

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

2/28/2011

LEASE NO.

GS-05B-17900

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

Whose address is: 97th S [REDACTED] LLC
c/o William Schorsch
694 Grandview Ln.
Lake Forest, IL 60045-3953

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:

15,784 BOMA usable square feet (17,300 rentable) of ground floor office space, in a single story building, along with 80 on-site surface parking spaces for the exclusive use of the Government, all located at 9705 S. Cottage Grove in Chicago, Illinois, 60628, 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-17900, which is attached to, and is part of this lease.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on May 1, 2012 through April 30, 2027, subject to termination and renewal rights as may be hereinafter set forth. The commencement date of May 1, 2012 is an estimated beginning date. The actual commencement date will be established as an amendment to the lease by a Supplemental Lease Agreement if necessary. The lease will then be in effect for 15 years total, 10 years firm.
3. The Government shall pay the Lessor annual rent for years 1-10 of \$920,307.00 at the rate of \$76,692.25 per Month in arrears. Rent for years 1-10 consists of \$67,922.12 per month for shell/base rent, operating expenses, real estate taxes and parking, and \$8,770.13 per month in Tenant Improvements, which were amortized over 120 months at an annual interest rate of 6.75%. Annual rent for Years 11-15 of \$920,307.00 at the rate of \$76,692.25 per Month in arrears. Rent for years 11-15 consists of \$76,692.25 per month for shell/base rent, operating expenses, real estate taxes and parking. Rent for a lesser period shall be prorated.

In Section 3.2, TENANT IMPROVEMENTS INCLUDED IN OFFER, the Lessor agrees to provide up to \$48.3966 per BOMA usable square foot toward the cost of the tenant improvements defined in SFO GS-05B-17900 and Attachment #2. 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 6.75% 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 checks shall be made payable to:

97th S [REDACTED] LLC
694 Grandview Ln.
Lake Forest, IL 60045-3953

4. The government may terminate this lease at the end of the firm term or anytime after the firm term by giving a 90 day cancellation notice 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.

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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 service, utilities and maintenance (including janitorial) of the building and grounds as provided in the lease and attachments hereto.
- (B) The Lessor shall satisfy all responsibilities and obligations as defined in the Solicitation for Offers No. GS-05B-17900 including the attachments to the lease referenced in Paragraph 7 below, including but not limited to providing at least 80 on-site parking spaces as well as meeting all Handicap Accessibility and Fire/Life Safety Requirements.

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

- (A) Paragraphs 9 through 31 of this lease on pages 3 through 5;
- (B) Solicitation for Offers (SFO) No. GS-05B-17900 dated November 12, 2009, pages 1 through 52;
- (C) SFO Amendment No 1. dated April 20, 2010, consisting of 5 pages;
- (D) Attachment No. 2: Definitions of Shell and Tenant Improvement consisting of 4 page;
- (E) Attachment No. 3: General Requirements consisting of 12 pages;
- (F) Attachment No. 4: Document Security Form consisting of 2 pages;
- (G) GSA Form 3516A (REV. 12/03) consisting of 6 pages;
- (H) GSA Form 3517B (REV. 11/05) consisting of 33 pages;
- (I) GSA Form 3518 (REV. 1/07) consisting of 7 pages.;
- (J) Prelease Building Security Plan consisting of 6 pages;
- (K) Prelease Fire Protection and LifeSafety consisting of 4 pages.
- (L) Attachment No 1: Attach to Form GSA 1364 "Proposal to Lease Space" consisting of 3 pages;
- (M) GSA Form 1217 - Lessor's Annual Cost Statement consisting of 2 pages
- (N) Exhibit A Davis Bacon Wages dated November 13, 2009 consisting of 29 pages;
- (O) Exhibit B Site Plan / Floor Plan / Elevation

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

Paragraph 5 of Standard Form 2 has been deleted in their entirety.

