

**U.S. GOVERNMENT LEASE FOR REAL PROPERTY  
(Short Form)**

1. LEASE NUMBER  
GS-05B-18125

**PART I - SOLICITATION/DESCRIPTION OF REQUIREMENTS (To be completed by Government)**

**A. REQUIREMENTS**

The Government of the United States of America is seeking to lease approximately 3,818 rentable square feet of office space located in Bloomington, Minnesota for occupancy not later than March 1, 2010, for a term of seven (7) years, five (5) years firm term. Rentable space yields 3,253 ANS/BOMA Office Area square feet for use by Tenant for personnel, furnishing, and equipment.

**INITIAL OFFERS ARE DUE ON OR BEFORE CLOSE OF BUSINESS AUGUST 21, 2009.**

**B. STANDARD CONDITIONS AND REQUIREMENTS**

The following standard conditions and requirements shall apply to any premises offered for lease to the UNITED STATES OF AMERICA (hereinafter called the GOVERNMENT):

Space offered must be in a quality building of sound and substantial construction, either a new, modern building or one that has undergone restoration or rehabilitation for the intended use.

The Lessor shall provide a valid Certificate of Occupancy for the intended use of the Government and shall meet, maintain, and operate the building in conformance with all applicable current (as of the date of this solicitation) codes and ordinances. If space is offered in a building to be constructed for lease to the Government, the building must be in compliance with the most recent edition of the building code, fire code, and ordinances adopted by the jurisdiction in which the building is located.

Offered space shall meet or be upgraded to meet the applicable egress requirements in National Fire Protection Association (NFPA) 101, *Life Safety Code* or an alternative approach or method for achieving a level of safety deemed equivalent and acceptable by the Government. Offered space located below-grade, including parking garage areas, and all areas referred to as "hazardous areas" (defined in NFPA 101) within the entire building (including non-Government areas), shall be protected by an automatic sprinkler system or an equivalent level of safety. Additional automatic fire sprinkler requirements will apply when offered space is located on or above the 6<sup>th</sup> floor. Unrestricted access to a minimum of two remote exits shall be provided on each floor of Government occupancy. Scissor stairs shall be counted as only one approved exit. Open-air exterior fire escapes will not be counted as an approved exit. Additional fire alarm system requirements will apply when offered space is located 2 or more stories in height above the lowest level of exit discharge.

The building, leased space, and areas serving the leased space shall be accessible to persons with disabilities in accordance with the Architectural Barriers Act Accessibility Standard (ABAAS), Appendices C and D to 36 CFR Part 1191 (ABA Chapters 1 and 2, and Chapters 3 through 10). To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent shall apply.

The leased space shall be free of all asbestos containing materials, except undamaged asbestos flooring in the space or undamaged boiler or pipe insulation outside the space, in which case an asbestos management program conforming to Environmental Protection Agency guidance shall be implemented. The space shall be free of other hazardous materials according to applicable Federal, State, and local environmental regulations.

Services, utilities, and maintenance will be provided daily, extending from 7:30 a.m. to 5:00 p.m. except Saturday, Sunday, and Federal holidays. The Government shall have access to the leased space at all times, including the use of electrical services, toilets, lights, elevators, and Government office machines without additional payment.

The space shall be constructed in accordance with Solicitation for Offers GS-05B-18125 and floor plans, and be ready for occupancy no later than March 1, 2010.

**2. SERVICES AND UTILITIES (To be provided by Lessor as part of rent)**

<input checked="" type="checkbox"/> HEAT	<input checked="" type="checkbox"/> TRASH REMOVAL	<input checked="" type="checkbox"/> ELEVATOR SERVICE	<input checked="" type="checkbox"/> INITIAL & REPLACEMENT LAMPS, TUBES & BALLASTS	<input type="checkbox"/> OTHER (Specify below)
<input checked="" type="checkbox"/> ELECTRICITY	<input checked="" type="checkbox"/> CHILLED DRINKING WATER	<input checked="" type="checkbox"/> WINDOW WASHING	<input checked="" type="checkbox"/> PAINTING FREQUENCY	
<input type="checkbox"/> POWER (Special Equip.)	<input checked="" type="checkbox"/> AIR CONDITIONING	Frequency <u>Per</u> <u>Attachment #1</u>		
<input checked="" type="checkbox"/> WATER (Hot & Cold)	<input checked="" type="checkbox"/> TOILET SUPPLIES	<input checked="" type="checkbox"/> CARPET CLEANING	Space <u>Per</u> <u>Attachment #1</u>	
<input checked="" type="checkbox"/> SNOW REMOVAL	<input checked="" type="checkbox"/> JANITORIAL SERV. & SUPP.	Frequency <u>Per</u> <u>Attachment #1</u>	Public Areas <u>Per</u> <u>Attachment #1</u>	

