

DATE OF LEASE

1/4/2010

LEASE NO.  
GS-05B-18175

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

whose address is Michael Downing Realty LLC  
4299 Cranwood Parkway  
Cleveland, OH 44128-4087

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:

10,389 BOMA usable square feet (11,607 rentable) of ground floor office space, in a single story building, located at 221 West 5th Street, Lorain, Ohio 44052-1609 to be used for such purposes as determined by the General Services Administration.

This is a fully serviced lease, which includes tenant improvements, real estate taxes, operating costs and parking, as specified in SFO GS-05B-18175, which is attached to, and is part of this lease.

Forty Seven (47) surface parking spaces are available, on site, to the Government, its visitors and employees, at no additional cost, as indicated on the attached Site Plan exhibit to the lease. All space 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 of thirteen (13) years, ten (10) years firm, beginning upon substantial completion and Government acceptance of the finished space estimated to be January 1, 2011. The actual commencement date of this lease, along with any applicable termination rights, shall more specifically be set forth in a Supplemental Lease Agreement (SLA) upon the substantial completion and acceptance of the space by the Government.
3. The Government shall pay the Lessor annual rent of \$432,597.96 at the rate of \$36,049.83 per month in arrears for years 1-10 (\$37.27/rsf. \$41.63/usf) Rent for years 1 -10 consists of \$30,851.64 per month for shell/base rent, operating cost and estimated real estate tax base and \$5,198.19 per month for estimated tenant improvement costs over the firm ten years, Rent for Years 11 -13 will be \$370,219.68 per year subject to operating cost escalation) for shell/base rent, operating costs, and real estate taxes. Tenant Improvements, are amortized over the initial 120 months at an annual interest rate of 8%. Rent for a lesser period shall be prorated.

In Section 3.2, Tenant Improvement in Offer, the Lessor agrees to provide up to \$41.24 per BOMA usable square foot toward the cost of the tenant improvements as defined. In the event the tenant improvement cost is less than the amount provided above, Lessor agrees as outlined in Section 3.3 TENANT IMPROVEMENT RENTAL ADJUSTMENT, to refund such difference in the form of a reduction of the tenant improvement portion of the rental using a 8% amortization annual interest rate over 120 months. The Government and Lessor agree that the final Tenant Improvement costs will be stated in a Supplemental Lease Agreement.

Rent for a lesser period shall be prorated. Rent checks shall be made payable to:

Michael Downing Realty LLC  
4299 Cranwood Parkway  
Cleveland, OH 44128-4087

4. The term of this lease shall be for thirteen (13) years, ten (10) years firm. The Government shall have the option to terminate this lease at any time after the initial ten years with sixty (60) days written cancellation notice to the Lessor. No rental shall accrue after the effective date 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:

- (A) All services, utilities and maintenance (including janitorial) of the building and grounds as provided in the Solicitation of Offers GS-05B-18013 and attachments hereto.
- (B) The Lessor shall satisfy all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-18175 including the attachments to the lease referenced in Paragraph 7 below, including but not limited to, providing 65 on-site parking spaces as well as meeting all Handicap

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

- U.S. Government Lease For Real Property, Standard Form 2 — 2 Pages
- U.S. Government Lease For Real Property, Standard Form 2, Attachment A (Paragraphs 8 – 25) – 2 Pages
- Solicitation for Offers (SFO) GS-05B-18175 — 53 Pages
- Form 3516
- SFO Attachments 1-4.
- Form 3517B, General Clauses — 33 Pages
- Form 3518, Representations and Certifications — 5 Pages
- Davis Bacon Wage Rates. (Note: It is the lessor's responsibility to always use current Davis Bacon Wage Rates.)
- Exhibits A and B being the block plan, site plan and elevation drawings.

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-18175 and other Attachments to the lease referenced in this Paragraph 7.

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

GS-05B-18175 Page 2 of 2

LESSOR Mich

[Redacted Signature]

[Redacted Signature]

BY

Michael Downing (Signature)

IN PRESENCE

[Redacted Signature]

4299 CRAWWOOD PLANY

(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

G

[Redacted Signature]

Contracting Officer

BY

(Official title)

