

**US GOVERNMENT  
LEASE FOR REAL PROPERTY**

DATE OF LEASE August 8, 2011

LEASE NO. **GS-04B-61869**

THIS LEASE, made and entered into this date by and between **Bay City Associates, Inc.**

Whose address is **414 South 4<sup>th</sup> Street  
Gadsden, AL 35901-5215**

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:

- The Lessor hereby leases to the Government the following described premises:  
A total of 4,651 Rentable Square Feet (RSF) of contiguous office and related space, consisting of 4,176 ANSI/BOMA Office Area Square Feet (ABOASF) to be located on the 2<sup>nd</sup> floor of the building known as Regions Bank, 469 West 23<sup>rd</sup> Street, Panama City, FL 32405-7622, in addition to five (5) surface parking spaces.

to be used for **SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION**

- TO HAVE AND TO HOLD the said premises with their appurtenances for the term of ten (10) years, five (5) year firm term, years beginning Year 1 through Year 10, subject to termination and renewal rights as may be hereafter set forth.

- 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 per RSF<sup>1</sup></u>	<u>RATE per ABOASF<sup>2</sup></u>	<u>MONTHLY RATE</u>
Year 1 – Year 5	\$124,778.00	\$26.8282	\$29.8798	\$10,398.1667
Year 6 – Year 10	\$92,043.29	\$19.79	\$22.04	\$7,670.2742

Note 1. The rate per rentable square foot (RSF) is determined by dividing the total annual rental by the rentable square footage set forth in Paragraph 1 above.

Note 2. The rate per ABOASF is determined by dividing the total annual rental by the ABOASF set forth in Paragraph 9.

- The Government may terminate this lease, in whole or in part, at any time on or after the 5<sup>th</sup> year, by giving the Lessor at least ninety (90) days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

- ~~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 per RSF</u>	<u>RATE per ABOASF</u>	<u>MONTHLY RATE</u>
<del>DELETED</del>	<del>DELETED</del>	<del>DELETED</del>	<del>DELETED</del>	<del>DELETED</del>

~~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.~~

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6. 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 ABOASF as noted in Paragraph 3 above, in accordance with Clause 27 (PAYMENT), GSA Form 3517B, General Clauses. The lease contract and the amount of rent will be adjusted accordingly, but not to exceed the maximum ABOASF 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 to:

Bay City Associates, Inc.  
414 South 4<sup>th</sup> Street  
Gadsden, AL 35901-5215

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

- A. Those tenant improvements, facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers (SFO) No. 0FL2080.
- B. Buildout in accordance with Solicitation for Offers 0FL2080. Construction Drawings (CDs) shall be prepared by the Lessor and due to the Government within twenty (20) working days for fifty (50%) completion and another fifteen (15) working days for ninety (90%) completion subsequent to receipt of Government prepared and approved Design Intent Drawings (DIDs). All tenant alterations are to be completed within ninety (90) working days of receiving notice to proceed from the Government with agency approved working/construction drawings. Lease term to be effective and rental to begin on date of occupancy, if different from Paragraph 2.
- C. Lessor shall provide five (5) surface parking spaces, at no additional cost to the Government.

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

- A. Solicitation for Offers (SFO) 0FL2080.
- B. Special Requirements, [REDACTED] Panama City RA Resident Agency Requirements for Space Occupied
- C. GSA Form 3517B entitled General Clauses (Rev. 06/08).
- D. GSA Form 3518 entitled Representations and Certifications (Rev. 1/07).
- E. Exhibit A: Floor Plan.

their names as of the date first above written.

