

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

OCTOBER 4th, 2010

LEASE NO.

GS-04B-50087

THIS LEASE, made and entered into this date by and between HIGHWOODS / TENNESSEE HOLDINGS, LP

Whose address is HIGHWOODS / TENNESSEE HOLDINGS, LP
3322 WEST END AVE, SUITE 600
NASHVILLE, TN 37203-1031

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 19,777 rentable square feet (RSF) of office and related space, which yields 17,198 ANSI/BOMA Office Area square feet (ABOASF) of space in the building located at 6840 Carothers Parkway, Franklin, TN 37067-6390 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are 86 parking spaces for exclusive use by the Government on an unreserved basis.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on April 1, 2011, and continuing through March 31, 2026, subject to termination and renewal rights as may be hereinafter set forth.

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

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>PRSF RATE</u>	<u>MONTHLY RATE</u>
04/01/11 - 03/31/21	\$548,745.76	\$27.75	\$45,728.8132
04/01/21 - 03/31/26	\$484,140.96	\$24.48	\$40,345.0800

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

HIGHWOODS / TENNESSEE HOLDINGS, LP
3322 WEST END BLVD, SUITE 600
NASHVILLE, TN 37203-1031

4. The Government may terminate this lease in whole or in part at any time on or after April 1, 2021 by giving at least 120 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.

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

LESSOR

SEE HOLDINGS, LP

Senior VP
(Title)

(Signature)
IN PRESENCE OF

Contracting Officer, General Services Administration

(Official Title)

5. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
 - A. Those facilities, services, supplies, utilities, and maintenance in accordance with SFO 9TN2070 dated 03/18/2010, as amended by Amendment 1 (07/02/201010).
 - B. Build out in accordance with standards set forth in SFO 9TN2070 dated 03/18/10, as amended by Amendment 1 (07/02/2010) and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of occupancy, if different from the date identified in Paragraph 2. The Lessor hereby waives restoration.
 - C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

6. The following are attached and made a part hereof:
 - A. Solicitation for Offers 9TN2070 dated 03/18/2010, as amended by Amendment 1 (07/02/2010).
 - B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
 - C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
 - D. Exhibit A – Building Shell Drawings

7. In accordance with the SFO Paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$600,721.32 (17,198 ABOASF x \$34.929720) shall be amortized through the rent for 10 years at the rate of 6%. The total annual cost of Tenant Improvements for the amortization period shall be \$80,030.86 (\$4.65 PABOASF / \$4.05 PRSF).

8. In accordance with GSA Form 1364A, the shell rate is \$22.13 per ABOASF (\$19.24 per RSF) for years 1-10 or \$380,509.48 per annum. The shell rate is \$23.02 per ABOASF (20.02 per RSF) for years 11-15 or \$395,935.54 per annum.

9. In accordance with the SFO Paragraph 4.2 entitled *Tax Adjustment*, the percentage of Government occupancy is established as 12.69% (based on a building square footage of 155,853 RSF and offered square footage of 19,777 RSF).

10. In accordance with the SFO Paragraph 4.3 entitled *Operating Costs*, the escalation base is established as \$4.46/RSF (\$5.13/ABOASF; \$88,205.42/annum).

11. In accordance with the SFO Paragraph 4.1 entitled *Measurement of Space*, the common area factor is established as 1.15 (19,777 RSF/17,198 ABOASF).

12. In accordance with the SFO Paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$2.00/ABOASF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$50.00 per hour for the entire building or any portion thereof.

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Lessor

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14. In accordance with The Commission Agreement (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission of [REDACTED] of the firm term value of this lease ("Commission"). The total amount of the Commission is [REDACTED]. 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 2.5, only [REDACTED] which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED] which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the Government as follows:

The shell rental portion of the annual rental payments (\$380,509.48 / 12 months = \$31,709.12 per month) due and owing shall be reduced to fully recapture this Commission Credit in equal monthly installments of [REDACTED]. The reduction in shell rent shall commence with the first month of the rental payments and continue throughout the fourth month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

Month 1: \$45,728.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Month 2: \$45,728.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent

Month 3: \$45,728.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

Month 4: \$45,728.81 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Fourth Month's Rent

15. The Lessor hereby waives restoration for any alterations over the term of this lease.
16. In accordance with SFO Paragraph 4.3.A.4., OPERATING COSTS, (Page 18), Lessor shall be granted an annual adjustment of Operating Costs on line 27 of the GSA Form 1217, Lessor's Annual Cost Statement.
17. In a deviation from SFO Paragraph 1.9, entitled *Submittal Requirements*, Occupancy shall be required within 120 working days of issuance of Tenant Improvement Notice to Proceed.
18. In a deviation from SFO Paragraph 3.7.A.2 entitled *Green Lease Submittals: Statement of Energy Performance*, Lessor shall have twelve (12) months from the time the building becomes 50% or more occupied to enroll and obtain the Energy Star rating.
19. In a deviation from SFO Paragraph 4.8.D.6 entitled *Janitorial Services*, Lessor shall provide shampooing of the carpets in the entry and elevator lobbies every three (3) months unless cleaning is required from time to time more frequently, Lessor shall provide at its sole cost and expense.
20. In a deviation from SFO Paragraph 4.8.D.7 entitled *Janitorial Services*, Lessor shall use a commercial sweeper to sweep the garage floors instead of wet mopping.
21. In a deviation from SFO Paragraph 6.5.A. entitled *Window Coverings*, Lessor has provided window blinds within the space which must remain in place throughout the term of the lease. The cost of these blinds will not be deducted from the Tenant Improvement Allowance.

