

U.S. GOVERNMENT
LEASE FOR REAL PROPERTY

DATE OF LEASE: 10/3/2008

LEASE No. GS-08P-14197

THIS LEASE, made and entered into this date between **BJC DEVELOPMENT CORPORATION**

whose address is: 601 Colorado Blvd.
Denver, CO 80206

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:

9,200 rentable square feet (r.s.f.), yielding approximately 7,700 ANSI/BOMA Office Area square feet and related space in Building C located at 10900 West 120th Avenue, Broomfield, CO 80021-2756, together with three (3) on-site Government reserved parking spaces, as depicted on the attached First generation blue-line plan and Site Plan (Exhibit A) (the "Premises"), 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 beginning on the Occupancy Date per Paragraph 1.7 of Solicitation for Offer No. 7CO2185 for a term of Ten (10) years, Five (5) years firm, subject to termination and renewal rights as may be hereinafter set forth. The Occupancy Date will be established in a Supplemental Lease Agreement.

3. PARAGRAPH 3 IS INTENTIONALLY OMITTED.

4. The Government may terminate this lease in whole or in part effective at any time after the fifth year of this lease giving at least 120 days' prior notice in writing 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. PARAGRAPH 5 IS INTENTIONALLY OMITTED.

6. The Lessor shall furnish to the Government as part of the rental consideration, the following:

- A. The three (3) parking space(s) described in Paragraph 1 and parking spaces required by local code.
- B. All labor, materials, equipment, design, professional fees, permit fees, inspection fees, utilities, construction drawings (including, without limitation, plans and specifications), construction costs and services and all other similar costs and expenses associated with making the space, common areas, and related facilities ready for occupancy in accordance with the requirements of this lease and the Government's final construction drawings. Rent is subject to adjustment in accordance with Paragraph 1.11, "Tenant Improvement Rental Adjustment" of the SFO. All cost associated with services, utilities, maintenance, repair, replacement, inspections, improvements and other requirements as required by the Solicitation For Offers No. 7CO2185 and its attachments.
- C. Adequate space for telecommunications antennae and transmission devises in accordance with Paragraph entitled, "Telecommunications: Local Exchange Access," of the Solicitation for Offers.
- D. The space shall be remeasured upon acceptance and the ANSI BOMA Office Area square feet and the Rentable square feet will be adjusted by Supplemental Lease Agreement. The Annual Rent will be adjusted to reflect the space occupied.

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

All terms, conditions, and obligations of the Lessor and the Government as set forth in the following:

- a) The Solicitation For Offers Number 7CO2185 (pages 1-44) (all references to SFO shall also refer to any Special Requirements and Amendments);
- b) Special Requirements (pages 1-6);
- c) Solicitation for Offers Amendment Number 1 (pages 1),
- d) GSA Form 3517 (pages 1-2);
- e) GSA Form 3518 (pages 1-7);
- f) Sheet no. 1-2 containing Paragraphs 9-21;
- g) First generation Blue-Line Plan (Exhibit "A", page 1);
- h) Site Plan (Exhibit "B", page 1).

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

Paragraphs 3 and 5 of this STANDARD FORM 2 were deleted in their entirety. Paragraphs 9 through 21 have been added.

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

LESSOR: **BJC DEVELOPMENT CORPORATION**

BY Robert A. Wyle, Pres.
(Signature)

(Signature)

IN PRESENCE OF:

(Signature)

(Address)

UNITED STATES OF AMERICA: **GENERAL SERVICES ADMINISTRATION, Public Buildings Service:**

BY Joseph D. McPherson, Jr.
CONTRACTING OFFICER, GSA

SHEET NUMBER 1 ATTACHED TO AND FORMING A PART OF LEASE NO. GS-08P-14197

9. The Government shall pay the Lessor annual rent as follows:

- For months 1 through 60, annual rent of \$228,478.73 at the rate of \$19,039.89 per month
- For months 61 through 120, annual rent of \$156,952.00 at the rate of \$13,079.33 per month
- Rent for a lesser period shall be prorated. Rent checks shall be payable to:

