

LEASE NO. GS-03B-12081

Simplified Lease
GSA FORM L201A (October 2012)

This Lease is made and entered into between

Lessor's Full Legal Name (exactly as listed in System for Award Management)

Theodore Shank

(Lessor), whose principal place of business address is 17827 Virginia Avenue, Hagerstown, Maryland 21740-7242

and whose interest in the Property described herein is that of Fee Owner, and

The United States of America

(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:

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

110 Sunset Avenue, Williamsport, Maryland 21795-0000

and more fully described in Section 1 and Exhibit A, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

LEASE TERM

10 Years, 5 Years Firm, with [REDACTED]

To Have and To Hold the said Premises with their appurtenances for the term beginning January 1, 2017 and continuing through December 31, 2027.

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

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:

[REDACTED]

Name: THEODORE A SHANK
Title: MEMBER
Entity Name: 13128 PARO, LLC.
Date: 12/1/2016

FOR THE GOVERNMENT:

[REDACTED]

Name: Donna Welcher
Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 12/8/2016

WITNESSED FOR THE LESSOR BY:

[REDACTED]

Name: Marlene G. Spielman
Title:
Date: 12/1/2016

INITIALS: TAS & [Signature]
Lessor Government

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

INITIALS: TIAS. & 
Lessor Government

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (JUN 2012) MODIFIED

The Premises are described as follows:

A. Office and Related Space: 27,000 rentable square feet (RSF), yielding 24,546 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space located on the 1st floor(s) of the Building, as depicted on the floor plan(s) attached hereto as Exhibit A.

B. PARAGRAPH HAS BEEN INTENTIONALLY DELETED

1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012) MODIFIED

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: The Government shall have exclusive use of the entire property for surface parking and inside parking.

1.03 RENT AND OTHER CONSIDERATION (JUN 2012) MODIFIED

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

	FIRM TERM ANNUAL RENT BEGINNING JANUARY 1, 2017	NON FIRM TERM ANNUAL RENT BEGINNING JANUARY 1, 2022
SHELL RENT ¹	211,950.00	\$224,640.00
TENANT IMPROVEMENTS RENT ²	\$52,650.00 \$0.00	\$0.00
OPERATING COSTS ³	\$135,000.00	\$135,000.00
BUILDING SPECIFIC SECURITY ⁴	\$1,080.00 \$0.00	\$0.00
TOTAL ANNUAL RENT	\$400,680.00 \$346,950.00	\$359,640.00

¹Shell rent (Firm Term) calculation: \$7.85 per RSF multiplied by 27,000 RSF \$346,950.00

²The Tenant Improvement Allowance of \$222,141.00 is amortized at a rate of seven (7%) percent per annum over 5 years. Pursuant to Section 1.08 (D) of the Lease Contract, any amount(s) amortized into the rental payments identified as Tenant Improvement Rent, in accordance with Section 1.03 of the Lease Contract, shall commence upon completion, inspection and acceptance of the Tenant Improvement work by the Government. The effective date and resulting Tenant Improvement Rent to be amortized in the remaining Firm Term month of the Lease Contract will be established in a future Lease Amendment.

³Operating Costs rent calculation: \$5.00 per RSF multiplied by 27,000 RSF

⁴Building Specific Amortized Capital (BSAC) of \$5,000.00 is amortized at a rate of seven (7%) percent per annum over 5 years. Pursuant to Section 1.12 (D) of the Lease Contract, any amount(s) amortized into the rental payments identified as Building Specific Amortized Capital Rent, in accordance with Section 1.03 of the Lease Contract, shall commence upon completion, inspection and acceptance of the Tenant Improvement work by the Government. The effective date and resulting Building Specific Amortized Rent to be amortized in the remaining Firm Term month of the Lease Contract will be established in a future Lease Amendment.

B. PARAGRAPH INTENTIONALLY DELETED

C. PARAGRAPH INTENTIONALLY DELETED

D. 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.

E. Rent shall be paid to 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 (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

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

- The leasehold interest in the Property described in the paragraph entitled "The Premises."

