		U.S	GOVERN	MENT LEAS	E FOR REAL PRO	PERTY		j
DATE OF LEA	ASE 03	129/201	2	×+	EASE NO. GS-04B-61006			
		de and entered in TED PARTNER						
who	se address is	434 FAYETTE RALEIGH, NC			060			
and	whose intere	st in the property I	nereinafter de	scribed is that o	of			
		OWNER						
here	einafter called	the Lessor, and t	he UNITED S	TATES OF AM	ERICA, hereinafter call	ed the Governn	nent	
-	WITNESSETH	t: The parties her	reto for the co	nsiderations he	reinafter mentioned, co	venant and agr	rees as follows:	
	1. The less	sor hereby leases	to the Govern	nment the follow	ving described premise:	s:		
	square feet (located at 43	ABOASF) along 4 Fayetteville S	with two (2) treet, 7th flo) structured re or, Raleigh (V	nd related space, wh served parking space /ake County), North (I made a part hereof,	es in BBT/TW Carolina 2760	O HANNOVER SQL	JARE
	:=:							
3								
					BY THE GENERAL S			
	and renewal r	May 1, 201 ghts as may be h		through forth.	April 30, 2022	! , sut	eject to termination	
	3. The Go	vernment shall pa	y the Lessor	annual rent of \$				
	at the rate of \$ Rent for a less		prorated. Re	per ent checks shall	be made payable to:		in arrears.	
		Paragraph 3	is deleted i	n it's entirety a	nd replaced with Par	ragraph 9.		
	4. The Go	vernment may ter	minate this le	ease at any time	by giving at least	Deleted	days' notice in wri	iting
	commencing w	ith the day after th	e date of mail	ing.	e date of termination. tirety and rep		EPYTHES HOWEVER IN PRESTUDIO PROCESSING ST	0
					nment, for the following			. 0

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 deleted in it's entirety.

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- 6. 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 9NC2077.
- 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 9NC2077 and the Design Intent Drawings (DID).
- C. Build out shall be in accordance with Solicitation of Offers 9NC2077 and Government approved Design Intent Drawings (DID).
- D. Deviations to the approved space layouts furnished by the GSA to the Lessor subsequent to award will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
- E. Lessor shall provide two (2) structured reserved parking spaces. The cost of parking to the Government is \$1,100.00 per space, \$2,200.00 per annum (\$.21 per rsf, rounded, \$.245 per oasf rounded), which is inclusive in the annual rental rate of this SF2 for the full term of the lease period 05/01/2012 through 4/30/2022.
 - 7. The following are attached and made a part hereof:

The General Provisions and Instructions

- A. Continuation of Lease Contract No. GS-04B-61006 (Pages 3-4)
- B. Solicitation for Offers 9NC2077 dated March 3, 2010; (Pages 1-49)
- C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. 11/05) (Pages 1-33)
- D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. 1/07) (Pages 1-7)
- E. Exhibit A Base Plans
 - 8. The following changes were made in this lease prior to its execution:

NONE.

IN VITNESS VITEREST, the parties never hereunto subscribed their	Harries as of the date lifst above written.
LESSOR	
SIGNATURE Phoenix Comited anthrockip of Kalcish SIGNATURE	3.333343-3444-3
BC: Acometine (Paup DWC.) Its General Partner	
BY: VICE Pros. Ent	
NAME OF SIGNER	
CRAIL SHIMONNER, VICE President	
IN PRESENCE OF	· · · · · · · · · · · · · · · · · · ·
ISIGNATURE	
Salar Turk Manual Manua	
NAME OF SIGNER	
ex	
STATES OF AMERIC	
NAME OF SIGNER	
ROBERT E. S	SCOTI
OFFICIAL TITLE O	
CONTRACTI	NG OFFICER
	STANDARD FORM 2 (REV 6/2003) BACK

9. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

TERM	ANNUAL SHELL	ANNUAL OPERATING						MONTHLY RATE
05/01/2012 - 04/30/2017	\$171,550.50	\$63,523.00	\$70,881.27	\$2200.00	\$308,154.77	\$29.64	\$34.38	\$25,679.56
05/01/2017 - 04/30/2022	\$201,389.89	\$63,523,00		\$2200.00	\$267,112.89	\$25.69	\$29.80	\$22,259.40

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. The Base Rate years 1-5 is determined to be \$171,550,50 per annum (\$16,50 per rsf); the base rate years 6-10 is determined to be \$201,389,89 per annum (\$19,37 per rsf).