BJC Development Corporation
601 Colorado Blvd.
Denver, CO 80206

10. The Lessor shall have 60 working days from the receipt of the Government Approved Design Intent Drawings to complete the build-out of the entire space. All items specified in Lease Agreement and as delineated on the Government Approved Design Intent Drawings shall be provided by the Lessor.
11. **TAX BASE YEAR:** In accordance with Section 3.5 subparagraph B., entitled "Tax Adjustment (SEP 2000)", the negotiated Base Year Taxes for tax adjustment computation shall be \$25,022.00 for the entire building.
12. **TAX ADJUSTMENT:** Pursuant to Paragraph 3.5, subparagraph F, "Tax Adjustment (SEP 2000)," for purposes of tax escalation, the Government occupies 9,200 rentable square feet (RSF) or 44.148% of the 20,839 rentable square feet available in the building. (9,200 RSF /20,839 RSF).
13. **OPERATING COST:** Pursuant to Paragraph 3.7, "Operating Cost", the base rate for purposes of operating cost escalation is established at \$51,688.00 annually or \$5.62 per rentable square foot per annum.
14. **COMMON AREA FACTOR:** In accordance with Paragraph 3.11, entitled "Common Area Factor (SEP 2000)", the Common Areas Factor for ANS/BOMA Office Area shall be 1.194805195.
15. **ADJUSTMENT FOR VACANT PREMISES:** Pursuant to Paragraph 3.14, "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 \$3.06 per rentable square foot per annum for operating expenses. The Adjustment for Vacant Premises rate shall be escalated annually based upon Paragraph 3.7, "Operating Costs."
16. **OVERTIME USAGE:** Pursuant to Paragraph 7.3, "Overtime Usage (SEP 2000)", 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 (6:30 a.m. - 4:30 p.m.), Monday through Friday, and except Federal Holidays ("Normal Hours"), at a rate of \$8.79 per hour. The Lessor will not charge the Government if Lessor otherwise provides these services to other building tenants during the Government's overtime hours.
17. **TENANT IMPROVEMENT ALLOWANCE:** The maximum Tenant Improvement Allowance has been established by Paragraph 1.10, "How To Offer." The Tenant Improvement Allowance shall be amortized over the five (5) year firm term of the lease agreement at an interest rate (amortization rate) of 9.30% per year.
18. **UNAUTHORIZED IMPROVEMENTS:** 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 the BJC Development Corporation. 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.**
19. 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".
20. Pursuant to Paragraph 3.1, "**Unit Costs for Adjustment**", the following negotiated amounts may be used, during the first year of the lease to price alterations costing \$100,000 or less. These prices may be indexed or renegotiated to apply to subsequent years of the lease upon mutual agreement of the Lessor and the Government.

Initials: &
Lessor Government

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1.0 SUMMARY

1.1 AMOUNT AND TYPE OF SPACE (SEP 2000)

- A. The General Services Administration (GSA) is interested in leasing approximately 7,000 to 8,000 rentable square feet of space. The rentable space shall yield a minimum of 7,000 ANSI/BOMA Office Area (previously Usable) square feet to a maximum of 7,350 ANSI/BOMA Office Area square feet, available for use by tenant for personnel, furnishings, and equipment. Refer to the "ANSI/BOMA Office Area Square Feet" paragraph in the MISCELLANEOUS section of this Solicitation for Offers (SFO).
- B. The Offer shall 1) be for space located in a quality building of sound and substantial construction as described in this SFO, 2) have a potential for efficient layout, 3) be within the square footage range to be considered, and 4) be in compliance with all of the Government's minimum requirements set forth herein. For purposes of this SFO, the definition of ANSI/BOMA Office Area square feet is in the "ANSI/BOMA Office Area Square Feet" paragraph in the MISCELLANEOUS section of this SFO.
- C. To demonstrate potential for efficient layout, the Offeror may be requested to provide a test fit layout at the Offeror's expense when the space offered contains certain features like:
1. narrow column spacing;
 2. atriums, light wells, or other areas interrupting contiguous spaces;
 3. extremely long, narrow runs of space;
 4. overhead doors height for vehicles must be adequate and space efficient to maneuver vehicles;
 5. irregular space configurations; or
 6. other unusual building features.
 7. The Government will advise the Offeror if the test fit layout demonstrates that the Government's requirement cannot be accommodated within the space offered. The Offeror will have the option of increasing the ANSI/BOMA Office Area square footage offered, provided that it does not exceed the maximum ANSI/BOMA Office Area square footage in this SFO. If the Offeror is already providing the maximum ANSI/BOMA Office Area square footage and cannot house the Government's space requirements, then the Government will advise the Offeror that the offer is unacceptable.
- D. Unless otherwise noted, all references in this SFO to square feet shall mean ANSI/BOMA Office Area square feet.

