

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

07/22/2011

LEASE NO.

GS-04B-61159

THIS LEASE, made and entered into this date by and between **CR INVESTMENTS, LLC**

whose address is **1904 First Avenue North, Suite 300
Birmingham, AL 35203**

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 83,775 rentable square feet (RSF) of office and related space, which yields 73,799 ANSI/BOMA Office Area square feet (ABOSF) of space to be newly constructed on an assemblage of four parcels (located 836 15th Street North; 843 14th Street North; 1410 8th Avenue North; and 1416 8th Avenue North) in Birmingham (Jefferson County), Alabama 35203, including two hundred fifty (250) on-site, reserved parking spaces.

2. **TERM:**

TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on August 1, 2012 through July 31, 2027, 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 -

_____s hereto have hereunto subscribed their names as of the date first above written.

LESSOR

SIGNATURE

NAME OF SIGNER

ROBERT A. SIMON

NAME OF SIGNER

IN PRESENCE OF

SIGNATURE

[Signature]

SIGNATURE

NAME OF SIGNER

NAME OF SIGNER

STATES OF A

NAME OF

OFFICIAL

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>OP per RSF</u>	<u>TI per RSF</u>	<u>PRSF RATE</u>	<u>ABOASF RATE</u>	<u>MONTHLY RATE</u>
08/01/2012 – 07/31/2017	\$2,139,614.00	\$5.65	\$4.49	\$25.54	\$28.99	\$178,301.17
08/01/2017 – 07/31/2022	\$2,268,916.92	\$5.65	\$4.49	\$27.08	\$30.74	\$189,076.41
08/01/2022 – 07/31/2027	\$2,034,057.00	\$5.65	\$0.00	\$24.28	\$27.56	\$169,504.75

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:

CR Investments, LLC
1904 First Avenue North, Suite 300
Birmingham, AL 35203

4. **TERMINATION NOTICE:**

The Government may terminate this lease [in whole or in part] at any time on or after 07/31/2022, by giving the Lessor at least ninety (90) 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:**

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

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. 9AL2109 dated 8/16/2010, as amended by Amendments No. 1, 2 & 3 to SFO No. 9AL2109.
- (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. 9AL2109 and the design intent drawings.
- (c) Buildout in accordance with Solicitation for Offers No. 9AL2109. Design Intent Drawings (DID's) shall be due from the Lessor within thirty (30) working days subsequent to lease award (in coordination with the tenant agency). All tenant alterations to be completed within one hundred twenty (120) working days from receipt of notice to proceed to construct tenant improvements, which include a written scope of work and finish schedules. 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) Two hundred fifty (250) on-site, reserved parking spaces will be provided in accordance with this lease at no extra 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-61159
- (b) Solicitation for Offers No. 9AL2109 dated 8/16/10 and Amendments No. 1, 2 & 3
- (c) GSA Form 3518 entitled Representations and Certification, (REV 06/08)
- (d) GSA Form 3517B entitled General Clauses, (REV 1/07)
- (e) Site Plan

9. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No. 9AL2109, the shell rate is established as \$15.40 per RSF or \$17.48 per ABOASF for years 1-5, \$1,289,845.58 per annum; the shell rate is established as \$16.94 per RSF or \$19.23 per ABOASF for years 6-10, \$1,419,148.50 per annum; and the shell rate is established as \$18.63 per RSF or \$21.15 per ABOASF for years 11-15, \$1,560,728.25 per annum.
10. Pursuant to Paragraph 3.2, "Tenant Improvements Included in Offer", the maximum Tenant Improvement Allowance shall be \$2,701,781.00 (\$36.61/ABOASF), amortized over 120 months at 7%, payable monthly at the rate of \$31,369.97 ABOASF or \$376,439.62 annually and is included in the annual rent payment identified in Paragraph 3 of this lease.
11. Pursuant to Paragraph 3.3, "Tenant Improvements Rental Adjustment", the Government, at its sole discretion, shall make all decisions as to the usage and payment for said Tenant Improvement Allowance. If the T/I cost exceeds \$2,701,781.00, the balance due the Lessor will be paid by rental adjustment, or lump sum, to be determined by the Government. If the entire T/I of \$36.61/ABOASF or \$2,701,781.00 is not used, the Government will adjust the rental rate downward to off-set the difference in the tenant improvement. The Lessor understands, in lieu of Cost and Pricing Data, 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."
12. In accordance with Paragraph 4.1 (Measurement of Space) of SFO No. 9AL2109, the common area factor (CAF) is established as 1.1352, based on 83,775 RSF and 73,799 ABOASF.
13. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 9AL2109, the percentage of Government occupancy is established as 100% (based on total building area of 83,775 RSF and the Government's occupancy of approximately 83,775 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. 9AL2109, the escalation base is established as \$5.65 per RSF (\$6.41 per ABOASF), \$473,328.80 per annum.
15. In accordance with Paragraph 4.4 (Adjustment for Vacant Premises) of SFO No. 9AL2109, the rental rate reduction is established as \$1.98 per RSF (\$2.25 per ABOASF).
16. Notwithstanding Paragraph 4.5 (Normal Hours) of SFO No. 9AL2109, in general, the space shall operate on full occupied cycle for 11 hours a day (7:00 AM to 6:00 PM) Monday through Friday, which is included in the rental rate. The Government shall be responsible for the first 10 hours of utility service Monday through Friday, excluding Saturdays, Sundays, and Federal holidays. The Lessor shall be responsible for the remaining 1 hour of utility service, Monday through Friday.
17. In accordance with Paragraph 4.6, (Overtime Usage) of SFO No. 9AL2109, 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 15 above.
18. Cleaning services requiring access to the Government's leased space shall be performed during the normal hours of operation.
19. 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. 9AL2109, the SF-2 shall take

INITIALS:



LESSOR

&



GOVT

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 CR Investments, LLC. 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.

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

21. In accordance with SFO 9AL2109, Paragraph 2.5 Broker Commission and Commission Credit, 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. Due to the Commission Credit described in SFO 9AL2109 Paragraph 2.5, 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 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 \$178,301.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED]

Second Month's Rental Payment of \$178,301.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent of [REDACTED]

Third Month's Rental Payment of \$178,301.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted Third Month's Rent of [REDACTED]

Fourth Month's Rental Payment of \$178,301.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted Fourth Month's Rent of [REDACTED]

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INITIALS: DMS & NSA
LESSOR & GOVT