

DATE OF LEASE **9/9/2010**

LEASE NO. GS-04B-50046

THIS LEASE, made and entered into this date by and between The Sherman Agency

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 considerations hereinafter mentioned, covenant and agree as follows:

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

A total of 20,113 BOMA Office Area Square Feet (20,113 Rentable Square Feet) of warehouse and office space located 2430 Airpark Road, North Charleston, South Carolina 29406-6160 as depicted on the demising floor plan labeled Exhibit "A" attached hereto and made a part hereof, together with 20 onsite secured surface parking spaces."

"2. TO HAVE AND TO HOLD the said premises with their appurtenances for ten (10) years, five (5) years firm subject to termination rights as may be hereinafter set forth. The Lessor shall deliver the premises to the Government substantially complete no later than December 1, 2011 or within 90 days from the Government's issuance of the Notice to Proceed, whichever is later."

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

TERM	ANNUAL RENT	MONTHLY RATE
12/01/2011 – 11/30/2016	\$158,691.57	\$13,224.30
12/01/2016 – 11/30/2021	\$141,595.52	\$11,799.63

The above annual rent is inclusive of the annual operating rental rate indicated in Paragraph 12 of this lease contract."

"4. 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 BOMA rentable square foot (PRSF) as noted above, in accordance with Clause 23 (PAYMENT), GSA Form 3517B, 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:

The Sherman Agency
59 Broad Street
Charleston, SC 29401-2992 "

"5. The DUNS number for The Sherman Agency is 073714891."

LESSOR

SIGNATURE

NAME OF SIGNER

Howard B. Sherman

ADDRESS

NAME OF SIGNER

JENETTE V. WRIGHT

UNITED STATES OF AMERICA

NAME OF SIGNER

Maria Dent

OFFICIAL TITLE OF SIGNER

CONTRACTING OFFICER

9/9/10

- "6. The Government may terminate this lease in whole or in part at any time after the fifth (5th) year 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."
- "7. The following are attached and made a part hereof:
- A. SF-2 Portion of the Lease (Page 1)
 - B. Continuation of SF-2, GS-04B-50046 (Pages 2-3)
 - C. Solicitation for Offers 7SC2048 dated July 29, 2009 (Pages 1-45)
 - D. SFO Amendment No. 1 dated August 18, 2009
 - E. GSA Form 3517B (rev. 11/05) (Pages 1-33)
 - F. GSA Form 3518 entitled Representation and Certifications (Rev. 1/07) (Pages 1-7)
 - G. Demising floor plan labeled Exhibit "A"
 - H. Commission Agreement dated January 11, 2010 (Pages 1-3)"
- "8. Lessor shall furnish to the Government, as part of rental consideration, the following:
- A. Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers 7SC2048.
 - B. All labor, materials, equipment, design, professional 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 7SC2048.
 - C. Build out shall be included in accordance with the Solicitation of Offers 7SC2048 and Government approved design intent drawings. The Lessor will provide design intent drawings to the Lessor within thirty (30) working days subsequent to lease award. All tenant alterations to be completed within 90 working days from receipt of the Government's Notice to Proceed for tenant improvements or the lease effective date identified under Paragraph 2, whichever is later. Beneficial Occupancy shall be established upon space acceptance and accomplished under a subsequent Supplemental Lease Agreement.
 - 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."
- "9. The rental set forth in Paragraph 3 of this Lease Agreement is based upon the Lessor providing a tenant improvement allowance of \$134,000.00 to be amortized through the rent over the firm term of the Lease (60 months) at the rate of 6.0%. All tenant improvement cost must be reviewed and given written approval by the Government prior to construction. In accordance with Solicitation for Offers 7SC2048 paragraph 3.3, *Tenant Improvements Rental Adjustment*, the actual cost of Tenant Improvements shall be reconciled and rent adjusted accordingly."
- "10. In accordance with Solicitation for Offers 7SC2048 paragraph 4.1, *Measurement of Space*, there is no common area."
- "11. In accordance with Solicitation for Offers 7SC2048 paragraph 4.2, *Tax Adjustment*, the percentage of Government occupancy is established as 100% based on Government occupancy of 20,113 rentable square feet and total building area of 20,113 rentable square feet. Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection."
- "12. In accordance with Solicitation for Offers 7SC2048 Paragraph 4.3, *Operating Costs Base*, the annual operating cost is established as \$30,100.00 per annum or \$1.50, per rentable square foot."
- "13. In accordance with Solicitation for Offers 7SC2048 Paragraph 4.4, *Adjustment for Vacant Premises*, the adjustment is established as \$0.60 per ABOA for vacant space."
- "14. In accordance with Solicitation for Offers 7SC2048 Paragraph 4.6, *Overtime Usage*, the cost for overtime utilities beyond the normal hours of operation is established as \$0.00 (no additional charge). *Normal Hours* (Solicitation for Offers 7SC2048 Paragraph 4.5) of operation of 7:00 AM to 6:00 PM Monday through Friday. Areas requiring 24/7 HVAC, the rate is \$0.00 (no additional charge)."

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- "15. "In accordance with Solicitation for Offers 7SC2048 Paragraph 4.8, *Janitorial Services*, cleaning services requiring access to the Government's leased space shall be performed during tenant working hours."
- "16. "Seismic certification in accordance with Solicitation for Offers 7SC2048 Paragraph 2.2, *Seismic Safety*, is hereby waived."
- "17. In accordance with Solicitation for Offers 7SC2048 paragraph 2.3, *Broker Commission and Commission Credit*, CB Richard Ellis, Inc. ("CBRE") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and CBRE have agreed to a cooperating lease commission of four () percent of the initial five (5) years of the lease ("Commission"). The total amount of the Commission is . This Commission is earned upon lease execution and payable (i) one-half (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 2.3, , which is of the Commission, will be payable to CBRE when the Lease is awarded. The remaining , which is of the Commission ("Commission Credit"), shall be a credit to be utilized toward a reduction in annual rental payments during the first year of the 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 \$13,224.30 minus prorated Commission Credit of equals adjusted First Month's Rent;

Second Month's Rental Payment \$13,224.30 minus prorated Commission Credit of equals adjusted Second Month's Rent."

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