Initials	
Gov't	Lessor
<i>[Signature]</i>	<i>[Signature]</i>



3. OTHER REQUIREMENTS

Offerors should also include the following with their offers:

Alterations are to be completed within forty-five (45) calendar days after the Government issues the Notice to Proceed with Tenant Improvements. March 1, 2010 is an estimated commencement date only. This lease will be supplemented to show the actual effective date after the space has been accepted by the Government. The lease shall be in effect for seven (7) years total, five (5) years firm from the actual effective date.

Lessor shall provide funding for a Tenant build-out allowance of \$17.60/ANSI/BOMA Office Area Square Foot as a component of and amortized into the full service rental rate. A total tenant build out allowance of \$57,270.00 has been included in the full service rental rate at the rate of \$3.65 per rentable square foot, amortized at 8.0% annually for the firm term of 60 months. Lessor agrees to amortize up to an additional \$11.73/ANSI/BOMA Office Area Square Foot at 8.0% annually if required by the Government.

The offer includes \$33,407.50 for shell buildout, which has been included in the shell rental rate at \$1.75/rsf/year for Years 1-5 to upgrade building common areas and restrooms to meet Architectural Barriers Act Accessibility Standard (ABAAS) standards.

Nine (9) on-site surface or structured parking spaces shall be provided and included in the rent at no additional charge to the Government during the entire term of the lease.

In accordance with Paragraph 3.4, the overtime HVAC services will be provided at the rate of \$35.00 per hour. Overtime rates shall not be paid during normal building operation hours of 7:30 am to 5:30 pm Monday through Friday.

In accordance with Section 1.8 of SFO GS-05B-18125, the Total Broker's Commission is \$19,090.00. Broker shall be paid directly by Lessor, 48.5 percent of the Total Broker's Commission upon award which is \$9,258.65. The remaining \$9,831.35, which is 51.5% of the Commission ("Commission Credit"), shall be credited to the Government as a credit to the shell rental portion of the annual rental payments due and owing shall be reduced to fully recapture this Commission Credit, beginning in the first month.

First Month's Rental Payment \$7,158.75 minus prorated Commission Credit of \$3,277.12 equals \$3,881.63 adjusted First Month's rent.

Second Month's Rental Payment \$7,158.75 minus prorated Commission Credit of \$3,277.12 equals \$3,881.63 adjusted Second Month's rent.

Third Month's Rental Payment \$7,158.75 minus prorated Commission Credit of \$3,277.11 equals \$3,881.64 adjusted Third Month's rent.

**NOTE: All offers are subject to the terms and conditions outlined above, and elsewhere in this solicitation, including the Government's General Clauses and Representations and Certifications.**

4. BASIS OF AWARD

☒ THE ACCEPTABLE OFFER WITH THE LOWEST PRICE PER SQUARE FOOT, ACCORDING TO THE ANSI/BOMA Z65.1-1990 DEFINITION FOR BOMA USABLE OFFICE AREA, WHICH MEANS "THE AREA WHERE A TENANT NORMALLY HOUSES PERSONNEL AND/OR FURNITURE, FOR WHICH A MEASUREMENT IS TO BE COMPUTED."


☐ OFFER MOST ADVANTAGEOUS TO THE GOVERNMENT, WITH THE FOLLOWING EVALUATION FACTORS BEING

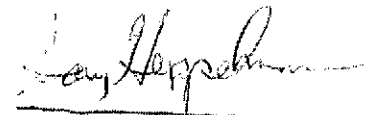
☐ SIGNIFICANTLY MORE IMPORTANT THAN PRICE

☐ APPROXIMATELY EQUAL TO PRICE

☐ SIGNIFICANTLY LESS IMPORTANT THAN PRICE

☐ (Listed in descending order, unless stated otherwise):

Gov't. 

