

This Lease is made and entered into between Lessor's Name **Levin Family Limited Partnership and Century Park Properties, L.L.C.**, whose principal place of business is 6964 E. Century Park Drive, Tucson, AZ 85756-9188, and whose interest in the Property described herein is that of Fee Owner, and The United States of America (Government), acting by and through the designated representative of the General Services Administration (GSA), upon the terms and conditions set forth herein.

Witnesseth: The parties hereto, for the consideration hereinafter mentioned, covenant and agree as follows:

Lessor hereby leases to the Government the Premises described herein, being all of the Property located at

**6692 Memorial Place, Tucson, AZ 85756-9123**

and more fully described in Section 1.01, The Premises (June 2012) and Exhibit A- Floor Plans and Exhibit B-Site Plan, together with rights to the use of parking and other areas as set forth herein, to be used for such purposes as determined by GSA.

#### LEASE TERM

To Have and To Hold the said Premises with its appurtenances for the term beginning upon acceptance of the Premises as required by this Lease and continuing for a period of **10 Years, 5 Years Firm**,

subject to termination and renewal rights as may be hereinafter set forth. The commencement date of this Lease, along with any applicable termination and renewal rights, shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of the Space by the Government.

In Witness Whereof, the parties to this Lease evidence their agreement to all terms and conditions set forth herein by their signatures below, to be effective as of the date of delivery of the fully executed Lease to the Lessor.



Name: Michael A. Levin

Title: Attorney-in Fact

Entity Name: Levin Family Limited Partnership

Date: 2/26/14



Title: Lease Contracting Officer

General Services Administration, Public Buildings Service

Date: FEB 27 2014


FOR 

Name: Michael A. Levin

Title: Attorney-in Fact

Entity Name: Century Park Properties, L.L.C.

Date: 2/26/14

W  BY:

Name: Stephen Cole

Title: \_\_\_\_\_

Date: 2-26-14

The information collection requirements contained in this Solicitation/Contract, that are not required by the regulation, have been approved by the Office of Management and Budget pursuant to the Paperwork Reduction Act and assigned the OMB Control No. 3090-0163.

## SECTION 1 THE PREMISES, RENT, AND OTHER TERMS

### 1.01 THE PREMISES (JUN 2012)

The Premises are described as follows:

A. Office and Related Space: 40,500 rentable square feet (RSF), yielding 40,500 ANSI/BOMA Office Area (ABOA) square feet (SF) of office, warehouse and related Space located on the first and second floors of the entire Building and 2.0 acres of wareyard space, as depicted on the floor plan(s) and site plan attached hereto as Exhibit A and B, A total of 4 pages. The Lessor shall provide a total of .5 acres in the wareyard area as Free space to the Government. No rental consideration shall be due by the Government with regard to the .5 acres of wareyard space.

B. Common Area Factor: The Common Area Factor (CAF) is established as 1.00 percent. This factor, which represents the conversion from ABOA to rentable square feet, rounded to the nearest whole percentage, shall be used for purposes of rental adjustments in accordance with the Payment Clause of the General Clauses.

### 1.02 EXPRESS APPURTENANT RIGHTS (JUN 2012)

The Government shall have the non-exclusive right to the use of Appurtenant Areas, and shall have the right to post Rules and Regulations Governing Conduct on Federal Property, Title 41, CFR, Part 102-74, Subpart C within such areas. The Government will coordinate with Lessor to ensure signage is consistent with Lessor's standards. Appurtenant to the Premises and included in the Lease are rights to use the following:

A. Parking: One Hundred and Forty (140) parking spaces as depicted on the plan attached hereto as Exhibit A reserved for the exclusive use of the Government, of which 0 shall be structured/inside parking spaces, and 140 shall be surface/outside parking spaces. In addition, the Lessor shall provide such additional parking spaces as required by the applicable code of the local government entity having jurisdiction over the Property.

B. Antennas, Satellite Dishes, and Related Transmission Devices: Space located on the roof of the Building sufficient in size for the installation and placement of the telecommunications equipment as such may be described herein, together with the right to access the roof and use of, all Building areas (e.g., chases, plenums) necessary for the use, operation and maintenance of such equipment at all times during the term of this Lease.

### 1.03 RENT AND OTHER CONSIDERATION (SEP 2012)

A. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

Years	Shell Rate*1	Annual Base Year Service Cost*2	Annual Amortized T.I.'s*3	BSAC – Amortized Cost*3	Annual Total Rent
Year 1	\$486,000.00	\$137,215.01	\$156,338.66	\$240,584.58	\$ 1,020,138.25
Year 2	\$500,580.00	\$137,215.01	\$156,338.66	\$240,584.58	\$ 1,034,718.25
Year 3	\$515,565.00	\$137,215.01	\$156,338.66	\$240,584.58	\$1,049,703.25
Year 4	\$530,955.00	\$137,215.01	\$156,338.66	\$240,584.58	\$1,065,093.25
Year 5	\$546,750.00	\$137,215.01	\$156,338.66	\$240,584.58	\$1,080,888.25
Year 6	\$563,355.00	\$137,215.01	\$0.00	\$0.00	\$ 700,570.01
Year 7	\$580,365.00	\$137,215.01	\$0.00	\$0.00	\$ 717,580.01
Year 8	\$597,780.00	\$137,215.01	\$0.00	\$0.00	\$ 734,995.01
Year 9	\$615,600.00	\$137,215.01	\$0.00	\$0.00	\$ 752,815.01
Year 10	\$634,230.00	\$137,215.01	\$0.00	\$0.00	\$ 771,445.01

