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

U.S. GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE (For Gov't Use ONLY)

LEASE NO.

GS-05B-17930

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

Fedcar Company, Ltd.

c/o Carnegie Management and Development Corporation

whose address is

27500 Detroit Road.

Suite 3100

Westlake, Ohio 44145-5913

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:

44,816 rentable square feet of office and related space which yields 38,970 ANSI/BOMA square feet of office space with 132 surface parking spaces and two inside secured parking spaces. The facility will be constructed on that certain real property located at the corners of 5th Street SW, High Avenue, 3rd Street SW and McKinley Avenue in Canton, OH. The real property is further described on the topographical survey dated January 26, 2006, which is attached hereto as Attachment E-Topographical Survey. Such facility described herein, together with the real property shall be hereinafter collectively referred to as the "Leased Premises". The Leased Premises are to be constructed in accordance with the concept plans and concept drawings dated September 29, 2008, and in accordance with the provisions of Solicitation for Offers GS-05B-17930 in it's entirety.

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 June 1, 2010 through May 31, 2030, subject to no termination rights.
- The Government shall pay the Lessor annual rent of \$2,013,070.00 at the rate of \$167,755.83 per month in arrears (\$44.92 per rentable square foot). Commencing with year 11 of the lease (121st month), the base rent shall decrease by \$115,177.12 (\$2.57 per rentable square foot). Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

FEDCAR COMPANY, LTD 27500 Detroit Road SUITE 300 Mostloka Obia 44145 5013

	Westiake, Olio 44 145-55 15
4.	The Government may terminate this Lease at any time on or after, by giving at least, by giving at least of termination. Said notice shall be computed commencing with the day after the date of mailing.
5.	This Lease may be renewed at the option of the Government, for the following terms and at the following rentals: provided notice be given in writing to the Lessor at least days before the end of the original
	Lease term or any renewal term; all other terms and conditions of this Lease shall remain the same during any renewal term. Said notice shall be computed commencing with the day after the date of mailing

- 6. The Lessor shall furnish to the Government, as part of the rental consideration, the following:
 - Design, development, construction, finance and management of the Leased Premises in accordance with the provisions of this Lease.
 - b. All services, utilities, maintenance and other operations as set forth elsewhere in this Lease.
 - c. All responsibilities and obligations as defined in the Solicitation for Offers Number GS-05B-17930, as amended, and other attachments to the Lease referenced in Paragraph 7 of this SF-2 form.
- 7. The following are attached and made a part hereof:

Attachment to SF-2, paragraphs 10 -45;

Lease GS-05B-17930, including the following amendments and attachments:

Amendment Number 3; 3 pages;

Amendment Number 4; 1 page;

Attachment A - Program of Requirements, 53 pages;

Attachment B – Program of Requirements, 47 pages;

Attachment C - Progam of Requirements, 47 pages;

Attachment D - Ground Lease, 26 pages;

Attachment E - Topographical Survey dated 01/26/06, 1 page;

Attachment F - City of Canton's Canton Ord921, 6 pages;

Attachment G – Canton Ord921PrelimStreetsc, 2 pages;

Attachment H - General Clauses (GSA Form 3517B), 33 pages

Attachment I - Representations and Certifications (GSA Form 3518), 7 pages;

Attachment J - Final Revised Proposal Design Plans, dated September 29, 2008, 8 pages;

Attachment K - Lessor's Management Plans, 15 pages;

Attachment L - Unit Price List, 1page;

Attachment M - Security Unit Price List, 4 pages;

Attachment N - Project Cost Summary dated 10/10/2008, 1 page;

Attachment O- LEED Scorecard dated June 13, 2008, 4 pages;

Attachment P - Davis-Bacon Wage Determination Information, 6 pages;

Attachment Q - Oral Presentation, 14 pages;

- 8. The following changes were made in this Lease prior to its execution:
 - (i) Paragraphs 4 and 5 have been deleted in their entirety from the SF-2 of this Lease;
 - (ii) Changes made to the Soliciation For Offers (SFO) are described in paragraph 45 of the Attachment to the SF-2.
- 9. Notification of award occurred on October 29, 2008. The award of the lease by the Government occurs upon execution of the lease by the Contracting Officer, which will constitute the Government's acceptance of the Lessor's Final Revised Proposal dated October 13, 2008, with clarifications submitted by the Lessor on October 14, 2008 and October 17, 2008, under SFO GS 05B-17930 and all attachments. This Lease reflects the terms and conditions of the accepted Final Revised Proposal.

