

# U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

May 8, 2012

LEASE NO.

GS-04B-62279

THIS LEASE, made and entered into this date by and between **FLAGLER CENTER PROPERTIES**whose address is **505 S Flagler Drive, Suite 1010  
West Palm Beach, FL 33401-5949**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 18,636 rentable square feet (RSF) of office and related space, which yields 17,465 ANSI/BOMA Office Area square feet (ABOASF) of space to be located at Flagler Center, 505 South Flagler Drive, West Palm Beach, Florida 33401-5923, including thirty-seven (37) structured parking spaces and ten (10) surface parking spaces at no additional cost to the Government.

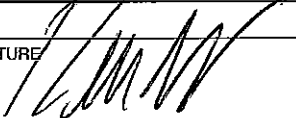
2. **TERM:**

TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on June 16, 2012 through June 15, 2022, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this lease, along with any applicable termination and renewal rights, shall more specifically be set forth in a Supplemental Lease Agreement upon substantial completion and acceptance of the space by the Government.

----- Last Item -----

- Continued on Page 2 -

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

LESSOR	
SIGNATURE 	SIGNATURE
NAME OF SIGNER Richard S. Johnson, Jr. CO-managing Partner	NAME OF SIGNER
IN PRESENCE OF	
SIGNATURE Annette M. Devlin	SIGNATURE
NAME OF SIGNER Annette M. Devlin	NAME OF SIGNER
UNITED STATES OF AMERICA	
SIGNATURE Louise M. Long	NAME OF SIGNER Louise M. Long
	OFFICIAL TITLE OF SIGNER Contracting Officer

3. **RENTAL RATES:**

A. 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>Shell per RSF</u>	<u>OP per RSF</u>	<u>TI per RSF</u>	<u>PRSF RATE</u>	<u>MONTHLY RATE</u>
Year 1 – Year 5	\$837,978.82	\$35.50	\$7.02	\$2.45	\$44.97	\$69,831.57
Year 6 – Year 10	\$875,136.84	\$39.94	\$7.02	\$0.00	\$46.96	\$72,928.07

The rate per rentable square foot (PRSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1. The rate per ANSI/BOMA office area square foot (ABOASF) is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 1.

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

**Flagler Center Properties  
505 S Flagler Drive, Suite 1010  
West Palm Beach, FL 33401-5949**

4. **TERMINATION NOTICE:**

The Government may terminate this lease [in whole or in part] at any time on or after Year 5, by giving the Lessor at least one hundred twenty (120) days notice in writing. 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. **RENEWAL OPTION:**

**PARAGRAPH 5 IS HEREBY DELETED IN ITS ENTIRETY.**

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

- (a) Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers No. 0FL2018 dated 05/25/2011.
- (b) 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 No. 0FL2018 and the design intent drawings.
- (c) Build-out in accordance with Solicitation for Offers No. 0FL2018. Lease term to be effective on date of occupancy, and established by SLA.
- (d) 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.
- (e) Thirty-seven (37) structured parking spaces and ten (10) surface parking spaces will be provided in accordance with this lease at no additional cost to the Government.

7. **ATTACHMENTS:**

The following are attached and made a part hereof:

- (a) Continuation Pages to Standard Form 2 to Lease GS-04B-62279
- (b) Solicitation for Offers No. 0FL2018 dated 05/25/11
- (c) Scope of Work, SFO No. 0FL2018 and Special Requirements
- (d) GSA Form 3518 entitled Representations and Certification, (REV 06/08)
- (e) GSA Form 3517B entitled General Clauses, (REV 1/07)
- (f) Floor Plans
- (g) Exhibit "A" – Tenant Improvements, Scope of Work

9. In accordance with Paragraph 1.10, "Building Shell Requirements", of SFO No. 0FL2018, the shell rate is established as \$35.50 per RSF or \$37.88 per ABOASF for years 1-5, \$661,578.00 per annum; the shell rate is established as \$39.94 per RSF or \$42.62 per ABOASF for years 6-10, \$744,321.84 per annum.
10. The maximum Tenant Improvement Allowance shall be \$196,496.00 (\$11.2766/ABOASF), amortized over 60 months at 6% thereby yielding an annual cost of \$45,585.82 at a rate of \$2.61 per ABOASF (\$2.45 per RSF) and is included in the annual rent payment identified in Paragraph 3 of this lease.
11. In accordance with Paragraph 1.3, "Measurement of Space", of SFO No. 0FL2018, the common area factor (CAF) is established as 1.067, based on 18,636 RSF and 17,465 ABOASF.
12. In accordance with Paragraph 4.1, "Tax Adjustment", of SFO No. 0FL2018, the percentage of Government occupancy is established as 12.21% (based on total building area of 152,690 RSF and the Government's occupancy of approximately 18,636 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.
13. In accordance with Paragraph 4.2, "Operating Costs, of SFO No. 0FL2018, the escalation base is established as \$7.02 per RSF (\$7.49 per ABOASF), \$130,815.00 per annum.
14. In accordance with Paragraph 4.3, "Adjustment for Vacant Premises", of SFO No. 0FL2018, the rental rate reduction is established as \$1.25 per RSF (\$1.33 per ABOASF).
15. Notwithstanding Paragraph 4.4, "Normal Hours", of SFO No. 0FL2018, in general, the space shall operate on full occupied cycle for from 8:15 AM to 6:15 PM Monday through Friday, which is included in the rental rate. Twenty-four (24) hour access to the space and an elevator shall be available seven (7) days a week, three hundred and sixty five days (365) per year.
16. In accordance with Paragraph 4.5, "Overtime Usage", of SFO No. 0FL2018, the rate for overtime usage is established as \$35.00 per hour for the entire building, for HVAC usage beyond the Normal Hours, as noted in paragraph 16 above. The cost to operate areas requiring 24 hour HVAC (LAN, etc.) shall be \$0.00 (no additional cost to the Government).
17. Cleaning services requiring access to the Government's leased space shall be performed during the hours of 8:30 AM and 4:30 PM, Monday through Friday.
18. This lease, upon execution, contains the entire agreement of the parties and no prior written or oral agreement, expressed or implies, shall be admissible to contradict the provisions of this lease. Wherever there is a conflict between the SF-2 and the SFO No. 0FL2018, the SF-2 shall take precedence. Unauthorized Improvements: All questions pertaining to this lease agreement shall be referred in writing to the GSA Contracting Officer. This contract is between GSA and **Flagler Center Properties**. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.
19. Definitions: Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space

INITIALS:

LESSOR

& LmL  
GOV'T

offered for lease" appear in this Lease, they shall be deemed to mean "Premises".

21. In accordance with SFO 0FL2018, Paragraph 2.4, Broker Commission and Commission Credit, Jones Lang LaSalle ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Broker 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] and is earned upon lease execution, payable according to the Commission Agreement signed between the two parties. Due to the Commission Credit described in Paragraph 2.4, only [REDACTED] of the Commission, will be payable to Jones Lang LaSalle. The remaining [REDACTED] which is the "Commission Credit", shall be credited to the shell rental portion of the annual rental payments due and owing 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 in equal monthly installments over the shortest period practical.



Notwithstanding Paragraph 3 of this Standard Form 2 of this Lease, 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 \$69,831.57 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED].

Second Month's Rental Payment of \$69,831.57 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent of [REDACTED].

----- END OF DOCUMENT -----

INITIALS:

  
LESSOR &   
GOVT