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; and 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.

Rent shall not be adjusted for changes in taxes or operating costs.

1.04 TERMINATION RIGHTS (SIMPLIFIED) (JUN 2012) MODIFIED

The Government may terminate this Lease, in whole or in part, after the Firm Term of this Lease by providing not less than 180 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.

1.05 RENEWAL RIGHTS (SEP 2013) MODIFIED

This Lease may be renewed at the option of the Government for a term of [REDACTED] at the following rental rate(s):

	OPTION TERM YEAR [REDACTED]	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	[REDACTED]	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

	OPTION TERM, YEARS [REDACTED]	
	ANNUAL RENT	ANNUAL RATE / RSF
SHELL RENTAL RATE	[REDACTED]	[REDACTED]
OPERATING COSTS	OPERATING COST BASIS SHALL CONTINUE FROM THE EFFECTIVE YEAR OF THE LEASE. OPTION TERM IS SUBJECT TO CONTINUING ANNUAL ADJUSTMENTS.	

provided notice is given to the Lessor at least 120 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 full force and effect during any renewal term.

1.06 DOCUMENTS INCORPORATED IN THE LEASE (SIMPLIFIED) (SEP 2012)

The following documents are as attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
Floor Plan		A
Security Requirements		B
Representations and Certifications (GSA Form 3518A)		C

1.07 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$9.05 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of 7 percent.

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011) MODIFIED

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

- C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:
1. Reduce the TI requirements;
 2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
 3. Negotiate an increase in the rent.

D. The Tenant Improvement Rent will be established by amortizing the total Tenant Improvement Costs approved by the Government at the interest rate and remaining Firm Term months of the Lease Contract. The effective date and resulting Tenant Improvement Rent will be established in a future Lease Amendment. The Government shall continue to pay rent for Shell and Operating (as identified in Section 1.03 of the Lease Contract) for the entire leased premises throughout the design, construction, inspection and acceptance of Tenant Improvements. Any amount(s) amortized into the rental payments and identified as Tenant Improvement Rent, in accordance with Section 1.03 of the Lease Contract, shall commence upon completion, inspection and acceptance of the Tenant Improvement work by the Government.

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES (% OF TI CONSTRUCTION COSTS)	6%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	10%

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012) MODIFIED

- A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.
- B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.
- C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government shall have the right to either:
1. Reduce the security countermeasure requirements;
 2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
 3. Negotiate an increase in the rent.
- D. The Building Specific Amortized Capital Rent will be established by amortizing the total Building Specific Amortized Capital Costs approved by the Government at the interest rate and remaining Firm Term months of the Lease Contract. The effective date and resulting Building Specific Amortized Capital Rent will be established in a future Lease Amendment. The Government shall continue to pay rent for Shell and Operating (as identified in Section 1.03 of the Lease Contract) for the entire leased premises throughout the design, construction, inspection and acceptance of Tenant Improvements. Any amount(s) amortized into the rental payments and identified as Building Specific Amortized Capital Rent, in accordance with Section 1.03 of the Lease Contract, shall commence upon completion, inspection and acceptance of the Building Specific Amortized Capital work by the Government.

1.11 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (SIMPLIFIED) (SEPT 2011)

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the Real Estate Tax Adjustment paragraph of this Lease is 100 percent.

1.12 OPERATING COST BASE (AUG 2011)

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$5.00 per RSF (\$135,000.00/annum).

1.13 ADDITIONAL BUILDING IMPROVEMENTS (SEP 2012)

In addition to construction of the Tenant Improvements as required in this Lease, the Lessor shall be required to complete the following additional building improvements (e.g., Fire Protection and Life Safety, Seismic, and Energy Efficiency) prior to acceptance of the Tenant Improvement work by the government.

- A. As part of the Lessor's Shell responsibilities within the Government leased space and within all common areas accessed by the Government, the Lessor shall upgrade existing lighting to T-8 or similar energy efficient fixtures.

1.14 ~~HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)~~ INTENTIONALLY DELETED