\*1The cost of parking is included in Shell Rent

\*2Operating Costs rent calculation: \$3.388025 per ABOA SF per RSF multiplied by 40,500 RSF; escalated annually by CPI per Paragraph 2.09 herein.

<sup>3</sup>The Tenant Improvement Allowance of \$16.245708 per ABOA SF is amortized at a rate of 7 percent per annum over 5 years (\$3.860214 per ABOA SF per year).

<sup>4</sup>Building Specific Amortized Capital (BSAC) of \$25.00 per ABOA SF is amortized at a rate of 7 percent per annum over 5 years (\$5.940360 per ABOA SF per year).

B. Rent is subject to adjustment based upon a mutual on-site measurement of the Space upon acceptance, not to exceed 40,500 ABOA SF based upon the methodology outlined under the "Payment" clause of GSA Form 3517.

C. INTENTIONALLY DELETED

D. INTENTIONALLY DELETED

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's SYSTEM FOR AWARD MANAGEMENT (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses;

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

#### 1.04 BROKER COMMISSION AND COMMISSION CREDIT (JUN 2012)

Carpenter/Robbins Commercial Real Estate, Inc. (Broker) is the authorized real estate Broker representing GSA in connection with this Lease transaction. The total amount of the Commission is [REDACTED] (being [REDACTED] of the Aggregate Lease Value as defined in that separate Commission Agreement executed between the two parties, dated August 26, 2014) and is earned upon Lease execution, payable according to the Commission Agreement signed between the two parties. Only [REDACTED] being [REDACTED] of the Commission will be payable to Carpenter/Robbins Commercial Real Estate, Inc. with the remaining [REDACTED] which is the Commission Credit, to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest time practicable.

Notwithstanding the "Rent and Other Consideration" paragraph of this Lease, the shell rental payments due and owing under this Lease shall be reduced to recapture fully 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 \$85,011.52 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted First Month's Rent.

Second Month's Rental Payment of \$85,011.52 minus prorated Commission Credit of [REDACTED] equals [REDACTED] adjusted Second Month's Rent.

*The above calculations are subject to change based on adjustments outlined under the paragraph "Rent and Other Consideration."*

#### 1.05 TERMINATION RIGHTS (AUG 2011)

The Government may terminate this Lease, in whole or in part, at any time effective after the Firm Term of this Lease, by providing not less than 120 days' prior written notice to the Lessor. The effective date of the termination shall be the day following the expiration of the required notice period or the termination date set forth in the notice, whichever is later. No rental shall accrue after the effective date of termination.

#### 1.06 RENEWAL RIGHTS (AUG 2014) INTENTIONALLY DELETED

#### 1.07 DOCUMENTS INCORPORATED IN THE LEASE (SEP 2012)

The following documents are attached to and made part of the Lease:

DOCUMENT NAME	NO. OF PAGES	EXHIBIT
STANDARD LEASE	39	
SITE / FLOOR PLANS	1	A
PARKING PLAN	1	B
██████████ AGENCY SPECIAL REQUIREMENTS, REVISED 7/9/13	17	C
ADDITIONAL AGENCY SPECIAL REQUIREMENTS	SEE SECTION 7	C1
Security Requirements for Level III	4	D
SECURITY UNIT PRICE LIST	3	E
GSA FORM 3517B GENERAL CLAUSES	46	F
GSA FORM 3518 REPRESENTATIONS AND CERTIFICATIONS	10	G

#### 1.08 TENANT IMPROVEMENT ALLOWANCE (AUG 2011)

The Tenant Improvement Allowance (TIA) for purposes of this Lease is \$16.245708 per ABOA SF. The TIA is the amount that the Lessor shall make available for the Government to be used for TIs. This amount is amortized in the rent over the Firm Term of this Lease at an annual interest rate of seven (7%) percent.

#### 1.09 TENANT IMPROVEMENT RENTAL ADJUSTMENT (AUG 2011)

A. The Government, at its sole discretion, shall make all decisions as to the use of the TIA. The Government may use all or part of the TIA. The Government may return to the Lessor any unused portion of the TIA in exchange for a decrease in rent according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump sum payments for any or all work covered by the TIA. That part of the TIA amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay lump sum for any part or all of the remaining unpaid amortized balance of the TIA. If the Government elects to make a lump sum payment for the TIA after occupancy, the payment of the TIA by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

C. If it is anticipated that the Government will spend more than the allowance identified above, the Government shall have the right to either:

1. Reduce the TI requirements;
2. Pay lump sum for the overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph;
3. Negotiate an increase in the rent.