[REDACTED]

[REDACTED]

[REDACTED]

414 South 4<sup>th</sup> Street

(Address)

UNITED STATES OF AMERICA

[REDACTED]

BY [REDACTED]

LOUISE LONG, CONTRACTING OFFICER  
GENERAL SERVICES ADMINISTRATION

(Official title)

9. The premises described in Paragraph 1 of this Standard Form 2 shall contain 4,176 ABOASF of office and related space, as identified in SFO 0FL2080.
10. The rental rate in Paragraph 3 for the period of Year 1 through Year 5 includes all Tenant Improvements. In accordance with Paragraph 3.2 of SFO 0FL2080, the Tenant Improvement allowance (T/I) provided in the lease is \$36.4728 per ABOASF, or a total of \$152.310.41 amortized at an interest rate of 5% over five (5) years yielding an annual cost of \$34,491.42 at a rate of \$8.2594 per ABOASF (\$7.4159 per RSF). The T/I will be used to construct the interior space in accordance with the approved Design Intent Drawings. If the T/I cost exceeds \$36.4728 per ABOASF (for up to 4,176 ABOASF), the balance due the Lessor will be paid by rental adjustment or lump sum, to be determined by the Government. If the entire tenant improvement allowance of \$36.4728 per ABOASF is not used, the Government will adjust the rental rate downward to off-set the difference in the T/I. The Lessor understands, in lieu of Cost and Pricing Data, his contractor or each of his sub-contractors shall solicit three (3) bids for work completed as a part of the initial tenant alterations, e.g., for electrical, plumbing, etc. The lowest responsive bid will be accepted. This does not apply to the shell build-out.
11. In accordance with Paragraph 1.12 (Building Shell Requirements) of SFO No. 0FL2080, the annual shell rent for Year 1 through Year 5 is established as \$52,958.58 yielding \$12.6817 per ABOASF (\$11.3865 per RSF) which is inclusive of the rental rate in Paragraph 3. The annual shell rent for Year 6 through Year 10 is established as \$54,695.76 yielding \$13.10 per ABOASF (\$11.76 per RSF) which is inclusive of the rental rate in Paragraph 3.
12. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 0FL2080, the percentage of Government occupancy is established as 22.54% (based on total building area of 20,635 RSF and the Government's occupancy of approximately 4,651 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 ABOASF stated in the SFO, and in accordance with GSA Form 3517B, GENERAL CLAUSES.
13. In accordance with Paragraphs 4.3 (Operating Costs) of SFO No. 0FL2080, the annual operating rent is established as \$37,328.00 yielding an escalation base of \$8.9387 per ABOASF (\$8.0258 per RSF) which is inclusive of the rental rate in Paragraph 3 for the period of Year 1 through Year 10.
14. In accordance with Paragraph 4.1 (Measurement of Space) of SFO No. 0FL2080, the common area factor (CAF) is established as 11.37% or 1.1137, based on 4,651 RSF and 4,176 ABOASF.

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15. In accordance with Paragraph 5.14 (Waiver of Restoration) of SFO No. 0FL2080, the Lessor hereby waives all restoration rights.
16. In accordance with Paragraph 4.6, (Overtime Usage) of SFO No. 9FL2151, the hourly overtime usage for the entire space is established as \$3.20 per hour, per floor.
18. Any deviation from approved construction plans or tenant alterations require approval by the Contracting Officer or Contracting Officer's Designee. Should Lessor make changes without approval the Government will not be responsible for the cost of those changes and Lessor will not be reimbursed.
19. All fire and life-safety deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 0FL2080.
  - A. Provision of emergency illumination in corridors, stairways and office space.
  - B. Provision of exit lights in corridors.
  - C. Provision of (2) exits on each floor occupied by the Government.
  - D. Provision of a fire extinguisher near every exit.
20. All handicapped accessibility deficiencies must be corrected prior to occupancy and at no extra cost to the Government, including but not limited to the following as required by SFO No. 0FL2080.
  - A. Door Entrances.
  - B. Exit Doors.
  - C. Parking Areas/Curb Cuts.
  - D. Restrooms.
  - E. Width of Exit Doors.
21. Within five (5) days of lease occupancy, the Lessor shall provide the tenant agency representative (with a copy forwarded to the GSA Government Representative), on site, a copy of the name and phone number of maintenance personnel in order that any cleaning, maintenance, janitorial, etc. problems can be rectified immediately.
22. In accordance with Paragraph 2.3, 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

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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. The [REDACTED] balance which equates to [REDACTED] is to be paid to the broker as follows: Fifty percent (50%) is due and payable within 30 days after lease award and the remaining fifty percent (50%) is payable at occupancy.

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 of \$10,398.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED]

Second Month's Rental Payment of \$10,398.17 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent [REDACTED]

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