

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

May 18, 2009

LEASE NO. GS-07B-14459

THIS LEASE, made and entered into this date by and between Carroll – Carroll Investments, Inc.

whose address is 1525 N. Washington Street
Forrest City, AR 72335

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:

12,774 rentable (11,108 occupiable) square feet to be constructed on 2.0 acres at 921 Holiday Drive, Forrest City, Saint Francis County, Arkansas, and fifty six (56) on site parking spaces to be used for such general office purposes as determined by the General Services Administration. The common area factor is agreed to as 1.15%.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on the date the Government accepts the lease premises. The date of substantial completion is estimated to be approximately 180 working days after the Notice to Proceed, for a term of fifteen (15) years, ten (10) years firm term, subject to terms stated within.

3. The Government shall pay the Lessor annual rent payable monthly in arrears at the following rate:

TERM	RATE PER RSF	MONTHLY RENT	ANNUAL RENT
Months 1 - 120	\$32.25	\$34,330.17	\$411,962.00
Months 121 - 180	\$27.97	\$29,774.06	\$357,288.78

Rent for a lesser period shall be prorated. The Lessor and Government both acknowledge and agree this shall be a full service lease agreement in accordance with SFO 4AR0076.

Rent checks shall be made payable to:

Carroll – Carroll Investments, Inc.
1525 N. Washington Street
Forrest City, AR 72335

4. The Government may terminate this lease at any time after the 10th 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.

~~5. This lease may be renewed at the option of the Government, for the following terms and at the following rentals:~~

DELETED WITHOUT SUBSTITUTION

~~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.~~

Government  Lessor 

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

- a. Facilities, services, utilities, maintenance and tenant improvements shall be provided within 180 working days from the Notice to Proceed, and in accordance with the terms of the attached Solicitation for Offers 4AR0076.
- b. Fifty six (56) parking spaces, plus handicap spaces, shall be provided on site in the paved and lighted parking lot as part of the rental consideration.

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

- Sheets 3 - 5 containing paragraphs 9 - 26 to Lease No. GS-07B-14559 (3 pages)
- Solicitation For Offers 4AR0076. (46 pages)
- Exhibit A, Base Plans (2 pages)
- Exhibit B, Legal Description (1 page)
- Supporting Information and Special Requirements [REDACTED] (147 pages)
- General Clauses GSA Form 3517B (Rev. 11/05) (33 pages)
- Representations and Certifications, GSA Form 3518 (Rev. 1/07) (7 pages)

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

LESSOR Carroll - Carroll Investments, Inc.

BY Scott Edwin Carroll (Signature) Marie Nell Carroll (Signature)

IN PRESENCE OF:

(Signature) (Address)

UNITED STATES OF AMERICA

GENERAL SERVICES ADMINISTRATION
Contracting Officer
General Services Administration
Region 7 - Fort Worth Service Center
819 Taylor Street
Fort Worth, TX 76102

BY Yang Lopez (Signature) _____ (Official title)

EXHIBIT B LEGAL DESCRIPTION

Prepared under the supervision and direction of
Steel & Gunter, Attorneys at Law



State of Arkansas, County of St. Francis
Filed for record the 4 day of Oct, 2007 at 3:16
O'clock P. M., and recorded in Book 783 Page 455
(BETTE S. GREEN), Circuit Clerk
by Phyllis Sucke D.C. 57567

WARRANTY DEED

STATE OF ARKANSAS

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF ST. FRANCIS

THAT We, Michael A. Vaccaro and Mary R. Vaccaro, his wife, Victor G. Vaccaro and Ann Claire Vaccaro, his wife, and Lee C. Vaccaro, an unmarried person, and Chris H. Vaccaro, an unmarried person, GRANTORS, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, cash in hand paid by Carroll-Carroll Inv., Inc, GRANTEE, the receipt of which is hereby acknowledged, hereby grant, bargain, sell and convey unto the said GRANTEE and unto its successors and assigns forever, the following lands located in St. Francis County, Arkansas, to wit:

A parcel of property located in the SW¹/₄, Section 15, T5N-R3E, St. Francis County, Arkansas and being more particularly described as follows: Commencing at the Northeast Corner of said SW¹/₄, thence N87°53'23"W 1755.23 feet along the North line thereof to a point, said point being the Northwest Corner of property recorded in Deed Book 658 at Page 180 of the Records of St. Francis County, Arkansas; thence S0°02'19"W 785.8 along the West line of said property to the Northwest Corner of property recorded in Deed Book 502 at Page 25; thence S89°15'41"E 300.0 feet to the Northeast Corner of property recorded in Deed Book 543 at Page 360 and the point of beginning; thence from the point of beginning, S89°12'26"E 138.0 feet to a point; thence S65°46'48"E 118.76 feet to a point; thence S0°17'49"W 320.0 feet to a point on the North right of way line of Holiday Drive; thence N88°12'58"W 245.0 feet along the North line of Holiday Drive to the Southeast Corner of property recorded in Deed Book 543 at Page 360; thence N0°02'19"E 363.0 feet along the East line of said property to the point of beginning, containing a total of 2.0 acre, more or less AND SUBJECT TO any easements of record.



ARKANSAS DOCUMENTARY \$220 438375	ARKANSAS DOCUMENTARY \$110 552573	ARKANSAS DOCUMENTARY \$33.00 421581
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INITIALS	
GRANTOR	LESSOR
<i>[Signature]</i>	<i>[Signature]</i>

9. This lease will be supplemented to show the actual effective date and the exact amount of square footage after the space has been prepared, mutually measured and accepted by the Contracting Officer.

