

US GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE

2/10/12

LEASE NO. LVT04811

Building No. VT8089

THIS LEASE, made and entered into this date by and between **Ernest N. Smalley and Roseanne C. Smalley**

whose address is



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. LESSOR HEREBY LEASES TO THE GOVERNMENT AND THE GOVERNMENT HEREBY LEASES FROM THE LESSOR THE FOLLOWING DESCRIBED PREMISES: An area of 2,040 Rentable Square Feet (RSF), with a Common Area Factor of 10.27%, yielding 1,850 ANSI/BOMA Office Area (occasionally herein referred to as "Usable") Square Feet located on the 1st floor at Eastridge Professional Building, 1085 Route 4 East, Rutland, VT 05701 (hereinafter the "Building"), identified on the plans entitled " First Floor Plan" attached hereto as Exhibit "A" along with 9 on-site surface parking spaces at no additional cost to the Government. The space identified on Exhibit A is hereinafter referred to as the "Premises" or the "Leased Premises", which are leased to the Government together with any and all appurtenances, rights, privileges and easements now or hereafter benefiting, belonging or appertaining thereto, including without limitation use of all common areas and facilities (except locked common utility rooms without the Lessors consent, not to be unreasonably withheld or delayed), and rights of ingress and egress to the Building, the Leased Premises and all common areas and appurtenances, to be used for general Government purposes as determined by the General Services Administration.
2. TERM: TO HAVE AND TO HOLD the said Premises with their appurtenances for a term of ten (10) years (five [5] years firm), commencing on September 21, 2011 (the "Commencement Date"), and ending ten (10) years thereafter, unless further extended or terminated sooner as provided herein or as may be allowed at law or in equity (the "Lease Term").
3. TERMINATION RIGHT: THE GOVERNMENT MAY TERMINATE this Lease in whole at any time on or after the last day of the fifth (5th) year by giving at least one hundred twenty (120) days' prior notice in writing to the Lessor and no rental shall accrue after the effective date of termination. Said one hundred twenty (120) day period shall be computed commencing with the day after the date of mailing of the notice by the Government.
4. THE GOVERNMENT SHALL PAY to the Lessor, commencing on the Commencement Date and payable via Electronic Funds Transfer, rent as follows:
Years One through Five: Annual Rent in the amount of \$56,344.80, payable in the amount of \$4,695.40 per month in arrears, plus CPI adjustments after the first year, if applicable,
Years Six through Ten: Annual Rent of \$54,672.00 payable in the amount of \$4,556.00 per month in arrears, plus CPI escalations, if applicable, to:

Ernest N. Smalley and Roseanne C. Smalley



Rent for a period of less than one month shall be prorated on a per diem basis.

5. COMMISSION AND COMMISSION CREDIT: The Lessor and the Broker have agreed to a cooperating lease commission of [REDACTED] of the firm term value of the 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 in the SFO attached to and forming a part of this lease, the Broker has agreed to forgo [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. The total amount due the Broker is \$ [REDACTED] (\$ [REDACTED] payable upon lease execution, \$ [REDACTED] payable upon lease commencement).

Notwithstanding Paragraph 4 of the Lease, 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 of \$4,695.40 minus prorated Commission Credit of \$ [REDACTED] equals \$ [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment \$4,695.40 minus prorated Commission Credit of \$ [REDACTED] equals \$ [REDACTED] adjusted Second Month's Rent.

Third Month's Rental Payment \$4,695.40 minus prorated Commission Credit of \$ [REDACTED] equals \$ [REDACTED] adjusted Third Month's Rent.

6. THE LESSOR SHALL FURNISH TO THE GOVERNMENT, for the stated rental consideration specified in Paragraph 4 above and at no further cost or expense to the Government, the following:
- (a) The Leased Premises, and all appurtenances, rights and privileges as described in Paragraph 1 hereof;
 - (b) All requirements including, but not limited to, all services, utilities, compliance activities and efforts, alterations, improvements, build-out (except for lump sum reimbursable items, if any), and maintenance, repair and replacement requirements, all as specified in or contemplated by Solicitation for Offers 7VT2017, dated August 4, 2010, as amended, (hereinafter, the "SFO"), which is attached hereto and by this reference made a part hereof;
 - (c) All construction in accordance with the SFO, including, without limitation, all provisions of the Architectural Finish Section of the SFO and Government Layout Drawings, Finish and Door Schedules, to be incorporated herein by reference upon completion;
 - (d) All provisions and specifications of the Lesson's initial proposal dated August 27, 2010, and revised proposals dated September 19, 2010, November 24, 2010, December 9, 2010, December 5, 2011, December 29, 2011, and January 11, 2012 as submitted in response to the SFO and the Government's request for revised proposals;
 - (e) All services, including, without limitation, construction drawings and specifications, engineering and architectural services, and all permitting and approval requirements as are necessary to effect the construction and delivery of the Leased Premises in accordance with the requirements described herein; and
 - (f) All rights, reservations of rights, privileges and the like as specified in, described by, or contemplated by this Lease.

INITIALS: 
LESSOR GOVT.