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10. It is mutually agreed the following composite rates apply in payment of this lease for year 1. The shell will decrease as stated below for year 11. See parapgraph 44 of this Attachment to SF-2 for individual tenant agenies' rental rates.

YEARS 1-10	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(38,970 sq. ft.)	(44,819 sq. ft.)	
Shell	\$29.84	\$25.94	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$6.66	\$5.79	
Bldg Specific Security	\$4.06	\$3.53	
T.I. Security	\$0.48	\$0.42	
TOTAL	\$51.66	\$44.92	\$2,013,070.00

YEARS 11-20	\$ PER ANSI/BOMA (38,970 sq. ft.)	\$ PER RENTABLE (44,819 sq. ft.)	ANNUAL DOLLAR AMT
Shell	\$29.78	\$25.89	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$4.00	\$3.48	· · · · · · · · · · · · · · · · · · ·
Bldg Specific Security	\$4.06	\$3.53	
T.I. Security	\$0.25	\$0.21	
TOTAL	\$48.71	\$42.35	\$1,897,892.88

*Refer to Paragraphs 19 and 20 of this Attachment to SF-2 for future escalation clauses.

- 11. The Lessor's team members assembled to meet the overall responsibilities and obligations under this contract are:
 - Developer Fedcar Company, Ltd., c/o Carnegie Management and Development Corporation
 - b. Lead Architect Richard L. Bowen + Associates Inc
 - c. General Contractor R.P. Carbone Company

It is mutually agreed the following represents the team members:

- a. Dr. Rustom R. Khouri, Principal-in-Charge
- b. Robert J. Berryhill, Project Manager
- c. Allen Renzi, Lead Design Architect
- d. Richard Spang, A/E Mechanical Engineer
- e. Gregory Sutyak, A/E Electrical Engineer
- f. Donald Theisen, A/E Structural Engineer
- g. Jon Dregalla, Construction Project Manager
- h. Steve Javorek, Construction Project Superintendent

It is acknowledged that the composition of the team was a material factor in the selection of the Lessor for award of this Lease. Other individuals selected to the Lessor's team must have a security clearance prior to having access to any procurement information. The following information must be supplied to the Contracting Officer for any new team member to have their security clearances processed:

- a. Full legal name
- b. Birth date (including year)
- Social Security Number
- 12. It is mutually agreed that personnel providing any services including cleaning and construction personnel, will receive additional security clearances by GSA and

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- 13. The Government acknowledges the following information for Fedcar Company, Ltd.:
 - (a.) The DUNS Number is 198335841.
 - (b.) The Employer Identification Number (EIN) /Taxpayer Identification Number (TIN) is
- 14. The total ANSI/BOMA square foot area referred to in Paragraph 1 of the SF-2 form herein above, is subject to an adjustment with the actual number of ANSI/ BOMA square feet delivered, to be determined by mutual field measurements in accordance with the provision of Paragraphs 4.7, 4.8 and 4.9 in the Lease.

If the actual number of ANSI/BOMA square feet differ from Paragraph 1 of the SF-2, the Lease shall be amended by Supplemental Agreement after field measurement to establish the square footage in compliance with the terms of this Paragraph.

Should there be any adjustment in the actual amount of ANSI/BOMA area delivered the per annum rental referred to in Paragraph 3 herein above shall be adjusted according to the rates set forth in Paragraph 3 of Attachment to SF-2.

15. It is mutually agreed the Final Revised Proposal provides for 44,816 rentable square feet of space which yields 38,970 ANSI/BOMA square feet of space or the specific ANSI/BOMA for the following agencies:



Both parties acknowledge the maximum rentable square footage under the lease shall not exceed 38,973 ANSI/BOMA and 44,819 rentable square feet. Rent will not be paid for delivery of any space in excess of 38,973 ANSI/BOMA and 44,819 rentable square feet of space.

