

STANDARD FORM 2
FEBRUARY 1965
EDITION
GENERAL SERVICES
ADMINISTRATION
FPR (41 CFR) 1-16.601

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.
GS-05B-17472

THIS LEASE, made and entered into this date by and between

whose address is Detroit International Bridge Company
P.O. Box 32666
Detroit, MI 48232

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 consideration hereinafter mentioned, covenant and agree as follows:

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

375,201 square feet of land, as described on exhibit A. Improvements to the land shall be constructed in accordance with specifications agreed to by the Government.

to be used for such purposes as determined by the General Services Administration.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on September 21, 2004 through September 20, 2024, subject to termination and renewal rights as may be hereinafter set forth.
3. The Government shall pay the Lessor rent in accordance with paragraph 9 of the attachment to the SF-2. Rental will be paid monthly in arrears. Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

DETROIT INTERNATIONAL BRIDGE COMPANY
P.O. BOX 32666
DETROIT, MI 48232

4. If the Government in its sole discretion determines that it no longer requires use of any part of the property as a Border Station during the Lease Term or renewal period, by giving 90 days written notice to the Lessor the Government shall terminate the Lease in whole or in part corresponding to that portion of property no longer needed. Upon such complete or partial termination, the Government shall pay any unamortized construction cost as scheduled prior to termination. In the case of a partial termination of the lease rental will be adjusted in accordance with the new square footage leased.
5. This lease may be renewed at the option of the Government, for one, ten-year term. Rent shall be for land, maintenance and repairs and calculated as outlined in paragraph 10 of the attachment to the SF-2. The Government shall at least 180 days prior to the end of the lease term notify the Lessor in writing whether the Government shall exercise the option or not exercise it. All other terms and conditions of this lease shall remain the same during the renewal term.

6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:

Maintenance and Repair for the areas outlined in attachment #1 to SFO 17472.

Also, as part of the rental consideration, the Lessor shall meet all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-17472 and other attachments to the lease referenced in Paragraph 7.

7. The following are attached and made a part hereof:

~~The General Provisions and Instructions (Standard Form 2 - A _____ edition).~~

Solicitation for Offers (SFO) No. GS-05B-17472 consisting of 43 pages; GSA Form 3517B "General Clauses" consisting of 28 pages; GSA Form 3518 consisting of 5 pages; Attachment to the SF-2 consisting of 6 pages; Attachment #1 Maintenance and repair specifications consisting of 3 pages; Exhibits a, b, c and d, e

8. The following changes were made in this lease prior to its execution:

The following sections were deleted from the SFO prior to award :

1.1,1.2,1.3,1.4,1.5,1.6,1.7,1.8,1.9,1.10,1.12,1.14,2.3,3.1,3.3,3.5,3.17,3.18,5.3,5.4 and 7.15.

The following paragraphs were deleted from the 3517B prior to award:

2,14 and 17, Paragraph 6 of the 3517 B was revised.

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

LESSOR **DETROIT INTERNATIONAL BRIDGE COMPANY**

BY  _____
(Signature)

(Signature)

IN PRESE  _____
(Signature)

 _____
(Address)

UNITED STATES OF AMERICA **GENERAL SERVICES ADMINISTRATION**

BY  _____
(Signature)

Contracting Officer
(Official title)

- 9.) Rental for this lease will be on an annual price per square foot basis and will consist of three components; land, improvements, and maintenance and repair. Rental will be payable in equal monthly payments in arrears, in accordance with Paragraph 3 of the SF-2. Each component of the annual rental rate will be calculated as follows:

Land – There will be no charge for the land component of the rental for the first five years of this agreement. For years six through twenty of this agreement, the land component will be based on an interest only payment. The per annum payment will be determined using the fixed interest rate of 7.8125% multiplied by \$20.00 per square foot multiplied by the total square feet of land leased. *It is mutually agreed that the \$20.00 per square foot cost is established for purposes of calculating lease rental only. This value is not and should not be considered by either party to be a Fair Market Value for the land.*

Improvements – The Government will pay the firm fixed price of \$5,183,093.29 for the existing improvements as described in sections 14, 15 and 16 below. **The Government will not pay for current construction that does not meet the Governments needs, nor will the Government pay for removal of any improvements in place that do not meet the Governments needs.** The cost of Government approved construction will be amortized over the first five years of the lease term at the fixed interest rate of 7.125%.