7. THE GOVERNMENT SHALL HAVE THE RIGHT but not the obligation, at its sole option and expense, to remove at any time during the term of this Lease any special equipment installed by the Government or by the Lessor for which Lessor was directly reimbursed by the Government as referenced above, unless such item is a fixture integral to the operation of the Building; in no event shall the following be considered fixtures integral to the operation of the Building: roof antenna(e) and/or dishes, security cameras and monitors. Upon vacating the premises the Government shall remove all personal property from the Leased Premises.
8. TAX ADJUSTMENTS: Referencing Paragraphs 4.2 "Tax Adjustment" of the SFO, the percentage of Government occupancy of the condo unit within the building, described as "East Ridge #1B" for real estate tax purposes is agreed to be 62.0%.
9. OPERATING COSTS: Referencing Paragraph 4.3 "Operating Costs" of the SFO, the base rate for the cost of services (hereinafter, the "Operating Costs Base") shall be \$23,656.00 subject to annual adjustment as provided therein, commencing on the first Anniversary Date of the Lease Commencement.
10. OVERTIME USAGE: Referencing Paragraph 4.6 "Overtime Usage" of the SFO, the Government shall pay for overtime usage of heating and air-conditioning in the amount of \$12.50 per hour beyond tenant's normal hours of 7:00 AM to 5:00 PM Monday through Friday. The Government shall not have an obligation to reimburse the Lessor for room(s) requiring a dedicated 24/7 hour HVAC requirement.
11. VACANT PREMISES: Referencing Paragraph 4.4 "Adjustment for Vacant Premises" of the SFO, provided that the Government's failure to occupy all or any portion of the Leased Premises does not result from an event of default or failure to perform on the part of Lessor which remains uncured beyond any cure period as may be provided in this Lease, if the Government fails to occupy all or any portion of the Leased Premises or vacates the Leased Premises in whole or in part prior to the expiration of this Lease, rent for such unoccupied portion of the Leased Premises shall be reduced by \$4.00 per ANSI/BOMA Office Area square foot plus or minus CPI escalations as applicable for the period of time during which the Leased Premises remains vacant.
12. CHANGE ORDERS: Unless explicitly authorized in advance and in writing by the Contracting Officer or a designated representative of the Contracting Officer (the "Contracting Officer's Representative"), additional supplies or services, or any change to the specifications, terms or conditions of this Lease (hereinafter a (hereinafter, a "Change Order"), shall be deemed to be an unauthorized Change in Lease Terms or unauthorized Change Order. The Government shall not pay all or any portion of the cost, charge or expense associated with any such unauthorized Change In Lease Terms or unauthorized Change Order. The Government's occupant tenant is not authorized to administer this Lease and the General Services Administration assumes no responsibility for any costs incurred by the Lessor except as provided herein. All questions and issues pertaining to this Lease shall be referred to the Contracting Officer or the Contracting Officer's Representative.
13. NOTICES: All notices and other communication which is required or permitted by this Lease shall be in writing and delivered by personal service, sent by registered or certified first class US mail, postage prepaid, properly addressed, or by regular overnight delivery service such as Federal Express, if intended for the Lessor to:

Ernest N. Smalley and Roseanne C. Smalley



and if intended for the Government, to the below-named Leasing Specialist at the following address:
 General Services Administration, Public Buildings Service
 Attn: James Clark
 Thomas P. O'Neill Jr. Federal Building
 10 Causeway Street, Room 1010
 Boston MA 02222

or to such other address as shall be given in writing by any party to the other.

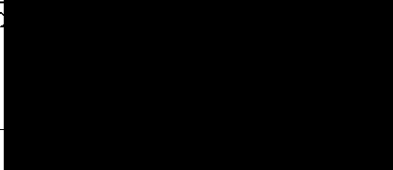
INITIALS: 
 LESSOR GOVT.

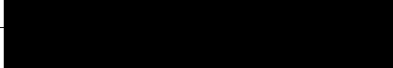
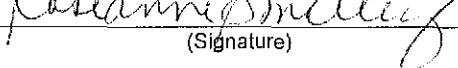
14. **RESTRICTION ON DISSEMINATION OF PLANS, DRAWINGS AND SPECIFICATIONS:** Associated plans, drawings, or specifications provided under this Lease are intended for use by the Lessor, contractors, subcontractors and suppliers. In support of this requirement, GSA requires Lessor to exercise reasonable care when handling documents relating to building drawings/plans, security equipment, security equipment installations, and contract guard service, by the following means:
- (a) Limiting reproduction and/or dissemination of covered materials only to persons/parties related to this acquisition or otherwise authorized to receive such information;
 - (b) Making every possible reasonable and prudent effort to prevent unauthorized disclosure of this information;
 - (c) Keeping accurate and detailed records as to the identity of persons having access to or receiving copies of plans, drawings or specifications;
 - (d) Continuing the efforts required above throughout the entire term of this Lease and for what specific time thereafter as may be necessary; and
 - (e) When need for documents has elapsed, destroy all copies.

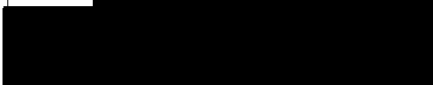
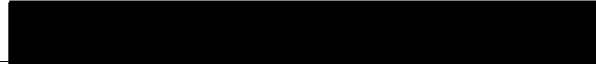
15. **ATTACHMENTS:** The following documents are attached hereto and by this reference made a part hereof:
- A. Rider to Lease
 - B. Solicitation for Offers 7VT2017
 - C. SFO Amendment #1
 - D. SFO Amendment #2
 - E. SFO Amendment #3
 - F. Exhibit "A", First Floor Plan
 - G. GSA Form 3517B, "General Clauses"

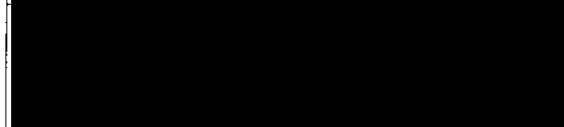
To the extent of any inconsistency between the terms of this SF-2 and any attachments, the terms of this SF-2 shall govern.

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

LESSOR  ne C. Smalley

BY  
(Signature)

 
(Signature) (Address)

 CONTRACTING OFFICER
(Official title)

STANDARD FORM 2
FEBRUARY 1965 EDITION

INITIALS: 
LESSOR GOVT.