- It is mutually agreed the composite common area factor for the Leased Premises shall be 1.15 based upon 38,970 ANSI/BOMA square feet.
- 17. The effective date of June 1, 2010, stated in Paragraph 2 of this Lease, is the estimated Lease commencement date. If the actual date of substantial completion of the space is different from this date, then the actual effective date of the Lease will be established by Supplemental Lease Agreement. The Lease term will be twenty years firm, computed from the actual effective date. The anniversary date for operating cost escalations under Paragraph 4.6 of the Lease will coincide with the actual effective date of the Lease. All building systems, including the security systems, must be tested, approved and operational thirty (30) days prior to deliver of the Leased Premises as ready for occupancy by the Government. This testing and certification of the systems shall be performed by an independent contractor hired by the Lessor and approved by the Contracting Officer.
- 18. For the purposes of operating cost escalation, in accordance with Lease Paragraph 4.6, the base rate will be \$10.62 per ANSI/BOMA square foot, \$9.24 per rentable square foot, \$414,000 annual amount.
- For the purposes of real estate tax reimbursements, no amount is included in the rental for the base year real estate taxes. Reimbursements will be made in strict accordance with Paragraph 4.4 of the Lease.
- 20. It is mutually agreed the percentage of occupancy for the lease is 100%.

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- 21. If there is a need to make an adjustment for vacated premises in accordance with Paragraph 4.13 of the Lease, the rental rate reduction shall be \$1.25 per ANSI/BOMA square foot.
- 22. It is mutually agreed there will be a charge of \$40.00 per hour per floor per building for HVAC beyond normal working hours of 7:00 AM to 5:00 PM, except Saturdays, Sundays, and Federal holidays, except where 24 hour HVAC is to be provided pursuant to Paragraph 8.4 of the SFO.
- 23. It is mutually agreed the Government will pay on an annual basis in arrears for usage of the 24/7 HVAC system, \$5 per ANSI/BOMA Office Area square feet for areas requiring 24 hour HVAC.
- 24. It is mutually agreed that daytime cleaning is required and the tenant agency personnel must be present in the office while the space is cleaned.
- 25. It is mutually agreed the Lessor will provide all Lease (SFO/POR) requirements in addition to the special requirements as stated in the SFO, which will be further identified on the design intent drawings. These special requirements are included in the amortized cost per square foot in the proposal.
- 26. The unit costs for adjustments are listed in Attachment L- Unit Price List of the Lease. These unit costs will remain valid and in effect through the construction period and one full year after occupancy of the Leased Premises.
- The security unit prices are listed in Attachment M Security Unit Price List of the Lease. These costs
 will remain valid and in effect through the construction period and one full year after occupancy of the
 Leased Premises.
- 28. In the event of change orders, the Lessor agrees to the following procedures:
 - a) The percentage mark-up on change orders shall be 7.5% (4% for General Contractor, and 3.5% the Developer). This rate include all prime and first tier subcontractor overheads; general and administrative costs, bonds, insurance, commission, profit, and all other indirect costs which may associated with work performed under this Lease. This mark-up will be used in determining all equitable adjustments, additive or deductive.
 - b) All requests for change orders shall be in writing from the General Services Administration's (GSA) Contracting Officer.
 - c) Price quotations shall be supplied to the requestor within one week of the written request.
 - d) Notification of change orders status shall be given within three weeks of the date the price quotation was received.
 - e) Without written approval from the GSA Contracting Officer, no change order should be processed. If a change order is processed without written consent of the GSA Contracting Officer, the Lessor shall bear full financial responsibility for the change order and compliance to the terms of Lease GS-05B-17930.
- 29. The Lessor will comply with all construction and development requirements of the City of Canton, Ohio. Furthermore, the Lessor will meet all Fire and Life Safety requirements as stated in the Lease contract, along with meeting all local codes specified in local standards.
- 30. The Lessor's "Management Plans" as submitted with the offer dated June 12, 2008, is hereby incorporated in the Lease and is herein referenced as Attachment K Lessor's Management Plans. The attached 15 pages represents the management services to be provided under the contract. These services do not supercede the required services listed in Section 8.0 "Services, Utilities, Maintenance" of this Lease contract. If conflicts occur, the more stringet provision will apply.
- 31. Upon space acceptance, the Lessor shall provide the GSA Contracting Officer with copies (hard and electronic, .pdf preferred) of all instruction manuals, warranties, and maintenance schedules for all building systems, including but not limited to roof, elevators, furnace, HVAC units, etc.
- It is mutually agreed the Lessor will obtain, at a minimum, a LEED-NC rating. The proposed LEED-Scorecard is attached hereto as Attachment O- LEED Scorecard dated June 13, 2008.