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22. In a deviation from SFO Paragraph 6.6.A.1. entitled Floors and Floor Load, Lessor does not represent that the building currently meets the required floor leveling; however, in the event the slab is found to be uneven during Tenant Improvement construction, Lessor shall level the floor at its sole cost and expense.
23. In a deviation from SFO Paragraph 6.7.D.1. entitled *Ceilings*, the Government hereby waives the requirement for plastered or spackled and taped gypsum board restroom ceilings. The current restrooms have perimeter walls that are slab-to-slab with acoustical ceiling tiles. Lessor must maintain the slab-to-slab perimeter walls throughout the term of the lease and any extensions.
24. In accordance with SFO Paragraph 6.8.A.1. entitled *Acoustical Requirements: Building Shell and Reverberation Control*, the Government shall be allowed to achieve various noise reduction coefficients (NRC) within the leased Premises as part of the Tenant Improvement allowance.
25. In a deviation from SFO Paragraph 6.12.D. entitled *Landscaping*, the Lessor will not be required to provide landscaping plans for Government approval; however, the landscaping on the site shall be maintained at all times throughout the lease term and any extensions with feature irrigation and lush landscaping with drought tolerant evergreens, sod and seasonal flower beds.
26. In a deviation from SFO Paragraph 7.12.A.2. entitled *Painting: Building Shell*, Lessor shall not be required to repaint building public areas every three (3) years; however, the building public areas will be repainted as needed and as determined by the Lessor in keeping with Class A standards at its sole cost and expense throughout the lease term and any extensions.
27. In a deviation from SFO Paragraph 8.6.A.2.a. entitled *Toilet Rooms; Building Shell*, Lessor shall provide a small shelf approximately three (3) feet long by one (1) foot wide to accommodate this requirement.
28. In a deviation from SFO Paragraph 8.6.A.2.c. entitled *Toilet Rooms; Building Shell*, Lessor shall provide a coat hook in each water closet. No hooks shall be provided on the walls located by the lavatories.
29. In a deviation from SFO Paragraph 8.6.A.2.h. entitled *Toilet Rooms; Building Shell*, Lessor shall provide a small shelf approximately three (3) feet long by one (1) foot wide to accommodate this requirement.
30. In a deviation from SFO Paragraph 8.14.A.3. entitled *Telecommunications – Local Exchange Access: Building Shell*, the Government shall have the right to place equipment on the roof after verification by Lessor that the equipment does not exceed the building design load capacity. If the location of Government equipment requires a variance to building design, the Government shall be responsible for all costs associated with the required structural modifications to revise the standard building load.
31. In a deviation from SFO Paragraph 8.18.A.1.a. entitled *Lighting – Interior and Parking: Building Shell*, Lessor shall provide lighting per the City of Franklin Code requirements and all additional lighting required to meet the Government requirements will be provided in the form of task lighting to be paid for as part of the Tenant Improvement allowance.
32. In a deviation from SFO Paragraph 8.18.A.1.c. entitled *Lighting – Interior and Parking: Building Shell*, the building currently meets City of Franklin Codes which do not require emergency backup power for exterior lighting. Lessor provides emergency backup power for interior exit and emergency lighting as required by Code. The Government agrees that the current state of the emergency lighting backup power is acceptable.

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33. In a deviation from SFO Paragraph 8.18.A.1.d. entitled *Lighting – Interior and Parking: Building Shell*, Lessor shall not be required to provide daylight dimming controls in the atrium or within fifteen (15) feet of the windows where daylight can contribute to energy savings.
34. In a deviation from SFO Paragraph 8.18.B.1. entitled *Lighting – Interior and Parking: Building Shell*, Lessor shall provide lighting per the City of Franklin Code requirements and all additional lighting required to meet the Government requirements will be provided in the form of task lighting to be paid for as part of the Tenant Improvement allowance.
35. In a deviation from SFO Paragraph 9.6.A. entitled *Indoor Air Quality*, the Lessor does not currently monitor for HCHO (formaldehyde). In the event the presence of formaldehyde or CO (carbon monoxide) are found during testing to be outside acceptable limits, Lessor will cause the levels to be brought within acceptable limits at its sole cost and expense.
36. In a deviation from SFO Paragraph 10.4. entitled *Emergency Power to Critical Systems*, Lessor does not provide CCTV monitoring devices and therefore is not required to provide emergency power backup for these devices.
37. In a deviation from SFO Paragraph 10.4. entitled *Emergency Power to Critical Systems*, Lessor shall provide emergency backup power to the shell using the existing battery backup system.
38. In a deviation from SFO Paragraph 10.6. entitled *Access to Building Information*, the Lessor will strictly control and distribute building information to authorized personnel as determined by the Lessor. The aforementioned notwithstanding, the Lessor shall not release the floorplan of the Premises without the prior written consent of the Government.
39. In a deviation from SFO Paragraph 10.9. entitled *Emergency Voice/Alarm Communication System*, Lessor shall allow the installation of an intercom system within the Government Premises as part of the Tenant Improvement allowance.
40. In a deviation from SFO Paragraph 10.13. – 10.21. entitled [REDACTED] and *Occupant/Visitor Screening*, Lessor shall allow the requested measures to be carried out within the Government Premises only.
41. In a deviation from SFO Paragraph 10.23. entitled *Secure HVAC – Secure Return-air Grilles*, the HVAC units are not accessible to the public and therefore the measures described in this paragraph are hereby waived.
42. In a deviation from SFO Paragraph 10.26. entitled [REDACTED], Lessor shall provide the minimum required parking spaces at all times however, parking shall not be reserved.
43. In a deviation from SFO Paragraph 10.27. – 10.28. entitled [REDACTED], Lessor shall allow the [REDACTED] to the Premises. The Government hereby waives the remaining measures described in this Paragraph.

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