1.2 AREA OF CONSIDERATION

Within a 10-15 minute commute to Jefferson County Airport Terminal, Broomfield, CO

1.3 LOCATION: INSIDE OR OUTSIDE CITY CENTER (SEP 2000)

A. CITY CENTER NEIGHBORHOOD:

1. Space shall be located in a prime commercial office district with attractive, prestigious, professional surroundings with a prevalence of modern design and/or tasteful rehabilitation in modern use. Streets and public sidewalks shall be well-maintained.
2. *Parking.*
 - a. The parking-to-square-foot ratio available on-site shall at least meet current local code requirements, or in the absence of a local code requirement, on-site parking shall be available at a ratio of 1 space for every 500 rentable square feet of Government-demised area and structured (enclosed) and secured parking spaces for 3 Government vehicles.
3. *Location Amenities.*
 - a. A variety of inexpensive and moderately priced fast food and/or eat-in restaurants shall be located nearby. Other employee services, such as retail shops, cleaners, banks, etc., shall be nearby.

1.4 UNIQUE REQUIREMENTS

1. Shower facility must be located within Premises.
2. Overhead doors must be a minimum of 10 feet in height.
3. See attachment #2 - Agency Special Construction Requirements

1.5 LEASE TERM (SEP 2000)

The lease term is for ten (10) years. GSA may terminate this lease after the fifth (5th) year on 120 days written notice to the Lessor. All the terms and conditions contained herein shall prevail throughout the term of the lease.

1.6 OFFER DUE DATE

Offers are due by January 4, 2008 and shall remain open until lease award.

1.7 OCCUPANCY DATE (SEP 2000)

Occupancy is required July 19, 2008.

1.8 HOW TO OFFER (MAR 2007)

A. Offers shall be submitted in care of the Contracting Officer at:

Julie Stoner
Jones Lang LaSalle
1225 17th Street, Suite 2750
Denver, CO 80202

B. The following documents, properly executed, shall be submitted no later than the close of business on the offer due date.

1. SFO.
2. SFO Attachments:
 - a. Attachment #1 – Rate Structure
 - b. Attachment #2 – Agency Special Construction Requirements
 - c. Attachment #3 – Pre-lease Fire Protection Survey (GSA form 12000)
 - d. Attachment #4 – Pre-lease Building Security Evaluation
 - e. Attachment #5 – GSA Form 3516A – Solicitation Provisions
 - f. Attachment #6 – Commission Agreement
 - g. Attachment #7 – Certificate of Seismic Compliance
3. GSA Form 1364, Proposal to Lease Space.
4. GSA Form 1217, Lessor's Annual Cost Statement.
 - a. Column A of the GSA Form 1217, Line 31(a) will be used to reflect any agreement between LESSOR AND the Lessor Representative agent(s), broker(s), property manager, developer, employee, or any other agent or representative (expressed in either % or \$) and Line 31(b) will reflect the agreement between LESSOR AND the GSA Tenant Representative broker (expressed in either % or \$).
5. GSA Form 3517, General Clauses.
6. GSA Form 3518, Representatives and Certifications.
7. First generation blue-line plans of the space offered, scaled at 1/8" = 1'-0" (preferred) or larger.
 - a. Photostatic copies are not acceptable. All architectural features of the space shall be accurately shown. If conversion or renovation of the building is planned, alterations to meet this SFO shall be indicated. If requested, more informative plans shall be provided within 5 days.
 - b. Plans shall reflect corridors in place or the proposed corridor pattern for both a typical full (single-tenant) floor and/or partial (multi-tenant) floor. The corridors in place or proposed corridors shall meet local code requirements for issuance of occupancy permits.
 - c. GSA will review the corridors in place and/or proposed corridor pattern to make sure that these achieve an acceptable level of safety as well as to ensure that these corridors provide public access to all essential building elements. The Offeror will be advised of any adjustments that are required to the corridors for the purpose of determining the ANSI/BOMA Office Area space. The required corridors may or may not be defined by ceiling-high partitions. Actual corridors in the approved layout for the successful Offeror's space may differ from the corridors used in determining the ANSI/BOMA Office Area square footage for the lease award.
8. An hourly overtime rate for overtime use of heating and cooling. Refer to the "Overtime Usage" paragraph in the SERVICES, UTILITIES, MAINTENANCE section of this SFO. If proposed rate is different than recommended by an independent Government estimate, the Offeror may be required to submit worksheets justifying overtime energy usage and rates.
9. Any other information (such as a fact sheet, 5" wide x 3" high or larger color photograph, site plan, location map, and tax parcel map) in case of multiple tax parcels for an offered building, etc., in order for the Government to perform a complete and adequate analysis of the offered property. Such information may also be requested by the Government, and in such circumstances, shall be submitted by the Offeror within 5 working days of the request.

