

# US GOVERNMENT LEASE FOR REAL PROPERTY

DATE OF LEASE

LEASE NO.

GS-05B-18268

THIS LEASE, made and entered into this date by and between COOLOFF GROUP, LLC

Whose address is 2501 COOLIDGE ROAD, SUITE 501  
EAST LANSING, MICHIGAN 48823-6352

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 considerations hereinafter mentioned, covenant and agree as follows:

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

A total of 17,135 rentable square feet (RSF) of office and related space, which yields 14,900 ANSI/BOMA Office Area square feet (USF) of space at 2651 Coolidge Road, East Lansing, Michigan 48823-6352 to be used for such purposes as determined by the General Services Administration. Included in the rent at no additional cost to the Government are twenty (20) parking spaces for exclusive use of Government employees and patrons.

2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term beginning on May 16, 2010 and continuing for a term of ten (10) years until May 15, 2020 subject to termination and renewal rights as may be hereinafter set forth.

3. The Government shall pay the Lessor annual rent at the following rate:

Term Years	Rate Per RSF	Annual Rent	Monthly Rent Payable in Arrears
1-5	\$18.75	\$321,281.25	\$26,773.44
6-10	\$19.02	\$325,907.70	\$27,158.98

Rent shall be paid monthly in arrears. The Lessor and Government both acknowledge and agree this shall be a full service lease agreement in accordance with SFO GS-05B-18268. Rent for a lesser period shall be prorated. Rent shall be made payable to:

COOLOFF GROUP, LLC  
2501 COOLIDGE ROAD, SUITE 501  
EAST LANSING, MICHIGAN 48823-6352

4. The Government may terminate this lease at any time after May 15, 2015 (5<sup>th</sup> year) by giving at least ninety (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.

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

LESSOR

COOLOFF GROUP, LLC

BY

IN PRESENCE

*Manager*

(Title)

*2501 Coolidge Ste 501 East Lansing MI 48823*

(Address)

Contracting Officer, General Services Administration

(Official Title)

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.

PARAGRAPH 5 IS DELETED WITHOUT SUBSTITUTION.

6. The Lessor shall furnish to the Government, as part to the rental consideration, the following:
- A. Those facilities, services, supplies, utilities, maintenance, space improvements, and special requirements. This is a fully-serviced lease in accordance with SFO GS-05B-18268.
  - B. Twenty (20) on-site surface parking spaces.
  - C. Build out in accordance with standards set forth in SFO GS-05B-18268, and the Government's design intent drawings. Government space plans shall be developed subsequent to award. All tenant alterations to be completed within the scheduled timeframes stated in SFO GS-05B-18268. Lease term will commence on date of occupancy. The Lessor hereby waives restoration.
  - D. Deviations to the approved design intent drawings will not be permitted unless prior written authorization is obtained from the GSA Contracting Officer.

7. The following are attached and made a part hereof:
- A. Solicitation for Offers GS-05B-18268 (49 pages).
  - B. [REDACTED] Special Requirements Attachment (5 pages)
  - C. GSA Form 3517 entitled GENERAL CLAUSES (Rev. [11/05])
  - D. GSA Form 3518 entitled REPRESENTATIONS AND CERTIFICATIONS (Rev. [1/07])
  - E. Exhibit A – Base Plan (1 page)
  - F. Exhibit B – Site Plan (1 page)
  - G. Exhibit C – Legal Description (1 page)

8. In reference to the SFO paragraph 3.3 entitled *Tenant Improvement Rental Adjustment*, Tenant Improvements in the total amount of \$30,000.00 (14,900 USF x \$2.01) shall be included in the rental rate. The tenant buildout costs of \$30,000.00 shall be amortized for a period of 60 months at 6%. The amortized tenant buildout costs are \$0.41/RSF. Tenant improvements shall be completed within 60 days from the date the contracting officer issues the notice to proceed with the tenant improvements. In the event the Government requests tenant improvement funds in excess of the included amount above, the Lessor is willing to provide an additional amount not to exceed \$25,000.00 to be amortized in the rent under the same terms and conditions.

9. In accordance with the SFO paragraph 4.1 entitled *Measurement of Space*, the common area factor is established as 1.15 (17,135 RSF/14,900 USF).

10. In accordance with the SFO paragraph 4.2 entitled *Tax Adjustment*, this lease is subject to real estate tax adjustment. The base amount for the Government portion of the premises is \$50,881.00. The percentage of occupancy is 26% (17,135 RSF / Total Building RSF of 66,104). The tax base is estimated to be \$2.9694/RSF.