Maintenance and Repair - The Lessor will provide maintenance and repair for the roadway and parking lots covered under the lease in accordance with Attachment #1. The base cost for maintenance and repair service is \$.55 per annum per square foot of land area.

Lessor: _____



& Govt: _____





The Government shall pay the Lessor annual rental of \$1,441,609.45 at the rate of \$120,134.12 per month, in arrears, for the first year of the lease. On the anniversary date of the lease each year the maintenance and repair component of the rental will be adjusted in accordance with Section 3.6 of the SFO. At the end of the 5th year the improvements portion of the rental will be fully paid and this component will be removed from the rental. Beginning in the 6th year the land component of the rental will increase as outlined above.

- 10.) This lease includes one 10 year renewal option as outlined in paragraph 5 of the SF-2. Rental during the renewal option will be on an annual price per square foot basis and will consist of two components land and maintenance and repairs. Each component of the annual rental rate will be calculated as follows:

Land rental per annum for the 10-year renewal period will be calculated as follows:

The 5-year Treasury rate on the lease anniversary date in year 18 of the initial term of the lease plus 300 basis points multiplied by \$20.00 per square foot multiplied by the total square feet of land leased. The 18th year will establish the interest rate for Governmental budgeting and evaluation purposes.

Maintenance and repair cost will be carried over from the base cost as escalated in the 20th year of the lease. On the anniversary date of the renewal each year the maintenance and repair component of the rental will be adjusted in accordance with Section 3.6 of the SFO.

Lessor:  _____ & Govt:  _____

- 11.) The lessor shall use its best efforts to consolidate the leased parcels into one taxable parcel. The Government will pay taxes in accordance with Section 3.4 "Tax Adjustment" of the SFO. The tax parcel #'s are as follows:
10/000069.001, 10/000069.002L, 10/000070.001, 10/008101, 10/008102, 10/008103, 10/008423, 10/008424, 10/008425, 10/008426.001, 10/008426.002L, 10/008427.001, 10/008427.002L, 10/008428.001, 10/008428.002L, 10/008429, 10/008430.001, 10/008430.002L, 10/008431, 10/008432, 10/008433, 10/008434, 10/008435, 10/008436, 10/008437, 10/008438, 10/008439.001, 10/008439.002L, 10/008440, 10/008441, 10/008442, 10/008443, 10/008444, 10/008445, 10/008446, 10/008447, 10/008448, 10/008449, 10/008450, 10/008451, 10/008452, 10/008453, 10/008454, 10/008455, 10/008456, 10/008457, 10/008458, 10/008459, 10/008460, 10/008461, 10/008462, 10/008463.001, 10/008463.002L, 10/008464, 10/008465, 10/008466, 10/008467, 10/008468, 12/007613, 12/007614, 12/007615, 12/007616, 12/007617, 12/007618-9, 12/007620, 12/007621, 12/007622, 12/007623, 12/007624, 12/007683
- 12.) GSA shall conduct at its expense all environmental studies required by applicable law.
- 13.) The lessor at its sole expense will perform any environmental remediation required by the Government studies referenced in paragraph 12 above, to render the leased property fit for the use intended pursuant to applicable laws. Lessor shall pay for any environmental mitigation required by the installation and location of inspection boots #11-14 at the southeast corner of the site. Mitigation is to be completed in accordance with Forest Hudsons letter to Dan Stamper dated June 17, 2004 copy attached hereto and incorporated herein by reference.

Lessor:  & Govt: 

14.) "Northern Expansion"

The Detroit International Bridge Company (DIBC) has improved the designated site as illustrated on the attached drawing labeled Exhibit B.