10. Written acknowledgement and permission to represent other owners for the same SFO if a leasing agent or owner's representative is presenting buildings for multiple ownership groups.
 11. If applicable, the agents' disclosure and authorization from each ownership entity to offer in this SFO and/or represent multiple buildings with different ownerships, which may have conflicting interests. Owners and agents in conflicting interest situations are advised to exercise due diligence with regard to ethics, independent pricing, and Government procurement integrity requirements. In such cases, the Government reserves the right to negotiate with the owner directly.
 12. Documents supporting evidence of capability to perform. Refer to the "Evidence of Capability to Perform" paragraph in the MISCELLANEOUS section of this SFO.
 13. Any Brokerage Commission Agreement between GSA's Tenant Representative and the Lessor for commissions identified in the GSA Form 1217 (July 94).
- C. Refer to GSA Form 3516, Solicitation Provisions, for additional instructions. If additional information is needed, the Contracting Officer (or the Contracting Officer's designated representative) should be contacted.
- D. There will be no public opening of offers, and all offers will be confidential until the lease has been awarded. However, the Government may release proposals outside the Government to a Government-support contractor to assist in the evaluation of offers. Such Government contractors shall be required to protect the data from unauthorized disclosure. The Offeror who desires to maximize protection of information in the offer may apply the restriction notice to the offer as described in GSA Form 3516, Solicitation Provision, 552.270-1 (d), *Restriction on Disclosure and Use of Data*.

E. **IMPORTANT CLARIFICATIONS TO OFFER REQUIREMENTS:**

1. Rate structure required from subparagraph B shall include the following:
 - a. A lease rate per square foot for the building shell rental, fully serviced. It is the intent of the Government to lease a building shell with a Tenant Improvement Allowance. All improvements in the base building, lobbies, common areas, and core areas shall be provided by the Lessor, at the Lessor's expense. This rate shall include, but not limited to, property financing (exclusive of Tenant Improvement), insurance, taxes, management, profit, etc., for the building. The building shell rental rate shall also include all basic building systems and common area buildout, including base building lobbies, common areas, and core areas, etc., exclusive of the ANSI/BOMA Office Area space offered as required in this SFO.
 - b. The annual cost (per usable and rentable square foot) for the cost of services and utilities. This equals line 27 of GSA Form 1217, Lessor's Annual Cost Statement, divided by the building size (shown on the top of both GSA Form 1364, Proposal to Lease Space, and Form 1217) for usable and rentable square feet respectively.
 - c. An annualized percentage interest rate to be used by the Lessor to amortize the cost of the Tenant Improvement Allowance over the firm term of the lease.
 - d. The annual amortized cost of the Tenant Improvements Allowance. Such amortization shall be expressed as a cost per usable and rentable square foot per year. Tenant Improvements shall be all alterations for the Government-demised area above the building shell buildout. The Tenant Improvements Allowance is stated in the Tenant Improvements Included in Offer paragraph elsewhere in this solicitation. Such alterations shall be described and identified in the drawings used to construct the Government-demised area. The Tenant Improvements Allowance, which is to be provided by the Lessor to the Government for Tenant Improvements, shall be made available at lease execution.
 - e. A fully-serviced lease rate per usable and rentable square foot as a summation of the amounts broken out in the subparagraphs a, b, and d for the lease.
 - f. A fully-serviced lease rate per usable and rentable square foot for that portion of the lease term extending beyond the firm term. The rate proposed for this portion of the term shall not reflect any Tenant Improvements as they will have been fully amortized over the firm term.

