

LEASE NO. GS-04B-61936SIMPLIFIED LEASE
GSA FORM L201A (SEPTEMBER 2011)

INSTRUCTIONS TO OFFERORS: Fill in this form with the required information where appropriate, initial each page, sign on this page (type in name and title), and have a witness to your signature sign also. Upon selection for award, GSA will countersign the Lease document.

This Lease is made and entered into between

Bull Street Associates

("the Lessor"), whose principal place of business is 33 Bull Street, Savannah, GA 31401-3336 and mailing address is PO Box 8668, Savannah, GA, 31412, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

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

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at:

33 Bull Street, Suite 570, Savannah, GA 31401-3336

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein.

LEASE TERM

To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

10 Years, 5 Years Firm,

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by GSA. The commencement date of this Lease, estimated to be November 1, 2012, along with any applicable termination and renewal rights, shall more specifically be set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

FOR THE LESSOR:

Name: Richard A. Denny, Jr.

Title: General Partner

Date: May 2, 2012

FOR THE GOVERNMENT:

Name: Maria Dent

Lease Contracting Officer

Date: 5/30/12

WITNESSED BY:

Name: Loretta Gaye Mejias

Title: Legal Asst.

Date: May 2, 2012

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SIMPLIFIED) (AUG 2011)

Unless otherwise noted, the Government accepts the leased premises and tenant improvements in their current existing condition, with the following exceptions further outlined more thoroughly in this lease. These exceptions include, but are not limited to, security improvements, National Fire Protection Association (NFPA) requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The Lessor shall be responsible for continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the lease paragraphs and attached General Clauses.

The Premises are described as follows:

Office and Related Space: **4,957** rentable square feet (RSF), yielding **4,310** ANSI/BOMA Office Area (ABOA) square feet (sq. ft.) of office and related space (based upon a Common Area Factor of **1.15**, located on the **5th** floor(s) and known as Suite(s) **570**, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

1.02 EXPRESS APPURTENANT RIGHTS (SIMPLIFIED) (SEPT 2011)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. **Parking:** 5 parking spaces as depicted on the plan attached hereto as Exhibit D of which 5 shall be structured inside spaces reserved for the exclusive use of the Government. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

1.03 RENTAL CONSIDERATION (SIMPLIFIED) (SEPT 2011)

A. The Government shall pay the Lessor annual rent, payable monthly in arrears, at the following rates:

LEASE YEAR	ANNUAL SHELL	ANNUAL OPERATING RENT	ANNUAL TI ^{1,2}	SHELL / RSF	OPERATING RENT / RSF	TI / RSF ^{1,2}	TOTAL ANNUAL RENT ²	TOTAL ANNUAL RATE ²	MONTHLY RATE ²
1	\$71,430.37	\$25,231.13	\$17,547.78	\$14.41	\$5.09	\$3.54	\$114,209.28	\$23.04	\$9,517.44
2	\$71,430.37	\$25,735.75	\$17,547.78	\$14.41	\$5.19	\$3.54	\$114,713.90	\$23.14	\$9,559.49
3	\$71,430.37	\$26,250.47	\$17,547.78	\$14.41	\$5.30	\$3.54	\$115,228.62	\$23.25	\$9,602.38
4	\$71,430.37	\$26,775.48	\$17,547.78	\$14.41	\$5.40	\$3.54	\$115,753.63	\$23.35	\$9,646.14
5	\$71,430.37	\$27,310.99	\$17,547.78	\$14.41	\$5.51	\$3.54	\$116,289.14	\$23.46	\$9,690.76
6	\$76,238.66	\$27,857.21	\$0.00	\$15.38	\$5.62	\$0.00	\$104,095.87	\$21.00	\$8,674.66
7	\$76,238.66	\$28,414.35	\$0.00	\$15.38	\$5.73	\$0.00	\$104,653.01	\$21.11	\$8,721.08
8	\$76,238.66	\$28,982.64	\$0.00	\$15.38	\$5.85	\$0.00	\$105,221.30	\$21.23	\$8,768.44
9	\$76,238.66	\$29,562.29	\$0.00	\$15.38	\$5.96	\$0.00	\$105,800.95	\$21.34	\$8,816.75
10	\$76,238.66	\$30,153.54	\$0.00	\$15.38	\$6.08	\$0.00	\$106,392.20	\$21.46	\$8,866.02

¹The Tenant Improvements of \$77,404.00 are amortized at a rate of 5.0% percent per annum over 5 years

²Rates may be rounded

B. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

C. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

D. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in "Paragraph 1.01 The Premises" created herein;
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;
3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

1.04 BROKER COMMISSION AND COMMISSION CREDIT (SIMPLIFIED) (APR 2011)

A. **Jones Lang LaSalle** ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. 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. Only [REDACTED] of the Commission will be payable to **Jones Lang LaSalle** with the remaining [REDACTED], which is the "Commission Credit", to 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 practicable.

Notwithstanding the "Rent and Other Considerations" paragraph 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:

Month 1 Rental Payment **\$9,517.44** minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.

Month 2 Rental Payment **\$9,517.44** minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 2nd Month's Rent.

Month 3 Rental Payment **\$9,517.44** minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 3rd Month's Rent.

1.05 TERMINATION RIGHTS (SIMPLIFIED) (SEPT 2011)

The Government may terminate this Lease, in whole or in parts, effective after the firm term of this Lease by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (SIMPLIFIED) (APR 2011)

THIS PARAGRAPH WAS INTENTIONALLY DELETED

1.07 DOCUMENTS INCLUDED WITH LEASE (SIMPLIFIED) (AUG 2011)

The following documents are included as part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Floor Plan Delineating the Premises	1	A
Representations and Certifications (GSA Form 3518)	7	B
Parking Plan		C

1.08 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (SIMPLIFIED) (SEPT 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this Lease is 6.12 percent.

1.09 OPERATING COST BASE (SIMPLIFIED) (AUG 2011)

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs is \$5.09 per rentable square foot.

1.10 ADDITIONAL BUILDING IMPROVEMENTS (AUG 2011)

THIS PARAGRAPH WAS INTENTIONALLY DELETED

1.11 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEPT 2011)

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by **\$4.37** per ABOA sq. ft. of space vacated by the Government.

1.12 HOURLY OVERTIME HVAC RATES (SEPT 2011)

The following rates shall apply in the application of the clause titled "Overtime HVAC Usage:"

\$0.00 per hour per zone

Number of zones: 1

\$ 0.00 per hour for the entire space