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- 33. The Government and the Lessor acknowledges that the total construction cost for the project is \$16,515,054.00 (as stated on the Project Cost Summary dated October 10 2008 and attached hereto as Attachment N- Project Cost Summary). It is mutually agreed the Lessor will allow the Government flexibility in the final design of all interior space, including placement of the janitor closets, mechanical rooms, and public restrooms. Post-award, the Government will work with Lessor to further develop and finalize the design, interior and exterior. Approximately \$12,067,990.00 of the proposed construction budget remains fungible. During the design process, the Government has the right to reallocate funding within this construction budget to accommodate the final design.
- 34. In accordance with Lessor's Best and Final Revised Pricing Proposal dated October 13, 2008, the developer's miscellaneous "soft cost" line item of \$170,000.00 (as stated on Attachment N Project Cost Summary) also will be fungible, and if not used for project cost items overruns, or material price escalations, the Government may reallocate it or any remaining portion of it, to pay for additional construction items, at the Government's discretion.
- 35. In accordance with Lessor's Best and Final Revised Pricing Proposal dated October 13, 2008, the developer's contingency line item of \$160,000 (as stated on Attachment N Project Cost Summary) will also be fungible if not used by Lessor to pay for construction cost, material price escalations; or any other project soft costs. Any unused portion may be fungible and can be re-allocated to pay for unfunded project cost items, as allocated by the government.
- 36. It is mutually agreed the Government is not responsible for any remaining residual balance of the tenant improvements upon expiration of the lease 20 (twenty) year firm term.
- 37. It is mutually agreed the rate of interest amortized in the rent for the initial tenant improvements is 7.00%.
- 38. In accordance with Section 1.12 of the SFO entitled "NEPA Studies", the Lessor is responsible for \$56,455.90 to fund the cost of the NEPA studies for this project. The Government will withhold \$18,816.63 from the first three months rent to reimburse the Government for the cost of the NEPA studies.
- 39. It is mutually agreed that there will be NO exception taken to any of the General Clauses, Requirements, Program of Requirements for each agency or Solicitation Package under this procurement.
- 40. The Contracting Officer represents the General Services Administration as an agent with authority to enter into the Lease on behalf of the Government and execute this document in her official capacity only and not as an individual.
- 41. The Government assumes no responsibility for any conclusions or interpretations made by the Lessor based on information made available by the Government and/or its contractors. Nor does the Government assume responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before execution of this contract unless that understanding or representation is expressly stated in the Lease contract.
- 42. It is agreed to by the parties hereto that all the terms and conditions of this Lease as expressly contained herein represent the total obligations of the Lessor and the Government. Any agreements, written or oral, between the Lessor and the Government prior to execution of this Lease are not applicable nor binding. This agreement may be amended only by written instrument executed by the Lessor and the Government.
- 43. In accordance with Lessor's letter dated September 30, 2008 to GSA-Contracting Officer, Lessor will directly pay all of the subcontractors of the general contractor, R.P Carbone Company. Also, in order to maintain cost control, Lessor will purchase directly from the suppliers much of the "large cost" items for this lease construction project.

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44. It is mutually agreed the following are the tenant agencies' rent schedules. These schedules comprise the composite rental rate stated in paragraph 10 of this Attachment to SF-2.

