

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

8/13/07

LEASE NO.

GS-04B-47835

THIS LEASE, made and entered into this date by and between

Fedcar Company, Ltd.  
c/o Carnegie Management and Development Corporation

whose address is 27500 Detroit Road  
Suite 300  
Westlake, Ohio 44145

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 99,130 rentable square feet (89,100 BOMA usable square feet) of office and related space to be newly constructed according to the provisions set forth in this lease on approximately 9.44 acres of vacant land located in the Dowell Springs Office Park, Lot 27, Knoxville Tennessee 37909, as described in the Land Option Agreement dated September 20<sup>th</sup>, 2006 attached herein.

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 March 1, 2009 through February 28, 2024. The Government has no termination rights in whole or in part during the lease term. Upon tenant occupancy, a Supplemental Lease Agreement shall be executed to reconcile the actual dates of the lease term, if different as set forth above.

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

| <u>TERM</u> | <u>ANNUAL RENT</u> | <u>RATE PUSF</u> | <u>MONTHLY RATE</u> |
|-------------|--------------------|------------------|---------------------|
|-------------|--------------------|------------------|---------------------|

SEE PARAGRAPH 14

4. 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 PUSF</u> | <u>MONTHLY RATE</u> |
|-------------|--------------------|------------------|---------------------|
|-------------|--------------------|------------------|---------------------|

PARAGRAPH DELETE  
IN IT'S ENTIRETY

Provided notice be given in writing to the Lessor at least n/a 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.

5. Rental 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 usable square foot (PUSF) as noted in Paragraph 1 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 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 by electronic bank transfer to:

Fedcar Company, Ltd.  
c/o Carnegie Management & Development Corporation  
27500 Detroit Road, Suite 300  
Westlake, Ohio 44145

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 (SFO) PTN-01-KX06, and Addenda No. 1 and 2. This is a fully serviced lease.
- B. Build out in accordance with Solicitation for Offers PTN-01-KX06, and Addenda No. 1 and 2. All construction/tenant improvements shall be completed in accordance SFO PTN-01-KX06, Paragraph 1.21. Lease commencement to be effective upon compliance with GSA Form 3517B, Clause 10, Delivery and Condition. Upon occupancy, a Supplemental Lease Agreement shall be prepared to establish the lease effective, expiration dates and rental obligations.
- 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.
- D. Lessor shall provide a newly constructed three story building, an Annex building and an one-site parking structure.
- E. Lessor shall provide 179 structured<sup>\*</sup> and 223 surface parking spaces. Parking shall be provide at no additional cost to the government, in accordance with SFO PTN-01-KX06. (85 Secured structural parking spaces)

*Handwritten signature*

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

- A. Solicitation for Offers, PTN-01-KX06, Addenda No(s) 1 and 2
- B. GSA Form 3518 entitled Representations and Certification (Rev. 7/04).
- C. GSA Form 3517B entitled General Clauses (Rev. 11/05).
- D. Land Option Agreement, Attachment 1 w/ Exhibits A and B
- E. Davis Bacon Wage Rates dated 7/21/06
- F. Security Unit Price List dated 12/6/06

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

LESSOR: FEDCAR COMPANY, LTD  
C/O CARNEGIE MGMT

BY Dr. Rustom R. Khouri, President of Carnegie Management & Development Corporation, the Manager of Fedcar Company, Ltd.



(Address)

UNITED STATES OF AMERICA

BY Glynda M. G



CONTRACTING OFFICER  
GENERAL SERVICES ADMINISTRATION  
(Official title)

8. The premises described in Paragraph 1 of this Standard Form 2 shall contain 89,100 BOMA usable square feet (USF) of office and related space at said premises addressed in Paragraph 1.

9. In accordance with Paragraph 4.10 (Common Area Factor), the common area factor (CAF) is established at 1.11 ~~percent~~ or 11.2% percent.

10. In accordance with Paragraph 4.6 (Operating Costs), the escalation base is established as \$6.58 per rentable square foot for the entire term of said lease.

11. In accordance with Paragraph 4.4 (Tax Adjustment), the percentage of Government occupancy is established as 100% (Based on Government occupancy of 99,130 rentable sq. ft., total project net building area, and entire building complex of 99,130 rsf) 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 square footage stated in the SFO PTN-01-KX06, and in accordance with GSAF 3517B, GENERAL CLAUSES.

12. In accordance with Paragraph 4.14 (Adjustment for Vacant Premises), the adjustment is established at \$1.95 usable square feet.

13. In accordance with Paragraph 8.4 (Overtime Usage), the rate per zone for overtime heating and air-conditioning shall be negotiated between the Government and the Lessor. All negotiated rates shall be incorporated as part of the lease term by a Supplemental Lease Agreement.

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

| TERM                 | ANNUAL RENT   | RATE PRSF $\Sigma$ | MONTHLY RATE                                      |
|----------------------|---|--------------------|---|
| * 3/1/2009-4/30/2009 | \$0   | \$0                | \$0   |
| 5/1/2009-12/31/20/09 | <del>\$2,635,265.83</del> \$ 2,108,164. <sup>64</sup> | \$26.58            | <del>\$218,600.45</del> \$ 263,520. <sup>58</sup> |
| 1/1/2010-2/28/2024   | \$3,162,247.00  | \$31.90            | \$263,520.58                                      |

\*During months 1 and 2 of the lease term, Lessor agrees to provide 89,100 usable/99,130 rentable square of space at no charge to the Government. No rents shall be accrued to the Lessor during this period.

\*\*Breakdown of per annum rates are as follows:

|                            |  |
|----------------------------|--|
| Base Rent                  | \$17.48 prsf                                     |
| Operating Rent             | \$ 6.58 prsf (subject to annual CPI escalations) |
| Tenant Improvements        | \$ 4.33 prsf                                     |
| Building Specific Security | \$ 3.51 prsf                                     |
| <b>Total Rental Rate</b>   | <b>\$31.90 prsf</b>                              |

15. All fire and lifesafety compliance's must be in place prior to occupancy and at no extra cost to the Government, as required by SFO PTN-01-KX06.

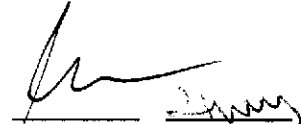
16. All handicapped accessibility compliances must be in place prior to occupancy and at no extra cost to the Government, as required by SFO PTN-01-KX06. Radon Certification must be furnished in accordance with Paragraphs 9.12 and 9.13 of the SFO. Any corrective action must be completed in accordance with the SFO PTN-01-KX06.

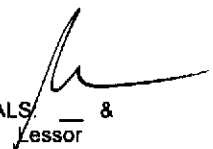
17. The lessor agrees to provide tenant improvements to be amortized at an annual percentage rate of 6 1/2 percent over the firm term of the lease.

18. Lessor shall be reimbursed a total amount \$4,720,000 for tenant improvement costs and building specific security costs associated with this lease. This payment excludes any negotiated rental rates stated in the Lessor's Final Proposal Revisions dated June 15, 2007. The Government shall execute a one time lump sum payment after all required tenant improvements are completed and upon Government inspection and acceptance in accordance with the lease terms.

Govt \_\_\_\_\_ INITIALS: &  
Lessor

19. Land Option Agreement including Exhibits A and B must be exercised no later than August 17, 2007 stated in the agreement. Upon exercising the option, the Lessor has sixty (60) days to close on the land, Lot 27. All references to a 90 day closing time frame stated within SFO PTN-01-KX06 are hereby deleted in their entirety.

  
\_\_\_\_\_  
Lessor & Gov't

\_\_\_\_\_  
Gov't INITIALS  &  
Lessor