8. The following changes were made in this lease prior to its execution:
  - a. Paragraph 5 of this STANDARD FORM 2 was deleted in its entirety.
9. Lessor agrees to provide \$41.24 per usable square foot ( $\$41.24/\text{usf} \times 10,389 \text{ usf} = \$428,442.36$ ) at 8% interest over ten (10) years = \$62,378.28 per year or \$6.00 per usable square foot (\$5.37 per rentable square foot) for each of the ten (10) years toward the cost of improvements.
10. In the event the agreed actual tenant improvement (TI) cost is less than the amount provided above, Lessor agrees to refund such difference in the form of a reduction to TI annual rate portion of the rent, using an interest rate of 8%.
11. The date of this lease, is the date this contract is executed by the Government as a result of the Government's acceptance of the Lessor's Final Proposal Revision submitted by the Lessor September 10, 2009 under SFO GS-05B-18175. This lease reflects the terms and conditions of the accepted Final Proposal Revisions.
12. The actual effective date of the lease commencement shall be established by Supplemental Lease Agreement. The lease term will then be in effect for thirteen (13) years thereafter, computed from the actual effective date. The anniversary date for adjustments and any termination rights shall be adjusted to coincide with any revised actual effective date.
13. For the purpose of computing Operating Cost adjustments in accordance with Paragraph 4.3 of SFO GS-05B-18175, this lease has a cost of services base of \$111,311.13 per annum or \$9.59 per rentable square feet for 11,607 square feet of rentable office space. This equates to a rate of \$10.71 per usable square foot.
14. For the purpose of computing Real Estate Tax adjustments in accordance with Paragraph 4.2 of SFO GS-05B-18175, it is agreed that the Government occupies 100% of the Building of which the Government shall pay taxes when they exceed the base year taxes as defined in GS-05B-18175 section 4.2. The identification number for the property will be provided when it is determined.
15. Pursuant to, Paragraph 4.4 of SFO GS-05B-18175, "Adjustment for Vacant Premises", in the event of the Government vacating in whole or in part prior to lease expiration, the rental will be reduced by \$6.20 per usable square foot per annum for operating expenses.
16. Pursuant to, Paragraph 4.6 of SFO GS-05B-18175, "Overtime Usage", upon request by the GSA Field Office Manager, the Lessor shall provide heating, ventilation, and air-conditioning (HVAC) at any time beyond normal service hours on Monday through Friday (6:00 a.m. – 7:00 p.m.), except Saturday, Sunday and Federal Holidays ("Normal Hours"), at a rate of \$50.00 per hour.
17. Lessor shall provide janitorial service within Tenant's space. Cleaning should be done during the hours of 7:00 am – 4:00 pm but outside the hours the office is open to public., Monday through Friday, except Saturday, Sunday and Federal Holidays
18. Information regarding Electronic Funds Transfer Payment Methods is provided in Paragraph 24, 552.232-76, General Clauses, for Lessor's consideration.
19. The lease Common Area Factor is 1.11724.
20. The Lessor is a Limited Liability Company and a small business. The Tax Identification Number is [REDACTED] [REDACTED] Its DUNS number is 787058655.
21. The Contracting Officer represents the General Services Administration as an agent with authority to enter into this lease on behalf of the Government and executes this document in his/her official capacity only and not as an individual.

INITIALS: MPD & [Signature]

22. All questions pertaining to this lease agreement shall be referred in writing to the General Service Administration Contracting Officer. This contract is between GSA and Michael Downing Realty, LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the term of the lease agreement or authorized in writing by the GSA Contracting Officer. If Lessor delivers space with improvements not authorized or requested in writing by the GSA Contracting Officer, then Lessor shall not be entitled to compensation if the improvements remain in place after the Government's acceptance of the space.
23. Wherever the words "Offeror", "Lessor" or "successful offeror" appear in this Lease, they shall be deemed to mean "Lessor"; wherever the words "solicitation", "Solicitation for Offers", or "SFO" appear in this Lease, they shall be deemed to mean "this Lease"; wherever the words "space offered for lease" appear in this Lease, they shall be deemed to mean "Premises".
24. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value for the initial firm term (120 months) value of this lease. The total amount of the commission is [REDACTED]. The Lessor shall pay the Broker no additional commissions associated with this lease transaction. In accordance with the "Broker Commission and Commission Credit" paragraph, the Broker has agreed to forego [REDACTED] of the commission that it is entitled to receive in connection with this lease transaction ("Commission Credit"). The Commission Credit is [REDACTED]. The Lessor agrees to pay the Commission less the Commission Credit to the Broker in accordance with the "Broker Commission and Commission Credit" paragraph in the SFO attached to and forming a part of this lease.

Notwithstanding Paragraph 3 of this Standard Form 2, the shell rental payments due and owing under this lease shall be reduced to fully recapture 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:

The first four (4) full Month's Rental Payment \$36,049.83 minus prorated Commission Credit of [REDACTED] equals [REDACTED]

25. If the property housing the leased premises is sold or transferred, the following information is required before the Government can acknowledge the success in interest and change the payee for rent or other payments:
- (I) Evidence of the transfer of title.
  - (II) A letter from successor Lessor (transferee) assuming, approving and adopting the lease and agreeing to be bound by its terms.
  - (III) A letter from prior Lessor (transferor) waiving all rights under the lease as against the United States of America, except unpaid rent through a specified date, usually the date of ownership transfer.
  - (IV) The IRS tax identification number of the new owner.

Where leased premises are transferred by death of the Lessor, a copy of the letters of administration when there is no will, showing the Lessor(s), is required. Unless an interim court order is received, rents will be accrued and paid the new owner(s) upon final settlement of the estate.

INITIALS: MPD & [Signature]  
LESSOR GOVERNMENT