#### 1.10 TENANT IMPROVEMENT FEE SCHEDULE (JUN 2012)

For pricing TI costs, the following rates shall apply for the initial build-out of the Space.

	INITIAL BUILD-OUT
ARCHITECT/ENGINEER FEES ( \$ PER ABOA SF OR % OF TI CONSTRUCTION COSTS)	10%
LESSOR'S PROJECT MANAGEMENT FEE (% OF TI CONSTRUCTION COSTS)	3%

#### 1.11 BUILDING SPECIFIC AMORTIZED CAPITAL (SEP 2012)

For purposes of this Lease, the Building Specific Amortized Capital (BSAC) is \$25.00 per ABOA SF. The Lessor will make the total BSAC amount available to the Government, which will use the funds for security related improvements. This amount is amortized in the rent over the Firm Term of this lease at an annual interest rate of seven (7%) percent.

#### 1.12 BUILDING SPECIFIC AMORTIZED CAPITAL RENTAL ADJUSTMENT (SEP 2012)

A. The Government, at its sole discretion, shall make all decisions about the use of the Building Specific Amortized Capital (BSAC). The Government may use all or part of the BSAC. The Government may return to the lessor any unused portion of the BSAC in exchange for a decrease in rent (where applicable) according to the agreed-upon amortization rate over the Firm Term.

B. The Government may elect to make lump-sum payments for any work covered by the BSAC. The part of the BSAC amortized in the rent shall be reduced accordingly. At any time after occupancy and during the Firm Term of the Lease, the Government, at its sole discretion, may elect to pay a lump sum for any part or all of the remaining unpaid amortized balance of the BSAC. If the Government elects to make a lump-sum payment for the BSAC after occupancy, the payment of the BSAC by the Government will result in a decrease in the rent according to the amortization rate over the Firm Term of the Lease.

- C. If it is anticipated that the Government will spend more than the BSAC identified above, the Government shall have the right to either:
1. Reduce the security countermeasure requirements;
  2. Pay a lump sum for the amount overage upon substantial completion in accordance with the "Acceptance of Space and Certificate of Occupancy" paragraph; or
  3. Negotiate an increase in the rent.

**1.13 PERCENTAGE OF OCCUPANCY FOR TAX ADJUSTMENT (JUN 2012)**

As of the Lease Award Date, the Government's Percentage of Occupancy, as defined in the "Real Estate Tax Adjustment" paragraph of this Lease is One Hundred (100%) percent.

**1.14 REAL ESTATE TAX BASE (JUN 2012)**

The Real Estate Tax Base, as defined in the "Real Estate Tax Adjustment" paragraph of the Lease is \$9,947.05. (Assessment at time of Lease award is based upon a Pima Count tax abatement Foreign Trade Zone in effect at time of lease award.)

**1.15 OPERATING COST BASE (AUG 2011)**

The parties agree that for the purpose of applying the paragraph titled "Operating Costs Adjustment" that the Lessor's base rate for operating costs shall be \$3.388025 per RSF (\$137,215.00/annum).

**1.16 RATE FOR ADJUSTMENT FOR VACANT LEASED PREMISES (JUN 2012)**

In accordance with the paragraph entitled "Adjustment for Vacant Premises," if the Government fails to occupy or vacates the entire leased Premises prior to expiration of the term of the Lease, the operating costs paid by the Government as part of the rent shall be reduced by \$1.00/year per ABOA SF of Space vacated by the Government.

**1.17 HOURLY OVERTIME HVAC RATES (AUG 2011)**

The following rate shall apply in the application of the paragraph titled "Overtime HVAC Usage:"

- \$ 40.00 per hour for the entire Building

**1.18 24-HOUR HVAC REQUIREMENT (APR 2011)**

The hourly overtime HVAC rate specified above shall not apply to any portion of the Premises that is required to have heating and cooling 24 hours per day, which shall be provided at No Charge for the entire term.

**1.19 BUILDING IMPROVEMENTS (SEP 2012)**

Before the Government accepts the space, the Lessor shall complete the following additional Building improvements to meet the Energy Star requirements under Section 3.16 Energy Independence and Security Act (2011) of this lease:

- A. Install Low Flow toilets.
- B. Install occupancy sensors in the warehouse

**1.20 HUBZONE SMALL BUSINESS CONCERNS ADDITIONAL PERFORMANCE REQUIREMENTS (MAR 2012)**

If the Lessor is a qualified HUBZone small business concern (SBC) that did not waive the price evaluation preference then as required by 13 C.F.R. 126.700, the HUBZone SBC must spend at least 50% of the cost of the contract incurred for personnel on its own employees or employees of other qualified HUBZone SBC's and must meet the performance of the work requirements for subcontracting in 13 C.F.R. § 125.6(c). If the Lessor is a HUBZone joint venture, the aggregate of the qualified HUBZone SBC's to the joint venture, not each concern separately, must perform the applicable percentage of work required by this clause.