Note 2. The rate per ANSI/BOMA office area square foot (ABOASF) is determined by dividing the total annual rental by the ANSI/BOMA office area square footage set forth in Paragraph 1. The Base Rate years 1-5 is determined to be \$171.550.50 per annum (\$19.14 per ABOA rounded); the base rate years 6-10 is determined to be \$201,389.89 per annum (\$22.47 per ABOA rounded).

- 10. The Government may terminate this lease in whole or in part at any time on or after May 1, 2017 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.
- 11. The rental rate is subject to the Government's measurement of plans submitted by the Lessor or a mutual on-site measurement of the space and will be based on the rate, per ANSI/BOMA rentable square foot (PRSF) as noted above, in accordance with Clause 23 (PAYMENT), GSA Form 3517, General Clauses. The lease contract and the amount of rent will be adjusted accordingly. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

PHOENIX LIMITED PARTNERSHIP OF RALEIGH 434 Fayetteville Street, Suite 2060 Raleigh, NC 27601-1701

- 12. The rental set forth in Paragraph 2 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$305,531.10 to be amortized through the rent over the firm term of the Lease (60 months) at the rate of 6% (\$6.82 per rsf rounded; \$7.91 per ABOA rounded). In accordance with Solicitation for Offers 9NC2077 Paragraph 3.3, Tenant Improvements Rental Adjustment, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly.
- 13. In accordance with Solicitation for Offers 9NC2077 Paragraph 4.1.C, Measurement of Space, the common area factor is established as 1.16 (10,397 RSF / 8,963 ABOASF).
- 14 In accordance with Solicitation for Offers 9NC2077 Paragraph 4.2.B.9, Tax Adjustment, the percentage of Government occupancy is established as 2.356%.
- 15. In accordance with Solicitation for Offers 9NC2077 Paragraph 4.3, *Operating Costs*, the escalation base is established as \$63,523.00 per annum (\$6.11 per rentable square foot per annum rounded; \$7.09 per ABOA square foot per annum rounded).
- 16. In accordance with Solicitation for Offers 9NC2077 Paragraph 4.4. Adjustment for Vacant Premises, the adjustment is established as \$1.25 per ABOA for vacant space (rental reduction).

Continuation to Lease Contract No. GS-04B-61006

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- 17. In accordance with Solicitation for Offers 9NC2077 Paragraph 4.6, Overtime Usage, the rate for overtime usage is established as \$35.00 per hour per space beyond the Normal Hours (Solicitation for Offers 9NC2077 Paragraph 4.5) of operation of 8:00 AM to 6:00 PM Monday through Friday; 8:00 AM to 1:00 PM Saturday. Areas (Lan Room) requiring 24/7 HVAC will be provided at no additional cost to the Government.
- Cleaning services requiring access to the Government's leased space shall be performed during normal operating hours in accordance with Solicitation for Offers 9NC2077 Paragraph 4.10, Janitorial Services.
- 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 Solicitation for Offers 9NC2077, the SF-2 shall take precedence.
- 20. In accordance with Solicitation for Offers 9NC2077 Paragraph 2.3, Broker Commission and Commission Credit, Studley, Inc./Gwon E. Fogel is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley, Inc./Gwen E. Fogel have agreed to a cooperating lease) percent of the firm term value of this lease ("Commission"). The total amount of commission of . This Commission is carned upon lease execution and payable (i) one-half the Commission is (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.4, only , which is of the Commission, will be payable to Gwen E, Fogel when the Lease is awarded. The remaining which is of the Commission ("Commission Credit"), shall be credited to the shell rental portion of the annual rental payments due and owing 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 until the credit has been fully recaptured.

First month's requals \$	rental payment of \$25,679.56 minus the prorated commission credit of adjusted first month's rent).	
Second month'	s rental payment of \$25,679.56 minus the prorated commission credit of (adjusted second month's rent).	
Third month's equals	rental payment of \$25,679.56 minus the prorated commission credit of 8 (adjusted third month's rent).	

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