

US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

1-10-2012

LEASE NO.

GS-05B-18358

THIS LEASE, made and entered into this date by and between Management – Marketing Services, Inc.

Whose address is 401 Huehl Road
Suite 1A
Northbrook, IL 60062-2300

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:

1. The Lessor hereby leases to the Government the following described premises:

A total of 7,644 rentable square feet (RSF) of office and related space, which yields 6,672 ANSI/BOMA Office Area square feet (USF) of space at 701 Lee Street, Suite 950, Des Plaines, IL 60016-4539 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are seven (7) on-site reserved structured parking spaces for the exclusive use of the Government.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning October 23, 2011 and continuing for a term of ten (10) years to October 22, 2021, subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent at the following rate:

Term Years	Shell Per RSF	Base Operating Cost Per RSF	Amortized Tenant Improvement Allowance Per RSF	Amortized Building Specific Sec. Per RSF	Rate Per RSF	Annual Rent	Monthly Rent Payable in Arrears
1-5	\$17.30	\$7.81	\$0.00	\$0.52	\$25.63	\$195,915.72	\$16,326.31
6-10	\$19.30	\$7.81	\$0.00	\$0.00	\$27.11	\$207,228.84	\$17,269.07

Rent for a lesser period shall be prorated. Rent shall be made payable to:

Management – Marketing Services, Inc.
401 Huehl Road
Suite 1A
Northbrook, IL 60062-2300

IN WITNESS WHEREOF, the parties hereto have hereunto subscribed their names as of the date first above written.

LESSOR

Management – Marketing Services, Inc.

BY Monte C. Strusiner
(Signature)

IN PRESENCE OF

Carol DeRogier
(Signature)

President

(Title)

401 Huehl, Northbrook, IL 60062

(Address)

UNITED STATES OF AMERICA

BY [Signature]
(Signature)

Leasing Contracting Officer, General Services Administration

4. The Government may terminate this lease in whole or in part at any time on or after the fifth (5th) year (October 22, 2016) 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 has no renewal options.
6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, maintenance, space improvements, parking and special requirements. This is a fully-serviced lease in accordance with SFO GS-05B-18358 dated September 18, 2009.
- B. During the first twelve (12) months of the lease term, Government shall have the right to request tenant improvements not to exceed \$100,000.00 and Lessor will amortize cost over the remaining firm term of the lease. Government shall have the option to extend the firm term by an additional number of months for a 60-month amortization period. Any requested tenant improvements will be built out in accordance with standard set forth in SFO GS-05B-18358 dated September 18, 2009 and Government's design intent drawings. The cost of carpet and paint for the premises is included in the rental rate and will not be considered as tenant improvements to be amortized. The balancing and repairs to the Heating Ventilation & Air Conditioning for the premises is to be completed no later than ninety (90) days after the lease is fully executed by the Government's Leasing Contracting Officer at Lessor's expense.
- C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Leasing Contracting Officer.
7. The following are attached and made a part hereof:
- A. Solicitation for Offers GS-05B-18358 dated September 18, 2009 (43 pages)
- B. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
- C. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
- D. Exhibit A – Base Floor Plan (1 page)
- E. Exhibit B – Legal Description (3 pages)
8. In accordance with the SFO paragraph 4.2 B.9. entitled *Percentage of Occupancy*, the percentage of Government occupancy is established as 4.5%.
9. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, this lease is subject to operating cost escalations. The base amount is established as \$59,662.00 which equals \$7.81/RSF per rentable square foot.
10. In accordance with the SFO paragraph 4.1 C. entitled *Common Area Factor*, the common area factor is established as 1.1456835 (7,644 RSF/6,672 ANSI BOMA SF).
11. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.95/ANSI BOMA SF for vacant space.
12. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$125.00 per hour for the entire building or any portion thereof. Overtime shall not be charged during normal building hours of operation or during the hours of operation set forth in the SFO paragraph 4.5 entitled "Normal Hours".
13. Security costs in the total amount of \$16,000.00 shall be amortized through the rent for sixty (60) months at the rate of 9.125% which equals \$0.52 per rentable square foot. In the event the Government elects to (1) not install [REDACTED] within 180 calendar days following the Commencement Date, or (2) elects to install and the final security cost is less than the amount provided above, Lessor agrees to refund such difference in the form of a reduction of the security portion of the rental using a 9.125% amortization annual interest rate over 60 months.

LESSOR Management/Marketing Services, Inc.

BY

(Initial)

PRESIDENT

UNITED STATES OF AMERICA

BY

(Initial)

14. In accordance with the SFO paragraph 4.2 entitled *Tax Adjustment*, this lease is subject to real estate tax adjustment. The base amount is established as \$33,859.00 which equals \$4.43 per rentable square foot.
15. Fees applicable to Tenant Improvements shall not exceed:
General Conditions – 6%
General Contractor – 10%
Architectural/Engineering – \$2.50/ANSI BOMA SF
Lessor Project Management Fee – 7%
16. The Lessor's tax identification number is [REDACTED]. The Lessor's DUNS number is 115871899. Lessor is registered in CCR. The tax identification parcel numbers are:
09-17-419-030-0000
09-17-425-001-0000
09-17-425-002-0000
09-17-425-003-0000
09-17-425-006-0000
09-17-425-007-0000
09-17-425-038-0000
17. In accordance with Paragraph 2.2 (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] (\$ [REDACTED] per rentable square foot per year for the initial firm term 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 2.2, 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 Government as follows:

The shell rental portion of the annual rental payments [REDACTED] / 12 months = [REDACTED] per month) due and owing shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first full month of the rental payments and continue throughout the third month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

Month	1:	\$16,326.31 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent
Month	2:	\$16,326.31 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent
Month	3:	\$16,326.31 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's Rent

18. Sale or Transfer of Property: If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the successor in interest and change the payee for rent and other payments:

- A. Evidence of the transfer of title.
- B. A letter from successor Lessor (transferee) assuming, approving and adopting the lease and agreeing to be bound by its terms.
- C. A letter from prior Lessor (transferor) waiving all rights under the lease and against the United States of America, except unpaid rent through a specific date, usually the date of ownership transfer.
- D. The IRS identification number of the new owner.

Where leased premises are transferred by the death of Lessor, a copy of the letters of administration where there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid to the new owner(s) upon final settlement of the estate.

LESSOR Management/Marketing Services, Inc.

UNITED STATES OF AMERICA

BY

(Initial)

BY

(Initial)

19. Lessor's Signing Authority: The name of the officer(s) of Management – Marketing Services, Inc. authorized to execute leases, thereby binding the company is as follows:

Monte C. Strusiner
President
Management – Marketing Services, Inc.

20. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998.

21. All questions pertaining to this Lease shall be referred to the Contracting Officer of General Services Administration (GSA) or their designee. The Government occupant **is not** authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized **in writing** by Leasing Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this Lease.

22. The Leasing Contracting Officer represents the General Services Administration as an agent with the authority to enter into this Lease on behalf of the Government and executes this document in his or her official capacity only, and not as an individual.

LESSOR Management Marketing Services, Inc.

BY

(Initial)

UNITED STATES OF AMERICA

BY

(Initial)