph 3 for the months 9-60. The annual shell cost for months 61-120 is \$301,633.20 yielding \$ 27.32 ABOASF (\$23.76 PRSF).
12. In accordance with Paragraph 4.1 C. (Measurement of Space) of SFO No. 0FL2071, as amended, the common area factor (CAF) is established as 15%, based on 12,695 RSF and 11,039 ABOASF.
13. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 0FL2071, as amended, the percentage of Government occupancy is established as 81.65% (based on total building area of 15,548 RSF and the Government's occupancy of approximately 12,695 RSF). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in the SFO, and in accordance with GSA Form 3517B, GENERAL CLAUSES.
14. In accordance with Paragraph 4.3 (Operating Costs) of SFO No. 0FL2071, as amended, the annual operating cost is established as \$50,653.05 yielding an escalation base of \$4.59 per ABOASF (\$3.99 per RSF) which is inclusive of the rental rate in Paragraph 3 for the period 09/01/11 through 08/31/21.

INITIALS:



Lessor

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15. In accordance with Paragraph 4.4 (Adjustment for Vacant Premises) of SFO No. 0FL2071, as amended, the rental rate reduction is established as \$2.00 per ABOASF.
16. In accordance with Paragraph 4.6, (Overtime Usage) of SFO No. 0FL2071, as amended, the hourly overtime usage for the entire space will be provided at \$15.00 and \$.008 PRSF per hour for 24/7 areas such as the LANS room. The standard building operating hours are established as 7:00 am – 6:00 pm EST M-F and 9:00 am – 1:00 pm EST on Saturdays except Federal Holidays.
17. In accordance with Paragraph 5.15 (Waiver of Restoration) of SFO No. 0FL2071, as amended, the Lessor hereby waives all restoration rights.
18. In accordance with Paragraph 9.7 (Radon in Air) of SFO No. 0FL2071, as amended, the Lessor shall complete the short test before occupancy and the standard test not later than 90 days after occupancy, with results forwarded to the Contracting Officer. Any corrective action must be completed within 30 days after tests are completed at no additional cost to the Government. Re-testing is required with results forwarded to the Contracting Officer.
20. Any deviation from approved construction plans or tenant alterations require approval by the Contracting Officer or Contracting Officer's Designee. Should Lessor make changes without approval, the Government will not be responsible for the cost of those changes and Lessor will not be reimbursed.
21. All fire and life-safety deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 0FL2071, as amended:
- A. Provision of emergency illumination in corridors, stairways, and office space.
 - B. Provision of exit lights in corridors.
 - C. Provision of two (2) exits on each floor occupied by the Government.
 - D. Provision of a fire extinguisher near every exit.
22. All handicapped accessibility deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 0FL2071, as amended:
- A. Door Entrances.
 - B. Exit Doors.
 - C. Parking Areas/Curb Cuts.
 - D. Restrooms.
 - E. Width of Exit Doors.

INITIALS:


Lessor

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23. Within five (5) days of lease occupancy, the Lessor shall provide the tenant agency representative (with a copy forwarded to the GSA Government Representative), on site, a copy of the name and phone number of maintenance personnel in order that any cleaning, maintenance, janitorial, etc. problems can be rectified immediately.
24. In accordance with SFO NO 0FL2071, as amended, Paragraph 2.6, the Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] 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. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: One hundred percent (100%) is due and payable within 30 days after lease award. 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.


The Commission Credit is included in the 8 months free rent starting on the effective date of the lease offered by the Lessor as part of its final offer.

25. The following items are included as a part of the rental rate:
- Add a picnic area on the outside of the building.
 - Provide and maintain locker rooms and a fitness facility on the mezzanine level of the space, remove the hanging lights in this area and install lights in the new ceiling
 - Enclose the fitness center so that no noise will be heard in the office area
 - Replace the bay doors with windows on the entrance side of the building and also install additional windows on the back and side of the building to provide an open airy interior
 - Increase the landscaping around the building by adding trees and shrubs to achieve the same appearance as the Crossroads Commerce Center located at 11230 NW 20th Street, Dade County, Miami, FL 33172-1845. Place shrubs around the transformers so that they are hidden from view.
 - Building standard cherry wood or like wood doors at entrances to offices and other enclosed spaces will be provided at no additional cost.

INITIALS:


Lessor

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