Improvements to this site consist of storm sewer drainage, approximately 170,200 square feet of concrete paving, lighting, and striping that is appropriate for its intended use as a roadway for semi tractor-trailers and for a parking area that is able to accommodate a total of 372 parking spaces.

The concrete paving consists of 12 inch thick, reinforced concrete over 9 inch thick aggregate base course on a compacted sub-grade. The \$3,267,652 firm fixed cost for the work above includes all labor, equipment, materials and necessary supervision including Architectural and Engineering services to the complete the project.

15.) "Inspection Booths 11 -14"

The Detroit International Bridge Company (DIBC) has improved the designated site in accordance with the attached drawings and specifications labeled Exhibit C & D.

The improvements to this site consist of construction of four (4) Primary Inspection Booths #'s 11-14 with Canopy, including foundations, and all related and appurtenant electrical and mechanical construction. The \$1,504,373.45 firm fixed cost for the work above includes all labor, equipment, materials and necessary supervision including Architectural and Engineering services to complete the project.

16.) "Paving "

The Detroit International Bridge Company (DIBC) has improved the designated site in accordance with the attached drawing labeled Exhibit E.

Improvements to this site shall consist of concrete paving that is appropriate for its intended use as a roadway and for a parking area that is able to accommodate semi tractor trailers.

The concrete paving consist of 12 inch thick, reinforced concrete over 9 inch thick aggregate base course on a compacted sub-grade. The \$411,067.84 firm fixed cost for the work above includes all labor, equipment, materials and necessary supervision including Architectural and Engineering services to the complete the project.


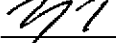
Lessor: _____



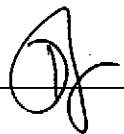
& Govt: _____



- 17.) The parties acknowledge that they each have an interest in the Government operations on and adjacent to the lease property (together, "Property"). Therefore, the parties will at all times use their best efforts to communicate and cooperate (work together) with each other regarding any plans either party may have to modify the Property, except for instant emergencies. Consistent with this paragraph, the Government shall notify Lessor no less than 30 days in advance in writing of any proposed physical modification to the leased property. The Government shall receive and consider any input from Lessor regarding such change. The parties acknowledge that nothing in this paragraph shall give rise to or enable any challenge or litigation in any court or non-court forum, be it Federal, state, local, administrative, or non-governmental.
- 18.) The parties acknowledge that the Government shall in its sole discretion determine what if any modification to make to the leased property. The parties likewise acknowledge the lessor shall make no modification to the leased property without prior written approval of the Government, or in any way interfere with the Government's use and enjoyment of the leased property. Any request by the lessor for approval of modifications should be sent to the GSA Office of Border Stations – 5P, 230 South Dearborn Street, Chicago, IL 60604.
- 19.) Lessor is responsible for obtaining fee simple title to all leased parcels of land and must provide proof of ownership of all parcels of land to the Government prior to award.
- 20.) The Lessor shall obtain all necessary Governmental approvals, including but not limited, to zoning, site plan approval, variances, certificate of occupancy with all subordinate permits.
- 21.) The lessor will provide a one year warranty for all site lighting constructed within the leased area, booths 11-14 and their canopy. After the one year warranty expires, the Government will be responsible for the maintenance and repair of these items.
- 22.) The government will be responsible for the utilities to operate booths 11-14 and all site lighting. The lessor is responsible for utility hook up and to provide dedicated meters for the government's sole use.

Lessor:  & Govt: 

- 23.) The government will be responsible for the janitorial services to booths 11-14.
- 24.) The lessor Taxpayer Identification number is [REDACTED].
- 25.) At the end of this agreement either by expiration or termination no restoration to original condition of the leased area or improvements will be required of the government.
- 26.) The parties signing below represent that they have full authority to enter into leases on behalf of their respective principals, and that they execute this document in their official capacity only and not as individuals.

Lessor:  & Govt: 