

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-04B-50006

THIS LEASE, made and entered into this date by and between **CHARLOTTE PORTFOLIO OF THREE LLC**

Whose address is **19762 MACAURTHUR BLVD STE 300
IRVINE, CA 92612-2498**

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 **27,357** rentable square feet (RSF) of Office and related space (including **6,862** RSF of Warehouse space), which yields **27,357** ANSI/BOMA Office Area square feet (USF) of space at Coffee Creek International Business Center, 1901 Cross Beam Drive, Charlotte, NC 28217-2852 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 20 parking spaces.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on **February 01, 2011** and continuing through **January 31, 2021**, 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 per month in as follows:

<u>Term</u>	<u>Annual Rent</u>	<u>PRSF/PUSF*</u>	<u>Monthly*</u>
02/01/2011 – 01/31/2016	\$517,594.44	\$18.92/\$18.92	\$43,132.87
02/01/2016 – 01/31/2021	\$352,084.59	\$12.87/\$12.87	\$29,340.38

* Rounded

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

**CHARLOTTE PORTFOLIO OF THREE LLC
19762 MACAURTHUR BLVD STE 300
IRVINE, CA 92612-2498**

4. The Government may terminate this lease in whole or in part at any time on or after January 01, 2016 by giving at least 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.

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

LESSOR
CHARLOTTE

BY _____
(Signature)

IN PRESENCE OF _____
(Signature)

Authorized Signatory _____

(Title)

19762 MacArthur Blvd., Suite 300

Irvine, CA 92612

(Address)

UNITED STATES OF AMERICA

2/12/2010

Contracting Officer, General Services Administration
(Official Title)

5. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO LNC5006 - [redacted] dated October 14, 2009.
 - B. Build out in accordance with standards set forth in LNC5006 - [redacted] dated October 14, 2009, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. The Lessor hereby waives restoration.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

6. The following are attached and made a part hereof:
- A. Solicitation for Offers LNC5006 - [redacted] dated October 14, 2009.
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])

7. In accordance with the SFO paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$786,513.75 (27,357 USF x \$28.75) shall be amortized through the rent for 5 years at the rate of 8.0%. The total annual cost of Tenant Improvements for the amortization period shall be \$191,371.95.

8. In accordance with the SFO paragraph 3.8 entitled *Tax Adjustment*, the percentage of Government occupancy is established as 100%.

9. In accordance with the SFO paragraph 3.9 entitled *Operating Costs*, the escalation base is established as \$3.17/RSF.

10. In accordance with the SFO paragraph 3.7 entitled *Measurement of Space*, the common area factor is established as 1.00 (27,357 RSF/27,357 USF).

11. In accordance with the SFO paragraph 3.10 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$3.17/USF for vacant space (rental reduction).

12. In accordance with the SFO Paragraph 3.12 entitled *Overtime Usage*, utilities beyond the established normal hours of operation shall be provided at no additional cost.

The Lessor hereby waives restoration.

LESSOR

UNITED STATES OF AMERICA

BY

KM
(Initial)

BY

Md
(Initial)

(Initial)