

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

7-9-09

LEASE NO.

GS-03B-09383

THIS LEASE, made and entered into this date by and between

Plaza Gateway Salisbury, LLC

whose address is:

117 Carriage Lane
Queenstown, MD 21658

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 consideration hereinafter mentioned, covenant and agree as follows:

1. The Lessor hereby leases to the Government the following described premises:

2,023 ANSI/BOMA square feet (2,384 Rentable square feet) of office space on the third floor and three reserved surface parking spaces at the building located at 116-118 West Main Street in Salisbury, MD 21801 to be used for such purposes as may be determined by the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on (See Lease Rider paragraph 13) through (See Lease Rider paragraph 13), subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent of (See Lease Rider paragraph 14) at the rate of (See Lease Rider paragraph 14) per month in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Plaza Gateway Salisbury LLC
117 Carriage Lane
Queenstown, MD 21658

4. The Government may terminate this lease in whole or in part at any time effective on or after the tenth (10th) full year of occupancy by giving at least Sixty (60) days notice in writing to the Lessor and 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. 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 90 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.~~

Lessor  Government 

6. The Lessor and the Broker have agreed to a cooperating lease commission of [redacted] of the firm term value of this lease excluding tenant improvements included in rental. The total amount of the commission is [redacted]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [redacted] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [redacted]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

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:

First Month's Shell Rental Payment \$2,086 (\$10.50. x 2,384 RSF)/12) minus prorated Commission Credit of [redacted] equals [redacted] adjusted First Month's Shell Rent

Second Month's Shell Rental Payment \$2,086 (\$10.50. x 2,384 RSF)/12) minus prorated Commission Credit of [redacted] equals [redacted] adjusted Second Month's Shell Rent

Third Month's Shell Rental Payment (\$2,086) shall commence in full.

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

All services, utilities, maintenance, operations, alterations, and other considerations as set forth in this lease.

8. The following are attached and made a part hereof:

- A. Standard Form 2 - U.S. Government Lease for Real Property (pages 1-2)
- B. Rider to Lease GS-03B-09383 (pages 3-5)
- C. Solicitation For Offers Number 7MD2242 (pages 6-101)
- D. Amendment Number 1 for Solicitation For Offers 7MD2242 (page 102-103)
- E. GSA Form 3517B - General Clauses (pages 104-132)
- F. GSA Form 3518 - Representations and Certifications (pages 133-139)
- G. Floor Plan dated 10-13-08 (page 140)

9. The following changes were made in this lease prior to its execution:

None

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

LESSOR Plaza Gateway Salisbury LLC

BY

[redacted signature]

(Signature)

IN PR

[redacted name]

(Address)

UNIT

GENERAL SERVICES ADMINISTRATION

BY

[redacted signature]

Contracting Officer

(Official title)

STANDARD FORM 2
FEBRUARY 1965 EDITION

Lessor WCE Government [signature]

RIDER TO LEASE GS-03B-09383

10. In no event shall the lessor enter into negotiations concerning the space leased with representatives of Federal agencies other than Contracting Officers and their designated representatives of the General Services Administration.

11. The total percentage of space occupied by the Government under the terms of the lease is equal to 10.3977669% of the total space available in the Lessor's building, and will be used as the basis for computing the Government's pro-rata share of real estate taxes, as defined in the Annual Real Estate Tax Escalation Clause. The percentage of occupancy is derived by dividing the total Government space of 2,384 rentable square feet by the total building space of 22,928 rentable square feet.

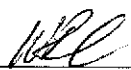
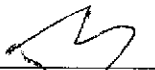
12. For purposes of determining the base rate for future adjustments to the operating cost the Government agrees that the base rate quoted on the "Lessor's Annual Cost Statement", (GSA Form 1217) dated February 28, 2009, which is \$2.38 per Rentable square foot is acceptable. This figure includes the Government's pro-rata share of operating costs. The Government retains the right to inspect and review the Lessor's records to verify the costs listed on the GSA Form 1217 and/or to require a certified audit report. The basis for annual operating costs escalations will be the revised U.S. All Cities Average Consumer Price Index for Wage Earners and Clerical Workers.

13. Lessor shall complete the building shell as defined in the lease and complete all alterations, improvements, and repairs required by this lease, and deliver the leased premises ready for occupancy by the Government within one hundred twenty (120) calendar days from the date of notice to proceed with the construction of the tenant improvements. When Lessor has completed all such alterations, improvements, and repairs, Lessor shall promptly notify the Contracting Officer, who shall promptly cause the same to be inspected.

Upon the date of completion of such alterations, improvements, and repairs and inspection and signed acceptance by the Government, the term of this lease shall commence and shall continue for fifteen (15) consecutive calendar years. The commencement date shall be more particularly set forth by a Supplemental Lease Agreement.

14. Upon signed acceptance of the leased premises by the Government, the same shall be measured and rent shall be paid, in accordance with Paragraph 3.7 of the Solicitation for Offer, "ANSI/BOMA Office Area Square Feet" and Paragraph 27 General Clauses, GSA Form 3517, "Payment" at the rate of:

Years 1 through 10:

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The total annual rent is \$42,923.81 which equates to:

Annual Shell Rent \$25,032.00 (\$12.37370242 per ANSI/BOMA Office Area Square Foot)

Annual Tenant Improvements* \$12,217.89 (\$6.039490855 per ANSI/BOMA Office Area Square Foot). These figures represent the Total TI allowance of \$85,774.45 amortized at 7.5% for 10 years.

Lessor's TI Overhead and Profit: 0%

Annual Cost of Services: \$5,673.92 (\$2.804705882 per ANSI/BOMA Office Area square foot)

Years 11 through 15:

The total annual rent is \$35,473.92 which equates to:

Annual Shell Rent \$29,800.00 (\$14.73059812 per ANSI/BOMA Office Area Square Foot)

Annual Tenant Improvements* \$0.00

Annual Cost of Services: \$5,673.92 (\$2.804705882 per ANSI/BOMA Office Area square foot) plus accrued escalations per Paragraph 3.4, Operating Costs

*The rent shall be adjusted downward if the Government does not utilize the entire Tenant Improvement Allowance of \$85,774.45 or \$42.40 per ANSI/BOMA Office Area Square Foot, which is included in the rent, using the 7.5% amortization rate over the firm term of ten years. The Government, at its election, may pay lump sum for Tenant Improvements. If this occurs, the rent shall be reduced proportionately using the 7.5% amortization rate.

If the Government spends more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvement requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.

15. The Government may terminate this lease in whole or in part at any time after the tenth (10th) full year of occupancy upon sixty (60) days written notice to the Lessor. No rental shall

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accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.


16. The Common Area Factor of this building for this Government lease that is applied to the ANSI/BOMA Office Area square feet to determine the rentable square feet is 1.17844785%.

17. In accordance with Paragraph 7.3 of the lease, the additional cost to the Government for overtime use of Government leased space for HVAC services is \$0 per hour.

18. It is understood and agreed that the Government retains title to all removable property covered by this agreement and may remove same if so desired. In the event such are not removed by the Government at the end of this lease term, or any extension thereof, title shall vest in the Lessor and all right of restoration waived.

19. Definitions:

- A. Where the word "Offeror" appears it shall be considered "Lessor"
- B. Where the word "should" appears it shall be considered to be "shall"
- C. Where the word(s) "Solicitation" or "Solicitation for Offers" appears it shall be considered to be "Lease"

Lessor  Government 