1.9 BUILDING SHELL REQUIREMENTS (FEB 2007)

A. The Lessor's buildout obligations in providing a building shell (at the Lessor's expense) shall include the following:

1. Base structure and building enclosure components shall be complete. All common areas accessible by the Government, such as lobbies, fire egress corridors and stairwells, elevators, garages, and services areas, shall be complete. Restrooms shall be complete and operational. All newly installed building shell components, including but not limited to, heating, ventilation, and air conditioning (HVAC), electrical, ceilings, sprinklers, etc., shall be furnished, installed, and coordinated with Tenant Improvements.
2. *Accessibility Requirements.* Accessibility to persons with disabilities shall be required throughout the common areas accessible to Government tenants in accordance with the Architectural Barriers Act Accessibility Standard (ABAAS), Appendices C and D to 36 CFR Part 1191 (ABA Chapters 1 and 2, and Chapters 3 through 10) and shall be installed and coordinated with Tenant Improvements. To the extent the standard referenced in the preceding sentence conflicts with local accessibility requirements, the more stringent standard shall apply.
3. *Ceilings.* A complete acoustical ceiling system (which includes grid and lay-in tiles) throughout the Government-demised area and all common areas accessible to Government tenants shall be required in accordance with the "Ceilings" paragraph

in the ARCHITECTURAL FINISHES section of this SFO. The acoustical ceiling system shall be furnished, installed, and coordinated with Tenant Improvements.

4. *Doors.* Exterior building doors and doors necessary to the lobbies, common areas, and core areas shall be required. This does not include suite entry or interior doors specific to Tenant Improvements. Related hardware shall be installed in accordance with the "Doors: Hardware" paragraph and the "Doors: Exterior" paragraph in the ARCHITECTURAL FINISHES section of this SFO.
5. *Partitions.* Permanent, perimeter, and demising slab-to-slab partitions (including all columns) finished with paint and base shall be required in accordance with the "Partitions: General" paragraph and the "Partitions: Permanent" paragraph in the ARCHITECTURAL FINISHES section of this SFO.
6. *Flooring.* All building common areas shall have finished floors in accordance with the "Floor Covering and Perimeters" paragraph in the ARCHITECTURAL FINISHES section of this SFO.
7. *Plumbing.* The Offeror shall include cost of plumbing in common areas, such as for toilet rooms and janitor closets as part of the building shell cost. Hot and cold water risers and domestic waste and vent risers, installed and ready for connections that are required for Tenant Improvements, shall be included in the shell rent.
8. *HVAC.* Central HVAC systems shall be installed and operational, including, as appropriate, main and branch lines, VAV boxes, dampers, flex ducts, and diffusers, for an open office layout, including all building common areas. Conditioned air through medium pressure duct work at a rate of .75 cubic feet per minute per ANSI/BOMA Office Area square foot shall be provided.
9. *Electrical.* Electrical power distribution panels and circuit breakers shall be available in an electrical closet, with capacity at 277/480 volt (V) and 120/208 V, 3-phase, 4-wire system providing 7 watts (W) per ANSI/BOMA Office Area square foot.
10. *Lighting.* Parabolic type 2'-0" wide x 2'-0" high fluorescent lighting fixtures (or other building standard fixtures) shall be installed in the ceiling grid for an open office plan at the rate of 1 fixture per 80 ANSI/BOMA Office Area square feet. Lighting as necessary shall be provided in all building common areas in accordance with the "Lighting: Interior and Parking" paragraph in the MECHANICAL, ELECTRICAL, PLUMBING section of this SFO.
11. *Safety and Environmental Management.* Complete safety and environmental management shall be provided throughout the building in accordance with federal, state, and local codes and laws including, but not limited to, such items as fire detection and alarms, emergency building power for life safety systems, etc., and shall be in accordance with ABAAS. Where sprinklers are required in the Government-demised area, sprinkler mains and distribution piping in a "protection" layout (open plan) with heads turned down with an escutcheon or trim plate shall be provided.
12. *Telephone Rooms.* Building telecommunication rooms on each floor shall be completed, operational, and ready for Tenant improvements. The telephone closets shall include a telephone backboard.
13. All of the above improvements are described in more detail hereinafter in this SFO.

