

LEASE NO. GS-11P-LMD12668

Warehouse Lease
GSA FORM L201WH (05/14)

This Lease is made and entered into between

Santay Realty LLC

(Lessor), whose principal place of business is 7900 Cedarville Road, Brandywine, Maryland 20613-3018, 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

7900 Cedarville Road, Brandywine, Maryland 20613-3018

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

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

5 Years Firm, commencing on February 1, 2015 and continuing to January 31, 2020,

subject to termination and renewal rights as may be hereinafter set forth.


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: Abdel
Title: Managing Member
Entity Name: Santay Realty LLC
Date: 12/21/14

FOR THE GOVERNMENT 

Name: _____
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: 1/29/15

WITNESSED FOR THE LESSOR BY:


Date: 12/21/14

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.

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SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (WAREHOUSE) (MAY 2014)

The Premises are described as follows:

- A. Warehouse and Related Space: 72,750 rentable square feet yielding 72,627 ANSI/BOMA Office Area (ABOA) square feet (SF) of warehouse as depicted on the site plan attached hereto as Exhibit A.
- B. Common Area Factor: The Common Area Factor (CAF) is established as 1.00169358. This factor, which represents the conversion from ABOA to rentable square feet, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

1.02 EXPRESS APPURTENANT RIGHTS (WAREHOUSE) (MAY 2014)

The Government shall have exclusive or non-exclusive (as identified) right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

- A. Automobile Parking:
20 parking spaces for passenger vehicles as depicted on the site plan attached hereto as Exhibit A of which 20 spaces shall be marked as reserved for the exclusive use of the Government. In addition, the Lessor shall provide any additional automobile parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property. All spaces must be secured and lit in accordance with the Security Requirements set forth in this Lease. The cost of this parking shall be included as part of the rental consideration.
- B. Semi-Trailer Staging Area/Parking:
- C. Delivery Route:
- (1) At least one unobstructed route having no steps or abrupt changes in level shall connect with all accessible elements, spaces, buildings, and courses of passage. The minimum clear width of a route shall be 36 inches. If a route is less than 60 inches in width then it shall have level passing zones, spaced at no more than 200 feet apart, measuring a minimum of 60 inches by 60 inches.
 - (2) Objects projecting from walls with their leading edges between 27 and 80 inches above the finished floor shall protrude no more than 4 inches into an accessible route. Freestanding objects mounted on posts or pylons may overhang 12 inches maximum from 27 to 80 inches above the ground or the finished floor. Objects mounted with their leading edges at or below 27 inches above the finished floor may protrude any distance. However, no protruding objects shall reduce the clear width of an accessible route or maneuvering space. If

vertical clearance of an area adjoining an accessible route is reduced to less than 80 inches, a barrier to warn blind or visually impaired persons shall be provided.

- (3) Mechanical rooms and spaces which are not normally frequented by the public or occupants and are not part of an accessible or emergency route are excepted and need not be accessible.
- (4) Gratings in a route surface shall have spaces no wider than 1/2 inch in one direction and shall be placed so that the long dimension of openings is perpendicular to the dominant direction of travel.

D. Delivery Ramps:

- (1) Any part of an accessible route with a slope greater than 1 foot rise in 20 feet shall be considered a ramp. Where ramps are necessary, they shall have a non-slip surface with a slope no greater than 1 foot rise in 12 feet. Ramps must have a minimum clear width of 3 feet with level landings at the top and bottom of each ramp run. Each landing shall be at least 5 feet in length and as wide as any ramp run leading into it. The maximum rise for any run shall be 30 inches. Intermediate landings for turning ramps shall measure a minimum of 5 feet by 5 feet.
- (2) Lessor shall provide handrails complying with "HANDRAILS" (36 CFR 1191) on both sides of all ramps with a vertical rise greater than 6 inches. Ramps with drop-offs shall have curbs (minimum 2 inches high), walls, railings or projecting surfaces. Lessor shall provide curb ramps wherever an accessible route crosses a curb. Curb ramps shall not interfere with walks or vehicular traffic. The maximum slope of a curb ramp shall be a 1 inch rise per 12 inch run. The maximum length of a curb ramp shall be 6 feet with a minimum width of 36 inches, exclusive of flared sides. If no other alternative is feasible, accessible platform lifts may be used in lieu of a ramp or elevator. Lifts shall have accessible controls and clearances, shall comply with applicable safety regulations, and should facilitate unassisted entry and exit.

E. Antennas, Satellite Dishes, and Related Transmission Devices:

- (1) Space located on the roof of the Building sufficient in size for the installation and placement of telecommunications equipment,
- (2) the right to access the roof of the Building, and
- (3) use of all Building areas (e.g., chases, plenums, etc.) necessary for the use, operation, and maintenance of such telecommunications equipment at all times during the term of this Lease.

F. Loading Docks. See "LOADING DOCKS SHELL WAREHOUSE" paragraph in Section 3 of this Lease.

1.03 TRUCK TURNING RADIUS REQUIREMENTS (WAREHOUSE) (MAY 2014)

At a minimum, a truck turning radius of 75 feet sized for 62 foot trucks shall be provided and maintained at all times for all loading docks designed for such sized trucks. One-way design for service traffic is preferred in order to avoid the need for large turning areas.

1.04 CLEAR CEILING HEIGHT REQUIREMENTS (WAREHOUSE) (MAY 2014)

A minimum of 67,127 ABOA SF must have a clear ceiling height of 26 feet 0 inches, measured from floor to the lowest obstruction, with the balance of the space maintaining a clear ceiling height of a minimum of 9 feet. Bulkheads and hanging or surface mounted light fixtures which impede traffic ways shall be avoided.

