

LEASE NO. GS-05P-LMI00058

Global Lease
GSA FORM L100 (10/2016)

This Lease is made and entered into between

Kalamazoo GSA Properties, Ltd.

(Lessor), whose principal place of business is 5500 Milan Road, Suite 220, Sandusky, Ohio 44870-7800, 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

317 S. Drake Road, Kalamazoo, Michigan 49009-1083

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

The Government occupies the Leased Premises under Lease LMI17119 and occupancy shall be continuous. Lease LMI17119 is hereby terminated on the date immediately prior to the effective date of this Lease. The effective date of this lease shall be March 1, 2018.

To Have and To Hold the said Premises with its appurtenances for the term beginning upon March 1, 2018 and continuing for a period of 10 Years, 5 Years Firm through February 28, 2028, subject to termination and renewal rights as may be hereinafter set forth. The Government may terminate this lease in whole or in parts after March 1, 2023, upon ninety (90) days' notice by the Government to the Lessor, notice to be computed commencing with the date following the date of mailing. No rental shall accrue after the effective date of termination.

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: JOHN M. KELLY
Title: MANAGER
Entity Name: KALAMAZOO GSA PROPERTIES, LTD
Date: JAN. 8, 2018

FOR THE GOVERNMENT:

Name: Mark A. Montgomery
Title: Lease Contracting Officer
General Services Administration, Public Buildings Service
Date: January 17, 2018

WITNESSED FOR THE LESSOR BY:

Name: LUCY J. SPENCER
Title: Admin Asst
Date: JAN 8, 2018

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.

SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

1.01 THE PREMISES (OCT 2016)

The Premises are described as follows:

A. Office and Related Space: 11,800 rentable square feet (RSF), yielding 10,280 ANSI/BOMA Office Area (ABOA) square feet (SF) of office and related Space and an additional 2,450 RSF, yielding 2,119 ABOA SF of free space (for which the Government will not be charged rent, including real estate taxes and operating cost escalations) in excess of the total 11,800 RSF/10,280 ABOA SF indicated above, for a total of 14,250 RSF (yielding 12,399 ABOA SF), located on the 1st Floor of the Building, as depicted on the floor plan(s) attached hereto as Exhibit B. All rights, responsibilities, and obligations that bind the Lessor and Government under this lease agreement, including the General Clauses, and any other attachments hereto, shall pertain to the entire space under lease, including the free space.

B. Common Area Factor: The Common Area Factor (CAF), defined under Section 2 of the Lease, is established as 14.788599 percent. This factor, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

C. INTENTIONALLY DELETED

1.02 EXPRESS APPURTENANT RIGHTS (SEP 2013)

The Government shall have the non-exclusive 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. Parking: The Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. 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.

1.03 RENT AND OTHER CONSIDERATION (OCT 2016)

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	\$263,550.00	\$343,436.00
OPERATING COSTS ²	\$81,600.00	\$81,600.00
TENANT IMPROVEMENTS RENT ³	\$0.00	\$0.00
BUILDING SPECIFIC AMORTIZED CAPITAL (BSAC) ⁴	\$0.00	\$0.00
TOTAL ANNUAL RENT	\$345,150.00	\$425,036.00

¹Shell rent calculation:

(Firm Term) \$22.33 per RSF multiplied by the RSF stated under Paragraph 1.01

(Non-Firm Term) \$29.10 per RSF multiplied by the RSF stated under Paragraph 1.01

²Operating Costs rent calculation: \$6.92 per RSF multiplied by the RSF stated under Paragraph 1.01

³Tenant Improvements – N/A

⁴Building Specific Amortized Capital (BSAC) – N/A

B. INTENTIONALLY DELETED

C. INTENTIONALLY DELETED

D. INTENTIONALLY DELETED

E. INTENTIONALLY DELETED

F. 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.

G. 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 by the Lessor in the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered and active in SAM.

H. 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, 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.

I. INTENTIONALLY DELETED

J. INTENTIONALLY DELETED

1.04 BROKER COMMISSION AND COMMISSION CREDIT (OCT 2016)

A. **CBRE, 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 Lessor and Broker. Only [REDACTED] of the Commission will be payable to **CBRE, 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 with the first month of the rental payments 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 with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

Month 1 Rental Payment **\$28,762.50** minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted 1st Month's Rent.*

* Subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."

1.05 TERMINATION RIGHTS (OCT 2016)

The Government may terminate this Lease, in whole or in parts, 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 (OCT-2016) INTENTIONALLY DELETED

1.07 DOCUMENTS INCORPORATED IN THE LEASE (OCT 2016)

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

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
LEGAL DESCRIPTION	1	A
FLOOR PLAN	1	B
PARKING PLAN	1	C
SECURITY REQUIREMENTS LEVEL II	6	D
SECURITY UNIT PRICE LIST	2	E
GSA FORM 3517B GENERAL CLAUSES	15	F
GSA FORM 3518-SAM, ADDENDUM TO SYSTEM FOR AWARD MANAGEMENT (SAM) REPRESENTATIONS AND CERTIFICATIONS (ACQUISITIONS OF LEASEHOLD INTERESTS IN REAL PROPERTY)	3	G

1.08 TENANT IMPROVEMENT RENTAL ADJUSTMENT (OCT-2016) INTENTIONALLY DELETED

1.09 TENANT IMPROVEMENT FEE SCHEDULE (JUN-2012) INTENTIONALLY DELETED

1.10 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP-2012) INTENTIONALLY DELETED

1.11 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP-2013) INTENTIONALLY DELETED

1.12 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (OCT 2016)

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 **55 percent**. The Percentage of Occupancy is derived by dividing the total Government Space of **11,800** RSF by the total Building space of **21,455** RSF. The tax parcel number is **06-18-370-003**.

1.13 REAL ESTATE TAX BASE (~~SEP 2013~~) INTENTIONALLY DELETED

1.14 OPERATING COST BASE (OCT 2016)

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 **\$6.92** per RSF.

1.15 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 **\$1.00** per ABOA SF of Space vacated by the Government.

1.16 HOURLY OVERTIME HVAC RATES (OCT 2016)

A. The following rates shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- **\$50.00** per hour for the entire Space.

B. INTENTIONALLY DELETED

1.17 24-HOUR HVAC REQUIREMENT (~~OCT 2016~~) INTENTIONALLY DELETED

1.18 BUILDING IMPROVEMENTS (MAR 2016)

Before the Government accepts the Space, the Lessor shall complete the following additional Building improvements:

- A. The Mechanical System shall be designed to meet Energy Star Label ratings.

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