YEAR 1-20	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(16,024 sq. ft <u>.)</u>	(18,440 sq. ft.)	<u> </u>
Shell	\$31.53	\$27.38	
Real Estate Taxes*	\$0.00	\$0.00	-
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$9.21	\$8.00	
Bldg Specific Security	\$7.71	\$6.72	
T.I. Security	\$0.54	\$0.47	
TOTAL	\$59.61	\$51.81	\$955,435.00

YEAR 1-20	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(1,050 sq. ft.)	(1,184 sq. ft.)	
Shell	\$30.84	\$27.33	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$4.87	\$4.33	
Bldg Specific Security	\$7.71	\$6.72	
T.I. Security	\$0.56	\$0.49	
TOTAL	\$54.60	\$48.11	\$56,961.00

YEARS 1-20	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(679 sq. ft.)	(760 sq. ft.)	
Shell	\$30.60	\$27.33	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$4.93	\$4.41	
Bldg Specific Security	\$7.71	\$6.72	
T.I. Security	\$0.51	\$0.45	
TOTAL	\$54.37	\$48.15	\$36,595.00

YEAR 1-10	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(12,202 sq. ft.)	(14,070 sq. ft.)	
Shell	\$28.50	\$24.72	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$4.86	\$4.22	
Bldg Specific Security	\$1.00	\$0.87	
T.I. Security	\$0.44	\$0.38	
TOTAL	\$45.42	\$39.43	\$554,780.00

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YEARS 11-20	\$ PER ANSI/BOMA (12,202 sq. ft.)	\$ PER RENTABLE (14,070 sq. ft.)	
Shell	\$28.39	\$24.62	
Real Estate Taxes*	\$0.00	\$0.00	···········
Operating Costs*	\$10.62	\$9.24	· · · · · · · · · · · · · · · · · · ·
T.I Allowance	\$0.00	\$0.00	
Bldg Specific Security	\$1.00	\$0.87	<u>.</u>
T.I. Security	\$0.00	\$0.00	
TOTAL	\$40.01	\$34.73	\$488,704.00

		E	
YEARS 1-10	\$ PER ANSI/BOMA	\$ PER RENTABLE	ANNUAL DOLLAR AMT
	(9,015 sq. ft.)	(10,362 sq. ft.)	
Shell	\$28.44	\$24.75	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$4.91	\$4.27	
Bldg Specific Security	\$1.00	\$0.87	
T.I. Security	\$0.43	\$0.37	T
TOTAL	\$45.40	\$39.50	\$409,299.00

YEARS 11-20	\$ PER ANSI/BOMA (9,015 sq. ft.)	\$ PER RENTABLE (10,362 sq. ft.)	ANNUAL DOLLAR AMT
Shell	\$28.33	\$24.64	
Real Estate Taxes*	\$0.00	\$0.00	
Operating Costs*	\$10.62	\$9.24	
T.I Allowance	\$0.00	\$0.00	
Bldg Specific Security	\$1.00	\$0.87	
T.I. Security	\$0.00	\$0.00	
TOTAL	\$39.95	\$34.75	\$360,130.00

- 45. The following additional changes have been made to the Solicitation For Offers upon its incorporation into Lease No. GS-05B-17930:
 - a. Paragraph 1. 3 deleted in its entirety and replaced with paragraph 1.3A of Amendment 3 dated 10/21/2008;
 - b. Paragraph 1.4 deleted in its entirety and replace with paragraph 1.4A of Amendment No. 3 dated 10/21/2008;
 - c. Paragraph Paragraph 1.18 deleted in its entirety and replace with paragraph 1.18A of Amendment No. 3 dated 10/21/2008;
 - d. Sections 2.1 through 2.11 deleted in their entirety;
 - Sections 3.1 through 3.8 deleted in their entirety;
 - Section 5.13 deleted in its entirety and replace with Section 5.13 of Amendment No. 3 dated 10/21/2008;
 - Section 7.11 deleted in its entirety; Section 7.20 deleted in its entirety;

 - Section 7.22 deleted in its entirety
 - Paragraph 8.3B deleted in its entirety;
 - Amendment No 1 deleted in its entirety; and
 - Section 12.1A deleted in its entirety and replaced with Section 12.1A of Amendment No. 3 dated 10/21/2008

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