11. In accordance with the SFO paragraph 4.3 entitled *Operating Costs*, the lease is subject to operating cost escalation. The escalation base is established as \$3.15/RSF based on \$53,956.00/per annum and 17,135/RSF.

12. In accordance with the SFO paragraph 4.4 entitled *Adjustment for Vacant Premises*, the adjustment is established as \$0.00/USF for vacant space (rental reduction).

13. In accordance with the SFO Paragraph 4.6 entitled *Overtime Usage*, the rate for overtime usage is established as \$0.00 per hour for the entire building or any portion thereof. Overtime shall not be charged during normal building hours of operation or during the hours of operation set forth in the SFO paragraph entitled "Normal Hours."

14. Security costs in the total amount of \$5,400.00 shall be amortized through the rent at \$0.07/RSF for 60 months at the rate of 6%.

LESSOR

UNITED STATES OF AMERICA

BY \_\_\_\_\_

SE  
(Initial)

BY \_\_\_\_\_

Ri  
(Initial)

15. The Lessor shall provide cleaning/maintenance within Tenant's space during tenant working hours, Monday through Friday excluding Federal Holidays.

16. The total square footage referred to in paragraph 1, Standard Form 2, is the total amount of space under lease by the Government. If the actual amount of space exceeds 14,900 ANSI/BOMA square feet, there will be no additional cost to the Government. If the actual amount of space is less than 14,900 ANSI/BOMA, the rent will be decreased accordingly.

17. The Gross Rental rate in Section 3 above includes the following amounts per RSF:

Term Years	Shell Rent (Excluding Taxes)	Operating Expenses Annual	Taxes Annual	Building Specific Security	Tenant Improvements Annual
1-5	\$12.15	\$3.15	\$2.97	\$0.07	\$0.41
6-10	\$12.90	\$3.15	\$2.97	\$0.00	\$0.00

18. The lessor and the Government have agreed to approve construction of an additional driveway point of ingress/egress from Abby Road as indicated on the attached site plan (Exhibit B) to provide more efficient access for delivery trucks. The cost for the driveway construction will be shared equally (50%/50%) between the Lessor and the Government. The lessor shall construct the additional driveway upon Government approval of a mutually agreed upon price for the driveway construction, which shall not exceed \$12,000.00, and an official notice to proceed with driveway construction. The Government reserves the right to pay its share of the driveway cost through either 1) amortization in the rental rate as a part of tenant improvements at a rate of 6% annually over the 5 year firm term or 2) a lump sum payment that shall become due **thirty (30) days after completion of the work, acceptance by the Government, and receipt of invoice from the Lessor in accordance with the SLA to accept the final improvements.**

19. In accordance with Paragraph 2.3 (Broker Commission and Commission Credit), Studley, Inc. ("Studley") is the authorized real estate broker representing GSA in connection with this lease transaction. The Lessor and Studley have agreed to a cooperating lease commission ("Commission"). The total amount of the Commission is [REDACTED]. This Commission is earned upon lease execution and payable (i) one-half (1/2) when the Lease is awarded and (ii) one-half (1/2) upon the earlier of Tenant's occupancy of the premises leased pursuant to the Lease or the commencement date of the Lease. Due to the Commission Credit described in Paragraph 2.3, only [REDACTED], which is [REDACTED] of the Commission, will be payable to Studley when the Lease is awarded. The remaining [REDACTED], which is [REDACTED] of the Commission ("Commission Credit"), shall be credited to the Government as follows:

The shell rental portion of the annual rental payments (\$259,112.68 / 12 months = \$21,592.72 per month) due and owing 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 throughout the second month of the lease term as indicated in the following schedule of adjusted Monthly Rent:

- Month 1: First month payment of \$26,773.44 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.
- Month 2: Second month payment of \$26,773.44 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

20. Per the Debt Collection Improvement Act, effective July 27, 1996, Electronic Funds Transfer (EFT) shall be required on all existing and new lease contracts after January 1, 1998. An enrollment form is attached to be completed and returned with this contract.

21. All questions pertaining to this Lease shall be referred to the Contracting Officer of General Services Administration (GSA) or their designee. The Government occupant **is not** authorized to administer this lease, and GSA assumes no responsibility for any cost incurred by the Lessor except as provided by the terms of this Lease or authorized **in writing** by Contracting Officer or their designee. The Lessor will not be reimbursed for any services not provided for in this Lease, including but not limited to: repairs, alterations and overtime services. Additionally, rental will not be paid for occupancy in whole or in part except for the term specified herein.

LESSOR

UNITED STATES OF AMERICA

BY

  
(Initial)

BY

  
(Initial)