

**US GOVERNMENT
LEASE FOR REAL PROPERTY
DUPLICATE ORIGINAL**

DATE OF LEASE: **SEP 09 2009**

LEASE NO. **GS-04B-59145**

THIS LEASE, made and entered into this date by and between **SOUTH CENTRAL OIL CO., INC.**

whose address is ^{see work} 2121 N. MAIN STREET
ALBEMARLE, NC 28001

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 5,950 rentable (5,174 ANSI/BOMA office area) square feet of office and related space, with 36 on-site parking spaces at no additional cost to the Government, to be constructed and located in the Brookwood Building at 130 Charter Street, City of Albemarle, County of Stanly, State of North Carolina, 28001.

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 July 24, 2010 through July 23, 2020, 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: See Page 3. Paragraph 9.

| <u>TERM</u> | <u>ANNUAL RENT*</u> (Rounded) | <u>RATE Per RSF¹</u> (Rounded) | <u>RATE Per OASF</u> (Rounded) | <u>MONTHLY RENT</u> (Rounded) |
|---------------------|----------------------------------|--|-----------------------------------|----------------------------------|
| 07/24/10 - 07/23/15 | \$119,014.60 | \$20.00 | \$23.00 | \$9,917.88 |
| 07/24/15 - 07/23/20 | \$ 80,980.00 | \$13.61 | \$15.65 | \$6,748.33 |

Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rent by the rentable square footage set forth in paragraph 1 above.

Note 2. The rate per BOMA office area square foot (OASF) is determined by dividing the total annual rental by the BOMA office area square footage set forth in Paragraph 1.

4. The Government may terminate this lease, in whole or in part, at any time on or after July 23, 2015, 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:~~

| <u>TERM</u> | <u>ANNUAL RENT</u> | <u>RATE Per SF</u> | <u>MONTHLY RATE</u> |
|-------------|--------------------|--------------------|---------------------|
|-------------|--------------------|--------------------|---------------------|

~~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 Deleted~~

6. Rental is subject to the Government's measurement of plans submitted by the Lessor and/or a mutual on-site measurement of the space and will be based on the rate, per BOMA office area square foot (POASF) as noted in Paragraph 3 above, in accordance with Clause 26 (PAYMENT), GSA form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum BOMA office area 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:

SOUTH CENTRAL OIL CO., INC.
2121 ^N MAIN STREET
ALBEMARLE, NC 28001



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) 7NC2120.
- B. Build-out in accordance with Solicitation for Offers 7NC2120. Government space layouts will be furnished within 120 working days from receipt of fully executed Lease. All tenant alterations are to be completed within 180 days from receipt of notice to proceed with agency approved working/construction drawings. Lease term is to be effective on the 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 or Representative.
- D. Lessor shall provide 36 on-site parking spaces at no additional cost to the Government for parking in accordance with SFO 7NC2120.

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

- A. Solicitation for Offers 7NC2120,
- B. GSA Form 3517B entitled General Clauses (Rev. 11/05),
- C. GSA Form 3518 entitled Representations and Certification (Rev. 1/07),
- D. Commission Agreement Dated February 26, 2009 and Signed March 24, 2009,
- E. Floor plans submitted with Revised Final Proposal dated April 15, 2009

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

LESSOR: SOUTH CENTRAL OIL CO., INC.

BY  Jr. - PRESIDENT


(Signature)

IN THE PRESENCE OF:


(Signature)

2121 W. MAIN ST, ALBEMARLE, NC 28001
(Address)

UNITED STATES OF AMERICA

BY 

CLARA RUDISILL, CONTRACTING OFFICER
GENERAL SERVICES ADMINISTRATION
(Official title)

Continuation Sheet, Standard Form 2
General Services Lease Contract GS-04B-59145

9. In accordance with SOLICITATION FOR OFFERS 7NC2120, Paragraph 4.6 (Overtime Usage), the overtime usage is \$2.00 per hour to the Government.
10. Items as specified in SOLICITATION FOR OFFERS 7NC2120 are to be provided by the Lessor. Upon completion, inspection and acceptance by the Contracting Officer, the Government, at its sole discretion may use all or part of the Tenant Alterations Allowance of \$176,329.92 (rounded) amortized in the lease rental payments at 3% (\$6.39 prsf, \$7.35 poasf) (rounded), using end-of-month payments. In addition, the Government, at its sole discretion, may return to the Lessor any amount of the Tenant Alterations Allowance, in exchange for the Government's choice of free rent or a decrease in rent according to the amortization rate over the firm term of the lease as indicated in this lease.
11. Any deviation from approved construction plans or tenant alterations require approval by the Contracting Officer or Contracting Officer's Designee. Should Lessor make changes without approval, the Government will not be responsible for the cost of those changes and Lessor will not be reimbursed.
12. In accordance with the SOLICITATION FOR OFFERS 7NC2120, Paragraph 4.1C (Common Area Factor), the common area factor (CAF) is established as 15% rounded.
13. In accordance with the SOLICITATION FOR OFFERS 7NC2120, Paragraph 4.3 (Operating Costs), base operating costs for services and utilities are established as \$31,000.00 (\$5.99 per BOMA office area square foot (rounded); \$5.21 per rentable square foot).
14. In accordance with the SOLICITATION FOR OFFERS 7NC2120, Paragraph 4.4 (Adjustment for Vacant Premises), the rental rate reduction is established as \$5.99 per ANSI/BOMA square foot.
15. In accordance with the SOLICITATION FOR OFFERS 7NC2120, Paragraph 2.4. Broker Commission and Commission Credit (Nov 2006), the amount of [REDACTED] (rounded) for the broker's fee is established based upon [REDACTED]. The amount of [REDACTED] (rounded) which is [REDACTED] of the [REDACTED] and will be deducted from the shell portion of the rent until it has been refunded to the Government. The broker's fee will remain constant regardless of the measurement of space and/or change orders unless there is a substantive change to the contract necessitating revision of the subject commission. 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 Lessor agrees to pay the Commission less the Commission Credit, to the Broker in accordance with the Commission Agreement incorporated in 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:

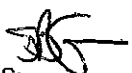
First Month's Rental Payment \$9,917.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

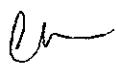
Second Month's Rental Payment \$9,917.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

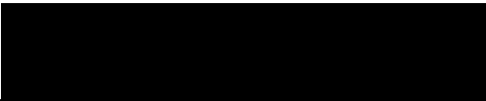
Third Month's Rental Payment \$9,917.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent.

Fourth Month's Rental Payment \$9,917.88 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent."

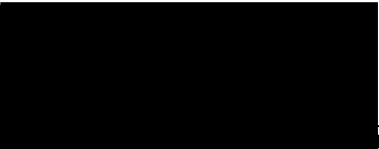
16. In accordance with SOLICITATION FOR OFFERS 7NC2120, Paragraph 4.2 (Tax Adjustment), the percentage of Government occupancy is established as 100% (Based on Government occupancy of 5,950 rentable square feet and total building area of 5,950 rentable square feet). Percentage of occupancy is subject 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 the SOLICITATION FOR OFFERS 7NC2120, and in accordance with GSAF 3517, GENERAL CLAUSES.

INITIALS: 
LESSOR

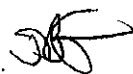

GOV'T

 *President*


SOUTH CENTRAL OIL CO., INC.



CLAIMING OFFICER

INITIALS: 

LESSOR



GOV'T