

**MEMORANDUM**

**DECEMBER 5, 2013**

**TO:** ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION OF BOSTON AND PETER MEADE, DIRECTOR

**FROM:** LAWRENCE MAMMOLI, DIRECTOR OF ENGINEERING AND FACILITIES MANAGEMENT  
DENNIS DAVIS, DEPUTY DIRECTOR, INDUSTRIAL DEVELOPMENT AND COMMERCIAL LEASING

**SUBJECT:** REQUEST AUTHORIZATION TO ENTER INTO A LEASE AMENDMENT WITH PLAOR, INC. TO RELOCATE FROM SUITE #602 TO SUITE #605 BOTH ON THE 6<sup>TH</sup> FLOOR OF 12 CHANNEL STREET IN THE BOSTON MARINE INDUSTRIAL PARK AND TO EXTEND THEIR OCCUPANCY THROUGH FEBRUARY 2019.

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**SUMMARY:** This Memorandum requests that the Director be authorized to enter into a Lease Amendment with PLAOR, Inc. to relocate from Suite #602 to Suite #605 on the sixth floor of 12 Channel Street in the Boston Marine Industrial Park and to extend their occupancy through February 2019.

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**BACKGROUND**

PLAOR, Inc, originally known as Double Tap Games, specializes in the development of high quality gaming and entertainment software for on-line and multi-player games. PLAOR, Inc. has been a tenant in 12 Channel Street occupying 5,000 square feet in suite #602 since July 2009. Their current lease expires in July 2015.

PLAOR had previously informed Economic Development and Industrial Corporation ("EDIC") that they would be interested in expanding and when suite #605, consisting of 10,000 square feet, recently became available for lease, EDIC approached PLAOR.

**SUITE #605 TERMS AND CONDITIONS**

In exchange for a five-year tenancy commitment, EDIC will provide to PLAOR a one-time Tenant Improvement Allowance ("TI") of \$125,000 or \$12.50 per square foot which will be applied toward reasonable and customary improvements supported by appropriate documentation, receipts, including demolition, carpet, paint, remodeling, lighting, and initial air-conditioning inspection and servicing.

Fixed rent will commence in March 2014 at \$16.50 per square foot or \$165,000 in the first year and increase to \$180,500 in the final year for a total lease revenue of \$855,500 during the term of the lease. The rate of return on the TI will be over 130%.

### **SUITE #602 TERMS AND CONDITIONS**

PLAOR will be responsible to pay for rent in Suite #602 until March 2014.

PLAOR will leave Suite #602 in good condition and EDIC expects that it will be released in the short term for a rate equal to or greater than current contract rent of \$10.24 per square foot.

An appropriate vote follows:

**VOTED:** That the Director be, and hereby is, authorized on behalf of the Corporation to enter into a Lease Amendment with PLAOR, Inc. to relocate from suite #602 to Suite #605 on the sixth floor of 12 Channel Street in the Boston Marine Industrial Park and to extend their occupancy through February 2019, on terms and conditions substantially consistent with the Board Memorandum and Term Sheet submitted at the Board meeting held December 5, 2013.