

Negotiated terms for proposed lease renewal of **Forest Branch Office**: (1,350SF)

The current rental rate of \$1,053.55 per month, which includes CAM (Common Area Maintenance) and tenant's share of operating expenses, will increase to \$1,286.50 per month including CAM and tenant's share of operating expenses. The base rent and CAM would remain the same for all 5 years. This increase results in a total expenditure increase of \$2,795.40 for each of the five (5) years.

Currently, the base rent is \$6.67/sf and CAM is \$2.70/sf - which equates to \$9.37/sf.
The requested base rent is \$7.56/sf with CAM at \$3.88/sf - which equates to \$11.44/sf.

Most commercial leases provide for an annual increase in base rent of 2-3% and CAM fluctuates from year to year (rarely downward). The proposed lease renewal fixes the base rent and the CAM during its 5-year rental term.

A review of office/retail rents in similar properties in Marion County reveals that the requested increase remains lower than the rental market rates, which are \$15-17/sf. Additionally, this is the only shopping center located in the area and the Tax Collector's branch office serves a large portion of Northeast Marion County from this location.

<u>Current</u>	<u>Years 1-5</u>
Base Rent: \$6.67sf	Base Rent: \$ 7.56sf
CAM: <u>\$2.70sf</u>	CAM: <u>\$ 3.88sf</u>
Gross: \$9.37sf	Gross: \$11.44sf
Monthly: \$1,053.55	Monthly: \$1,286.50
Annual: \$12,642.60	Annual: \$15,438.00