1.10 TENANT IMPROVEMENTS INCLUDED IN OFFER (MAR 2007)

- A. The Tenant Improvements allowance \$45.66 per ANSI/BOMA Office Area square foot. The Tenant Improvements Allowance shall be used for the buildout of the Government-demised area in accordance with the Government-approved design intent drawings. All Tenant Improvements required by the Government for occupancy shall be performed by the successful Offeror as part of the rental consideration, and all improvements shall meet the quality standards and requirements of this solicitation and its attachments.
- B. The Tenant Improvements Allowance shall include all the Offeror's administrative costs, general contractor fees, subcontractor's profit and overhead costs, Offeror's profit and overhead, design costs, and other associated project fees necessary to prepare construction documents to complete the tenant improvements. It is the successful Offeror's responsibility to prepare all documentation (working drawings, etc.) required to receive construction permits. **NO COSTS ASSOCIATED WITH THE BUILDING SHELL SHALL BE INCLUDED IN THE TENANT IMPROVEMENT PRICING.**

1.11 TENANT IMPROVEMENTS RENTAL ADJUSTMENT (MAR 2007)

- A. All Tenant Improvements shall be identified after award of the contract in accordance with the provisions established in the "Design Intent Drawings" subparagraph in the "Construction Schedule and Acceptance of Tenant Improvements" paragraph in the MISCELLANEOUS section of this SFO.
 1. The Government, at its sole discretion, shall make all decisions as to the usage of the Tenant Improvements Allowance. The Government may use all or part of the Tenant Improvements Allowance. The Government may return to the Lessor any unused portion of the Tenant Improvements Allowance in exchange for a decrease in rent according to the amortization rate over the firm term.
 2. The Government reserves the right to make cash payments for any or all work performed by the Lessor. Prior to occupancy, the Government, at its sole discretion, may choose to pay lump sum for any or all of the Tenant Improvements Allowance. If, prior to occupancy, the Government elects to make a lump sum payment for any portion of the Tenant Improvements Allowance, the payment of the Tenant Improvements Allowance by the Government will result in a decrease in the rent.

3. If it is anticipated that the Government will spend more than the allowance identified above, the Government reserves the right to 1) reduce the Tenant Improvements requirements, 2) pay lump sum for the overage upon completion and acceptance of the improvements, or 3) increase the rent according to the negotiated amortization rate over the firm term of the lease.
4. Payment will not be made by the Government in instances where the Government accepts fixtures and/or other Tenant Improvements already in place. However, the Lessor will be reimbursed for costs to repair or improve the fixture(s) and/or any other improvements already in place.

1.12 PLANS WITH OFFER (SEP 2000)

All plans submitted for consideration shall have been generated by a Computer Aided Design (CAD) program which is compatible with the latest release of AutoCAD. The required file extension is .DWG. Clean and purged files shall be submitted on 3-1/2-inch double-sided, high density diskettes, or, if approved by the Contracting Officer, on CD-ROM or QIC (1/4-inch cartridge) tape. All submissions shall be accompanied with a written matrix indicating the layering standard to ensure that all information is recoverable. Plans shall include a proposed corridor pattern for typical floors and/or partial floors. All architectural features of the space shall be accurately shown.

1.13 BROKER COMMISSION AND COMMISSION CREDIT (NOV 2006)

A. For the purposes of this SFO, Jones Lang LaSalle (the Broker) is the authorized real estate broker representing GSA. A GSA Contracting Officer must review, approve, and execute the Lease. The government expects the Lessor to pay a commission to the Broker. By submitting an offer, the Lessor agrees that if the Lessor is paying a commission or fee in connection with this lease transaction to a listing agent, an offering agent, or broker, property manager, developer, or any, property manager, developer, or any other agent or representative, then the Lessor will pay a commission to the Broker that it normally would be entitled to pursuant to local business practices, as evidenced through a brokerage agreement between the Lessor and the Broker. The commission will be negotiated between the Lessor and the Broker and will be based on a lease term not to exceed the firm term of the lease contract. Commissions will not be negotiated or collected on option periods or for lease terms beyond the firm term of the lease. The Lessor agrees that the commission to be paid to the Broker shall be paid not later than the Lease Commencement date as defined in the "Construction Schedule and Acceptance of Tenant Improvements" paragraph in the MISCELLANEOUS section of this SFO. As part of the offer, the Offeror shall disclose any and all commissions and/or fees to be paid by the Lessor including both the Lessor's agent(s), broker(s), property manager, developer or any other agent or representative and the Broker.

Note: Subparagraphs B and C are not applicable to expedited lease transactions as defined by the National Broker Contract.