Lessor: 



**PART II - OFFER (To be completed by Offeror/Owner)****A. LOCATION AND DESCRIPTION OF PREMISES OFFERED FOR LEASE BY GOVERNMENT**

5. NAME AND ADDRESS OF BUILDING (Include ZIP Code)  BLN Office Park 2001 Killebrew Drive Bloomington, MN 55425	6. LOCATION(S) IN BUILDING	
	a. FLOOR(S) 1 <sup>st</sup>	b. ROOM NUMBER(S) Suite 122
	c. RENTABLE SQ. FT. 3,818	d. TYPE <input checked="" type="checkbox"/> GENERAL OFFICE <input type="checkbox"/> OTHER (Specify) <input type="checkbox"/> WAREHOUSE

**B. TERM**

To have and to hold, for the term commencing on March 1, 2010 and continuing through February 28, 2017 inclusive. The Government may terminate this lease at any time on or after February 28, 2015, by giving at least 60 days notice in writing to the Lessor. No rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.

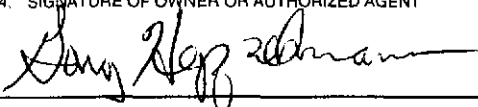
**C. RENTAL**

Rent shall be payable in arrears and will be due on the first workday of each month. When the date for commencement of the lease falls after the 15th day of the month, the initial rental payment shall be due on the first workday of the second month following the commencement date. Rent for a period of less than a month shall be prorated.

7. AMOUNT OF ANNUAL RENT  Years 1-5: \$85,905.00 Years 6-7: \$79,223.50	9. MAKE CHECKS PAYABLE TO (Name and address) BLN Office Park Associates [REDACTED] [REDACTED] [REDACTED] [REDACTED]
8. RATE PER MONTH Years 1-5: \$7,158.75 Years 6-7: \$6,601.96	

10a. NAME AND ADDRESS OF OWNER (Include ZIP code. If requested by the Government and the owner is a partnership or joint venture, list all General Partners, using a separate sheet, if necessary.)

BorSon Construction Attn: Gary Heppelman [REDACTED]

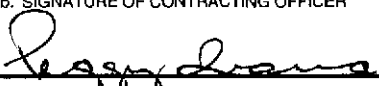
10b. TELEPHONE NUMBER OF OWNER 952-854-8444	11. TYPE OF INTEREST IN PROPERTY OF PERSON SIGNING <input checked="" type="checkbox"/> OWNER <input type="checkbox"/> AUTHORIZED AGENT <input type="checkbox"/> OTHER (Specify)	
12. NAME OF OWNER OR AUTHORIZED AGENT Gary Heppelman	13. TITLE OF PERSON SIGNING General Partner	
14. SIGNATURE OF OWNER OR AUTHORIZED AGENT 	15. DATE 2/19/10	16. OFFER REMAINS OPEN UNTIL 4:30 P.M.  (Date)

**PART III - AWARD (To be completed by Government)**

Your offer is hereby accepted. This award consummates the lease which consists of the following documents: (a) this GSA Form 3626, (b) Representations and Certifications, (c) the Government's General Clauses, and (d) the following changes or additions made or agreed to by you:

1. Attachment #1 - "Supplemental Lease Requirements for Small Leases"
2. Attachment #2 - "Base Plan"
3. Attachment #3 - "Prelease Fire and Life Safety Evaluation"
4. GSA Form 3517A - "General Clauses (Simplified Leases)"
5. GSA Form 3518 A - "Representations and Certifications (Short Form)"

**THIS DOCUMENT IS NOT BINDING ON THE GOVERNMENT OF THE UNITED STATES OF AMERICA UNLESS SIGNED BELOW BY AUTHORIZED CONTRACTING OFFICER.**

17a. NAME OF CONTRACTING OFFICER (Type or Print) Peggy J. Ivarra	17b. SIGNATURE OF CONTRACTING OFFICER 	17c. DATE 3/17/10
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