10. All questions pertaining to this lease shall be referred to the Contracting Officer of General Services Administration, or his/her designee. The Government occupant is not authorized to administer this lease, and General Services Administration assumes no responsibility for any cost incurred by the Lessor, except as provided by the terms of this lease, or authorized in writing by the Contracting Officer, or his/her designee.

11. The Lessor will not be reimbursed for any services not provided for in this lease, including but not limited to repairs, alterations, or overtime services, nor will any rental be paid for occupancy in whole or in part, except for the lease term specified herein.

12. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new leases/contracts not later than January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

13. (a) Within 180 working days after the Notice to Proceed, the space shall be constructed in accordance with Solicitation for Offers 4AR0076 and floor plans, and be ready for occupancy. The space shall comply with the handicap accessibility requirements of the solicitation.

(b) An engineered plan will be provided by the Government and will be incorporated by Supplemental Lease Agreement to establish the final location for junction boxes and connections to the systems furniture power poles. The Lessor's electrical contractor will connect systems furniture to the junction boxes after the systems furniture has been installed by the furniture vendor. The electrical contractor will be available for the pre-installation meeting approximately 30 days prior to acceptance of space to meet with the furniture vendor and determine phasing requirements.

(c) The Lessor's cable vendor shall install cable and connectors in accordance with the specifications that will be incorporated with the floor plan. The cable vendor will be available for the pre-installation meeting approximately 30 days prior to acceptance of space to determine phasing requirements.

(d) The Lessor shall provide a drawing of the electrical riser diagram within 30 days so that the government's engineering firm can produce the electrical drawing for the systems furniture and local area network.

14. In addition, within 180 working days after the Notice to Proceed, the space shall be constructed and ready for occupancy and shall comply with fire safety and architectural specifications required in the solicitation and also:

(a) Properly seal all floor penetrations in telephone rooms and utility passages with noncombustible materials to provide a fire resistance rating equal to that of the floor.

(b) Install exit lights within the space.

(c) Install battery operated emergency lighting within the space.

(d) The space occupied by the Government under this lease shall be constructed with fire resistant materials or be fully sprinkled. The rental rate includes the cost of installing and maintaining the sprinkler system, if applicable, within the Government leased space.

15. In accordance with provisions of Paragraphs 3.4 Tax Adjustments, 3.6 Operating Costs, 3.7 Operating Costs Base, and 3.13 Adjustment for Vacant Premises, of the Solicitation for Offers 4AR0076, the following parameters are established:

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(a) The lease is subject to operating cost escalation. For operating cost adjustment, the operating costs are established at \$5.4486 per rentable square foot. The base cost of services is established at \$69,600.00 based on \$5.4486 for 12,774 rentable square feet.

(b) The lease is subject to real estate tax escalation. The base year is the first year of full assessment after construction of the building. For tax escalation in accordance with terms of Paragraph 3.4, the percentage of occupancy is 100 percent. The base year tax statement will be submitted within 60 days after payment to establish the base year taxes. If the tax statement is for multiple parcels or buildings, the value of each property shall be defined.

(c) The Adjustment for Vacant space is \$1.00 per rentable square foot to be applied if the space is vacated in whole or part.

16. In accordance with Paragraph 7.3, Overtime Usage, the overtime HVAC services will be provided at the rate of \$12.00 per hour. Overtime rates shall not be paid during normal building operation hours of 6:30 am to 5:30 pm Monday through Friday.

17. The annual rental rate is firm and will not be adjusted based on the mutual measurement, except as provided in clause 552.270-20, page 10, paragraph 26 of the GSA Form 3517B. The rate per square foot and the base year service cost will be modified to reflect the final measurement.

18. Construction drawings should be prepared and a pre-construction meeting scheduled with the contracting officer and agency personnel within approximately 90 days of the execution of this lease by the Government. Three copies of construction drawings should be sent to the contracting officer for review prior to the meeting.

19. The Lessor will provide 3 copies of a CAD "as built" disk to the contracting officer within thirty (30) days of completion of construction.

20. The Lessor will notify the contracting officer fourteen (14) days prior to scheduled completion of construction at 30 percent, 60, 90 and 100 percent completion for purposes of scheduling inspections.

21. Janitorial cleaning/maintenance is to be performed during daytime tenant working hours, Monday through Friday, except for Federal holidays.

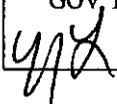
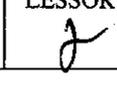
22. In the event a deed to the leased premises is not delivered to Lessor, or if Lessor does not otherwise acquire marketable title to the leased premises within thirty (30) days after the date of execution of this lease by the Government, then this lease, at the option of the Government, may be declared null and void.

23. The tenant finish costs of \$392,667.80 are amortized for a period of 120 months at 7.0%.

24. The Lessor hereby waives and forever relinquishes any right to make a claim against the Government for restoration arising from alteration or removal of any alteration by the Government during the term of this lease or any extensions. Alterations completed by either the Government or Lessor including initial build out of the lease space and / or any subsequent modifications required during the lease period. At the Government's sole discretion alterations will remain in the leased space after termination of the lease contract will become property of the Lessor.

25. Lessor shall be responsible for providing road for vehicular access and utilities to the site. The Lessor shall construct a road from Holiday Drive to the northern driveway to the employee parking area at its sole expense prior to the proposed occupancy date. Lessor shall maintain the road during the term and ensure that the road is in an improved good condition as determined by the Government.

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26. In accordance with Paragraph 1.13 (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 1.13, 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 shell portion of the annual rental payments until beginning in the first month and continuing until fully recaptured.

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