- B. For the benefit of the Government, the Broker has agreed to forego [redacted] percent of the commission that it is entitled to receive in connection with this lease transaction. The resulting total dollar value of the foregone commission (the Commission Credit) shall be applied in equal monthly amounts against shell rental payments due and owing under the Lease. The rental amount payable shall be reduced by the Commission Credit at the commencement of the Lease, over the minimum number of months that will not exceed the monthly shell rental, until the Commission Credit has been fully recaptured. The parties agree to execute a Supplemental Lease Agreement setting forth the full nature, extent, terms, and conditions of commissions paid to the Broker and the Commission Credit to be applied against the Government's rental payment obligations under the Lease.
- C. For purposes of price evaluation, the Commission Credit shall be treated as a deduction from the rent in accordance with the "Price Evaluation" paragraph in the SUMMARY section of this SFO. The amount of the commission paid to GSA's Broker shall not be considered separately as part of this price evaluation since the value of the commission is subsumed in the gross rent rate.

1.14 NEGOTIATIONS (MAY 2005)

- A. Negotiations will be conducted on behalf of the Government by the Contracting Officer (or the Contracting Officer's designated representative). The Contracting Officer is named on the cover of this SFO. GSA will negotiate rental price for the initial term, any renewal periods, and any other aspect of the offer as deemed necessary.
- B. The Offeror shall not enter into negotiations concerning the space leased or to be leased with representatives of federal agencies other than the Contracting Officer or designee.
- C. The Contracting Officer or their designated representative will conduct oral or written negotiations with all Offerors that are within the competitive range. The competitive range will be established by the Contracting Officer on the basis of cost or price and other factors (if any) that are stated in this SFO and will include all of the most highly rated proposals, unless the range is further reduced for purposes of efficiency. Offerors who are not included in the competitive range will be notified in writing.
- D. All Offerors will be provided a reasonable opportunity to submit any cost or price, technical, or other revisions to their offer that may result from the negotiations. Negotiations will be closed with submission of final proposal revisions ("Best and Final" offers).

1.15 PRICE EVALUATION (PRESENT VALUE) (MAY 2005)

- A. If annual CPI adjustments in operating expenses are included, the Offeror shall be required to submit the offer with the total "gross" annual price per rentable square foot and a breakout of the "base" price per rentable square foot for services and utilities (operating expenses) to be provided by the Lessor. The "gross" price shall include the "base" price.
- B. The Offeror shall be required to submit plans and any other information to demonstrate that the rentable space yields ANSI/BOMA Office Area space within the required ANSI/BOMA Office Area range. The Government will verify the amount of ANSI/BOMA

Office Area square footage and will convert the rentable prices offered to ANSI/BOMA Office Area prices, which will subsequently be used in the price evaluation.

- C. If the offer includes annual adjustments in operating expenses, the base price per ANSI/BOMA Office Area square foot from which adjustments are made will be the base price for the term of the lease, including any option periods.
- D. Evaluation of offered prices will be on the basis of the annual price per ANSI/BOMA Office Area square foot, including any option periods. The Government will perform present value price evaluation by reducing the prices per ANSI/BOMA Office Area square foot to a composite annual ANSI/BOMA Office Area square foot price, as follows:
 - 1. Parking and wareyard areas will be excluded from the total square footage but not from the price. For different types of space, the gross annual per square foot price will be determined by dividing the total annual rental by the total square footage minus these areas.
 - 2. Free rent will be evaluated in the year in which it is offered. The gross annual per square foot price is adjusted to reflect free rent.
 - 3. Prior to the discounting procedure below, the total dollar amount of the Commission Credit (if applicable) will be subtracted from the first year's gross annual rent (unless the provision of free rent causes the credit to apply against rent beyond the first year's term, in which case the Commission Credit will be allocated proportionately against the appropriate year's gross rent.
 - 4. Also as stated in the "Broker Commission and Commission Credit" paragraph, the amount of any commission paid to GSA's Broker will not be considered separately as part of this price evaluation since the value of the commission is subsumed in the gross rent rate.
 - 5. If annual adjustments in operating expenses will not be made, the gross annual per square foot price, minus the Commission Credit (if applicable), will be discounted annually at 5 percent to yield a gross present value cost (PVC) per square foot.
 - 6. If annual adjustments in operating expenses will be made, the annual per square foot price, minus the Commission Credit (if applicable) and the base cost of operating expenses, will be discounted annually at 5 percent to yield a net PVC per square foot. The operating expenses will be both escalated at 2.5 percent compounded annually and discounted annually at 5 percent, then added to the net PVC to yield the gross PVC.
 - 7. To the gross PVC will be added:
 - a. The cost of Government-provided services not included in the rental escalated at 2.5 percent compounded annually and discounted annually at 5 percent.
 - b. The annualized (over the full term) per ANSI/BOMA Office Area square foot cost of any items, which are to be reimbursed in a lump sum payment. (The cost of these items is present value; therefore, it will not be discounted.)
 - c. The cost of relocation of furniture, telecommunications, replications costs, and other move-related costs, if applicable.
 - 8. The sum of either subparagraphs 5 and 7 or subparagraphs 6 and 7 will be the ANSI/BOMA Office Area per square foot present value of the offer for price evaluation purposes.

