

DATE OF LEASE

8/24/10

LEASE NO
GS-05B-18580

THIS LEASE, made and entered into this date by and between Richard H. Spencer
whose address is [REDACTED]

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:

2,180 square feet of rentable office space on the 1st floor of a single story building known as 1200 Gay Street located at 1200 Gay Street, Portsmouth, Ohio 45662 yielding 1,987 usable square feet.

Seven (7) reserved, (two of which are to be handicapped), on-site parking spaces are included at no additional cost to the Government.

Said premises 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 August 26, 2010 through August 25, 2020, subject to any renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor rent as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RATE/RSF</u>
Years 1 - 5	\$62,021.00	\$5,168.42	\$28.45
Years 6 - 10	\$43,600.00	\$3,633.33	\$20.00

CPI and tax escalations continue throughout the term of the lease.

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

Richard H. Spencer
[REDACTED]

4. The term of this lease shall be for ten (10) years, five (5) years firm with ninety (90) days written cancellation notice anytime on or after August 25, 2015. 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 _____ 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~~

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

A. All services, utilities, maintenance and other operations as set forth elsewhere in this lease.

B. All responsibilities and obligations as defined in the Solicitation for Offers Number GS-05B-18580 and other attachments to the Lease referenced in Paragraph 7 of this SF-2 form.

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

- U.S. Government Lease For Real Property, Standard Form 2 (2 pages) , Attachment A (Paragraphs 9 –30) – 3 Pages
- Solicitation for Offers (SFO) — 54 Pages
- Amendment # 1 dated June 10, 2010 – 1 page
- Form 3517, General Clauses (Rev 11/05) — 2 Pages
- Form 3518, Representations and Certifications (Rev 1/07) — 7 Pages

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

Paragraph 5 was deleted in its entirety without substitution.

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

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LESSOR

BY

IN PRESE

UNIT

BY

Contracting Officer

(Official title)

9. The date of this lease, 8/24, 2010, is the date this contract was formed as a result of the Government's acceptance of the Lessor's Final Proposal Revision offer dated August 6, 2010, submitted by the Lessor under SFO No. GS-05B18580 and all attachments. This Lease reflects the terms and conditions of the accepted Final Proposal Revision Offer.
10. The date of August 26, 2010 in Paragraph 2 of the SF-2 is the estimated effective date. If the actual date of substantial completion is different from this date, then the actual effective date shall be established by Supplemental Lease Agreement. The lease term will then be in effect for ten (10) years thereafter, computed from the actual effective date. The anniversary date for adjustments shall be adjusted to coincide with any revised actual effective date.
11. In accordance with Paragraph 4.1 of the SFO, the Common Area Factor is established as 1.09.
12. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of the SFO, the cost of services base is \$10,900 per annum or \$5.00 per rentable square foot for 2,180 square feet of rentable office space. This equates to a rate of \$5.49 per usable square foot.
13. The lease is subject to real estate tax escalation. For tax escalation in accordance with terms of Paragraph 4.2 of the SFO, the Government's percentage of occupancy is 50%. The Current Year Taxes are \$5,505.94 for the entire property. The Government's portion is \$2,752.97 (\$5,505.94 x 50%) which calculates to \$1.26/RSF or \$1.39/USF.
14. In the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$6.24 per usable square foot per annum for operating expenses.
15. Pursuant to Paragraph 4.6 of the SFO, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours on Monday through Friday (7:00 a.m. – 5:00 p.m.), Saturday, Sunday and Federal Holidays ("Normal Hours"), at a rate of \$0.00 per hour.
16. Lessor shall provide janitorial service within Tenant's space during agency daytime hours of operation 8:00 am – 4:30 pm.
17. The tenant build out will conform to the specifications in the Lease and all attachments, and are to be provided by the Lessor as part of the total rental payment. In accordance with Paragraph 3.2 of the SFO, the Lessor agrees to provide up to \$78,387.15 toward the cost of the Tenant Improvements.
18. The tenant build out cost of \$78,393.35, (based on \$39.45 per ANSI/BOMA Office Area square foot), is amortized for a period of 5 years at 5.0%. Therefore, the amortized tenant build out costs are \$17,752.60 per annum or \$8.14 per rentable square foot.
19. Pursuant to Paragraph 3.3 of the SFO, in the event the Tenant Improvement Cost is less than the amount provided above, the Lessor agrees to refund such difference in the form of reduction of base rent using a 5.0% amortization rate. The refund will be a credit of the rent equally spread out throughout the firm lease term (5 years). In the event that the Tenant Improvement Cost is greater than the amount provided above, Lessor agrees to amortize the additional cost at 5.0% throughout the firm lease term, or the Government may choose to pay lump sum for any part of the Tenant Improvement Cost. The Government and Lessor must agree on any additional Tenant Improvement Cost through a Supplemental Lease Agreement.
20. Lessor is registered with the Central Contractor Registration (CCR) system as referenced in Paragraph 11 of Form 3518.

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21. If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the successor in interest and change the payee for rent or other payments:
- (I) Evidence of the transfer of title
 - (II) A letter from the successor lessor (transferee) assuming, approving, and adopting the lease and agreeing to be bound by its terms.
 - (III) A letter from the prior lessor (transferee) waiving all rights under the lease as against the United States of America, except unpaid rent through a specified date, usually the date of ownership transfer.
 - (IV) The IRS tax identification number for the new owner. Where leased premises are transferred by death of the Lessor, a copy of the letters of administration when there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid to the new owner(s) upon final settlement of the estate.
22. The Contracting Officer represents the General Services Administration as an agent with authority to enter into the Lease on behalf of the Government and execute this document in his/her official capacity only and not as an individual.
23. The Government assumes no responsibility for any conclusions or interpretations made by the Lessor based on information made available by the Government and/or its contractors. Nor does the Government assume any responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before execution of this contract unless that understanding or representation is expressly stated in the Lease.
24. It is agreed by the parties hereto that all the terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the Lessor and Government prior to execution of this Lease are neither applicable nor binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
25. All questions pertaining to this Lease shall be referred in writing to the General Services Administration Contracting Officer or their designee. The Government occupant is not authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized in writing by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.
26. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Leased Premises".

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27. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease. 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.
28. 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 \$5,168.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.
- Second Month's Rental Payment \$5,168.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.
- Third Month's Rental Payment \$5,168.42 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's rent.
29. The Lessor's TIN is [REDACTED].
30. The Lessor's DUNS number is 83-301-2073.

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