

This Lease is made and entered into between

**Kentucky League of Cities c/o The Gibson Company**

("the Lessor"), whose principal place of business is **1050 MONARCH St. STE 100 LEXINGTON, KY 40513-1819**, and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

("the Government"), acting by and through the designated representative of the General Services Administration ("GSA"), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

The Lessor hereby leases to the Government the Premises described herein, being all or a portion of the Property located at

**100 EAST VINE ST. LEXINGTON, KY 40507-9998**

and more fully described in Section 1, together with rights to the use of parking and other areas as set forth herein.

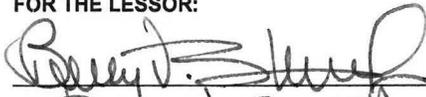
To Have and To Hold the said Premises with their appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of

**5 Years, 1 Year Firm with 2 additional 5 year renewal options**

subject to termination and renewal rights as may be hereinafter set forth, to be used for such purposes as determined by the General Services Administration.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.

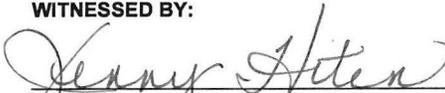
**FOR THE LESSOR:**

  
Name: Penny V. Smith  
Title: PROPERTY MANAGER  
Date: 12/6/11

**FOR THE GOVERNMENT:**

  
Felicia R. Walker  
Lease Contracting Officer  
Date: 1/5/12

**WITNESSED BY:**

  
Name: JENNY HITEN  
Title: OFFICE MANAGER  
Date: 12/6/11

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LESSOR: BIS GOVERNMENT: [Signature]

**SECTION 1 THE PREMISES, RENT, AND OTHER TERMS**

**1.01 THE PREMISES—SUCCEEDING (APR 2011)**

Unless otherwise noted, the Government accepts the leased premises and tenant improvements in their current existing condition, with the following exceptions further outlined more thoroughly in this lease. These exceptions include, but are not limited to, security improvements, National Fire Protection Association (NFPA) requirements, ABAAS compliance, as well as compliance with all local codes and ordinances. The Lessor shall be responsible for continuing obligations for cleaning, janitorial, maintenance, repair, etc. as set forth in the lease paragraphs and attached General Clauses.

The Premises are described as follows:

Office and Related Space: 10,030 rentable square feet (RSF), yielding 8,955 ANSI/BOMA Office Area (ABOA) square feet (sq. ft.) of office and related space (based upon a Common Area Factor of 12 percent, located on the 6 floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit 1. *BVS JAW*

**1.02 EXPRESS APPURTENANT RIGHTS (APR 2011)**

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Government Rules and Regulations within such areas. The Government will coordinate with the Lessor to ensure signage is consistent with the Lessor's standards. Appurtenant to the Premises and included with the Lease are rights to use the following:

A. Parking: 06 general parking spaces as depicted on the plan attached hereto as Exhibit 2 of which 02 shall be structured inside spaces reserved for the exclusive use of the Government at the leased facility and 04 shall be inside parking spaces next to the leased facility at the address listed below. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

**Address of facility for additional parking:**

Lexington Transit Center  
200 East Vine St.  
Lexington, KY 40507

**1.03 RENT AND OTHER CONSIDERATION—SUCCEEDING (APR 2011)**

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

	YEARS 1—5 (SEPTEMBER 1, 2011 – AUGUST 31, 2016)		RENEWAL OPTION 1 (6-10)	RENEWAL OPTION 2 (11-15)
	ANNUAL RENT	ANNUAL RATE /RSF	ANNUAL RENT	ANNUAL RENT
Shell Rental Rate	\$121,964.80	\$12.16	See Below	See Below
Operating Costs	\$35,107.40	\$3.50		
Parking Costs*	\$2,400.00	\$0.24		
<b>FULL SERVICE RATE</b>	<b>\$159,472.20</b>	<b>\$15.90</b>		

\* Parking Costs = \$50.00/month per space.

B. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

C. Rent shall be paid to the Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration.

D. The Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in Paragraph 1.01, "The Premises," created herein.
2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease.
4. All services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

G. Parking shall be provided at a rate of \$50.00 per parking space per month (Structure – for 2 spaces at no cost at leased facility + 4 spaces at stated rate at location next to leased facility only), and \$0.00 per parking space per month (Surface).

1.04 INTENTIONALLY DELETED

1.05 TERMINATION RIGHT (APR 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the firm term of this Lease by providing not less than 90 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

1.06 RENEWAL RIGHTS (APR 2011)

This Lease may be renewed at the option of the Government for a term of 2 – 5 Year periods as stated below at the following rental rate(s):

	Option Term 1, Years 06-10		Option Term 2, Years 11-15	
	Annual Rent	Annual Rate / RSF	Annual Rent	Annual Rate / RSF
Shell Rental Rate	\$129,788.20	\$12.94	\$138,012.80	\$13.76
Operating Cost	Operating cost basis shall continue from Year 05 of existing lease term. Option term is subject to continuing annual adjustments.		Operating cost basis shall continue from Year 10 of existing lease term. Option term is subject to continuing annual adjustments.	

provided notice is given to the Lessor at least 15 days before the end of the original lease term, all other terms and conditions of this Lease, as same may have been amended, shall remain in force and effect during any renewal term.

1.07 DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference, as though fully set forth herein:

DOCUMENT NAME	DOCUMENTS INCLUDED	EXHIBIT
Floor Plan(s)	x	1
Parking Plan(s)	x	2
Special Requirements		
GSA Form 3517B General Clauses	x	3
GSA Form 3518, Representations and Certifications	x	4
Small Business Subcontracting Plan		
Building Security Unit Price List		

1.08 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT, ESTABLISHMENT OF TAX BASE (APR 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment clause of this lease is 14 percent. The percentage of occupancy is derived by dividing the total Government space of 10,030 rentable square feet by the total building space of 71,643 rentable square feet.

1.09 OPERATING COST BASE (APR 2011)

The parties agree that for the purpose of applying the clause titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$3.50 per rentable sq. ft.

**1.10 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (APR 2011)**

In accordance with the section entitled "Adjustment for Vacant Premises" if the Government fails to occupy or vacates the entire or any portion of the Leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$3.50 per rentable sq. ft. of space vacated by the Government.

**1.11 OVERTIME HVAC RATES (APR 2011)**

The following rates shall apply in the application of the clause titled "Overtime HVAC Usage:"

\$35.00 per hour for the entire space.

**1.12 24-HOUR HVAC REQUIREMENT (APR 2011)**

The Overtime Usage rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day. If 24-hour HVAC is required by the Government for any designated rooms or areas of the Premises, such services shall be provided by the Lessor at a rate of \$ per ABOA sq. ft. of the area receiving the additional overtime HVAC.

**1.13 INTENTIONALLY DELETED**