1.05 BAY WIDTH, BAY DEPTH, AND COLUMN SPACING REQUIREMENTS (WAREHOUSE) (MAY 2014)

The following minimum requirements apply to this Lease:

~~Bay Width: XX' XX" (the distance from one side of the bay to the other side of the bay in linear feet and inches)~~

~~Bay Depth: XX' XX" (the distance from the front of the bay to the back of the bay in linear feet and inches)~~

Column Spacing: Columns shall be 40' 0" linear feet apart from one another

1.06 RENT AND OTHER CONSIDERATION (MAY 2014)

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

	FIRM TERM	NON FIRM TERM
	ANNUAL RENT	ANNUAL RENT
SHELL RENT ¹	\$445,247.50	\$499,792.50
TENANT IMPROVEMENTS RENT ²	\$0.00	\$0.00
OPERATING COSTS ³	\$96,740.00	\$96,740.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$0.00	\$0.00
PARKING ⁵	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$541,987.50	\$596,532.50

¹Shell rent calculation:

(Firm Term) \$6.12 (rounded) per RSF multiplied by 72,750 RSF

(Non Firm Term) \$6.87 per RSF multiplied by 72,750 RSF

²The Tenant Improvement Allowance of \$0.00 is amortized at a rate of 0 percent per annum over 0 years.

³Operating Costs rent calculation: \$1.33 (rounded) per RSF multiplied by 72,750 RSF. (Operating Costs are defined elsewhere herein)

⁴Building Specific Amortized Capital (BSAC) of \$0 are amortized at a rate of 0 percent per annum over 0 years

⁵Parking costs described under sub-paragraph H below

B. Notwithstanding Paragraph 1.06 A, the rent for the first six (6) months of the Lease (the period from February 1, 2015 to July 31, 2015) shall be abated in its entirety.

C. SUBPARAGRAPH INTENTIONALLY DELETED

D. SUBPARAGRAPH INTENTIONALLY DELETED

E. 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.

F. 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 (CCR), now the Lessor's System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. 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 herein 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 (with the exclusion of electricity), maintenance required for the proper operation of the Property, the Building, and the Leased 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. The Lessor shall ensure that such utilities are separately metered. The Lessor shall provide and install as part of shell rent, separate meters for utilities. Sub-meters are not acceptable. The Lessor shall furnish in writing to the LCO, prior to occupancy by the Government, a record of the meter numbers and verification that the meters measure Government usage only. Proration is not permissible. In addition, an automatic control system shall be provided to assure compliance with heating and air conditioning requirements.

H. Parking shall be provided at a rate of \$0 per parking space per month (Structure), and \$0 per parking space per month (Surface).

1.07 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

A. SAVILLS STUDLEY, INC. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] of the Commission will be payable to SAVILLS STUDLEY, INC. with the remaining [REDACTED] which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence after the six (6) month rent abatement period and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

B. Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully this Commission Credit. The reduction in shell rent shall commence after the six (6) rent abatement period and continue as indicated in this schedule for adjusted Monthly Rent:

Month 8 Rental Payment \$45,165.63 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 8th Month's Rent.*

Month 9 Rental Payment \$45,165.63 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 9th Month's Rent.*
 * Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.08 TERMINATION RIGHTS (AUG 2014)

1.09 RENEWAL RIGHTS (SEP 2013)

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

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

provided notice is given to the Lessor at least 90 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.

1.10 DOCUMENTS INCORPORATED IN THE LEASE (WAREHOUSE) (MAY 2014)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
SITE PLAN	1	A
SECURITY REQUIREMENTS	7	B
GSA FORM 3517B GENERAL CLAUSES	47	C
GSA FORM 3518, REPRESENTATIONS AND CERTIFICATIONS	10	D
RIDER NO. 1 – FIRE PROTECTION & LIFE SAFETY	1	E

1.11 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$0.00 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 0 percent.

1.12 TENANT IMPROVEMENT RENTAL ADJUSTMENT (SEP 2013)

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 may elect to:

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.

1.13 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 (\$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	\$0
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	0%

1.14 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

1.15 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2013)

1.16 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)

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 11.66 percent. The Percentage of Occupancy is derived by dividing the total Government Space of 72,750 RSF by the total Building space of 624,192 RSF.

1.17 REAL ESTATE TAX BASE (SEP 2013)

1.18 OPERATING COST BASE (SEP 2013)

The parties agree, for the purpose of applying the paragraph titled "Operating Costs Adjustment," that the Lessor's base rate for operating costs shall be \$1.33 (rounded) per RSF (\$96,740.00/annum).

1.19 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (SEP 2013)

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire or any portion of the 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 \$0.00 per ABOA SF of Space vacated by the Government.

1.20 HOURLY OVERTIME HVAC RATES (AUG 2014)

1.21 24-HOUR HVAC REQUIREMENT (APR 2014)

1.22 BUILDING IMPROVEMENTS (SEP 2012)

No later than 45 days after lease award, the Lessor shall complete the following additional Building improvements:

- A. Repainting of the leased premises to include, but not limited to, office areas, restrooms and common areas in accordance with paragraph 5.11 "Painting – TI" below.
- B. Re-carpeting of the leased premises to included, but not limited to, office areas and common areas in accordance with paragraph 5.12 "Floor Coverings and Perimeters" below.

1.23 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAY 2012)

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.