

US GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE:

1/12/09

LEASE NO. GS-04B-59078

THIS LEASE, made and entered into this date by and between **Jeffrey Howell**

Whose address is



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 7,056 Rentable Square Feet (RSF) of office and related space (6,350 ANSI/BOMA Office Area Square Feet (OASF) at a sole occupancy building to be constructed at 850 Highway 15 North, Breathitt County, Jackson, KY 41339. Thirty (30) on-site surface parking spaces are to be provided at no extra cost to the Government.

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 November 5, 2009 to November 4, 2019, subject to termination and renewal rights as may be hereinafter 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>RATE per RSF¹</u>	<u>RATE per OASF²</u>	<u>MONTHLY RATE</u>
11/5/2009 – 11/4/2014	\$188,823.00	\$26.76	\$29.74	\$15,735.25
11/5/2014 – 11/4/2019	\$138,085.92	\$19.57	\$21.75	\$11,507.16

* The rent shall be adjusted in accordance with SFO Paragraph 1.11 to reflect actual tenant allowance used.

Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rental by the RSF.

Note 2. The rate per OASF is determined by dividing the total annual rental by the OASF.

4. The Government may terminate this lease, in whole or in part, at any time on or after November 4, 2014 by giving the Lessor at least sixty (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 day of mailing.

~~5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:~~

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6. Rental is subject to the Government's measurement of plans submitted by the Lessor and a mutual on-site measurement of the space and will be based on the rate, per OASF as noted in Paragraph 3 above, in accordance with Clause 22 (PAYMENT), GSA form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum usable square footage 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:

Jeffrey Howell



- 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) 6KY0026 with its attachments dated 8/8/2006; and SFO Amendment #1 dated 5/9/08 and SFO Amendment #2 dated 6/24/08.
 - B. Buildout in accordance with Solicitation for Offers 6KY0026 with its attachments dated 8/8/2006; along with SFO Amendment #1 dated 5/9/08 and SFO Amendment #2 dated 6/24/08; and Government's approved design intent drawings. The Government design intents drawings will be furnished within ninety (90) calendar days from award subsequent to lease award. All tenant alterations to be completed within one hundred twenty (120) calendar days from receipt of the Government's notice to proceed for tenant improvements or the lease effective date identified under Paragraph 2, whichever is later. Lease term to be effective and rental to begin on date of occupancy, if different from Paragraph 2.
 - C. 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. The following are attached and made a part hereof:
 - A. Solicitation for Offers 6KY0026 with its attachments dated 8/8/2006; along with SFO Amendment #1 dated 5/9/08 and SFO Amendment #2 dated 6/24/08.
 - B. [Redacted] - Atlanta Region Office Space Specifications & Requirements, Jackson, KY dated August 8, 2006.
 - C. GSA Form 3517 entitled General Clauses (Rev. 11/05).
 - D. GSA Form 3518 entitled Representations and Certifications (Rev. 01/07).
 - E. Exhibit A - Rate Structure
 - F. Exhibit B - Unit Costs
 - G. Exhibit C - Floor plan, site plan, and building elevation.
 - H. Exhibit D - Davis Bacon Wage Rates
 - I. Commission Agreement dated October 20, 2008.

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

LESSOR: Jeffrey Howell

BY Jeffrey Howell
(Signature)

Owner
(Official Title)

IN THE PRESENCE OF:

Balene Howards
(Signature)

Jackson Ky.
(Address)

UNITED STATES OF AMERICA:

BY Felicia R Walker
(Signature)

FELICIA R. WALKER, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
(Official title)

9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 6,350 ANSI/BOMA office area square feet (OASF) of office and related space, as identified in SOLICITATION FOR OFFERS 6KY0026.

10. The rent rate in Paragraph 3 above for the period 11/5/2009 through 11/4/2014 includes all Tenant Improvements. In accordance with Paragraph 1.10 (A) of SOLICITATION FOR OFFERS 6KY0026, the Tenant Improvement allowance (TI) provided in the lease is \$34.85 per ANSI/BOMA square foot, or a total of \$221,297.50 amortized through the rent for 5 years at the rate of 5.5% for a rate of \$7.19 per rentable square foot. If the entire tenant improvement allowance of \$34.85 OASF or \$221,297.50 is not used, the rental rate will be adjusted to reflect the actual allowance used.

11. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 3.4 (Tax Adjustment), the percentage of Government Occupancy is established as 100% (Based on Government occupancy of 7,056 rentable square feet and total building area of 7,056 rentable square feet). 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 BOMA office area square feet stated in SOLICITATION FOR OFFERS 6KY0026, and in accordance with GSA Form 3517, GENERAL CLAUSES.

12. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 3.6 (Operating Costs), the escalation base is established as \$32,260.00 (or \$4.57 per rentable square foot).

13. In accordance with GSA Form 1364A, the shell rate is established as \$105,840.00 per annum (or \$15.00 per rentable square foot).

14. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 3.10 (Common Area Factor), the common area factor (CAF) is established as 11% rounded based on 6,350 ANSI/BOMA Office Area Square Feet (OASF) and 7,056 rentable square feet.

15. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 7.3 (Overtime Usage), the overtime usage will be provided at the rate of \$6.00 per hour for the entire building.

16. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 3.13 (Adjustment for Vacant Premises), the adjustment for Vacant Premises is established as \$4.00 per ANSI/BOMA office area square feet (OASF). The rent is to be reduced by this figure when the paragraph is utilized.

17. In accordance with SOLICITATION FOR OFFERS 6KY0026, Paragraph 8.8 (Radon in Air) and Paragraph 8.9 (Radon in Water), a Radon Certification must be furnished within 150 days after award. Any corrective action must be completed within 30 days after tests are completed at no additional costs to the Government. Re-testing is required and results shall be forwarded to the General Services Administration Contracting Officer.

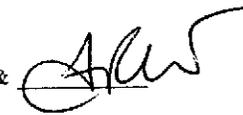
18. All fire and life safety deficiencies must be corrected prior to occupancy date of the lease and at no extra cost to the Government.

19. All handicapped accessibility deficiencies must be correct prior to occupancy and at no extra cost to the Government, as required by SOLICITATION FOR OFFERS 6KY0026.

20. In accordance with the SOLICITATION FOR OFFERS 6KY0026, Paragraph 1.13, Broker Commission and Commission Credit (Nov 2006), the amount of [REDACTED] for the broker's fee is established based upon fee of [REDACTED]. The amount of [REDACTED] which is [REDACTED] of the [REDACTED] will be deducted from the shell portion of the rent until it has been refunded to the Government. This calculates to a rental reduction of [REDACTED] per month for three (3) months from the effective date of the lease ([REDACTED] divided by 3). The broker's fee will remain constant regardless of the measurement of the space and/or change orders unless there is a substantive change to the contract necessitating revision of the subject commission. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker in accordance with the signed and attached Commission agreement which is incorporated as a part of this contract.

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:

INITIALS:

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Lessor Gov't

Paragraph 20 – continued

First Month's Rental Payment \$15,735.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent;

Second Month's Rental Payment \$15,735.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent;

Third Month's Rental Payment \$15,735.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent;

Payments to be made to:

CB Richard Ellis, Inc.
8270 Greensboro Drive, Suite 620
McLean VA 22102

21. The Government reserves the right to request Lessor to conduct archeological testing of site (Phase I or II) and comply with Section 106 requirements at no additional cost, in accordance Solicitation For Offers 1.18.

INITIALS:

JA
Lessor

& AW
Gov't