

DATE OF LEASE

APR 5 2011

LEASE NO

GS-05B-18366

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

NEWCOMB PROPERTIES LLC

whose address is 999 FOURIER DRIVE, SUITE 200  
MADISON, WISCONSIN 53717-2914

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:

12,187 square feet of rentable office space located on the 2<sup>nd</sup> Floor of a to be constructed two (2) story, multi-tenant office building located at 1242 Fourier Drive Madison, WI 53717-2914. The usable office area square footage is 11,079. Thirty (30) surface parking spaces, Nine (9) of which are reserved, are available, on site, for Government vehicles, visitors and employees. All parking is included at no additional cost. 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 ten (10) years, seven (7) years firm, beginning upon substantial completion and Government acceptance of the finished space estimated to be May 1, 2012. 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 rent, in arrears, as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>MONTHLY RENT</u>	<u>RATE/RSF</u>
Years 1-2	\$265,920.34	\$22,160.03	\$21.82
Years 3-4	\$268,479.61	\$22,373.30	\$22.03
Years 5-7	\$271,038.88	\$22,586.57	\$22.24
Years 8-10	\$273,720.02	\$22,810.00	\$22.46

Subject to annual operating cost escalations and real estate tax adjustments pursuant to SFO GS-05B-18366.

Rent consists of shell/base rent, operating expenses, real estate taxes, parking, Tenant Improvement Amortization and Building Specific Security Amortization. The Amortization Period is over 120 months of the Lease Term at an annual interest rate of 6.0%. The firm term of this lease and annual amortized payments will begin upon completion and acceptance of all tenant improvements to the 11,079 USF. The date for acceptance and establishment of the occupancy date will be set via a Supplemental Lease Agreement.

In Section 3.0, HOW TO OFFER AND SUBMITTAL REQUIREMENTS, as Amended February 16, 2011, the Lessor agrees to provide up to \$34.71 per BOMA usable square foot toward the cost of the tenant improvements. 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 6.0% 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 shall be made payable to:

NEWCOMB PROPERTIES LLC  
999 FOURIER DRIVE, SUITE 200  
MADISON, WISCONSIN 53717-2914

4. The Government may terminate this lease in whole or in part at any time on or after the seventh (7th) year, the date at which the firm term starts is established in Paragraph 2, by giving at least 90 days' notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing. The date upon which the entire 12,187 RSF is accepted for occupancy after completion of all Tenant Improvements will be the date used to begin timing for the seven year firm term.

6. 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. Those facilities, services, supplies, utilities, and maintenance in accordance with Solicitation for Offers GS-05B-18366, dated October 28, 2009, and made part of the lease per Paragraph 7. THIS IS A FULLY SERVICED LEASE.
- B. Build out in accordance with standards set forth in Solicitation for Offers GS-05B-18366, dated October 28, 2009, and the Government approved design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed by the lease effective date identified under Paragraph 2 above. Lease term to be effective on date of acceptance, if different from the date identified in Paragraph 2 and shall be established by a Supplemental Lease Agreement (SLA). The Lessor hereby waives restoration.
- C. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.
- D. As part of the rental consideration, the Lessor shall meet all responsibilities and obligations as defined in the Solicitation for Offers Number GS-05B-18366, dated October 28, 2009, 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:

- 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 – 32) - 3 Pages.
- Solicitation for Offers (SFO) GS-05B-18366 dated October 28, 2009 - 52 Pages.
- Amendments No. 1 through 5 to SFO - Total of 11 Pages.
- Attachment No. 1 GSA Form 1364 Proposal To Lease Space - 2 Pages.
- Attachment No. 2 GSA Form 1364 Attachment No. 2 Rent Breakdown Worksheet - 2 Page.
- Attachment No. 3 GSA Form 1217 Lessor's Annual Costs Statement - 1 Page.
- Attachment No. 4 GSA Form 12000 Prelease Fire Protection and Life Safety Evaluation for a Low-Rise Office Building - 4 Pages.
- Attachment No. 5 Security Unit Price List - 1 Page.
- Attachment No. 6 GSA Form 3517B, General Clauses - 33 Pages
- Attachment No. 7 GSA Form 3518, Representations and Certifications - 7 Pages.
- Attachment No. 8 GSA Form 3516A Solicitation Provision - 5 Pages
- Attachment No. 9 GSA Form B Document Security Form - 2 Pages.
- Exhibit 1, Site Plan - 2 Pages.
- Exhibit 2, Second Floor Offered Space, Floor Plan - 1 Page.
- Exhibit 3, Proposed Building Elevation Drawings - 4 Pages.
- Exhibit 4, Legal Description.
- Exhibit 5, List of building materials for proposed building – 1 Page. The items listed on the Exhibit can be upgraded, at no cost to the Government, with Contracting Officer approval. All items must meet/exceed SFO requirements.