1.16 HISTORIC PREFERENCE, GSAR 552.270-2 (VARIATION) (SEP 1999)

- A. Preference will be given to Offerors of space in buildings in, or formally listed as eligible for inclusion in, the National Register of Historic Places, and to historically-significant buildings in historic districts listed in the National Register. Such preference will be extended to historic buildings and will result in award if:
 - 1. The offer for space meets the terms and conditions of this SFO as well as any other offer received (It is within the discretion of the Contracting Officer to accept alternatives to certain architectural characteristics and safety features defined elsewhere in this SFO to maintain the historical integrity of the building, such as high ceilings, wooden floors, etc.) and
 - 2. The rental is no more than 10 percent higher, on a total annual square foot (ANSI/BOMA Office Area) cost to the Government, than the lowest otherwise acceptable offer.
- B. If more than one offer of an historic building is received and they meet the above criteria, an award will then be made to the lowest priced historic property offered.

1.17 AWARD (JAN 1997)

- A. After conclusion of negotiations, the Contracting Officer will require the Offeror selected for award to execute the proposed lease prepared by GSA which reflects the proposed agreement of the parties.
- B. The proposed lease shall consist of:
 - 1. Standard Form 2 (or GSA Form 3626) U.S. Government Lease for Real Property,

2. required clauses,
 3. required certifications and representations,
 4. the pertinent provisions of the offer, and
 5. the pertinent provisions of the SFO.
- C. The acceptance of the offer and award of the lease by the Government occurs upon notification of unconditional acceptance of the offer or execution of the lease by the Contracting Officer and mailing or otherwise furnishing written notification or the executed lease to the successful Offeror.

1.18 SEISMIC SAFETY FOR NEW CONSTRUCTION (SEP 2000)

- A. If an Offeror proposes to satisfy the requirements of this SFO through the construction of a new building or the construction of an addition to an existing building, then such new building or addition shall fully meet seismic safety standards, as described in subparagraphs B and C.
- B. For those buildings or additions to buildings described in subparagraph A, the Offeror shall provide a written certification from a licensed structural engineer that the building(s) conforms to the seismic standards for new construction of the current (as of the date of this SFO) edition of the International Conference of Building Officials' (ICBO) *Uniform Building Code (UBC)*, the Building Officials and Code Administrators (BOCA) *National Building Code*, or the Southern Building Code Congress International (SBCCI) *Standard Building Code*.
- C. All design and engineering documents, including structural engineering calculations, shall be made available for review by the Government during design development to ensure compliance with seismic safety standards.

1.19 LABOR STANDARDS (AUG 2003)

- A. If an Offeror proposes to satisfy the requirements of this SFO through the construction of a new building or the complete rehabilitation or reconstruction of an existing building, and the Government will be the sole or predominant tenant such that any other use of the building will be functionally or quantitatively incidental to the Government's use and occupancy, the following Federal Acquisition Regulation (FAR) clauses shall apply to all work (including base building and tenant buildout) performed prior to the Government's acceptance of space as substantially complete. Full text versions of these clauses are available upon request from the Contracting Officer. Full text versions are also available at the following web site: <http://www.arnet.gov/far/>

- 52.222-4 Contract Work Hours and Safety Standards Act - Overtime Compensation
- 52.222-6 Davis-Bacon Act
- 52.222-7 Withholding of Funds
- 52.222-8 Payrolls and Basic Records
- 52.222-9 Apprentices and Trainees
- 52.222-10 Compliance with Copeland Act Requirements
- 52.222-11 Subcontracts (Labor Standards)
- 52.222-12 Contract Termination-Debarment
- 52.222-13 Compliance with Davis-Bacon and Related Act Regulations
- 52.222-14 Disputes Concerning Labor Standards
- 52.222-15 Certification of Eligibility