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

LESSOR: 97th St SSA, LLC

BY _____

(Signature)

IN PRESENCE OF:

(Signature)

694 Grandview Ln. Lake Forest IL 60045
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION

BY _____

Jerald M. Helland (Signature)

Lease Contracting Officer

(Official title)

Notwithstanding Paragraph 3 of the 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:

First Month's Rental Payment \$76,692.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's rent.

Second Month's Rental Payment \$76,692.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's rent.

Third Month's Rental Payment \$76,692.25 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Third Month's rent.

25. Lessor agrees at its sole expense to remediate the site to meet commercial clean-up objectives prior to occupancy.

26. In accordance with Lease Paragraph 3.7 - Green Lease Submittals (Aug 2008) shall be met.

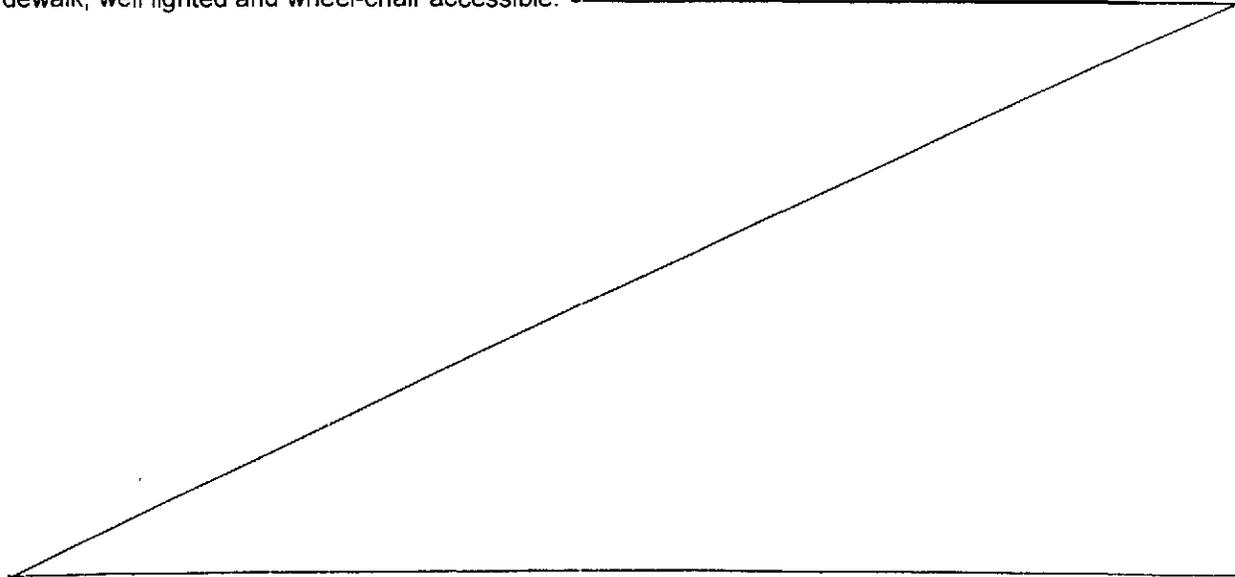
27. This site requires fenced and gated parking for the employee parking lot. The fence and gate are tenant improvement items.

28. The Government may cancel the award if awardee fails to secure proper zoning by the time design intent drawings, prepared by the government are complete or at anytime awardee cannot demonstrate to the Contracting Officer the city of Chicago will execute a sales contract for the land, as indicated in Exhibit B, by the time the design intent drawings, prepared by the government are complete, sufficient for an [REDACTED] office in accordance with the SFO.

29. In the event the government shall no longer occupy the lease space the Lessor shall reduce the rental rate by \$1.00 per useable square foot during the period the government does not occupy the space i.e. discontinues the need for this office.

30. Appropriate signage shall be placed at street entrance to identify location to [REDACTED].

31. A public bus stop shall be within two blocks of [REDACTED] office along a paved sidewalk, well lighted and wheel-chair accessible.



INITIALS: W & [Signature]
LESSOR GOVERNMENT