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

LESSOR

BY

(Signature)

IN PRESENCE OF:

(Address)

UNITED STATES OF AMERICA

BY

Diana George

(Official title)

*Contracting Officer*

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.
  - b. Paragraphs 8 through 32 have been added.
  - c. Amendment #1 11/19/2009 Modifies the Certification level for the LEED Requirements. Ref: Section 1.2, 1.12, 3.2, 3.4.
  - d. Amendment #2 3/5/2010 Deletes and removes Expansion Space requirement referenced in SFO Paragraph 1.1A and removes requirement of a Rate Structure Attachment to Form 1364A.
  - e. Amendment #3 2/15/2011 Modifies 2.2c.1.b Seismic Safety, 3.5.c2 Capability to Perform, 3.7 Green Lease Submittals, 5.3A TI Pricing, 5.11B Construction Schedule and acceptance TI Improvements, 8.3 Energy Cost Savings, 9.10 Recycling, Deletes Unit Cost Pricing.
  - f. Amendment #4 2/16/2011 Modifies 3.4 reduces Tenant Improvements.
  - g. Amendment #5 3/6/2011 Modifies 7.12 Painting.
9. Lessor agrees to provide \$34.71 per usable square foot ( $\$34.71/\text{usf} \times 11,079 \text{ usf} = \$384,552.09$ ) at 6.0% interest over ten (10) years = \$51,231.80 or \$4.62 per usable square foot or \$4.20 per rentable square foot for each of the ten (10) years toward the cost of improvements. Lessor confirms that he has offered an amortization term equal to the Lease term of 10 years rather than the Firm Term of 7 years. The Lessor understands and agrees that should the Government exercise their right to terminate this Lease after the Firm Term, the Government is not subject to any penalty nor will the Government incur any liability or cost for any unamortized improvements as a result of this right.
10. 10% is the total percentage the lessor may add to the TI Costs for expenditures related to Overhead and Profit, General Conditions, Design costs, etc. No other costs/fees can be added to the Tenant Improvements.
11. Any internal roof-hatch access must be in an area controlled by the Lessor that exists outside of [REDACTED] usable space.
12. In the event that the tenant improvement cost is less than the amount provided above, Lessor agrees to refund such difference in the form of a reduction to base rent using an interest rate of 6.0%. The refund shall be a credit to base rent equally amortized for Years 1 through 10 of the term.
13. 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 March 14, 2011 under SFO GS-05B-18366. This lease reflects the terms and conditions of the accepted Final Proposal Revisions.
14. Seismic compliance of the newly constructed building must be completed and certified by a structural engineer 30 days before the acceptance of space by the Government, in accordance with SFO Paragraph 5.1 SEISMIC SAFETY FOR NEW CONSTRUCTION (AUG 2008),
15. Within 18 months of the lease effective date, the Lessor will provide all required documentation that the building has received an Energy Star rating of 75 or above in accordance with SFO Paragraph 8.3 and Amendment #3.
16. Within 9 months of the lease effective date, the Lessor will provide all required LEED documentation in accordance with SFO Paragraph 1.2R.
17. The actual effective date of the lease commencement shall be established by Supplemental Lease Agreement. The lease term will then be in effect for ten (10) 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.

INITIALS: BN & (G)  
LESSOR GOVERNMENT

18. For the purpose of computing Operating Cost adjustments in accordance with Section 4, Paragraph 4.3 of SFO GS-05B-18366, this lease has a cost of services base of \$60,918.00 per annum or \$5.00 per rentable square feet for 12,187 square feet of rentable office space. This equates to a rate of \$5.50 per usable square foot.
19. For the purpose of computing Real Estate Tax adjustments in accordance with Section 4, Paragraph 4.2 of SFO GS-05B-18366, it is agreed that the Government occupies 43.784% (12,187 RSF / 27,834 RSF) of the Building of which the Government shall pay taxes when they exceed the base year taxes as defined in GS-05B-18366 section 4.2. The identification number for the property will be provided when it is determined.
20. Pursuant to Section 4, Paragraph 4.4 of SFO GS-05B-18366, "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 \$3.00 per usable square foot per annum for operating expenses.
21. Pursuant to Section 4, Paragraph 4.6 of SFO GS-05B-18366, "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 (6:30 a.m. – 5:30 p.m.), except Saturday, Sunday and Federal Holidays ("Normal Hours"), at a rate of \$0.00 per hour. Excluding HVAC electric for tenant's computer room which is not deemed "Overtime Usage". The rate for Areas requiring 24 hour HVAC (LAN, etc.) is \$0.00 per hour.
22. Lessor shall provide janitorial services within Government demised space between the hours of 8:00 AM and 4:30 PM. An authorized [REDACTED] employee must be present when janitorial staff or other lessor supplied contractors are in the [REDACTED] space.
23. The Lessor is a Limited Liability Company and a small business. The Tax Identification Number is [REDACTED]. Its DUNS number is 832688894.
24. 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.
25. 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 Newcomb Properties LLC. GSA assumes no financial responsibility for any cost incurred by the Lessor except as provided by the terms 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.**
26. 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".
27. The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the Aggregate Lease Value for the initial firm term 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.

INITIALS: BN & [Signature]  
LESSOR & GOVERNMENT

