

LEASE NO. GS-04P-LFL60229

Succeeding/Superseding Lease
GSA FORM L202 (September 2013)

This Lease is made and entered into between

DURNFORD ENTERPRISES, LTD

(Lessor), whose principal place of business is 3 West Garden Street, Suite 412, Pensacola, FL 32502, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(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:

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

3 West Garden Street, Suite 200, Pensacola, FL 32502-5632

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, to be used for such purposes as determined by GSA.


LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning either upon **September 1, 2014** or upon acceptance of the Premises as required by this Lease, whichever is later, and continuing for a period of

5 Years, 5 Years Firm,

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 be more specifically 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.

DURNFORD ENTERPRISES LTD
FOR THE LESSOR: **By: NEK OF PENSACOLA**
Its General Partner


Title: ITS PRESIDENT

Date: Sept. 10, 2014

General Services Administration, Public Buildings Service

Date: 10/8/14



Name: FRANK WEBB

Title: GENERAL MANAGER

Date: Sept 10, 2014

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (SUCCEEDING) (SEP 2013)

Unless otherwise noted, the Government accepts the Premises and tenant improvements in their existing condition, except where specifications or standards are contained elsewhere in this Lease. These standards include security improvements, Fire Protection and Life Safety requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. Such acceptance by the Government of existing Premises shall not relieve Lessor of 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:

A. **Office and Related Space:** 4,812 rentable square feet (RSF), yielding 4,184 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the **second** floor(s) and known as Suite(s) **200**, of the Building, as depicted on the floor plan(s) attached hereto as Exhibit **A**.

B. **Common Area Factor:** The Common Area Factor (CAF) is established as **1.150096** percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41 CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. **Parking:** 7 parking spaces as depicted on the plan attached hereto as Exhibit **B**, reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 7 shall be surface/outside parking spaces. 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.

B. INTENTIONALLY DELETED

1.03 RENT AND OTHER CONSIDERATIONS (SEP 2013)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$50,622.24	N/A
TENANT IMPROVEMENTS RENT ²	\$0.00	N/A
OPERATING COSTS ³	\$ 28,775.76	N/A
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$ 0.00	N/A
PARKING ⁵	\$ 0.00	N/A
TOTAL ANNUAL RENT	\$79,398.00	N/A

¹Shell rent calculation:

(Firm Term) \$10.52 per RSF multiplied by 4,812 RSF
(Non Firm Term) N/A per RSF multiplied by N/A RSF

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of N/A percent per annum over N/A years.

³Operating Costs rent calculation: \$5.98 per RSF multiplied by 4,812 RSF

⁴Building Specific Amortized Capital (BSAC) of \$0.00 are amortized at a rate of N/A percent per annum over N/A years

⁵Parking costs described under sub-paragraph H below

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 4,184 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. INTENTIONALLY DELETED

D. INTENTIONALLY DELETED

E. 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.

F. Rent shall be paid to 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 (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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 the paragraph entitled "The Premises."
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.

H. Parking shall be provided at a rate of N/A per parking space per month (structured/inside), and \$0.00 per parking space per month (surface/outside).

1.04 INTENTIONALLY DELETED

1.05 INTENTIONALLY DELETED

1.06 INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2013)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
FLOOR PLAN(S)	1	A
PARKING PLAN(S)	1	B
SECURITY REQUIREMENTS	4	C
AGENCY SPECIFIC/SPECIAL REQUIREMENTS	N/A	N/A
SECURITY UNIT PRICE LIST	N/A	N/A
GSA FORM 3517 GENERAL CLAUSES	47	D
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	E
SMALL BUSINESS SUBCONTRACTING PLAN	N/A	N/A
SEISMIC FORM C, BUILDING RETROFIT OR NEW CONSTRUCTION PRE-AWARD COMMITMENT	N/A	N/A

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SUCCEEDING) (SEP 2013)

The Government may elect to make lump sum payments for any or all work covered by the Tenant Improvement (TI) scope. That portion of the rental payments attributable to amortization of the TIs shall be reduced accordingly. At any time after occupancy and during the firm term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIs. If the Government elects to make a lump sum payment for the TIs after occupancy, the payment by the Government will result in a decrease in the rent according to the amortization rate over the remaining Firm Term of the Lease.

1.09 INTENTIONALLY DELETED

1.10 INTENTIONALLY DELETED

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is 8.94 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 4,812 RSF by the total Building space of 53,850 RSF.

1.12 REAL ESTATE TAX BASE (SEP 2013)

The Real Estate Tax Base, as defined in the Real Estate Tax Adjustment paragraph of the Lease is \$4,640.64. Tax adjustments shall not occur until the tax year following lease commencement has passed.

1.13 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$5.98 per RSF (\$28,775.76/annum).

1.14 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the 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 \$3.00 per ABOA SF of Space vacated by the Government.

1.15 HOURLY OVERTIME HVAC RATES (AUG 2011)

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

- \$5.00 per hour per zone
- Number of zones: 1
- \$5.00 per hour for the entire Space.

1.16 24-HOUR HVAC REQUIREMENT (APR 2011)

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at an annual rate of \$0.00 per ABOA SF. of the area receiving the 24-hour HVAC. Notwithstanding the foregoing, Lessor shall provide this service at no additional cost to the Government if the Lessor provides this service to other tenants in the Building at no additional charge.

1.17 INTENTIONALLY DELETED